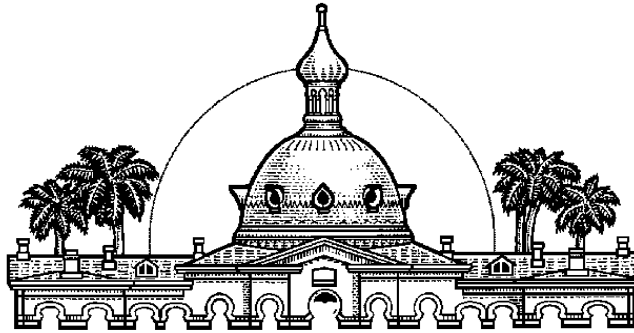

TABLE OF CONTENTS

Budget Adoption Process Requirements.....	1
Procedures for Amending the Budget.....	3
Financial Policies and Guidelines	4
Estimation of the County’s Ending Fund Balance for FY 99	13
Reserves and Refunds	16
Non-Departmental Organizations	23
FY 99 Funds and Subfunds	32
Debt Service Budget	41
Debt Outstanding as of 9/30/98.....	42
Debt Service Budget Summary – Debt Requirements for County Debt.....	44
FY 99 Debt Service Budget.....	45
Fixed vs. Variable Interest Rate Debt	46
Total Debt Outstanding	47
Debt Capacity	48
Pledgable Revenue Sources Schedule	49
Debt Capacity Schedule	50
Refinancing of Debt.....	51
Summary of Total County Debt by Type	52
Debt Statement as of September 30, 1998	53
Outstanding Debt.....	54
Self-Supporting Revenue Debt	55
Contingent Liabilities	57
Bond Ratings and Credit Enhancement.....	59
Debt Related Ratios	60
Credit Ratings of Outstanding Debt	61
Summary of Debt Service Requirements FY 99.....	62
Summary of Outstanding Debt as of September 30, 1998.....	64



Hillsborough County
Florida

BUDGET ADOPTION PROCESS REQUIREMENTS

An annual budget, including all such funds as required by law, shall be prepared, approved and adopted for each fiscal year. The budget shall control the levy of taxes and expenditure of money for all County purposes during the ensuing fiscal year. The budget process shall be conducted in accordance with Chapters 125, 129, 200, and 218 of the Florida Statutes, as amended.

SPECIFIC REQUIREMENTS

By July 1, the Property Appraiser must certify the (initial) taxable value of property within each taxing district.

The County Administrator must present a balanced budget to the Board of County Commissioners (BOCC) by July 15.

Within 35 days of either July 1, or the date the Property Appraiser certifies the taxable value of property, whichever is later, the BOCC must set proposed millage rates. At that time, a date, time and place is set for a first public hearing on the proposed budget and millage rates.

Within 65 to 80 days of July 1, or the date the Property Appraiser certifies the taxable value, the BOCC must hold a public hearing, after 5:00 p.m., to hear public testimony and to adopt a tentative budget and tentative millage rates. The first substantive issues discussed must be the percentage increase in the proposed millage rate over the rolled-back rate and the specific purposes for which the ad valorem tax revenues are being increased. (Information on rolled-back millages may be found on page ES-31 of **Volume I: Operations and Funding Guide** and a definition may be found in the glossary on page 259.) Prior to the conclusion of the hearing, the BOCC shall amend the tentative budget as it deems necessary, adopt the amended tentative budget, recompute its proposed millage rates and publicly announce the percent, if any, by which the recomputed proposed millage exceeds the rolled-back rate. That percentage shall be characterized as the percentage increase in property taxes tentatively adopted by the BOCC (regardless of whether millage rates have changed). A date, time and place for a second public hearing is set at this hearing. As with the first public hearing, the second public hearing must be held after 5:00 p.m.

Within fifteen days after the first public hearing, the County must publish two adjacent budget ads in a newspaper of general circulation in the County. One advertisement notifies County residents of the BOCC's intent to finally adopt millage rates and a budget, identifying any increase in property taxes. The second advertisement summarizes the tentative budget, showing for each budget and for the total of all budgets, the proposed millage rates, balances, reserves, and major revenues and expenditures classifications. Specific size, placement, and wording requirements apply, as set forth in Chapter 200.065(3) of the Florida Statutes.

Within two to five days after the advertisements are published, a second public hearing is held to hear public testimony and to adopt a final budget and final millage rates. If, for any reason, the adoption of the final budget is delayed beyond the start of the next fiscal year, the BOCC can expend moneys as outlined in Chapter 200.065(2)(g) of the Florida Statutes, as amended.

Copies of completed resolutions adopting the final millages are forwarded to the Property Appraiser and the Tax Collector by the Clerk to the BOCC within approximately 100 days of certification of preliminary taxable value by the Property Appraiser.

Not later than 30 days following adoption of an ordinance or resolution establishing a property tax levy, the BOCC shall certify, to the Florida Department of Revenue, compliance with the provisions of Chapter 200 of the Florida Statutes, as amended. In addition to a statement of compliance, the certification package including a copy of the adopted millage resolution or ordinance, a copy of the budget advertisements including proof of publication, and a copy of the Certification of Taxable Value form.

Copies of the budget shall be filed with the Clerk of the BOCC as public records.

Upon final adoption of the budget, the budget shall regulate the expenditures of the County and the budget shall not be amended, except as provided for in Chapter 129.06, Florida Statutes.

BUDGET ADOPTION PROCESS REQUIREMENTS

Pursuant to Chapter 129.07, Florida Statutes, it is unlawful for the BOCC to expend or contract for expenditures in any fiscal year in excess of the amount budgeted in each fund. Every appropriation shall lapse at

the close of the fiscal year. Unexpended funds for uncompleted projects and encumbrances for capital outlay (equipment) at the close of the fiscal year may be reappropriated in the succeeding fiscal year.

PROCEDURES FOR AMENDING THE BUDGET

For a full discussion of the County's budget process, see page ES-9 of **Volume I: Operations and Funding Guide**.

After the formal adoption of the budget by the Board of County Commissioners (BOCC) in September for the fiscal year beginning October 1, changes may be made to the adopted budget with a budget amendment. An amendment is a BOCC agenda item processed to increase or to decrease an existing budget. At no time can the budget be amended so that it is no longer balanced.

Items requiring action by the BOCC are usually initiated by the individual department affected by the item. These items are accompanied by an AGENDA ITEM COVER SHEET form. This form is also used to amend the budget. However, the following additional information is required for budget amendments:

- The subject section of the AGENDA ITEM COVER SHEET must state Request for Budget Amendment Resolution.
- The recommendation section of the cover sheet must state where funds are coming from and where funds are going; justification on why the action is needed; and the amount of the increase or decrease.
- A separate form entitled LINE ITEM DETAIL showing the specific accounts affected must accompany the cover sheet.

Each department director is responsible for initiating agenda items affecting that department's activities or budget. The completed AGENDA ITEM COVER SHEET with the LINE ITEM DETAIL, including the estimated impact on the next fiscal year and any other appropriate information, is signed by the department director and then forwarded for review through the organization. The following order is suggested for review and signature, unless otherwise noted:

- Department Director
- Management and Budget Department.
- Purchasing Department (if a contract is attached to the agenda item)
- County Attorney's Office
- Assistant County Administrator (required for departments under the County Administrator).

All budget amendments are submitted to Administrative Services for final coordination and preparation of the BOCC's agenda. A copy is forwarded by the Management and Budget Department to the Clerk of the Circuit Court's Finance Department to facilitate pre-audit of what--if approved by the BOCC--will amend authorized expenditures.

The Management and Budget Department reviews the request for accuracy, availability of funds, completeness, and other matters considered appropriate for good financial management. Changes or corrections recommended by Management and Budget are discussed with the initiating department and are accomplished either in Management and Budget or by the originating office, as appropriate.

Upon approval by the BOCC, a budget resolution is prepared by the Clerk to the BOCC, signed by the Chairman of the BOCC, and forwarded to the Clerk's Office for incorporation into the County's financial record keeping system. In accordance with BOCC Policy 03.02.05.00, any budget amendment that requires a drawdown on the reserve for contingency in either the unrestricted General Fund or the unrestricted MSTU Fund must be approved by a super majority vote of the BOCC.

FINANCIAL POLICIES AND GUIDELINES

Hillsborough County Management Services has explicit responsibility for all financial planning for the Board of County Commissioners (BOCC) including operating, capital and debt service budgets; and the allocation of resources to facilitate accomplishing BOCC goals. Management Services is also responsible for developing long-range financial planning strategies. These functions are performed by the Management and Budget Department and the Debt Management Department.

To execute these responsibilities and to maintain sound financial management practices, it is important to have financial policies and related procedures that complement the statutory requirements and professional standards which establish local governments' financial management framework. To this end, the Management and Budget Department and the Debt Management Department are involved in the on-going effort to research, document and publish financial policies and guidelines.

There are two key Florida Statutes that regulate local government budget development and implementation, Chapters 129 and 200. Chapter 129 entitled "County Annual Budget," establishes a system for controlling finances of county boards of commissioners throughout the State. Chapter 200, "Determination of Millage," defines the duty of the county commissioners in setting the rate of taxation. These statutory provisions set the framework for the budgetary process. In addition, Generally Accepted Accounting Principles (GAAP) for state and local governments as set forth by the Governmental Accounting Standards Board (GASB), provide professional standards that guide public financial management and reporting.

POLICIES AND GUIDELINES

The following policy statements guide the annual budget development and monitoring functions of the County. They correspond closely to explicit provisions found in the statutes and complement professional standards established by GASB.

1. **Chapter 129.01(b), Florida Statutes:** The Budget will be balanced by subfund, that is, the estimated revenues including balances brought forward will equal the total of the appropriations and reserves.
2. **Chapter 129.06(2)(d & e), Florida Statutes:** Fund revenue and expenditure totals may be increased or decreased by formal action of the BOCC: a) following appropriate public notice and public hearing, b) in the event new revenue is received from an unanticipated source, or c) in the County's enterprise funds.
3. **Chapter 129.06 (2)(a), Florida Statutes:** Budget changes may be made through the budget amendment process.
4. **Chapter 129.01 (2)(c)1, Florida Statutes:** Reserves for contingencies may be established for each fund during the annual budget development process, and when established, will be in compliance with Florida Statutes requiring that reserves for contingencies not exceed ten percent of the total budget.
5. **Chapter 129.01(d), Florida Statutes:** A reserve for reappropriation will be provided in each fund as necessary to provide for the payment of vouchers which have been incurred in the year(s) prior to the fiscal year for which the budget is being prepared.
6. **Chapter 129.01(2)(b), Florida Statutes:** Budgeted reimbursements are considered anticipated receipts and as such will be budgeted at 95% of the estimated fiscal year total.
7. **Chapter 129.06(3)(b), Florida Statutes:** Interfund transfers are fixed when the budget is adopted.
8. **BOCC Policy 03.02.02.01:** It is the policy of the BOCC that all government organizations funded in whole, or part, by the BOCC submit budget requests for the upcoming year (or in the case of a two year budget process, for two years) in accordance with the budget instructions distributed annually by the County Administrator, as designated Budget Officer.
9. **BOCC Policy 03.02.04.00:** It is the policy of the (BOCC) to maintain a Catastrophic Emergency ("Rainy Day") reserve within the County's Self Insurance Fund for events of such magnitude that they could not otherwise be covered by available, budgeted funds. This reserve shall be used only for one or more of the following events:

FINANCIAL POLICIES AND GUIDELINES

- Local disaster recover requiring County expenditures;
- Unanticipated County liability;
- Major County revenue shortfall.

Expenditures or revenue of the County's enterprise operations are excluded. Use of this reserve requires approval by a super majority vote of the BOCC, and the prior drawdown of all available, and appropriate, contingency reserves.

10. Hillsborough County Ordinances 92-8 and 95-18:

Safety of Investment Principal. The highest priority in the handling of investments for the County is safety of principal. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they be from securities, defaults, or erosion of market value. Investments shall be diversified to the extent practicable to control risk of loss resulting from over concentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial instruments are bought and sold. From time to time, securities may be traded for other similar securities to improve yield, maturity, or credit risk. For these type transactions, a loss may be incurred for accounting purposes, provided any of the following occurs with respect to the replacement security:

- Yield has been increased
- Maturity has been reduced
- Quality of investment has been improved
- A positive blend for arbitrage purposes has been accomplished

Liquidity and Maturity. The investment portfolio must be structured in such a manner that will provide sufficient liquidity to pay obligations as they become due. To the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash-flow requirements. In general, no investment will be purchased with maturities in excess of ten years. Certificates of Deposit may not exceed two years and Repurchase Agreements may not exceed 180 days.

Yield. The County seeks to optimize return on investments within the constraints of safety and liquidity. The investment portfolio shall be designed with the annual objective of exceeding the average return on three-month (90 day) U. S. Treasury Bills

or the Federal Funds Rate, whichever is higher. These indices are considered benchmarks for riskless investment transactions and therefore comprise a minimum standard for the portfolio rate of return. The investment program shall seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles.

Portfolio Composition. The following limits at the time of purchase on issues, issuers, and maturities are established:

- Treasury Securities--100%
- Florida Local Government Surplus Funds Trust Fund--90%
- U. S. Agency Securities--60%
- Authorized Mutual Funds--60%
- Certificates of Deposit--50%
- All other investments--20%

Public Trust, Prudence and Ethical Standards. All participants in the investment process shall seek to act responsibly as custodians of the public trust. The Clerk's investment officials shall seek to avoid any transaction that might impair public confidence in the Clerk's ability to manage the funds effectively. The "prudent person" standard shall be used by investment officials and this standard shall be applied in the context of managing an overall portfolio. This standard means "Investments shall be made with judgment and care, under the circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Authorized Investment Institutions and Dealers. Securities will be purchased in accordance with Chapters 125.31 and 218.415, Florida Statutes.

Third Party Custodial Agreements. Securities will be kept in safekeeping at the County's Concentration Bank, where possible, in accordance with the Securities Custody Agreement entered into between the County and that bank. When necessary, other third-party custodial agreements may be negotiated. Securities transactions must be made on a "delivery vs. payment" basis.

FINANCIAL POLICIES AND GUIDELINES

Master Repurchase Agreement. All Repurchase Agreement transactions shall adhere to the requirements of the Master Repurchase Agreement executed with the County's Concentration Bank.

Bid Requirements. All investments, except the daily open repurchase agreement with the Concentration Bank and the purchase of securities of any management type investment company or investment trust, when feasible and appropriate, will be purchased through a competitive bidding process.

Internal Controls. The Clerk of the Circuit Court as Chief Financial Officer shall establish and monitor a set of written internal controls designed to protect the County's funds and ensure proper accounting and reporting of the investment transactions.

Internal controls shall be reviewed by independent auditors during any financial audit.

Reporting. The Clerk of the Circuit Court shall prepare periodic reports for submission to the Board of County Commissioners which shall include securities in the portfolio by class or type, book value, income earned, and market value as of the report date.

11. The Clerk is hereby authorized to invest public funds on hand at prevailing market rates in:

- those investments outlined in Chapters 125.31 and 218.415, Florida Statutes;
- Standard and Poor's "Qualified Investments for 'AAA' Financing," subject to collateralization requirements of Chapter 280, Florida Statutes;
- shares of the Florida Counties Investment Trust (FCIT) Government Fund or any other FCIT investment fund, the assets of which are restricted to investment instruments authorized by Section 125.31, Florida Statutes or by ordinance of the County, subject to execution of necessary documents; and
- other investment vehicles authorized by BOCC resolution.

12. **Hillsborough County Ordinances 92-8 and 95-18:** Reverse repurchase agreements are specifically prohibited.

13. **Debt Management**

Purpose: The purpose of this policy is to establish parameters and guidance for the issuance,

management, monitoring, assessment and evaluation of all Debt Obligations (defined below) by Hillsborough County.

BOCC Policy 03.02.06.00: It is the policy of the Board of County Commissioners: (a) to periodically approve the issuance of Debt Obligations on behalf of the County to finance the construction or acquisition of infrastructure and other assets for the purpose of meeting its governmental obligations to its residents; (b) to approve the issuance of Debt Obligations to refund outstanding debt when indicated by market conditions or management of Debt Obligations to refund outstanding debt when indicated by market conditions or management considerations; (c) that such Debt Obligations are issued and administered in such a manner as to ensure and sustain the long-term financial integrity of the County, to achieve the highest possible credit rating and to preserve and enhance the quality of life, safety and welfare of its citizens; (d) that such Debt Obligations shall not be issued or debt proceeds used to finance current operations of County government except as provided for herein; and, (e) to issue or guarantee Debt Obligation on behalf of independent authorities and agencies of the County for the purpose of constructing facilities or assets which serve a public purpose and further the goals of County government.

[The term "Debt Obligations" shall mean bonds, notes, letters and lines of credit, or other securities issued by the County against a pledge of specific revenue source or sources the proceeds of which are used to fund a capital project providing a public benefit.]

14. **Use of Excess Fund Balance**

Purpose: The purpose of this policy is to provide for prudent use of any excess fund balance to improve the County's financial security.

BOCC Policy 03.02.02.02: It is the policy of the BOCC that upon completion of the annual financial audit, any excess fund balance in the Countywide General Fund and the Unincorporated Area General Fund will be appropriated by budget amendment pursuant to Section 129.06, Florida Statutes, as follows:

- 25 percent will be transferred to a fleet replacement account in the Fleet Services Fund for the replacement of vehicles including annual rental costs until the County's fleet replacement

FINANCIAL POLICIES AND GUIDELINES

account for each fund has attained industry replacement standards, as identified by the Fleet Maintenance Department; and

- 25 percent will be transferred to a designated reserve in the Self Insurance Fund for unbudgeted litigation or judgment expenses until the reserve in that account equals one percent of the combined Countywide General Fund and Unincorporated Area General Fund; and
- 50 percent will be appropriated to the catastrophic emergency reserve in the Self Insurance Fund until reserves in that account match eight percent of expenditures in the Countywide General Fund and the Unincorporated Area General Fund; and
- any additional funds remaining as a result of meeting the required thresholds identified above will be split in the same ratio to meet the remaining threshold(s).

Once the standards are met for fleet replacement, unbudgeted litigation and judgments, and catastrophic reserves, excess fund balance in either fund may be appropriated in the next adopted budget for any legal purpose.

Excess fund balance is defined as both, (1) underexpenditures which may be realigned in the budget in which it was appropriated pursuant to Section 129.06(2)(a), Florida Statutes and, (2) unanticipated revenue which may be appropriated pursuant to Section 129.06(2)(f), Florida Statutes, that combined to exceed the budgeted beginning fund balance for the next fiscal year.

15. Earmarking of Funds

Purpose: The purpose of this policy is to provide the BOCC maximum discretion in the use of its funds.

BOCC Policy 03.02.02.03: It is the policy of the BOCC that the budget avoid “earmarking” of available revenues that would unnecessarily restrict the full range of potential uses of such revenues. The use of various funds, however, will be consistent with generally accepted accounting principles and Florida Statutes, Section 129.02.

16. Self Insurance Fund

Purpose: The purpose of this policy is to ensure that all programs managed through the Self Insurance Fund are fully funded through the fees recovered

through covered departments and agencies, including administrative costs and reserves. covered programs include: health insurance, worker’s compensation, auto liability, and general liability.

BOCC Policy 03.02.02.04: It is the policy of the BOCC that the County’s self-insured programs are fully funded, including reserves for incurred-but-not reported (IBNR) claims, through annual assessments to covered departments and agencies. Unrecovered costs in one year may be recovered in a subsequent year through adjustments to charges.

17. Pay-as-You-Go Funding of Capital Improvement Projects

Purpose: The purpose of this policy is to establish a long-term target for financing a portion of the County’s general government capital improvement program through pay-as-you-go funding, in order to provide adequate funding for minor projects, rehabilitation and renovation of existing assets, and front-end funding of other projects for which total project cost has not been calculated.

BOCC Policy 03.02.02.05: It is the long-term policy of the BOCC to use at least one percent of the County’s unrestricted Countywide General Fund and one percent of the County’s unrestricted Unincorporated Area General Fund revenues to provide pay-as-you-go funding for the general government capital improvement program (CIP) for renewal, replacement and/or improvement of County facilities. For the purpose of this calculation, fund balance, transfers, and other non-revenue sources will not be considered.

18. Prioritization of Capital Projects

Purpose: The purpose of this policy is to ensure that prioritization of capital projects reflect established community standards, and that the County maintains its existing infrastructure investments.

BOCC Policy 03.02.02.06: It is the policy of the BOCC that capital projects be prioritized based on standards established for each program. Within the prioritization process, capital maintenance of existing infrastructure will be given a higher priority than new construction. New construction projects will be prioritized based on standards established for each program, including comprehensive plan standards and impact fee standards.

FINANCIAL POLICIES AND GUIDELINES

19. Minimizing the Expense of Financing Capital Projects

Purpose: The purpose of this policy is to minimize the financing (interest) expense and operational impacts that may result from borrowing funds for future capital project requirements.

BOCC Policy 03.02.02.07: It is the policy of the BOCC that short-term or long-term financing for capital projects be based on anticipated cash requirements so as to borrow only when funds are needed, and to fully comply with federal tax code in regard to arbitrage rebates. That is, funds shall not be borrowed for future phases of a project, if those funds will not be needed within the next twelve months and the County will incur additional interest expense or operating impacts as a result of such action.

As necessary, the County will employ the use of bond anticipation notes (BANs), pay-as-you-go financing until an accurate project cost can be determined, and/or breaking a bond issue into phases.

20. Operating Impact of Capital Projects

Purpose: The purpose of this policy is to assess the impact of capital projects on the need for operational funding. such assessment should prevent the County from building or acquiring a project that the County cannot afford to operate and/or maintain.

BOCC Policy 03.02.02.08: It is the policy of the BOCC that all capital projects considered for funding by the County include information on the potential impacts on maintenance, as well as any cost of operating the project. Such information will include any savings resulting from the project, as well as any new costs. The operating impact information shall be provided for the period covered in the County's current six year Capital Improvement Program. No capital project shall be funded unless operating impacts have been assessed and the necessary funds can be reasonably assumed to be available, when needed.

21. User Fees and Cost Recovery

Purpose: The purpose of this policy is to identify the full cost of services for which user fees are charged and to establish, over time, specific cost recovery goals for these services that can be maintained as costs change. The calculation of the full cost of providing a service does not suggest that

user fees should fully recover the cost, only that the public should know what portion of the cost is being recovered through user fees, and such recovery rate should be maintained unless the Board acts to increase or reduce a cost recovery goal.

BOCC Policy 03.02.02.09: It is the policy of the BOCC that the County may from time to time establish or update fees for services provided by the County (user fees). The County will identify the full cost of providing a service for which fees are charged. Wherever practical, the County shall identify cost recovery goals for each fee and authorize automatic adjustment so that the fee can be updated to recover the same portion of the County's cost over time. The calculation of cost will include all reasonable and justifiable direct and indirect cost components.

22. Recovery of Indirect Costs

Purpose: The purpose of this policy is to establish how indirect cost charges are assessed to recover a portion of the General Fund costs for central service departments from other funding sources.

BOCC Policy 03.02.02.10: It is the policy of the BOCC that for the calculation of the value of indirect services provided to a department (exclusive of any grant-funded programs), the County use the most current, "full-cost" cost allocation plan.

- Enterprise operations - Each County enterprise operation shall reimburse the General Fund for the Calculated Value of indirect services provided to the enterprise. These costs should be incorporated into service charges levied by the enterprise. The amount actually charged should be based on the amount derived during the budget process.
- Internal service operations - Each County internal service operation shall reimburse the General Fund for the calculated value of indirect services provided to the internal service department. These costs should be incorporated into service charges levied by the internal service fund.
- Building Division - The Building Division of the Planning and Growth Management Department shall reimburse the General Fund for the calculated value of indirect services provided to the Building Division. These costs should be incorporated into permit and licensing fees levied by the Division.

FINANCIAL POLICIES AND GUIDELINES

- Special Library District - The Library Services Department, which is funded through the Special Library District, shall reimburse the General Fund for the calculated value of indirect services provided to the Library Services Department. These costs should be incorporated into the annual budget, and should be covered by the millage levied for the Special Library District Fund.
- Other Funds - As appropriate, other operating funds such as the Unincorporated Area General Fund and the County Transportation Trust Fund will reimburse the General Fund for the calculated value of indirect services provided to departments funded from those funds. The Management and Budget Department should determine where such charges are appropriate. These costs should be incorporated into the annual budget, and should be covered by the revenues available to those funds.

23. Anticipated Revenue Shortfalls

Purpose: The purpose of this policy is to ensure that a measurable reduction in revenues results in actions to reduce expenditures. Budget control is based on budgeted revenues. In the event actual revenues are anticipated to fall short of budget, expenditures should be reduced to ensure that a shortage of funds or a drawdown of fund balance does not occur.

BOCC Policy 03.02.02.11: It is the policy of the BOCC that in the event a significant revenue shortfall is within an operating fund, the County will develop a plan to reduce expenditures, use reserves, or take other appropriate actions to maintain the financial integrity of the County.

24. Fleet Maintenance

Purpose: The purpose of this policy is to operate the Fleet Maintenance Department in a self-sufficient manner, reflecting both maintenance of County vehicles and replacement of vehicles.

BOCC Policy 03.02.02.12: It is the policy of the BOCC that the Fleet Maintenance Department operate within an internal service fund. The internal service fund shall recover, over time, the full cost of providing fleet maintenance services to customers, as well as the projected replacement cost (net of salvage value) for vehicles owned by Fleet Maintenance and rented to departments and agencies. The Department will develop a fleet replacement schedule and update that schedule annually.

Within this internal service fund, there will be maintained a fleet replacement reserve, the purpose of which is to accumulate the funds necessary to replace County vehicles when they meet County standards for replacement. Fleet replacement standards shall be reviewed annually to ensure rental rates are set to recover sufficient funds to replace vehicles.

25. Pay Comparability with Public and Private Employers

Purpose: The purpose of this policy is for the County to be a competitive employer.

BOCC Policy 03.02.02.13: It is the Policy of the BOCC that pay ranges for all employees be adjusted so that the County can maintain the 50th percentile in a comparison of pay with public and private employers. For the purposes of that comparison, the midpoint of each County pay range is the imputed market value of a job and should be set so that one-half of comparable employers pay lower (the basis for a 50th percentile) and the other one-half pay higher.

26. Performance Pay

Purpose: The purpose of this policy is for the County to maintain a pay system for employees under the County Administrator that ties pay increases to performance as an incentive for employee performance.

{BOCC Policy 03.02.02.14}: It is the policy of the BOCC that the budget include an annual pay adjustment for employees, with each employee's actual pay adjustment based on an assessment of job performance.

27. Performance Measurement

Purpose: The purpose of this policy is to provide the public with quantifiable objectives for each organization and statistics on performance that can be compared over time, and against similar organizations in other jurisdictions. Objectives and measures provide the public with information on outcomes resulting from the investment of public funds in an organization's operations.

BOCC Policy 03.02.02.15: It is the policy of the BOCC that performance measures be developed for all organizations to provide information on workload, efficiency and effectiveness. Comparative information should be provided in budget documents for a minimum of three or four years--the previous

FINANCIAL POLICIES AND GUIDELINES

year, the current year, and the upcoming budget year or years. Selection of measures shall reflect quantifiable key objectives for each organization, “industry standards,” and the availability of data.

28. **Multi-Year Projection of Operating Funds**

Purpose: The purpose of this policy is to establish multi-year financial planning as a strategic planning tool for major operating funds that receive ad valorem tax revenue. A model can be used with trend analysis to project future revenues and expenditures in order to provide ample opportunity for the BOCC to take corrective action, as necessary, or to identify opportunities to reduce taxes and fees or expand services. It also provides a mechanism, prior to the construction or acquisition of capital projects, to assess the County’s ability to operate and/or maintain facilities.

BOCC Policy 03.02.02.16: It is the policy of the BOCC that the County annually prepare five year “Pro Forma” projections of revenues and expenditures for the Countywide General Fund and the Unincorporated Area General Fund. The projections should include the anticipated operating impacts of the adopted capital improvement program. Major assumptions should be outlined and sensitivity analysis should be provided for alternative assumptions.

29. **Budgetary Position Control**

Purpose: The purpose of this policy is to control expenditures on positions through control of the number of positions each organization is authorized to fill.

BOCC Policy 03.02.02.17: It is the policy of the BOCC that the total number of permanent full-time positions and part-time positions working 30 hours or more per week approved in the adopted budget for each department, agency or office may not be exceeded without prior approval of a change in the authorized staffing level. The County Administrator as designated Budget Officer, may authorize position realignments between departments, agencies and offices with the consent of any affected appointing authorities, so long as the realignment is not inconsistent with the work program in the approved budget.

Additions to the approved number of total positions (i.e., permanent full-time and part-time positions working 30 hours or more per week in all

organizations funded by the BOCC) will require BOCC approval.

30. **Budget Override Authority**

Purpose: The purpose of this policy is to provide for temporary bypass of normal budgetary controls when, in the conduct of normal business, a department or agency has expended its approved budget or has incurred unanticipated expenditures and it becomes necessary to issue warrants or process purchase orders or requisitions prior to having the BOCC approve additional appropriations through a budget amendment.

BOCC Policy 03.02.02.18: It is the policy of the BOCC that a procedure exist to permit the County Administrator, as designated Budget Officer, to provide authorization to the Clerk of Circuit Court, as Chief Financial Officer, to bypass or “override” established budgetary controls when there are no appropriations or insufficient appropriations with a designated department or agency funding source. To address the immediate operational requirement, such override will be requested only in situations when it is absolutely necessary and when a budget amendment has been prepared for approval by the BOCC at any of their next scheduled meetings, and when the County Administrator is not aware of any reason why the BOCC would reject approval of the budget amendment. At no time shall the fund be overexpended. The authority to prepare the budget amendment and coordinate the override with the Clerk of the Circuit Court may be delegated to the Budget Director.

In addition, this policy also authorizes the Clerk of Circuit Court to automatically process overrides on statutory payments (i.e., payroll, payroll benefits, and workers compensation payments), accounting system interfaces, and accounting corrective action when such processing is in the best interest of the County. Budget amendments to correct such overrides become the responsibility of the department or agency through their routine budget monitoring process.

31. **Balanced Budget**

Purpose: The purpose of this policy is to establish professional standards for the balancing of the annual budget that are consistent with a goal of long term financial health for the County.

FINANCIAL POLICIES AND GUIDELINES

BOCC Policy 03.02.02.19: It is the policy of the BOCC that the County adopt a balanced budget for all funds and any component subfunds of those funds. The County will avoid budget and accounting practices that balance the budget at the expense of future budgets. The budget will not use one-time (non-recurring) sources to fund continuing (recurring) uses, postpone expenditures, intentionally underestimate expenditures or overstate revenues, or use external borrowing for operational requirements.

32. **Budgetary Control**

Purpose: The purpose of this policy is to formalize the County's level of budgetary control, and to provide for the administrative realignments of funds by the Budget Officer in accordance with Florida Statutes, Section 129.06, to deal with unexpected needs as long as service to the public is not negatively impacted, and as long as there is timely reporting to the BOCC.

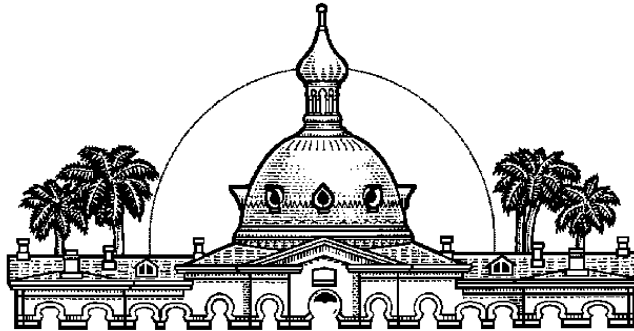
BOCC Policy 03.02.02.20: It is the policy of the BOCC that the budget be controlled at the level of character of expense within a subfund, by department or agency. In accordance with Florida Statutes, Section 129.06, the County Administrator, as designated Budget Officer, may authorize budget amendments within a subfund and within a department or agency within a County Administrator department. Budget amendments will only be authorized with the consent of any affected party.

Reserves and new revenues may not be appropriated through this process, intrafund and interfund transfers may not be changed, and total appropriations of the department or agency shall not be changed.

33. **Fiscal Year**

Purpose: The purpose of this policy is to conform the timing and reporting of County-operated programs to the fiscal year established for counties under Florida Statutes, Section 129.04, except where such timing would be inconsistent with federal or state programs. Consistent timing of program years with the fiscal year will allow reconciliation between program reporting and existing requirements for financial reporting. In general, this impacts non-grant programs where program reporting will be inconsistent with financial reporting unless both follow the same reporting period.

BOCC Policy 03.02.02.21: It is the policy of the BOCC that County programs be operated on a fiscal year period beginning each October 1, and ending the following September 30, except where such timing is inconsistent with federal or state programs. Operating contracts will include language that funding in future fiscal years will be subject to the availability of funds.



Hillsborough County
Florida

ESTIMATION OF THE COUNTY'S ENDING FUND BALANCE FOR FY 99: ITS FINANCIAL POSITION ON SEPTEMBER 30, 1999

In reviewing Hillsborough County's adopted budget for FY 99, the reader will notice that County practice is to appropriate all beginning fund balances and all revenues and other sources. As a result, it appears that it is the County's intent to end the fiscal year with no remaining funds. That is not the case.

The County's estimation of its fiscal position on September 30, 1999 can be looked at in two ways; on a budgetary basis and on a projected yearend basis.

First, a budgetary basis, State law requires a balanced budget, so a significant portion of the adopted budget is placed in reserves. Since these reserves cannot be expended but must first be appropriated by amendment of the adopted budget, the reserves can be viewed as an assumption of ending fund balance. In fact, sufficient reserves are included to ensure adequate funds are available at the beginning of the next fiscal year to meet payments. A listing of reserves is found in this document, and totals \$433.0 million in FY 99.

A second basis for looking at ending fund balance for FY 98 is to project how much of the funds appropriated in the adopted budget will actually be spent, based on past experience and current trends. The remaining (unspent) funds will create an ending fund balance. Similarly, by projecting excess revenues, an additional component of ending fund balance can be established. Excess revenues for local governments in Florida may result from a statutory requirement that governments appropriate 95% of certain revenues. While a 95% factor may be

reasonable for ad valorem collections, where adjustments to the tax roll and discounts for early payment result in collections of about 95%, it tends to understate collections from other revenues.

The final factor in this method of estimating ending fund balance is to review the budgeted reserves and project what portion of reserves will not be appropriated through budget amendments during the fiscal year. A multi-year projection of fund balances for three major operating funds is included in an annual five year Pro Forma budget document.

The following table presents a conservative fund-by-fund examination of ending fund balance calculated as follows:

The first column reflects the budgeted beginning fund balance for FY 99. The second column reflects 100% of budgeted revenues and other sources in FY 99. (No 95% factor is applied.) The third column reflects expenditures and other uses, excluding reserves. The final column, which reflects a somewhat conservative projection of fund balance as of September 30, 1999, is column one plus column two, less column three. The total for all funds is \$433.6 million. This estimate of ending fund balance for FY 99 excludes any savings that will occur if expenditures fall short of budget. In funds where significant amounts of capital expenditures occur, expenditures may fall short of budget, resulting in a higher ending fund balance than shown.

FY 99 ESTIMATED ENDING FUND BALANCE BY FUND

DESCRIPTION	BEGINNING FUND BALANCE	REVENUES/ SOURCES ¹	EXPEND/ USES ²	ENDING FUND BALANCE ³
General Revenue Fund				
Countywide General Fund	\$43,833,890	\$320,042,327	\$343,295,474	\$20,580,743
Unincorporated Area General Fund	10,161,278	186,755,909	183,919,668	12,997,519
Subtotal	53,995,168	506,798,236	527,215,142	33,578,262
Special Revenue Funds				
Countywide Special Purpose Revenue Fd	16,716,234	127,115,946	126,303,537	17,528,643
Unincorporated Area Special Purpose Fd	27,270,239	16,686,500	20,255,827	23,700,912
County Blended Component Units Fund	154,213	13,036,749	13,043,962	147,000
Local Housing Assistance Program Fund	0	3,615,000	3,615,000	0
Sales Tax Revenue Fund	9,374,500	139,706,581	143,020,444	6,060,637
Intergovernmental Grants	838,262	107,375,422	104,860,515	3,353,169
County Transportation Trust Fund	34,449,200	149,291,307	176,199,233	7,541,274
Library Tax District Fund	5,686,257	24,194,283	27,252,916	2,627,624
Infrastructure Surtax Fixed Project Fd	6,870,595	59,328,827	59,071,673	7,127,749
Subtotal	101,359,500	640,350,615	673,623,107	68,087,008
Debt Service Funds				
Cap Imp Non-Adval Rev Bds Ser 98 Fund	0	1,885,216	1,511,200	374,016
Fuel Tax Ref Revenue Bonds Debt Svc Fund	0	3,169,847	2,383,888	785,959
T-E FLGFC Pooled Cmcl Paper Debt Svc Fund	0	1,268,400	1,266,650	1,750
Courthouse Annex Tower Sinking Fund	3,860,000	668,904	458,904	4,070,000
Gen Obligation Bds Parks & Rec Sinking Fund	125,000	1,521,065	1,452,529	193,536
ELAPP Ltd Ad Valorem Tax Bonds Debt Svc Fd	1,400,000	5,213,922	5,654,694	959,228
Criminal Justice Fac Rev Bonds Debt Svc Fd	12,163,894	10,439,912	10,437,344	12,166,462
Cap Improve Prog Rev Bonds 94 Debt Svc Fd	530,000	3,552,502	3,501,042	581,460
Capital Imp Non-Ad Val Ref Rev 96A/B Bds Fd	6,834,788	5,402,745	5,402,808	6,834,725
Subtotal	24,913,682	33,122,513	32,069,059	25,967,136
Capital Projects Funds				
Criminal Justice Fac Rev Bds Construction Fund	208,600	0	162,100	46,500
Cap Imp Non-Adval Tax Rev Bds Ser 98 Fund	14,300,000	0	14,300,000	0
MOSI Omniphase Exp Proj Construction Fd	1,593,120	0	1,326,280	266,840
Tax Exempt FLGFC Pooled Cmcl Paper Fund	18,400	90,338,000	90,356,400	0
Gen Obligation Bds Parks & Rec Program Fd	4,150,000	102,000	4,125,230	126,770
County Center Acquisition Project Fund	420,000	0	264,150	155,850
Enviro Sensitive Lands Tax/Bond Fund	24,399,631	311,467	21,835,359	2,875,739
Capital Improve Prog Bonds Series 94/96 Fd	3,800,000	0	2,142,567	1,657,433
Subtotal	48,889,751	90,751,467	134,512,086	5,129,132

FY 99 ESTIMATED ENDING FUND BALANCE BY FUND

DESCRIPTION	BEGINNING FUND BALANCE	REVENUES/ SOURCES ¹	EXPEND/ USES ²	ENDING FUND BALANCE ³
Enterprise Funds				
Solid Waste/Res Recovery Rev Bond Fd	88,836,919	166,166,457	185,577,723	69,425,653
Utility System Revenue Bonds Fund	141,665,989	241,201,411	252,751,562	130,115,838
Utility System RWIU/FLGFC #1 Fund	1,120,978	105,703	1,223,764	2,917
Utility System RWIU/FLGFC #2 Fund	858,125	35,000	128,483	764,642
Subtotal	232,482,011	407,508,571	439,681,532	200,309,050
Internal Service Fund				
Fleet Services Fund	921,630	9,088,173	9,309,706	700,097
County Self Insurance Fund	20,582,295	49,288,906	50,691,587	19,179,614
Subtotal	21,503,925	58,377,079	60,001,293	19,879,711
Trust and Agency Funds				
St Hlth Care Surtax Trust Fd (Indig Sales Tax)	134,000,000	40,758,560	65,078,279	109,680,281
Subtotal	134,000,000	40,758,560	65,078,279	109,680,281
Total	\$617,144,037	\$1,777,667,041	\$1,932,180,498	\$462,630,580

¹Includes all revenues and other sources except fund balance. Does not net out 5% of anticipated revenue in unrestricted funds.

²Includes all expenditures and other uses except for reserves.

³Equals: beginning fund balance plus revenues and other sources, less expenditures and other uses.

Note: Drawdowns in the County Transportation Trust Fund (a Special Revenue fund), and in the Capital Projects and Enterprise funds reflect anticipated construction of capital projects.

RESERVES AND REFUNDS

The following table presents a four-year comparison of reserves and refunds. Unlike most four-year schedules in the various documents that comprise the Annual Budget, this table presents adopted budgets for each year. No actuals are presented. Under governmental accounting, reserves are not expended. Instead, when funds are needed, the budget is amended to reduce the budget for a particular reserve and appropriate more funds in the expenditure category where they are needed. That means there are never actual expenditures of reserves.

Reserves are lump sum dollars set aside in a budget for unanticipated needs. These moneys are not distributed or allocated to operating budgets because specific requirements are not known at the time of budget adoption, or because bond documents require their establishment.

Florida Statutes Chapter 129.01(2)(c) and (d) provides for the following reserves:

1. A reserve for contingencies may be provided in a sum not to exceed ten percent of the total of the budget.
2. A reserve for cash balance to be carried forward may be provided for the purpose of paying expenses from October 1 of the ensuing fiscal year until the time when the revenues for that year are expected to be available.
3. An appropriation for “outstanding indebtedness” shall be made to provide for the payment of vouchers which have been incurred in and charged against the budget for the current year, but which are expected

to be unpaid at the beginning of the ensuing year for which the budget is being prepared.

General contingency reserves may be allocated to fund any lawful need as long as funding source guidelines are met. Specific use reserves are restricted to an individual purpose or program within the funding source. Once it has been determined that the specific need has been satisfied or is no longer necessary, the balance in these types of reserves may be reprogrammed into a general contingency account with the approval of the Board of County Commissioners through the budget amendment process. The reserve for cash balance carryforward, however, may not be reprogrammed during the year.

Refunds are also included in this component of the budget, and may be expended. However, refunds constitute a small proportion of the budget. They usually include the refund of revenues collected in a prior fiscal year for which accounting records have been closed.

The organization of these reserves and refunds is by fund, so that it generally is clear what the funding source is for each reserve. Many of these reserves are funded from restricted revenues such as the State Indigent Health Care Sales Tax or proceeds from bond issues or other special financing.

For more information on funding sources, please refer to the budget summary by fund section of **Volume I: Operations and Funding Guide**. For more information on any of these reserves or refunds, please contact the Management and Budget Department at (813) 272-5890.

RESERVES AND REFUNDS COMPARISON BY FUND

Description	FY 96 Adopted	FY 97 Adopted	FY 98 Adopted	FY 99 Adopted
GENERAL FUND				
Countywide General Fund				
Refund Prior Year Revenue	\$50,000	\$50,000	\$50,000	\$50,000
Future Capital Outlay	122,930	829,656	1,205,546	65,029
General & Other Contingencies	1,634,659	792,555	2,130,000	1,949,440
Unrealized Fund Balance	3,000,000	3,000,000	3,000,000	3,000,000
Accounting System	100,000	350,000	990,000	1,020,000
Subtotal	4,907,589	5,022,211	7,375,546	6,084,469
Unincorporated Area Fund				
Refund Prior Year Revenue	55,000	55,000	25,000	25,000
Future Capital Outlay	200,551	685,444	593,668	929,140
General & Other Contingencies	1,797,536	1,080,933	1,538,810	1,373,048
ITS Year 2000 Compliance Reserve	0	0	0	3,000,000
Unrealized Fund Balance	2,000,000	2,000,000	2,000,000	2,000,000
Government Access TV	313,017	731,407	375,000	735,344
Subtotal	4,366,104	4,552,784	4,532,478	8,062,532
TOTAL GENERAL FUND	9,273,693	9,574,995	11,908,024	14,147,001

SPECIAL REVENUE FUNDS (COUNTYWIDE & UNINCORPORATED)				
Countywide Special Purpose Fund				
Public Art Program--Countywide	8,738	3,188	0	24,500
Criminal Justice Education/Training	289,239	250,214	279,300	309,000
County Boat Registration Fee Fund	94,600	133,679	130,450	194,059
Teen Court Contingency Fund	0	0	54,696	89,500
County Fine and Forfeiture	628,776	351,788	581,668	73,142
Alcohol & Drug Abuse Contingency	8,095	8,095	83,103	59,273
800 MHz Intergovt Radio Comm System	545,096	575,000	0	0
Florida Contraband Forfeiture Contingency	974,143	1,257,855	879,636	860,175
Legal Aid Program Service Fees	0	0	21,000	12,300
Court Improvement/Facilities Contingency	1,568,254	895,400	2,038,466	1,101,773
Mediation/Arbitration Contingency	709,160	288,523	353,759	99
County Civil Mediation	840,713	977,215	709,016	335,911
Family Mediation	104,450	136,000	47,158	82,000
Civil Traffic Hearing Officer	41,834	69,476	95,126	46,724
Marriage Dissolution--General Master	1,927	162,002	159,101	147,560
Court Technology Contingency	126,554	81,101	87,744	64,389
Probate/Guardianship/Trust Contingency	103,031	97,388	46,206	262
Special Master--Animal Control Fee Fund	4,612	5,400	6,830	8,080
Special Master--Water Use Restriction Fees	3,996	3,980	4,888	5,588
Circuit Court Administrative Fee Fund	190,070	104,264	139,035	220,500
Family Administrative Fee Fund	23,400	44,500	70,700	105,300
Child Custody Investigation Fees	3,600	12,200	17,006	18,406

RESERVES AND REFUNDS COMPARISON BY FUND

Description	FY 96 Adopted	FY 97 Adopted	FY 98 Adopted	FY 99 Adopted
Courthouse Annex Tower Contingency	0	114,547	1,893,934	5,919,096
Public Transportation Commission Trust Fund	0	105,077	0	0
Emergency Management Fac Plans Review Fund	18,800	40,662	9,966	13,166
Pollution Recovery Fund	4,976	3,282	0	0
State Revenue Sharing--General Contingency	1,500,000	0	0	2,592,500
State Revenue Sharing--Y2K Compliance	0	0	0	3,000,000
911 Emergency Telephone Contingency Fund	480,251	118,927	806,684	1,200,696
Wagnon Will Museums Fund	108,362	116,500	123,000	129,750
Animal Ctrl Spay/Neuter Incentive Payment Prog	0	0	94,100	28,644
Subtotal	8,382,677	5,956,263	8,732,572	16,642,393
Unincorporated Area Special Purpose Fund				
Public Art Program	880	998	1,015	1,040
<u>Parks Impact Fees</u>				
Future Capital Outlay	1,793,430	1,752,188	3,448,776	7,479,434
General Contingency	14,236	8,039	7,000	11,000
<u>School Sites (Impact Fees)</u>				
Future Capital Outlay	1,924,607	1,649,235	6,394,509	7,822,989
General Contingency	3,921,894	5,385,663	0	0
<u>Fire Service Impact Fee</u>				
Future Capital Outlay	279,876	444,037	910,540	1,212,905
General Contingency	318	37,800	37,800	37,800
Capital Program Administration (Impact Fees)	49,450	0	70,250	69,264
Environmental Restoration	379,805	480,852	559,901	676,000
Building Division Permitting Services	1,583,397	1,927,145	4,130,226	4,705,805
Water Conservation Contingency	39,000	41,500	63,492	65,992
Phosphate Mine Reclamation Contingency	3,100,614	1,355,067	725,293	1,186,414
Stormwater Management Contingency	932,062	451,684	0	4,550
Subtotal	14,019,569	13,534,208	16,348,802	23,273,193
TOTAL SPC RV FUNDS (CTYWIDE & UNINC)	22,402,246	19,490,471	25,081,374	39,915,586

OTHER SPECIAL REVENUE FUNDS				
County Blended Component Units Fund				
Law Library Book Sales and Other Services	192,319	166,819	138,500	147,000
Local Air Pollution Control Tag Fee	0	0	15,713	0
Subtotal	192,319	166,819	154,213	147,000
Local Housing Assistance Program Fund				
Mortgage Guarantee Reserve	312,622	312,622	0	0
Subtotal	312,622	312,622	0	0

RESERVES AND REFUNDS COMPARISON BY FUND

Description	FY 96 Adopted	FY 97 Adopted	FY 98 Adopted	FY 99 Adopted
Sales Tax Revenue Fund				
<u>Half Cent Sales Tax/Bonds</u>				
General Contingency	1,900,576	1,000,000	1,090,615	893,339
<u>Professional Sports Franchise Facil Sales Tax</u>				
Debt Service Reserve	0	0	238,500	243,000
<u>3% Tourist Development Tax</u>				
General & Other Contingencies	857,750	1,409,520	1,411,535	1,148,492
<u>1% Additional (4th Ct) Tourist Tax</u>				
General Contingency	352,775	534,400	521,812	17,952
<u>1% Additional (5th Ct) Tourist Tax</u>				
General & Other Contingencies	1,891,820	1,917,500	174,385	746,604
<u>Local Gov't Infrastructure Surtax Fund</u>				
General Contingency	0	100,000	100,000	100,000
Subtotal	5,002,921	4,961,420	3,536,847	3,149,387
Intergovernmental Grants				
General/Miscellaneous Grant Contingencies	375,000	836,806	500,000	500,100
HUD Section 8 Housing Assistance	4,255,350	4,200,812	2,606,875	2,771,704
BIP Courtney Campbell Boat Ramp Project	4,298	0	0	0
Medicaid Waiver Reimbursement Program	43,800	0	45,695	81,365
Subtotal	4,678,448	5,037,618	3,152,570	3,353,169
County Transportation Trust Fund				
<u>Operating Fund</u>				
Future Capital Outlay	682,784	330,000	430,000	580,000
General & Other Contingencies	674,870	808,458	816,249	823,485
Prior Year Reappropriation	400,000	250,000	0	1,300,000
Unrealized Fund Balance	0	0	0	1,400,000
Street Lighting Non-Ad Valorem Assessments	27,402	191,375	1,092,822	533,530
Road Network Impact Fees	3,520,503	2,596,182	0	0
County Fuel Tax (7th Cent) Fund	215,000	485,000	900,000	465,040
Subtotal	5,520,559	4,661,015	3,239,071	5,102,055
Special Library Tax District				
Future Capital Outlay	95,756	1,226,268	1,546,009	161,580
General & Other Contingencies	578,520	1,000,432	1,505,427	600,318
Prior Year Reappropriation	350,000	125,000	200,000	375,000
Unrealized Fund Balance	200,000	126,197	800,000	384,415
Public Art Program	4,650	8,578	11,868	17,356
Subtotal	1,228,926	2,486,475	4,063,304	1,538,669

RESERVES AND REFUNDS COMPARISON BY FUND

Description	FY 96 Adopted	FY 97 Adopted	FY 98 Adopted	FY 99 Adopted
Infrastructure Surtax Fixed Project Fund				
Future Capital Outlay	0	15,640,004	1,610,398	2,859,000
Cost Escalation & Financing Costs Reserve	0	0	0	4,268,749
Subtotal	0	15,640,004	1,610,398	7,127,749
TOTAL OTHER SPECIAL REVENUE FUNDS	16,935,795	33,265,973	15,756,403	20,418,029

DEBT SERVICE FUND				
Debt Service Fund				
Fund Balance Carried Forward	7,096,953	7,445,612	5,782,675	4,270,600
General & Other Contingencies	4,708,656	5,494,850	5,043,119	4,754,964
Debt Service Payments	25,012,799	25,581,594	22,349,039	16,604,823
TOTAL DEBT SERVICE FUND	36,818,408	38,522,056	33,174,833	25,630,387

DEBT SERVICE FUND--ADMIN BY TRUSTEE				
Parks General Obligation Bonds Fund				
General Contingency	59,798	40,154	5,830	0
Subtotal	59,798	40,154	5,830	0
Jail Ad Valorem Tax Bonds Fund				
General Contingency	28,713	31,037	55,588	0
Subtotal	28,713	31,037	55,588	0
TOTAL DEBT SVC FDS--ADM BY TRUSTEE	88,511	71,191	61,418	0

CAPITAL PROJECTS FUNDS				
Capital Projects Funds				
Criminal Justice Bond Funds	10,235,347	72,334	65,185	46,500
MOSI Omniphase Expansion	2,412,856	210,000	110,835	266,840
700 Twiggs Street Project Fund	0	0	939,254	0
Parks & Recreation G.O. Bonds	524,789	441,208	860,000	126,770
County Center Construction Fund	80,737	171,083	163,000	155,850
Environmentally Sensitive Lands	3,142,625	3,692,851	1,692,503	2,875,739
Capital Improvement Series 94/96 Fund	517,000	375,004	964,245	1,657,433
TOTAL CAPITAL PROJECTS FUNDS	16,913,354	4,962,480	4,795,022	5,129,132

RESERVES AND REFUNDS COMPARISON BY FUND

Description	FY 96 Adopted	FY 97 Adopted	FY 98 Adopted	FY 99 Adopted
ENTERPRISE FUNDS				
Solid Waste System Revenue Fund				
Operating and Maintenance	5,223,891	4,882,749	6,537,352	6,925,199
Renewal and Replacement	11,023,673	11,006,130	10,000,000	10,000,000
Future Capital Outlay--Capital Improvement	4,032	0	0	0
Landfill Closures	13,666,587	14,377,734	13,550,241	17,735,854
Landfill Closures--Maintenance	1,207,762	0	0	0
Debt Service Accounts	19,125,637	19,420,637	19,725,637	20,070,637
General--Operating & Rate Stabilization Reserves	9,914,153	23,093,010	5,173,431	14,693,963
Subtotal	60,165,735	72,780,260	54,986,661	69,425,653
Utility System Revenue Bonds Fund				
Refund Prior Year Revenue	115,919	174,636	1,726,877	150,000
General & Other Contingencies	59,142,293	59,924,969	65,698,921	75,715,168
Debt Service	34,026,148	35,689,577	38,752,884	40,617,003
Fund Balance Carried Forward	12,448,525	18,012,692	14,613,056	13,633,667
Subtotal	105,732,885	113,801,874	120,791,738	130,115,838
Utility System RWIU/FLGFC #1 Fund				
Debt Service Reserves	0	0	0	2,917
Subtotal	0	0	0	2,917
Utility System RWIU/FLGFC #2 Fund				
Debt Service Reserves	0	494,085	0	764,642
Subtotal	0	494,085	0	764,642
TOTAL ENTERPRISE FUNDS	165,898,620	187,076,219	175,778,399	200,309,050
INTERNAL SERVICE FUND				
Fleet Services Fund--Ad Valorem Supported				
General Contingency	420,172	560,443	583,619	700,097
Fund Balance Carried Forward	0	336,544	0	0
Subtotal	420,172	896,987	583,619	700,097
County Self-Insurance Fund				
<u>Insurance Program Administration</u>				
General Contingency	544,857	471,986	326,818	100,000
<u>Workers' Compensation Insurance</u>				
General Contingency	1,300,000	1,500,000	1,000,000	1,722,539
Long-Term Incurred Claims	2,000,000	2,533,220	9,064,066	5,000,000
<u>General Liability Insurance</u>				
General Contingency	350,000	425,000	475,802	3,123,187
GASB 16	500,000	0	0	0
Claims Settlement	0	639,880	700,000	0

RESERVES AND REFUNDS COMPARISON BY FUND

Description	FY 96 Adopted	FY 97 Adopted	FY 98 Adopted	FY 99 Adopted
<u>Catastrophic Disaster Insurance</u>				
General Contingency	0	0	0	59,894
Catastrophic "Rainy Day" Reserve	3,375,000	3,800,000	5,284,000	5,519,000
<u>Employee Group Health Insurance</u>				
General Contingency	900,000	857,479	1,555,198	904,994
Claims Settlement	1,000,000	2,500,000	2,500,000	2,000,000
Long-Term Incurred Claims	0	2,624,181	2,625,000	750,000
Subtotal	9,969,857	15,351,746	23,530,884	19,179,614
TOTAL INTERNAL SERVICE FUND	10,390,029	16,248,733	24,114,503	19,879,711

TRUST & AGENCY FUNDS				
State Health Care Surtax Trust Fund				
General Contingency	81,277,681	124,018,628	119,290,115	107,642,353
Subtotal	81,277,681	124,018,628	119,290,115	107,642,353
TOTAL TRUST & AGENCY FUNDS	81,277,681	124,018,628	119,290,115	107,642,353

GRAND TOTAL	\$359,998,337	\$433,230,746	\$409,960,091	\$433,071,249
--------------------	----------------------	----------------------	----------------------	----------------------

NON-DEPARTMENTAL ORGANIZATIONS

The following pages present a four-year comparison of three portions of the budget categorized as “Non-Departmental Organizations.” They represent a variety of expenditures that are not explicitly associated with a specific department or agency. Many of these expenditures are required in accordance with Florida Statutes or County Ordinance.

The organization of these expenditures is by fund, so that it is clear what the funding source is for each expenditure. Many of these expenditures are funded from restricted revenues such as the Tourist Development Tax. For more information on the funding sources, please refer to the budget by fund information presented in **Volume I: Operations and Funding Guide**.

In that document, Non-Departmental Organizations are summarized as Governmental Agencies, Allotments by Legislative Acts, Nonprofit Organizations, and Debt Service Accounts. Prior to FY 99, a department entitled Allotments by Legislative Acts Part 1-Cross

Departmental Expenditures included what is now reflected as two departments (Allotments by Legislative Acts and Governmental Organizations). Nonprofit Organizations, established as part of the County Administrator reorganization, contains the County budgeted contribution to non-profit organizations. The Debt Service Accounts schedule is discussed in detail later in this document. Beginning in FY 97, some items previously budgeted as reserves but typically appropriated during the year, are reflected as allotments. The largest change is the funding for reappropriations which is used to fund contractual obligations that carry forward from one year to the next.

Funds budgeted within the Allotments by Legislative Acts and Nonprofit Organizations components of the budget are controlled by the Hillsborough County Management and Budget Department which authorizes expenditures. For more information on any of these expenditures, please contact the Management and Budget Department at (813) 272-5890.

GOVERNMENTAL ORGANIZATIONS

Description	FY 96 Actual	FY 97 Actual	FY 98 Adopted	FY 99 Adopted
GENERAL FUND				
Countywide General Fund				
City of Plant City	\$196,495	\$183,360	\$205,000	\$203,043
City of Tampa	1,056,803	1,107,790	1,932,935	2,729,415
Florida Division of Forestry	0	0	8,500	8,500
Florida National Guard	12,000	0	12,000	12,000
Hartsaver Bus Passes	22,996	17,858	8,000	8,000
Health Department Land Acquisition	455,394	5,460	0	0
Lien Satisfaction Fees	1,743	0	0	0
School Board Racing Commission	446,500	446,500	446,500	446,500
Tampa Bay Regional Planning Council	339,523	269,862	275,799	278,000
Total Countywide General Fund	2,531,454	2,030,830	2,888,734	3,685,458
Unincorporated Area General Fund				
Historic Preservation Board	0	31,650	61,014	61,014
Total Unincorporated Area General Fund	0	31,650	61,014	61,014
TOTAL GENERAL FUND	2,531,454	2,062,480	2,949,748	3,746,472

SPECIAL REVENUE FUNDS				
Countywide Special Purpose Revenue Fund				
Tampa Marine Law Enforcement	130,000	130,000	130,000	130,000
Total Countywide Special Purpose Rev Fund	130,000	130,000	130,000	130,000
Unincorporated Area Special Purpose Fund				
School District Impact Fee Fund	2,441,715	3,179	0	0
Total Unincorporated Area Special Purpose Fund	2,441,715	3,179	0	0
Sales Tax Revenue Fund				
Sports Authority Sports Facility Sales Tax Bonds	0	1,349,130	2,065,500	2,065,500
Sports Authority 1977 Bonds	1,490,961	492,000	(749,155)	0
Sports Authority 1997A Bonds	0	407,580	749,155	747,024
Sports Authority 1997B Bonds	0	156,674	749,155	747,024
Sports Authority/Arena 1995 Bonds	0	2,000,000	2,000,000	1,895,396
Surtax Distributions/City of Tampa	0	5,631,351	9,360,018	9,348,205
Surtax Distributions/City of Temple Terrace	0	369,125	616,638	615,859
Surtax Distributions/City of Plant City	0	503,152	839,007	837,949
Surtax Distributions/School Board	0	0	0	16,629,280
Surtax Distributions/Tampa Sports Authority	0	0	0	13,360,000
Surtax Distributions/Other Gov't Agencies	0	20,585,100	26,178,000	0
Ticket Surcharge/Arena Bonds	0	1,024,435	1,175,000	1,200,000
Total Sales Tax Revenue Fund	1,490,961	32,518,547	42,983,318	47,446,237

GOVERNMENTAL ORGANIZATIONS

County Transportation Trust Fund				
Alternative Transportation Program	0	47,000	23,500	23,500
Cities Portion - Tampa	1,489,533	1,971,259	1,636,864	1,636,864
Cities Portion - Temple Terrace	93,096	129,364	108,032	108,032
Cities Portion - Plant City	139,844	178,645	147,456	147,456
Citrus Park Community Dev District/97 Bonds	1,603,247	1,547,414	1,548,000	1,513,000
Countywide Transit System	300,000	490,000	460,000	460,000
Hartline Operations Subsidy	202,712	103,965	2,025,000	1,425,000
Road Network Impact Fee Program	167,187	0	777,608	679,786
Total County Transportation Trust Fund	3,995,619	4,467,647	6,726,460	5,993,638
Infrastructure Surtax Fixed Project Fund				
Hartline Fleet Allocation	0	600,000	600,000	700,000
Total Infrastructure Surtax Fixed Project Fund	0	600,000	600,000	700,000
TOTAL SPECIAL REVENUE FUNDS	8,058,295	37,719,373	50,439,778	54,269,875
CAPITAL PROJECTS FUNDS				
CIP Bonds Series 94/96 Fund				
Yankee Training Facility (1996 Cap Exp)	500,000	4,404,750	5,500,000	0
Yankee Training Facility (1994 Cap Exp)	3,490,528	2,102,562	2,200,000	0
TOTAL CAPITAL PROJECTS FUND	3,990,528	6,507,312	7,700,000	0
TOTAL GOVERNMENTAL ORGANIZATIONS	12,580,277	\$46,289,165	\$61,089,526	\$58,016,347

ALLOTMENTS BY LEGISLATIVE ACTS

Description	FY 96 Actual	FY 97 Actual	FY 98 Adopted	FY 99 Adopted
GENERAL FUND				
Countywide General Fund				
Bad Debt Write-off	\$0	\$0	\$500	\$500
BOCC Memberships and Dues	76,886	98,797	110,600	110,600
Claim Payments/Settlements	12,694	0	1,000	1,000
Commercial Insurance Premiums	0	0	0	1,522,234
Computer Software	40,161	92,500	0	0
Insurance Assessments	0	0	1,000,000	9,110
Criminal Justice Information System Support	233,141	37,073	32,000	32,000
Defense Contractor Tax Refund Program	0	0	100,000	0
Dumping Fees - FDOT	35,132	0	0	0
Employee Compensation Adjustment	27,247	29,306	2,007,048	1,350,227
Employee Tuition Reimbursement	20,650	24,121	50,000	50,000
Engineering Design/Study	7,414	12,724	0	0
Enterprise Corporation	50,000	48,414	50,000	50,000
Equipment - Computer Replacement	530,935	30,147	0	0
Equipment - Fleet Management Services	1,319,451	587,912	3,477,873	3,668,101
Equipment - Other	156,934	0	0	0
Prior Year Reappropriations	0	0	4,000,000	4,000,000
Installed Equipment	12,640	17,340	0	0
Federal Lobbyist	66,000	75,000	75,000	77,500
Financial Advisor/Bond Council	244,000	206,342	100,000	125,000
Financial Audit Services (CAFR)	128,656	147,328	450,000	500,000
Foreign Trade Zone	10,000	10,000	10,000	10,000
Health Insurance Subsidy-Retired Employees	0	4,930	25,000	0
Impound Lot Rental/Misc Rentals & Leases	28,972	12,375	3,000	3,000
Land Acquisitions	173,696	0	0	0
Legal Advertising	31,309	28,136	80,000	80,000
Letter of Credit Fees/Costs	10,628	19,122	136,250	136,250
Miscellaneous Expense	24,957	(22,814)	20,100	20,100
Minor Office Equipment	53,394	13,377	0	0
Museum of Science & Industry-Misc Costs	592,219	7,090	20,000	20,000
National Estuary Program	50,496	50,496	81,000	81,000
Non-Ad Valorem Assessments	1,538	1,491	5,000	5,000
Outside Legal/Attorneys	405,102	389,942	300,000	325,000
Performance Audits	142,859	0	102,000	350,000
Public Opinion Survey	10,460	11,673	25,000	45,000
Qualified Target Industries Program	133,170	198,844	500,000	635,000
Recording Fees	0	3,414	3,000	3,000
Repair and Maintenance Services	5,777	9,116	0	0
Tampa Chamber of Commerce	60,187	79,989	310,000	310,000
Veterans Council	11,300	3,000	3,000	3,000
Welfare Reform -- Business Incentives	0	0	0	200,000
Total Countywide General Fund	4,708,005	2,227,185	13,077,371	13,722,622
Unincorporated Area General Fund				
Affordable Housing Program Costs	1,542,499	653,263	2,055,683	500,000
Employee Compensation Adjustment	0	0	870,410	1,272,289
Equipment - Replacement	31,374	396,844	3,096,235	4,885,741
Equipment - Prior Year Reappropriations	311,578	118,806	3,675,000	3,675,000
Miscellaneous	0	1,839	0	0
Expert Witness Fees	7,000	0	0	0

ALLOTMENTS BY LEGISLATIVE ACTS

Description	FY 96 Actual	FY 97 Actual	FY 98 Adopted	FY 99 Adopted
Performance Audits	0	0	243,000	513,000
Industry Promotion	0	10,737	900,000	4,200,000
Union Station Preservation	45,000	0	0	0
Total Unincorporated Area General Fund	1,937,451	1,181,489	10,840,328	15,046,030
TOTAL GENERAL FUND	6,645,456	3,408,674	23,917,699	28,768,652

SPECIAL REVENUE FUNDS				
Countywide Special Purpose Revenue Fund				
Veterinary Services - Impound Lot	1,662	0	1,000	1,000
Advertising Costs	1,048	923	1,200	1,200
Courts Acquittal Costs	21,372	13,294	0	0
Total Countywide Special Purpose Revenue Fund	24,082	14,217	2,200	2,200
Unincorporated Area Special Purpose Fund				
Bay Marine Advisory Council - Ports	80,800	0	0	0
Total Unincorp Area Special Purpose Fund	80,800	0	0	0
Intergovernmental Grants Fund				
Storm Disaster Assistance FEMA "Opal"	66,452	0	0	0
Total Intergovernmental Grants Fund	66,452	0	0	0
County Transportation Trust Fund				
Countywide Unallocated Transportation Costs	0	737	0	0
Commuter Rail Rider Study	70,000	0	60,000	0
Brandon Rail Corridor	24	262,382	225,000	0
Total County Transportation Trust Fund	70,024	263,119	285,000	0
TOTAL SPECIAL REVENUE FUNDS	241,358	277,336	287,200	2,200

ALLOTMENTS BY LEGISLATIVE ACTS

Description	FY 96 Actual	FY 97 Actual	FY 98 Adopted	FY 99 Adopted
WORKERS COMPENSATION INSURANCE FD				
Workers Compensation Insurance				
Claim Payments	4,775,342	10,122,080	3,494,540	3,520,000
Insurance Purchases	542,974	549,937	580,000	600,000
Administrative Costs	564,394	563,223	672,000	672,000
General Liability Insurance				
Insurance Purchases	1,719,235	1,827,386	1,826,000	1,850,000
Claim Payments	720,210	1,789,838	646,000	1,200,000
Miscellaneous Expenses	63,355	95,872	262,144	282,000
Employee Group Health Insurance				
Insurance Purchases	543,128	541,110	598,799	628,739
Claim Payments	33,265,843	31,251,222	37,513,760	39,615,159
Miscellaneous Expenses	104,358	96,459	255,970	261,269
TOTAL SELF-INSURANCE FUND	42,298,839	46,837,127	45,849,213	48,629,167
TOTAL ALLOTMENTS BY LEGIS ACTS				
	\$49,185,653	\$50,523,137	\$70,054,112	\$77,400,019

NONPROFIT ORGANIZATIONS

Description	FY 96 Actual	FY 97 Actual	FY 98 Adopted	FY 99 Adopted
GENERAL FUND				
Countywide General Fund				
Agency for Community Treatment Services	\$187,497	\$184,673	\$297,340	\$286,185
Alpha, Inc.	9,429	22,780	25,000	26,250
American Association for Retired Persons	7,928	8,300	8,300	8,300
Arts Council	695,160	723,160	813,555	915,250
Boys and Girls Clubs	264,874	185,301	150,000	157,500
Boys and Girls Clubs Summer Program	0	0	75,000	75,000
Bright Horizons	0	0	25,000	26,250
Carrollwood Partnership	0	0	0	5,000
Centre for Women	38,674	49,531	45,655	45,655
Child Abuse Council, Inc.	60,680	57,237	67,569	70,947
Children's Home, Inc.	137,522	120,379	136,323	143,139
Children's Home/New Beginning	23,042	33,353	23,000	24,150
Community Fireworks	9,700	10,000	0	0
County Historical Commission	3,000	0	3,000	3,000
Crisis Center	0	634,497	843,275	853,391
Crisis Center - Eldernet	14,268	18,052	23,500	24,470
DACCO	340,308	283,597	441,933	330,479
Drug Court Expansion	49,188	34,364	47,486	47,486
Deaf Services Center	31,819	13,285	33,982	35,681
Goodwill Industries	160,622	324,332	115,524	439,609
Greater Tampa Urban League	16,614	19,602	24,735	274,735
Gulf Coast Epilepsy Foundation	20,659	20,563	21,500	22,000
Gulf Ridge Boy Scouts	58,143	24,013	0	0
Hispanic Investment Institute	82,742	25,413	45,000	45,000
Hispanic Needs and Services Council	45,056	49,013	48,500	50,925
J. Clifford MacDonald Training Center	12,715	17,233	20,289	21,303
Lowry Park Zoo	150,000	106,000	106,000	106,000
Mary and Martha House, Inc.	11,632	13,750	18,161	19,069
Museum of Science & Industry Foundation	0	430,000	320,000	215,000
National Conference/Community Injustices	0	0	0	10,000
North Tampa Life Enrichment Center	12,005	12,005	15,005	15,755
Northdale Partnership	0	0	0	5,000
Plant City Human Services Community Plan	0	5,000	0	0
Public Health Unit (State of Florida)	329,400	196,425	261,900	267,383
Puerto Rico Chamber of Commerce	0	5,000	5,000	5,000
Self Reliance	26,634	1,501	25,000	26,250
Seniors Coordinating Council	0	0	0	10,000
Sickle Cell Association	40,251	32,726	38,800	38,800
Tampa Bay History Center	176,386	178,485	209,644	367,047
Tampa Crossroads	112,275	115,616	234,843	123,389
Tampa/Hillsborough County Alliance	0	0	14,744	14,744
Tampa/Hillsborough County Youth Council	5,910	0	2,910	2,910
Tampa Metro YMCA/Weed & Seed	21,544	31,777	35,555	37,193
Tampa Museum of Art	60,000	60,000	60,000	0
That Blessed Hope Evangelistic Assoc.	0	0	15,000	15,750
The Spring, Inc.	93,800	88,827	96,800	101,640
Unallocated Fnd - Competitive Social Svcs RFA	0	0	52,000	52,000
United Methodist Center	35,701	26,318	33,250	33,250
United Way Management Assistance Program	0	3,350	5,000	5,000

NONPROFIT ORGANIZATIONS

Description	FY 96 Actual	FY 97 Actual	FY 98 Adopted	FY 99 Adopted
US/Africa Free Enterprise Education Foundation	0	0	0	100,000
Veterans Freedom Memorial	0	50,000	0	0
Total Countywide General Fund	3,345,178	4,215,458	4,885,078	5,502,885
Unincorporated Area General Fund				
Community Relations Workshop	0	0	14,744	14,744
Tampa Educational Cable Consortium	0	329,700	625,000	429,700
Time Warner Entertainment	0	120,000	120,000	120,000
Total Unincorporated Area General Fund	0	449,700	759,744	564,444
TOTAL GENERAL FUND	3,345,178	4,665,158	5,644,822	6,067,329

SPECIAL REVENUE FUNDS				
Countywide Special Purpose Revenue Fund				
Bay Area Legal Services	0	596,568	644,300	541,000
Department of Children/Families	0	66,082	0	0
Total Countywide Special Purpose Revenue Fund	0	662,650	644,300	541,000
Sales Tax Revenue Fund				
Apollo Beach Chamber of Commerce	0	0	8,000	8,000
Florida Aquarium	0	0	67,000	67,000
Greater Brandon Chamber of Commerce	0	0	50,000	50,000
Lowry Park Zoo	0	0	67,000	67,000
Museum of African American Art	0	0	22,000	22,000
Outback Bowl Association	0	0	140,000	140,000
Performing Arts Center	0	0	400,000	500,000
Ruskin Chamber of Commerce	0	0	13,000	13,000
Sun City Center Chamber of Commerce	0	0	3,000	3,000
Tampa Convention Center	0	0	1,440,000	1,440,000
Tampa History Center	0	0	15,000	15,000
Tampa/Hillsborough Convention/Visitor Assoc	0	0	4,200,000	4,500,000
Plant City Chamber of Commerce	0	0	50,000	50,000
Plant City Stadium	0	0	400,000	400,000
Ybor City Chamber of Commerce	0	0	58,000	58,000
Total Sales Tax Revenue Fund	0	0	6,933,000	7,333,000

NONPROFIT ORGANIZATIONS

Description	FY 96 Actual	FY 97 Actual	FY 98 Adopted	FY 99 Adopted
Intergovernmental Grants Fund				
CDBG Human Services Programs				
Bay Area Legal Services	0	0	26,250	26,250
Boys and Girls Club of Tampa Bay	0	0	53,049	53,049
Bright Horizon of Tampa	0	0	50,000	50,000
C. E. Mendez Foundation	0	0	31,500	31,500
Catholic Charities	0	0	89,095	89,095
Child Abuse Council	0	0	85,000	85,000
Children's Home Society	0	0	126,081	126,081
Helping Hand Nursery	0	0	50,000	50,000
Mary & Martha House	0	0	20,000	20,000
Nova SE University	0	0	25,930	25,930
Redland Christian Migrants	0	0	61,978	61,978
Tampa-Hillsborough Urban League	0	0	75,000	75,000
Tampa Metro Area YMCA	0	0	61,375	61,375
The Spring of Tampa Bay	0	0	35,925	35,925
West Central Golden Services	0	0	12,314	12,314
Total Intergovernmental Grants Fund	0	0	803,497	803,497
TOTAL SPECIAL REVENUE FUNDS	3,345,178	5,327,808	14,025,619	14,744,826
TOTAL NONPROFIT ORGANIZATIONS	\$6,690,356	\$9,992,966	\$19,670,441	\$20,812,155

Note: CDBG human services programs were funded prior to FY 98 in the Community Improvement Department.

FY 99 FUNDS AND SUBFUNDS

The following section provides a more microscopic view of the budget structure. In **Volume I: Operations and Funding Guide**, detail is provided on the County's fund structure by fund type, and by the funds within each fund type. Within these funds, however, the County has a structure of "subfunds" that allow further definition of how funds may be used. These subfunds allow County staff to separate, for example, the transportation impact fees collected in each of ten geographic zones, so they may be used exclusively within those zones for the benefit of those who paid the fees. Another use of the subfund structure is to differentiate a federal grant for FY 99 from the same federal grant for FY 98. By preventing the commingling of different grant years, staff can address differences in what types of expenditures a grant agency authorizes from one year to the next. Various County ordinances also specify eligible uses.

The budget is balanced within each of the subfunds presented, since each subfund has unique sources and uses. Interest is earned, fund balances are estimated, and reserves are established, as needed.

The following pages group subfunds under the various funds. Most abbreviations and acronyms have been eliminated, but no attempt has been made to define the uses of the various subfunds due to the large quantity.

The two columns of numbers that precede fund titles and subfund titles are primarily presented for the benefit of

County staff, who may use the table to identify subfunds in automated accounting reports and budget reports. The first two digits shown under the fund column title reflect the fund type. For example, "01" reflects the General Fund and "10" reflects special revenue funds.

The last three digits under the fund column reflect the fund number. These funds represent the level of detail presented in **Volume I: Operations and Funding Guide**.

The three digits shown under the subfund column title reflect the subfund number. They are not unique in all cases, so the identifier for a subfund should include the three fund number. Where there is not more than one subfund within a fund, the subfund number is 000.

COMPARING BUDGET DOCUMENTS WITH THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

When comparing the fund structure shown within County budget documents with that presented in the County's Comprehensive Annual Financial Report (CAFR), a reader should be aware of certain aggregations that are used in the CAFR. Fund 01-001 and fund 01-003 are combined in the CAFR in reporting the General Fund. That means that two subfunds of countywide, unrestricted dollars are combined with two subfunds that reflect various restrictions.

FY 99 FUNDS/SUBFUNDS

FUND/FUND TITLE	SUBFUND/SUBFUND TITLE
01-001	COUNTYWIDE GENERAL FUND
	001 Operating Fund
	002 Project Fund
01-003	UNINCORPORATED AREA GENERAL FUND
	001 Operating Fund
	002 Project Fund
10-002	COUNTYWIDE SPECIAL PURPOSE REVENUE FUND
	601 Public Art Program Countywide Fund
	702 Criminal Justice Education/Training Fund
	703 Criminal Justice Training Trust Fund
	705 County Boat Registration Fee Fund
	707 Teen Court Fund
	710 County Fine & Forfeiture Fund
	712 HRS Lcl Alcohol/ Drug Trust Fund
	713 Drug Abuse Alternate Source Fund
	714 800MHz Intergovernmental Radio Communications System Fund
	715 Florida Contraband Forfeiture Fund
	716 Local Government Criminal Justice Trust Fund
	717 Service Fees Legal Aid Program Fund
	718 Drug Abuse Trust Fund
	720 Court Improvement Fund
	721 Court Facilities Fund
	722 Mediation-Arbitration Trust Fund
	723 County Civil Mediation Trust Fund
	724 Family Mediation Trust Fund
	725 Civil Traffic Infraction Hearing Officer Trust Fund
	726 General Master (Dissolution Marriage) Trust Fund
	727 Court Technology Trust Fund
	728 Probate Guardianship & Trust Fund
	729 Special Master Animal Control Fee Fund
	730 Circuit Court Mediation Administrative Fee Fund
	731 Special Master Water Use Restriction Fee Fund
	732 Family Administrative Fee Fund
	733 Child Custody Investigation Fee Fund
	734 Courthouse Annex Tower Fund
	901 Public Transportation Commission Trust Fund
	903 Law Library Board Sales & Other Current Services
	904 Emergency Management Facility Plans Review Fund
	905 Local Air Pollution Control Tag Fee Trust Fund
	907 Indigent Health Care Services Fund
	908 Gardinier Settlement DEP/EPC Fund
10-002	COUNTYWIDE SPECIAL PURPOSE REVENUE FUND (CONTINUED)
	909 Pollution Recovery Fund
	911 State Revenue Sharing Fund
	915 911 Emergency Telephone System
	925 Florida Boating Improvement Program Fund
	969 Cecile Wagnon Will Fund

FY 99 FUNDS/SUBFUNDS

FUND/FUND TITLE

SUBFUND/SUBFUND TITLE

971 Animal Control Spay/Neuter Incremental Payment Program
984 State 1 Mosquito Control Fund
986 State 1 Aquatic Plant Control Fund
993 Data Management Services Fund

10-004 UNINCORPORATED AREA SPECIAL PURPOSE FUND

602 Public Art Program MSTU Fund
620 Park Site Improvement Program Assessment NW Zone
621 Park Site Improvement Program Assessment NE Zone
622 Park Site Improvement Program Assessment Central Zone
623 Park Site Improvement Program Assessment South Zone
626 School Site Dedication Program NW Improvement Assessment Trust Fd
627 School Site Dedication Program NE Improvement Assessment Trust Fd
628 School Site Dedication Program Central Improvement Assessment Trust Fund
629 School Site Dedication Program South Improvement Assessment Trust Fund
630 Fire Service Improvement Assessment Program NW Zone Trust Fund
631 Fire Service Improvement Assessment Program NE Zone Trust Fund
632 Fire Service Improvement Assessment Program Central Zone Trust Fund
633 Fire Service Improvement Assessment Program South Zone Trust Fund
636 Countywide School Site Impact Fees Fund
641 Impact Fees/Capital Program Administration
891 Environmental Restoration Fund
900 Building Division Permitting Service Center Fund
908 Land Excavation Operations/Inspection Fund
913 Water Conservation Trust Fund
922 Tax Distribution on Severance Phosphate Rock
924 Stormwater Management Assessment Fund
988 Sun City Utility Operating/Project Fund
990 Oak Utility Operating/Project Fund

10-005 SUPERVISOR OF ELECTIONS FUND

001 Not Subfund Related

FY 99 FUNDS/SUBFUNDS

FUND/FUND TITLE	SUBFUND/SUBFUND TITLE
10-006	COUNTY BLENDED COMPONENT UNITS FUND
	001 Civil Service Board Fund
	002 Law Library Board Fund
	004 Environmental Protection Commission
	006 City-County Planning Commission Fund
	903 Law Library Board Sales and Other Current Services
	905 Local Air Pollution Control Tag Fee Trust Fund
10-008	LOCAL HOUSING ASSISTANCE PROGRAM FUND
	001 Operating Fund
10-010	SALES TAX REVENUE FUND
	010 Half-Cent Sales Tax/Bonds Revenue Fund
	020 Professional Sports Franchise Facility Sales Tax Fund
	030 3% Tourist Development Tax Trust Fund
	040 Additional 1% (4th Cent) Tourist Development Tax Trust Fund
	050 Additional 1% (5th Cent) Tourist Development Tax Trust Fund
	090 Local Government Infrastructure Surtax Fund
10-012	INTERGOVERNMENTAL GRANTS
	001 Operating Fund
	100 Operating Grants Fund
	200 Project Grants Fund
10-013	COUNTY TRANSPORTATION TRUST FUND
	001 Operating Fund
	002 Project Fund
	005 Street Lighting Non-Ad Valorem Assessment Fund
	100 Operating Grants Fund
	200 Project Grants Fund
	932 Road Network Improvement Program Impact Assessment Zone 3
	934 Road Network Improvement Program Impact Assessment Zone 5
	935 Road Network Improvement Program Impact Assessment Zone 6
	936 Road Network Improvement Program Impact Assessment Zone 7
	937 Road Network Improvement Program Impact Assessment Zone 8
	938 Road Network Improvement Program Impact Assessment Zone 9
	940 Ninth-Cent Gas Tax Fund
	955 Thoroughfare Plan ROW Impact Assessment Zone 6
	957 Thoroughfare Plan ROW Impact Assessment Zone 8
	958 Thoroughfare Plan ROW Impact Assessment Zone 9
	970 Road Network Impact Fee (Zone 01) Fund
	971 Road Network Impact Fee (Zone 02) Fund
	972 Road Network Impact Fee (Zone 03) Fund
10-013	COUNTY TRANSPORTATION TRUST FUND (CONTINUED)
	973 Road Network Impact Fee (Zone 04) Fund
	974 Road Network Impact Fee (Zone 05) Fund
	975 Road Network Impact Fee (Zone 06) Fund
	976 Road Network Impact Fee (Zone 07) Fund
	977 Road Network Impact Fee (Zone 08) Fund

FY 99 FUNDS/SUBFUNDS

FUND/FUND TITLE	SUBFUND/SUBFUND TITLE
	978 Road Network Impact Fee (Zone 09) Fund
	979 Road Network Impact Fee (Zone 10) Fund
	980 Citrus Park Community Development District Pledged Revenue Fund
	989 Constitutional Fuel Tax - County Secondary Road Program
	990 County Fuel Tax (7th Cent) Fund
	991 Local Transportation Ninth-Cent Fuel Tax Fund
10-014	LIBRARY TAX DISTRICT FUND
	001 Operating Fund
	002 Project Fund
	200 Project Grants Fund
	602 Public Art Program Library District Fund
10-030	INFRASTRUCTURE SURTAX FIXED PROJECT FUND
	002 Project Fund
20-011	CAPITAL IMPROVEMENT NON-AD VALOREM REVENUE BONDS SERVICE 98 FUND
	000 Sinking Fund
20-013	FUEL TAX REFUNDING REVENUE BONDS DEBT SERVICE FUND
	001 Taxable Series 1998 Sinking Fund
20-020	T-E FLGFC POOLED COMMERCIAL PAPER DEBT SERVICE FUND
	014 700 Twiggs Street Building Debt Service Account
	015 County Warehouse Construction Debt Service Account
20-023	COURTHOUSE ANNEX TOWER SINKING FUND
	000 Courthouse Annex Tower Sinking Fund
20-024	GENERAL OBLIGATION BONDS PARKS AND RECREATION SINKING FUND
	000 General Obligation Bonds 93/96 Parks and Recreation Unincorporated Area
20-029	ELAPP LIMITED AD VALOREM TAX BONDS DEBT SERVICE FUND
	000 Limited Ad Valorem Tax Bonds Sinking Fund

FY 99 FUNDS/SUBFUNDS

FUND/FUND TITLE	SUBFUND/SUBFUND TITLE
20-036	CRIMINAL JUSTICE FACILITIES REVENUE BONDS DEBT SERVICE FUND 000 Criminal Justice Facility Revenue Bonds Sinking Fund 001 Criminal Justice Facility Revenue Bonds Reserve Account
20-038	CAPITAL IMPROVEMENT PROGRAM REVENUE BONDS 94 DEBT SERVICE FUND 004 CIP Refunding Revenue Bonds Series 96 Sinking Fund
20-039	CAPITAL IMPROVEMENT NON-AD VALOREM REFUNDING REVENUE 96A/B BDS FD 001 MOSI/Cnty Ctr Refunding Revenue Bonds 96A/B Debt Service Fund 002 MOSI/County Center Refunding Revenue Bonds 96A/B Reserve Fund
30-009	CRIMINAL JUSTICE FACILITY REVENUE BONDS CONSTRUCTION FUND 000 Criminal Justice Facility Revenue Bonds Construction Fund
30-011	CAPITAL IMPROVEMENT NON-AD VALOREM TAX REVENUE BONDS SERVICE 98 FUND 002 Project Fund
30-012	MOSI OMNIPHASE EXPANSION PROJECT CONSTRUCTION FUND 002 MOSI Capital Improvement Non-ad Valorem Revenue Bonds Construction Fd 003 MOSI Capital Improvement Revenue Bonds Excess Procedures Fund
30-020	TAX EXEMPT FLGFC POOLED COMMERCIAL PAPER FUND 004 Transportation Program Advanced Project Account 014 700 Twiggs Street Building Acquisition Project Account 016 Community Investment Tax Capital Program Account
30-024	GENERAL OBLIGATION BONDS PARKS AND RECREATION PROGRAM FUND 002 Parks and Recreation Unincorporated Area Series 1993 Bonds 003 Parks and Recreation Unincorporated Area Series 1996 Bonds
30-026	COUNTY CENTER ACQUISITION PROJECT FUND 002 County Center Non-Ad Valorem Revenue Bonds Construction Fund
30-029	ENVIRONMENTALLY SENSITIVE LANDS TAX/BOND FUND 000 Site Acquisition & Administration Account 001 ELAPP Site Management and Restoration Account 005 Limited Ad Valorem Tax Bonds (1992) Project Fund 006 Limited Ad Valorem Tax Bonds (1994) Project Fund
30-038	CAPITAL IMPROVEMENT PROGRAM BONDS SERIES 94/96 FUND 002 Capital Improve Program Refunding Revenue Bonds Series 96 Construction Fd 003 Capital Improve Program Revenue Bonds Series 94 Fund Construction Fund
40-032	SOLID WASTE SYSTEM REVENUE BONDS FUND 001 SW/RR System Operating/Maintenance Fund 003 SW/RR System Revenue Fund 004 SW/RR System Renewal/Replacement Fund 005 SW/RR System Capital Improvement Fund 017 SW/RR System (Financial Assurance) Northwest Closed Landfill Fund

FY 99 FUNDS/SUBFUNDS

FUND/FUND TITLE

SUBFUND/SUBFUND TITLE

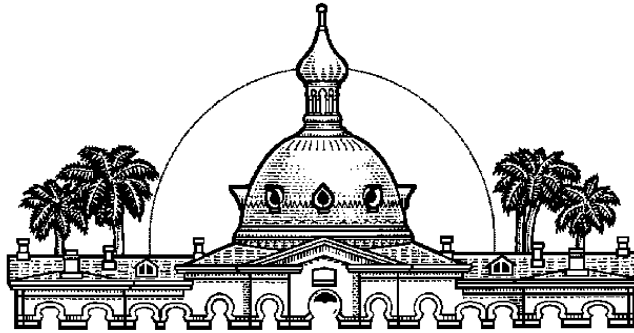
019 SW/RR System (Financial Assurance/GASB) Landfill Closure Fund
024 SW/RR System Closed Landfill Maintenance Fund
027 SW/RR System Debt Service Fund
028 SW/RR System Debt Service Reserve Fund
029 SW/RR System General Purpose Fund
041 Taylor Road Landfill Superfund Site Fund
100 Operating Grants Fund
108 Litter Control & Prevention Dep
109 Waste Tire Solid Waste Grant Dept
110 Solid Waste Recycling/Education Grant Dep
200 Project Grants Fund

40-040 UTILITY SYSTEM REVENUE BONDS FUND

001 Utility System Operating & Maintenance Account
002 Utility System Revenue Bonds Debt Service Account
003 Utility System General Revenue Account
004 Utility System Revenue Bonds 85 Reserve Account
005 Utility System Capacity Fees General Operating Account
006 Utility System Outside Source Capital Expenditure Account
007 Utility System Renewal & Replacement Account
010 Utility System General Revenue Capital Expenditure Account
017 Water/Wastewater Facility CIP Project Bonds 87 Reserve S Account
022 Utility Project Bonds 88 Construction Account
032 Utility System Revenue Bonds 88 Reserve Account
033 Utility System Refunding Bonds 93 Reserve Account
036 Arbitrage Restricted 87 Rate Stabilization Fund
037 Arbitrage Restricted 88 Rate Stabilization Fund
041 Cone Ranch Special Projects Fund
042 Utility System Water Conservation Fund
050 Reclaimed Water Improvement Unit Assessment Fund
051 Reclaimed Water Improvement Unit Project Fund
052 Capacity Assessment Unit Fund

FY 99 FUNDS/SUBFUNDS

FUND/FUND TITLE	SUBFUND/SUBFUND TITLE
40-040	UTILITY SYSTEM REVENUE BONDS FUND (CONTINUED)
	100 Operating Fund
	101 Cone RH/Upper Hillsborough Reuse System SWFWMD
	102 Northwest Hillsborough Reuse System SWFWMD
	108 Toilet Rebate Program FY 98 SWFWMD
	200 Project Fund
	669 FDOT Joint Project Water/Wastewater Facility Relocation 674 R/W
40-041	UTILITY SYSTEM RWIU/FLGFC #1 FUND
	001 RWIU Commercial Paper Unallocated Pool Account
	009 RWIU Commercial Paper Debt Service Project Account
40-042	UTILITY SYSTEM RWIU/FLGFC #2 FUND
	001 RWIU Commercial Paper Avila System Project Account
50-066	FLEET SERVICES FUND
	001 Operating Fund
	002 Project Fund
50-067	COUNTY SELF-INSURANCE FUND
	000 Insurance Program Administration Fund
	001 Workers Compensation Insurance Fund
	002 General Liability Insurance Fund
	003 Catastrophic Disaster Insurance Fund
	004 Employee Group Health Insurance Fund
60-084	STATE HEALTH CARE SURTAX TRUST FUND
	000 Not Subfund Related



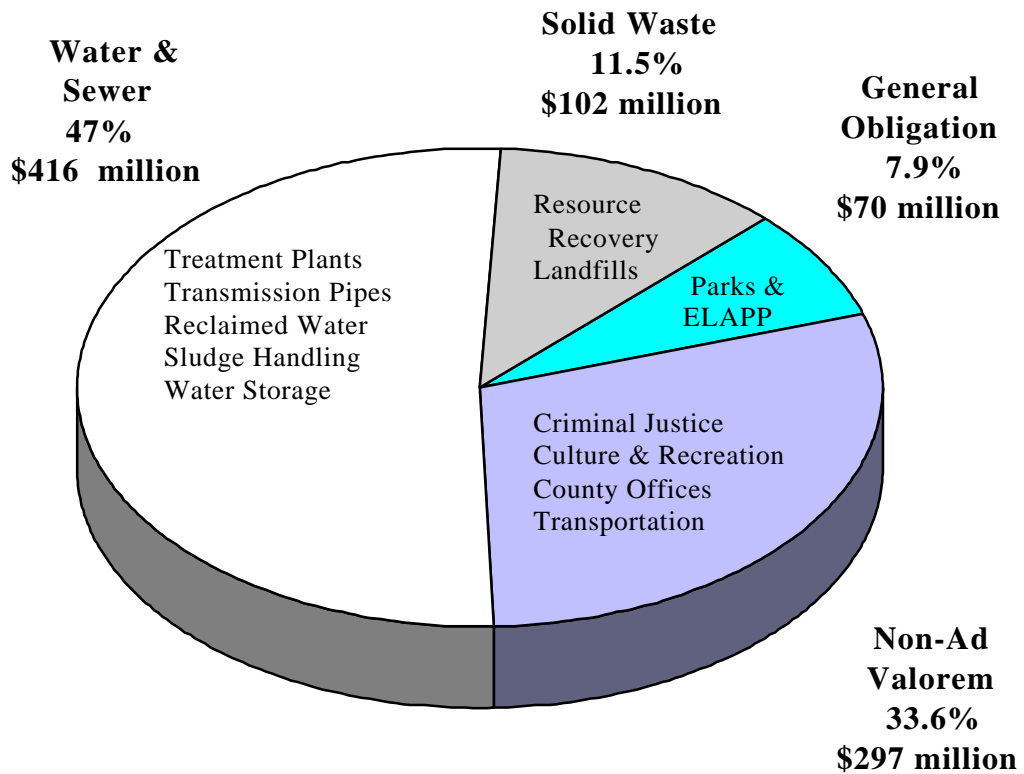
Hillsborough County
Florida

DEBT SERVICE BUDGET

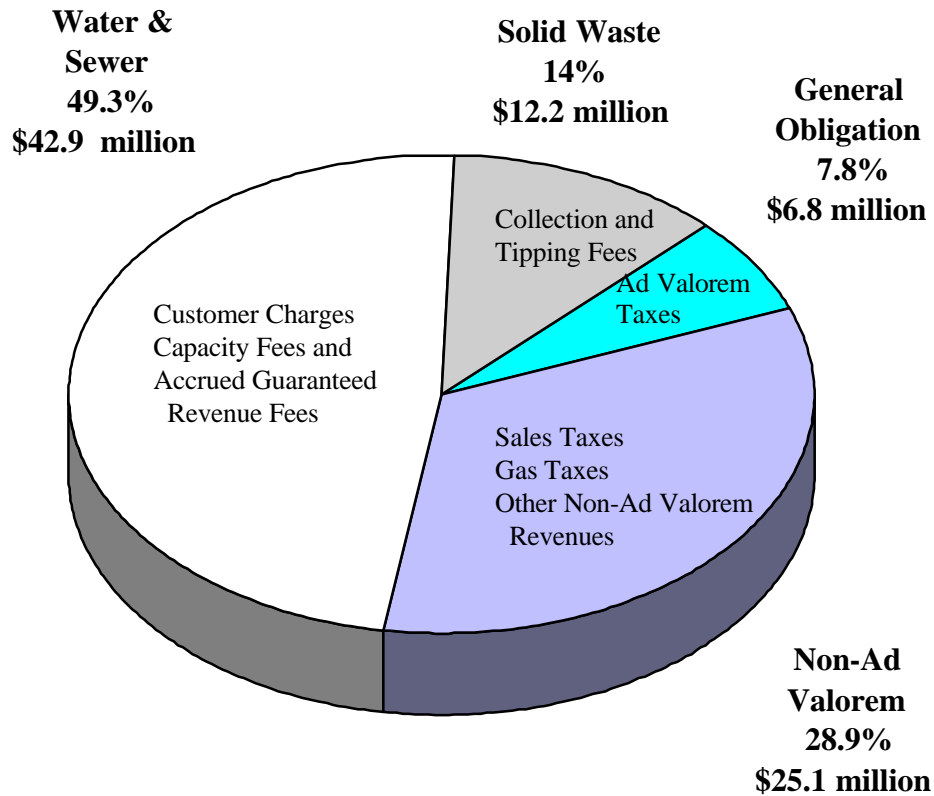
This section of the County's budget document provides information concerning the amounts budgeted in FY 99 for debt service payments (principal and interest), payments to sinking funds, reserves and debt administration costs on outstanding borrowings of the County. The County is legally obligated to appropriate the payment of debt service and related costs from revenue sources which have been pledged to such repayment.

In addition, outstanding debt obligations are described in some detail relative to type, amount, maturity, interest rates and the use of the proceeds of the borrowing. The capacity of the County to issue additional debt and other background information is also included to provide a comprehensive picture of the County's debt structure.

**As of September 30, 1998 the County
has \$885 million in debt outstanding.**



**Debt Service on the County's
outstanding debt for FY 99 is \$87 million.**



DEBT SERVICE BUDGET SUMMARY

DEBT REQUIREMENTS FOR COUNTY DEBT				
	FY 96 Actual	FY 97 Actual	FY 98 Actual	FY 99 Adopted
DEBT SERVICE BUDGET				
Principal Payments (A)	26,014,500	43,971,800	46,546,396	36,209,728
Interest Payments (A)	<u>50,169,342</u>	<u>48,393,371</u>	<u>49,113,522</u>	<u>50,785,671</u>
TOTAL COUNTY DEBT SERVICE	76,183,842	92,365,171	95,659,918	86,995,399
<i>(Principal and Interest Only)</i>				
Debt Administration Expenses (B)	400,259	218,875	395,891	194,957
Capitalized Interest (C)	400,000	0	0	0
Principal Portion of Refunded Bonds (D)	0	0	27,786,883	0
Redemption of Debt	11,000,000	0	0	0
Redemption of Short Term Loans	0	0	0	0
Interfund Short Term Loans	<u>113,000</u>	<u>31,000</u>	<u>0</u>	<u>0</u>
TOTAL DEBT SERVICE FUND <i>(As shown in Budget Summary)</i>	88,097,101	92,615,046	123,842,692	87,190,356
As of Fiscal Year End				
TOTAL COUNTY DEBT ISSUED (E)	1,014,897,846	1,049,281,447	953,421,271	953,421,271
TOTAL COUNTY DEBT OUTSTANDING (E)	932,388,646	897,641,247	884,650,675	849,640,947
COUNTY DEBT OUTSTANDING BY TYPE:				
General Obligation Debt	67,450,000	69,970,000	69,690,000	66,350,000
Self-Supporting Debt	589,269,151	542,071,151	517,949,06	495,370,127
Non Self-Supporting Debt	275,669,495	285,600,096	297,011,620	287,920,820
<p>(A) Amounts shown do not include County contributions to the Tampa Sports Authority for debt service on the Ice Palace and Stadium Bonds. The County's obligations to the Authority are addressed later in this document.</p> <p>(B) Includes fees paid for trustees, paying agent and registrar services, remarketing and Letter of Credit fees.</p> <p>(C) Interest paid with funds set aside from bond proceeds.</p> <p>(D) The principal amount of outstanding bonds refinanced with the proceeds of refunding bonds.</p> <p>(E) Prospective debt is not included in totals shown in this schedule. Amounts shown as outstanding do not include the accreted value of capital appreciation bonds.</p>				

FY 99 DEBT SERVICE BUDGET

For FY 99, the County is required to budget \$86.995 million in debt service payments for all outstanding debt. This compares with \$95.660 million in FY 98. Over the preceding ten-year period (Fiscal Years ending September 30, 1988-1998), debt service payments have ranged from a low of \$30 million to a high of \$95.660 million.

The largest portion of debt service budgeted in FY 99 relates to County enterprise operations for water/wastewater (\$42.858 million) and solid waste/resource recovery (\$12.232 million), for a total of \$55.089 million in enterprise related debt service.

DEBT ISSUED AND OUTSTANDING

As of September 30, 1998, the total amount of debt issued by the County equals \$953.421 million (\$884.651 million outstanding). Amounts issued include \$434.785 million (\$415.794 million outstanding) relating to the water/wastewater enterprise system and \$121.810 million (\$102.155 million outstanding) relating to the solid waste/resource recovery enterprise system.

The non-enterprise system (i.e. non self-supporting) debt issued as of September 30, 1998 equals \$322.976 million (\$297.012 million outstanding), the largest portion of which is \$139.415 million in criminal justice refunding revenue bonds. In addition, the County issued general obligation bonds in the amount of \$45 million in July, 1992, to finance the ELAP Program. These bonds were partially refunded by the \$28,190,000 Series 1998 ELAPP Refunding Bonds. As of September 30, 1998, the Series 1992 bonds were outstanding in the amount of \$7.670 million and the Series 1998 bonds were outstanding in the amount of \$28.190 million. An additional issuance of ELAPP Bonds in the par amount of \$17.990 million closed in October, 1994, \$14.830 million of which is outstanding. General obligation bonds in the par amount of \$10 million, were issued in 1993 to fund the acquisition and development of park land and facilities. The outstanding principal amount of these bonds is \$9.170 million. An additional \$10 million in parks bonds were issued in FY 1996; of these \$9.830 million are still outstanding.

FY 99 DEBT SERVICE BUDGET

FIXED VS. VARIABLE INTEREST RATE DEBT

Of the \$884.651 million in total County debt outstanding at September 30, 1998, 98.6% is financed with fixed interest rates and 1.4% with variable interest rates, i.e. rates that periodically increase or decrease in accordance with a specified financial market indicator. With the final maturity of the Series 1991 Taxable Commercial Paper in FY98, the \$517.949 million in self-supporting enterprise debt outstanding (water/wastewater and solid waste), 100% is financed with fixed interest rates. Outstanding non self-supporting general debt of \$297.012 million is made up of 98.6% in fixed rate debt financing. Therefore, in terms of exposure to increases in interest rates, the County's debt portfolio is well-protected through predictability in interest cost.

In FY 94, the County was approved for participation in the Florida Local Government Financing Commission Tax-Exempt Commercial Paper Pool Program. As of the end of FY 98, the County had drawn \$8.7 million (all of which is outstanding) and had secured an unconditional credit line for encumbrance and funding of various capital projects.

In most markets variable rate debt is substantially less expensive than fixed rate debt. However, during certain periods, market conditions may cause the variable rates to increase above fixed rates for short periods of time.

<u>ISSUE</u>	<u>AMOUNT ISSUED⁽¹⁾</u>	<u>PRINCIPAL OUTSTANDING AS OF 9/30/98</u>	<u>FINAL MATURITY</u>
Water/Wastewater System Taxable Commercial Paper (Series 1991)	\$66,696,000	\$0	8/98
Revenue Anticipation Certificate, Courthouse Tower Annex	<u>\$6,400,000</u>	<u>\$3,905,500</u>	10/08
Subtotal Variable Rate Debt	\$73,096,000	\$3,905,500	
Tax Exempt Commercial Paper (Series 1998)	<u>\$8,800,000</u>	<u>\$8,700,000</u>	12/99
Total Variable Rate Debt	<u>\$81,896,000</u>	<u>\$12,605,500</u>	

⁽¹⁾ Amounts shown in the above table are as of the beginning of the fiscal year. Amounts shown on the table on the following page are as of fiscal year end.

TOTAL DEBT OUTSTANDING

FIXED VS. VARIABLE RATES
AS OF SEPTEMBER 30, 1998

ADOPTED BUDGET BASIS	Amount Issued	Amount Outstanding	Percent of Total
General Obligation Bonds (All Fixed Interest Rates)	73,850,000	69,690,000	100.0%
Non Self-Supporting			
General Debt:			
Fixed Interest Rates	307,876,120	284,406,120	95.8%
Variable Rates	<u>15,100,000</u>	<u>12,605,500</u>	<u>4.2%</u>
Total	322,976,120	297,011,620	100.0%
Self-Supporting			
Enterprise Debt: (All Fixed Interest Rates)	556,595,151	517,949,055	100.0%
Summary			
Total Fixed Interest Rate Debt	938,321,271	872,045,175	98.6%
Total Variable Rate Debt	<u>15,100,000</u>	<u>12,605,500</u>	<u>1.4%</u>
TOTAL ALL DEBT	953,421,271	884,650,675	100.0%

FY 99 DEBT SERVICE BUDGET

DEBT CAPACITY

The ability of a municipality to issue debt is a function of: (i) the revenues legally available to pledge as security for the debt; (ii) limitations on the collection of that revenue which the bondholder will take into account in determining the principal amount of bonds which could be repaid; and, (iii) the market interest rates in effect at the time the debt is issued, together with the length of time for repayment. Computations utilizing these factors result in the determination of Debt Capacity.

The following page summarizes the extent of major revenues available to support debt issuance. The figures shown under the caption Supportable Issue Size are hypothesized, in that they do not take into account current outstanding debt which is secured by the revenue sources indicated. However, the data shown on the facing page, entitled Amount Still Available to Bond From Respective Revenue Sources, adjusts the supportable issue size to depict the actual amount of additional debt that could be issued so long as there is outstanding debt being repaid by the respective revenue source.

AD VALOREM DEBT FUNDING CAPACITY

The County has not made extensive use of ad valorem debt financing. General Obligation bonds have been issued to finance the acquisition of environmentally sensitive lands, and are limited general obligation bonds supported by an annual

millage levy of up to .25 mills. The total outstanding amount of Limited General Obligation Bonds for the ELAP Program as of September 30, 1998 is \$50.690 million.

In 1993 and 1996, bonds were issued for parks land and recreational facilities in the amount of \$10,000,000 in each year. These bonds (outstanding in the amount of \$19 million) fund the acquisition, development and improvement of parks in the unincorporated area of the County and are supported by millage levied in the MSTU taxing district.

This method of financing is particularly advantageous in light of the County's general obligation bond rating of "Aa3/AA-", in that it does not impact the County's General Fund for the repayment of the debt and provides an attractive interest rate as a result of the pledge of the County's full faith and credit.

Statutory Debt Limits. The Florida Constitution does not limit the amount of ad valorem taxes a municipality may levy for the payment of bonds authorized by voters' referendum. The County is limited by Article VII, Section 9 of the Florida Constitution, however, to a maximum levy of 10 mills per \$1.00 of the assessed value of real estate and tangible personal property for municipal purposes other than the repayment of voted bonds. With the combined adopted countywide and library services millage of 8.392 mills for Fiscal Year 99, the County is below the statutory limit.

PLEDGABLE REVENUE SOURCES

(\$ amounts in thousands)					
REVENUE SOURCE	FY 99 Revenue	Coverage Required	Supportable Issue Size		
			Term (Years)		
			10	20	30
			5.00%	Interest Rate 5.50%	6.00%
Ad Valorem Taxes (Net):					
Countywide (1 mill)	30,160	1.00	233,000	360,000	415,000
MSTU (1 mill)	17,568	1.00	136,000	210,000	242,000
ELAPP (.25 mill) (a)	7,640	1.10	54,000	N/A	N/A
State Shared Resources:					
Guaranteed Entitlement (I & II)	6,752	1.10	47,000	73,000	84,000
Half Cent Sales Tax	62,995	1.35	360,000	558,000	642,000
Mobile Home Licenses	475	1.50	2,000	4,000	4,000
Beverage License Tax	280	1.35	2,000	2,000	3,000
Phosphate Tax	500	1.35	3,000	4,000	5,000
Gas Taxes					
Six Cent Local Option Gas Tax (b)	20,468	1.25	126,000	196,000	225,000
County Fuel Tax	3,970	1.25	25,000	38,000	44,000
Voted Gas Tax	5,820	1.25	36,000	56,000	64,000
Constitutional Gas Tax (20%)	1,858	1.25	11,000	18,000	20,000
Constitutional Gas Tax (80%)	7,431	1.25	46,000	71,000	82,000
Local Sources:					
Professional/Occupational Licenses	1,300	1.35	7,000	12,000	13,000
Court Fees/Charges	2,478	1.50	13,000	20,000	23,000
2 Cents Tourist Development Tax (d)	5,103	1.20	33,000	51,000	59,000

- a) Debt capacity of this revenue is restricted by the voter approved limitation on the term of the levy (i.e., 20 year term with 12 years remaining).
- b) The Local Option Gas Tax is conditionally pledged to the Series 1998 Fuel Tax Refunding Revenue Bonds. The bond resolution provides for the release of the Local Option Gas Tax Pledge when County Fuel Tax revenue is equal to two times maximum annual debt service for three prior fiscal years.
- c) Debt capacity computations consider outstanding debt pledged to specified revenue.
- d) The Fourth Cent Tourist Development Tax was levied in January, 1990, and is currently used for debt service on the Series 1997B Tourist Development Tax Bonds. Debt service for these bonds in FY 99 is \$745,324. The 5th Cent Tourist Development Tax was levied in October, 1995 and is currently used for debt service on the Series 1998 Tampa Sports Authority Refunding Bonds. Debt service on these bonds in FY 99 is \$1.665 million.

DEBT CAPACITY

(\$ amounts in thousands)					
REVENUE SOURCE	Outstanding Bonds	Max Annual Debt Service	Amount Still Available to Bond from Respective Sources (c)		
			Term (Years)		
			10	20	30
			5.00%	Interest Rate 5.50%	6.00%
Ad Valorem Taxes:					
Countywide (1 mil)	0	0	233,000	360,000	415,000
MSTU (1mil)	19,000	1,406	125,000	193,000	222,000
ELAPP (1/4 mil) (a)	50,690	5,330	16,000	N/A	N/A
State Shared Resources:					
Guaranteed Entitlement (I & II)	0	0	47,000	73,000	84,000
Half Cent Sales Tax	167,861	13,918	281,000	434,000	500,000
Mobile Home Licenses	0	0	2,000	4,000	4,000
Beverage License Tax	0	0	2,000	2,000	3,000
Phosphate Tax	0	0	3,000	4,000	5,000
Gas Taxes:					
Six Cent Local Option Gas Tax (b)	0	0	126,000	196,000	225,000
County Gas Tax	19,965	2,379	10,000	15,000	18,000
Voted Gas Tax	0	0	36,000	56,000	64,000
Constitutional Gas Tax (20%)	0	0	11,000	16,000	20,000
Constitutional Gas Tax (80%)	0	0	46,000	71,000	82,000
Local Sources:					
Professional/Occupational Licenses	0	0	7,000	12,000	13,000
Court Fees/Charges	3,905	255	11,000	18,000	20,000
2 Cent Tourist Development Tax (d)	37,975	2,744	15,000	23,000	27,000

Notes to Pledgable Revenue/Debt Capacity Schedules:

- a) Debt capacity of this revenue is restricted by the voter approved limitation on the term of the levy (i.e., 20 year term with 12 years remaining).
- b) The Local Option Gas Tax is conditionally pledged to the Series 1998 Fuel Tax Refunding Revenue Bonds. The bond resolution provides for the release of the Local Option Gas Tax Pledge when County Fuel Tax revenue is equal to two times maximum annual debt service for three prior fiscal years.
- c) Debt capacity computations consider outstanding debt pledged to specified revenue.
- d) The Fourth Cent Tourist Development Tax was levied in January, 1990, and is currently used for debt service on the Series 1997B Tourist Development Tax Bonds. Debt service for these bonds in FY 99 is \$745,324. The 5th Cent Tourist Development Tax was levied in October, 1995 and is currently used for debt service on the Series 1999 Tampa Sports Authority Refunding Bonds. Debt service on these bonds in FY 99 is \$1.665 million.

FY 99 DEBT SERVICE BUDGET

The following details the County's ability to raise additional funds through the use of ad valorem debt.

Debt Raised/Millage Required Tables. The following tables are presented for the purpose of illustrating the impact of the issuance of additional debt repaid from ad valorem sources.

With the approval of the voters, the county can issue additional general obligation debt without impacting its General Fund. According to the Fiscal Year 98

property assessments the gross return per mill, after allowing for early payment discounts, commissions to the Tax Collector, the 5% statutory budget allowance and uncollectible taxes, is \$31,748 million Countywide and \$18,493 million in the MSTU. The bonded amount this millage would support is influenced by both market interest rates and the amortization period selected. As the following charts indicate, the County maximizes its bonding potential by issuing long maturity bonds with low interest rates.

DEBT RAISED FROM ONE MILL (COUNTYWIDE) OF AD VALOREM TAXES AT VARYING AMORTIZATION PERIODS		
Amortization	Rate	Bond Size
10 years	5.00%	\$245,000,000
20 years	5.50%	\$380,000,000
30 years	6.00%	\$435,000,000

The following chart illustrates the effect of interest rate changes on the County's bonding capacity. A rate decrease from 6% to 5% increases the County's bonding capacity by \$32 million per mill and an increase from 6% to 7% reduces the bonding capacity by \$28 million per mill.

DEBT RAISED FROM ONE MILL (COUNTYWIDE) OF AD VALOREM TAXES BASED ON A 20-YEAR ISSUE AT VARIOUS INTEREST RATES AS SHOWN	
Interest Rate	Bond Size
5%	\$396,000,000
6%	\$364,000,000
7%	\$336,000,000

REFINANCING OF DEBT

The County monitors its debt for opportunities to refinance or refund outstanding debt, as market conditions and debt covenants allow, in order to maximize financing cost savings. This is an ongoing practice which will continue in FY 99. In FY98, the County refinanced five bond issues for total interest cost savings of \$38 million over the remaining life of the debt.

CONCLUSIONS

The County's portfolio of outstanding debt is secured by a diversity of revenue sources. General obligation debt is underutilized in relation to per capita measurements, general municipal finance credit standards and the County's potential to secure low

interest rates due to its excellent "Aa3/AA-" rating. The exposure of the portfolio to increases in interest rates is minimal given that only 1.4% of total debt is financed with variable interest rates.

The debt capacity of the County's non ad valorem revenue base is theoretically strong but restricted in practice, in that revenues are used for funding operations. Any use of existing revenues (e.g. Half Cent Sales Tax) to support new debt issuance may require an increase in millage levies or reduction in operating costs and services. New revenue sources and additional State initiatives to create new revenues or enhance existing revenues could be useful additions to the County's debt capacity in financing infrastructure needs.

**SUMMARY OF TOTAL COUNTY DEBT
BY TYPE AS OF SEPTEMBER 30, 1998**

DEBT TYPE	AMOUNT ISSUED	AMOUNT OUTSTANDING
General Obligation Bonds	73,850,000	69,690,000
Non Self-Supporting General Debt:		
Fuel Tax Bonds	19,965,000	19,965,000
Criminal Justice Bonds	145,815,000	124,825,500
CIP Revenue Bonds & Commercial Paper	<u>157,196,120</u>	<u>152,221,120</u>
Subtotal	322,976,120	297,011,620
Self-Supporting Enterprise Debt:		
Water/Wastewater Bonds	434,785,151	415,794,055
Solid Waste/Resource Recovery Bonds	<u>121,810,000</u>	<u>102,155,000</u>
Subtotal	556,595,151	517,949,055
Total	953,421,271	884,650,675

DEBT STATEMENT AS OF SEPTEMBER 30, 1998

(Adopted Budget Basis)	GROSS DEBT OUTSTANDING	LESS DEBT RESERVES	NET DEBT OUTSTANDING
Ad-Valorem Supported Debt:			
General Obligation Bonds (Series 1992), ELAPP	7,670,000	0	7,670,000
General Obligation Bonds (Series 1993), Parks	9,170,000	0	9,170,000
General Obligation Bonds (Series 1994), ELAPP	14,830,000	0	14,830,000
General Obligation Bonds (Series 1996), Parks	9,830,000	0	9,830,000
General Obligation Bonds (Series 1998) ELAPP	<u>28,190,000</u>	<u>0</u>	<u>28,190,000</u>
Subtotal	69,690,000	0	69,690,000
Non Ad-Valorem Supported Debt:			
Criminal Justice, Series 1993	120,920,000	10,428,894	110,491,106
Gulf Breeze Loan Pool	0	0	0
Courthouse Annex Tower	3,905,500	3,848,949	56,551
Road Improvement Refunding Bonds, Series 1985	0	0	0
Tax-Exempt Commercial Paper	8,700,000	0	8,700,000
CIP Refunding Revenue Bonds, Series 1996	46,941,120	3,491,250	43,449,870
Non-Ad Valorem Refunding Bonds (A/B), Series 1996	73,540,000	5,388,220	68,151,780
Non-Ad Valorem Revenue Bonds (Warehouse), Series 1998 Series 1998	23,040,000	(a)	23,040,000
Taxable Fuel Tax Bonds, Series 1998	<u>19,965,000</u>	<u>2,379,363</u>	<u>17,585,637</u>
Subtotal	297,011,620	25,536,676	271,474,944
Self-Supporting Debt:			
Water/Wastewater Refunding (Series 1991 A)	239,804,055	40,617,003	199,187,052
Water/Wastewater Refunding (Series 1991 B)	13,145,000	(b)	13,145,000
Water/Wastewater Refunding (Series 1993)	162,845,000	(b)	162,845,000
Solid Waste and Resource Recovery Bonds (Series 1994)	102,155,000	12,580,638	89,574,362
Subtotal	517,949,055	53,197,641	464,751,414
Total	884,650,675	78,734,317	805,916,358

a) A surety bond was obtained for this issue in lieu of a funded debt service reserve. (b) The Debt Service Reserve shown above for the Series 1991A Water/Wastewater Refunding Bonds reflects the total reserve requirement for all outstanding Water/Wastewater Bonds.

FY 99 DEBT SERVICE BUDGET

PLEASE NOTE: The Debt Service amounts shown in this document reflect only principal and interest expenses. Other Debt Service Fund appropriations, such as capitalized interest, remarketing and Letter of Credit fees, trustee and paying agent costs and principal and interest on capital leases are shown in the schedule SUMMARY OF TOTAL DEBT SERVICE REQUIREMENTS.

OUTSTANDING DEBT

As of September 30, 1998 the County has long-term debt outstanding in the principal amount of \$884.651 million. The County's outstanding debt is summarized below and further detailed on the following two pages.

TYPES OF DEBT

There are several different types of debt incurred by cities and counties in Florida, including general obligation debt, revenue debt and other debt,

including long-term leases and government loans. To date, Hillsborough County has used the methods described and defined below.

General Obligation Debt

General obligation ("G.O.") bonds of municipalities, counties, school districts and states are backed by a pledge of the full faith and credit of the issuing entity. This pledge generally is supported by a commitment of the issuer to levy and to collect ad valorem taxes, without limitations as to rate or amount, for the payment of principal and interest on its bonds. With the County's excellent "Aa3/AA-" credit rating (See "Discussion of Bond Ratings"), G.O. debt offers the lowest interest cost of any form of county debt. Because of the impact on property owners, the issuance of general obligation debt in Florida requires the consent of the voters through a referendum.

General obligation debt issued by the County is as follows:

<u>AMOUNT ISSUED</u>	<u>AMOUNT OUTSTANDING (9/30/98)</u>	<u>FY 99 DEBT SERVICE</u>
\$73,850,000	\$69,690,000	\$6,825,711

Revenue Debt--Bonds, Notes, and Governmental Loans

Most, if not all, state constitutions authorize either explicitly or implicitly the issuance of revenue debt. Revenue debt may be issued without voter referendum because of a public policy called the "special fund doctrine". The essence of revenue debt is that a particular stream of revenue is designated as the sole source of repayment of the debt. This revenue source may be derived from a specific project or enterprise, a loan program or even a special tax. In the event that such a source proves inadequate or default is otherwise threatened, the issuer is under no obligation to repay the debt from its general funds. The issuance of revenue debt is usually subject to fewer, less severe restrictions than general obligation debt. This is because the purpose of such restrictions

is to minimize the loss of popular control over the public purse (i.e., to protect future taxpayers against heavy tax burdens they must bear without their consent). Since the County cannot be compelled to levy taxes or fees, other than those specific taxes or fees pledged to revenue debt, future tax-payers are not burdened with the debt service associated with revenue debt. Therefore, the same level of restrictions is not necessary. Nevertheless, in the case where a revenue source such as a sales tax or franchise fee flows to the General Fund to offset operating expenses, the utilization of such revenues as a security pledge for bond indebtedness will have a direct impact on General Fund revenues. Thus, in order to maintain the same level of general services, the issuer may need to identify other supplemental revenues or reduce operating costs.

FY 99 DEBT SERVICE BUDGET

Revenue debt issued by or on behalf of the County is as follows:

<u>AMOUNT ISSUED</u>	<u>AMOUNT OUTSTANDING (9/30/98)</u>	<u>FY 99 DEBT SERVICE</u>
\$870,871,271	\$806,260,675	\$78,713,188
<u>8,700,000</u>	<u>8,700,000</u>	<u>1,456,500</u>
\$879,571,271	\$814,960,675	\$80,169,688

Self-Supporting Revenue Debt. The source of funds supporting an issuance of self-supporting revenue debt is usually the receipts from the operation of a facility or enterprise (e.g. a solid waste resource recovery facility or utility system) built with bond proceeds. As such revenues are received, they immediately become subject to the pledge established by the indenture or resolution that such revenues are received by the issuer to: (i) be held in trust for the benefit of the bond or noteholder; and, (ii) be applied solely as specified in the indenture or resolution. In accordance with this quasifiduciary relationship, it is provided that, upon receipt of the revenues, they are to be deposited into a Trust Fund which is usually deemed the "Revenue Fund".

As stated earlier, repayment of revenue debt is dependent upon a particular source of funds, not upon any general governmental commitment to provide the amount needed for payment. Therefore, it is essential that the funds flowing from such a revenue source be allocated exclusively for such payment, for building required reserves, and for operating the project or program which generated funds. Surplus funds may be applied for other uses. Such exclusive allocation is achieved by means of: (1) formally pledging all funds flowing from the source as security for the bonds or notes; (2) specifying the manner of its application, including restrictions on the alternative application of any surplus; and, (3) covenanting not to apply any such funds except as so specified. Most bond or note resolutions include a requirement that the issuer (such as the County's Water/Wastewater Utility System) charge rates high enough to produce system revenues sufficient to pay not only operating

expenses and debt service, but also to provide an adequate margin to protect bond or noteholders should there be an unforeseen revenue shortfall. Most such margins are in the range of 25% to 40% of annual debt service, depending primarily on the strength of the revenue source.

Commercial Paper takes the form of short-term, unsecured promissory notes issued by organizations of recognized credit quality. While corporations usually issue commercial paper on an unsecured basis, legal differences normally require that municipal issuers secure commercial paper (CP) with a specific pledge. CP is issuable in virtually any amount at any time on very short notice. The dollar amount of each maturity is usually tailored to the needs of the issuer on the date the notes are brought to market. CP is customarily sold at discount from par. The discount includes both the dealer's commission and the interest to be received by the investor. Practically all CP is supported by a credit facility from a commercial bank (e.g. letter-of-credit). The funds available under this credit facility are generally sufficient to pay the outstanding principal of and interest on the CP. Bank-support facilities can take various forms.

Credit ratings by at least one of the major rating agencies (Moody's and Standard & Poor's) are essential to enable a CP issuer to reach a broad range of investors, obtain competitive interest rates and be able to issue CP in amounts consistent with its overall program. The best or "prime" ratings are P-1 by Moody's and A-1+ by Standard and Poor's, which are the ratings of the County's CP.

FY 99 DEBT SERVICE BUDGET

CP has many advantages when used in a suitable borrowing situation. On average, relative to other short-term financing options, the short average maturity of CP results in significant interest rate savings. The effect of this lower average interest rate would be a decrease in the overall borrowing costs of the County. Principal amounts and maturities

ranging from 1 to 270 days can be tailored to meet the County's changing financial needs in amounts up to the Board authorized limit established by the CP resolution. Finally, CP has the lowest issuance costs of any long- or short-term, public or private placement financing alternative.

Self-supporting revenue debt issued by and on behalf of the County is as follows:

AMOUNT <u>ISSUED</u>	AMOUNT <u>OUTSTANDING (9/30/98)</u>	FY 99 DEBT <u>SERVICE</u>
\$556,595,151	\$517,949,055	\$55,089,347

CONTINGENT LIABILITIES

Bonds issued by the Tampa Sports and Aviation Authorities contain provisions (by means of interlocal and cooperation agreements) which require the County to provide revenues to pay debt service or to make up any deficits in certain debt service payments resulting from shortfalls in the operating revenues of these entities.

The following is a summary of debt issued by the Sports and Aviation Authorities for which the County may have a contingent liability:

TAMPA SPORTS AUTHORITY			
ISSUE DATE	AMOUNT ISSUED	AMOUNT OUTSTANDING AS OF 9/30/98	FY 99 DEBT SERVICE
1995	\$17,020,000	\$16,860,000	\$1,496,207
1997	\$148,945,000	\$148,420,000	\$10,421,890
1997	\$30,010,000	\$29,530,000	\$1,991,510
1997B	\$11,190,000	\$11,085,000	\$745,324
1998	\$30,185,000	\$30,185,000	\$1,665,395

Note: Series 1995 Bonds. In FY95, the Tampa Sports Authority issued its \$27,685,000 Special Purpose Bonds and its \$17,020,000 Taxable Special Purpose Bonds to provide funds to contribute to the cost of acquisition, construction, installation and equipping of a multi-purpose arena. The County entered into an Interlocal Agreement with the Authority to contribute \$2 million of 5th Cent Tourist Development Taxes annually toward debt service on the Special Purpose Bonds and to guarantee up to \$1.5 million annually of debt service on the Taxable Special Purpose Bonds to the extent of any shortfall in ticket surcharge revenue.

Series 1997 Bonds: Under the terms of the Interlocal Agreement for Stadium Financing between the County and the Tampa Sports Authority, the County is required to transfer to the trustee for the 1997 Bonds, various revenues pledged for payment of debt service on these bonds. The 1997 Bonds were issued to fund construction of a community stadium and are secured by Local Option Sales Tax revenue, Tourist Development Taxes and Florida Sales Tax revenue.

Series 1998 Bonds: In FY98, the Series 1995 Bonds were refunded by the \$30,185,000 Tampa Sports Authority County Interlocal Payments Bonds.

AVIATION AUTHORITY					
ISSUE DATE	AMOUNT ISSUED	AMOUNT OUTSTANDING AS OF 9/30/98	FY 99 PRINCIPAL	FY 99 INTEREST	FY 99 DEBT SERVICE
1991	\$73,600,000	\$31,955,000	\$2,925,000	\$2,142,903	\$5,067,903
1992	\$93,435,000	\$79,210,000	\$2,920,000	\$4,538,493	\$7,458,493
1993 Series A	\$27,390,000	\$3,840,000	\$3,840,000	\$168,960	\$4,008,960
1993 Series B	\$129,600,000	\$117,915,000	\$2,595,000	\$6,359,616	\$8,954,616
1993 Series C	\$2,820,000	\$525,000	\$525,000	\$23,100	\$548,100
1993 Series D	\$72,000,000	\$67,045,000	\$1,415,000	\$3,493,435	\$4,908,435
1996 Series A	\$25,430,000	\$25,430,000	\$0	\$1,478,709	\$1,478,709
1996 Series B	\$55,325,000	\$55,325,000	\$0	\$3,166,955	\$3,166,955
1997 Series A	\$82,710,000	\$81,955,000	\$2,680,000	\$4,351,219	\$7,031,219
1997 Series B	\$26,900,000	\$26,900,000	\$0	\$1,378,625	\$1,378,625
TOTAL	\$589,210,000	\$490,100,000	\$16,900,000	\$27,102,015	\$44,002,015

Note: In connection with the issuance of the Authority's Tampa International Airport Revenue Bonds of 1968, the Authority entered into a Cooperation Agreement with both the City of Tampa and Hillsborough County which provide, among other things, that the City and County each covenant with the Authority to pay from available funds other than ad valorem taxes, and subject to limitations and priorities more fully explained in the Agreement, one-half of the amount of any deficit which may occur in the Debt Service Reserve Fund. The Cooperation Agreements further provide that the Authority reimburse the City and County for any funds advanced in the fiscal year following such advancement. The Authority is to accomplish this through an increase in lease charges to the airlines. This Cooperation Agreement terminates September 30, 1999.

CONTINGENT LIABILITIES

Tampa Port Authority

In FY95 the Tampa Port Authority issued \$80 million in bonds for which the County agreed to provide credit support. Average annual debt service on these bonds is \$6.4 million. An Interlocal Agreement between the County and Port Authority provides that the County will covenant to annually budget and appropriate sufficient amounts of non-ad valorem dollars to cover shortfalls, if any, in the debt service reserve account for the Port's bonds.

Bonds were issued with a 30 year term. Certain provisions of the Interlocal Agreement will require the Port to fund a capital reserve account which would be used first to cure deficiencies in the debt service reserve account. In addition, there will be limitations on the Port in its issuance of future debt in order to avoid a dilution of the County's standing and security under the Interlocal Agreement.

BOND RATINGS AND CREDIT ENHANCEMENT

DISCUSSION OF BOND RATINGS

The purpose of a rating is to provide investors with a simple system of gradation by which the relative investment qualities of bonds may be noted. Ratings express an agency's opinion on the relative creditworthiness of specific debt obligations. There are three major nationally accepted rating agencies, two of which the County has historically used, i.e. Standard & Poor's Corporation and Moody's Investors Service. In FY 94, the County began using the third rating agency, Fitch Investors Services. Bond ratings are not an opinion on the issuer itself, but on its ability and willingness to repay a specific debt obligation. The following is a discussion of what a rating implies.

Moody's Investors Service. The municipal bond credit rating system used by Moody's grades the investment quality of municipal bonds in a nine symbol system that ranges from the highest investment quality, which is "Aaa" to the lowest credit rating, which is "C".

Municipal bonds in the top four categories (i.e., Aaa, Aa, A, and Baa) are considered to be of investment-grade quality. Additionally, for those bonds in the Aa through B range Moody's uses a refinement designation (e.g., Aa1, Aa2, Aa3) to indicate the relative credit quality within a rating category.

Standard & Poor's. The municipal bond rating system used by Standard & Poor's grades the investment quality of municipal bonds in a 10 symbol system that ranges from the highest investment quality, AAA, to the lowest credit rating D. Bonds within the top four categories (i.e., AAA, AA, A, and BBB) are considered by Standard & Poor's to be of investment-grade quality. Standard & Poor's also uses a plus (+) or minus (-) sign to show relative standing within the rating categories from AA to BB.

Fitch Investors Service. Fitch uses the same 10 symbol grading system employed by Standard and Poor's.

County's Ratings

The County's general obligation bond rating was upgraded in June, 1988 to "Aa" by Moody's and in June, 1991, to "AA-" by Standard & Poor's. In 1998, Moody's refined the County's rating to Aa3. These ratings are at the high-end of the rating scale and are higher than that of the majority of counties and municipalities in Florida. It gives the County access to funds for capital projects at reasonable market interest rates and is a rating the County would not wish to jeopardize. For example, if the County's bond rating was "Baa/A-", instead of "Aa3/AA-", the cost of borrowing would rise sharply.

For purposes of comparison, the following table summarizes the total debt service and average annual interest rate associated with a \$20,000,000 bond issue with a 20-year maturity.

	Aa2 Rated	Baa2 Rated
Average Coupon	5.75%	6.25%
Total Debt Service	\$34,169,400	\$35,584,907

Effect of Credit Enhancement on Ratings

Credit enhancement, either in the form of a municipal bond insurance policy or a letter-of-credit (LOC) from a highly-rated bank, is widely used in the tax-exempt and taxable bond market. Simply stated, credit enhancement provides additional security to back bonds. The primary purpose for having an issue insured or backed by a letter-of-credit is to achieve a higher rating than the bonds would achieve on their own. Most forms of credit enhancement provide a "Aaa1/AAA" long-term rating or a "P1/A1+" short-term rating; in both cases, the highest possible rating category.

BOND RATINGS AND CREDIT ENHANCEMENT

Debt-Related Ratios. Debt-related ratios are used to understand the credit of general obligation issues. The value of the ratios is twofold:

1. The ratios are among the analytical tools for evaluating the creditworthiness of the issuer's G.O. bonds; and,
2. The per capita data allows the analyst to compare bonds of different communities.

Net G.O. Debt per Capita. This figure represents the outstanding amount of G.O. Bonds divided by the population. In theory, it represents the amount of debt per person that is supported by the general taxing powers of the issuer in the issuer's General Fund. In general, the lower the number, the more creditworthy the issuer.

DEBT OUTSTANDING	PER CAPITA
AS OF 9/30/98	PER CAPITA
\$69,690,000	\$75.34

This per capita ratio compares favorably with the following Florida counties:

	<u>PER CAPITA</u>
Broward	\$228.00
Palm Beach	\$132.00
Miami/Dade	\$188.00

Net G. O. Debt as a Percentage of Full Real Estate Valuation. This percentage indicates the level of debt as compared with the real estate wealth as represented in the most recent real estate valuation. This statistic is perhaps one of the most important figures for the credit analyst, since it indicates the issuer's ability to pay.

DEBT OUTSTANDING	
AS OF 9/30/98	\$69,690,000
FULL REAL ESTATE VALUATION	
	\$31,747,753,743
PERCENTAGE	0.2195%

The following compares net G.O. debt as a percentage of full taxable value assessed property for the indicated Florida counties:

Broward	0.53%
Palm Beach	0.22%
Miami/Dade	0.47%

The following schedule lists the County's outstanding issues and their current rating. Additionally, it lists the credit enhancement provider which has guaranteed the bonds and as a result provides for the rating.

CREDIT RATINGS OF OUTSTANDING DEBT

	DATE ISSUED	S & P	MOODY'S	FITCH	CREDIT ENHANCER*
General Obligation Bonds:					
ELAPP, Series 1992	Jul-92	A	Not Rated	Not Rated	None
Parks, Series 1993	Jul-93	AA-	Aa3	Not Rated	None
Parks, Series 1996	Jan-96	AA-	Aa3	AA-	None
ELAPP Series 1994	Oct-94	A	Not Rated	A	AMBAC
ELAPP Series 1998	Aug-98	Aaa	AAA	AAA	MBIA
Underlying Rating		A	A3	A	
Self-Supporting Revenue Bonds:					
Solid Waste & Resource Recovery Refunding Revenue Bonds, Series 1994	Jul-94	AAA	Aaa	Not Rated	MBIA
Underlying Rating		A	Not Rated	Not Rated	
County Utility Bonds:					
Utility Refunding Bonds, Series 1991A	Sep-91	BBB+	Baa1	Not Rated	None
Utility Refunding Bonds, Series 1991B	Sep-91	BBB+	Baa1	Not Rated	None
Utility Refunding Bonds, Series 1993	Aug-93	AAA	Aaa	Not Rated	MBIA
Underlying Rating		BBB+	Baa1	Not Rated	
Non Self-Supporting Revenue Bonds/Notes:					
Tax Exempt Commercial Paper Pool	Jun-94	A-1+	P-1	Not Rated	First Union LOC
Non-Ad Valorem Refunding Revenue (A & B), Series 1996	Jan-96	AAA	Aaa	Not Rated	MBIA
Underlying Rating		A	A	Not Rated	
Courthouse Tower Annex RAN	Oct-93	Not Rated	Not Rated	Not Rated	None
Fuel Tax Refunding Bonds, Series 1998	Jan-98	AAA	Aaa	AAA	FGIC
Underlying Rating		A-	A2	A	
Criminal Justice Bonds, Series 1993	Aug-93	AAA	Aaa	Not Rated	FGIC
Underlying Rating		A-	A1	Not Rated	
Capital Improvement Refunding Revenue Bonds, Series 1996	Jan-96	AAA	Aaa	AAA	FGIC
Underlying Rating		A-	A1	A+	
Capital Improvement Non Ad Valorem Revenue Bonds, Series 1998	Jun-98	AAA	Aaa	AAA	FSA
Underlying Rating		A-	A3	A+	

* The following are the full names of firms providing credit enhancement for which abbreviations are shown above:

MBIA - Municipal Bond Investors Assurance Corporation

AMBAC - AMBAC Indemnity Corporation (formerly, American Municipal Bond Assurance Corp.)

FGIC - Financial Guaranty Insurance Corporation

FSA - Financial Security Assurance, Inc.

SUMMARY OF DEBT SERVICE REQUIREMENTS FY 99

Series Date	Debt Issue	Amount Issued	Principal	Interest	Total Debt Service
General Obligation Bonds:					
1992	ELAPP Bonds	7,670,000	1,765,000	445,104	2,210,104
1993	Parks Bonds	10,000,000	185,000	486,933	671,933
1994	ELAPP Bonds	17,990,000	830,000	798,248	1,628,248
1996	Parks Bonds	10,000,000	175,000	538,873	713,873
1998	ELAPP Bonds	<u>28,190,000</u>	<u>385,000</u>	<u>1,216,553</u>	<u>1,601,553</u>
	Subtotal	73,850,000	3,340,000	3,485,711	6,825,711
Non Self-Supporting Debt:					
1993	Criminal Justice	139,415,000	4,335,000	6,091,319	10,426,319
1983	Courthouse Annex Tower RAN	6,400,000	270,809	188,104	458,904
1998	Fuel Tax Bonds	19,965,000	1,220,000	1,148,888	2,368,888
1996	Capital Improvement Refunding Revenue Bonds	48,521,120	1,470,000	2,017,260	3,487,260
1996	Non Ad-Valorem Refunding Revenue Bonds (A/B)	76,935,000	1,605,000	3,781,270	5,386,270
1998	Tax-Exempt Commercial Paper	8,700,000	1,200,000	256,500	1,456,500
1998	Non-Ad Valorem Revenue Bonds (Warehouse)	<u>23,040,000</u>	<u>190,000</u>	<u>1,306,200</u>	<u>1,496,200</u>
	Subtotal	322,976,120	10,290,809	14,789,541	25,080,341
Self-Supporting Debt:					
1984	Solid Waste/Resource Recovery	121,810,000	7,145,000	5,086,776	12,231,776
1991A	Water/Wastewater Utility Bonds	244,940,151	8,043,928	18,082,620	26,126,548
1991B	Water/Wastewater Utility Bonds	13,145,000	0	854,425	854,425
1993	Water/Wastewater Utility Bonds	<u>176,700,000</u>	<u>7,390,000</u>	<u>8,486,598</u>	<u>15,876,598</u>
	Subtotal	556,595,151	22,578,928	32,510,419	55,089,347
TOTAL		953,421,271	36,209,737	50,785,671	86,995,399

SUMMARY OF DEBT SERVICE REQUIREMENTS FY 99

Series Date	Debt Issue	Cap Interest	Other Debt Service Costs	Principal Leases	Interest Leases
	General Obligation Bonds:				
1992	ELAPP Bonds	0	2,756	0	0
1993	Parks Bonds	0	0	0	0
1994	ELAPP Bonds	0	2,756	0	0
1996	Parks Bonds	0	0	0	0
1998	ELAPP Bonds	<u>0</u>	<u>2,000</u>	<u>0</u>	<u>0</u>
	Subtotal	0	7,512	0	0
	Non Self-Supporting Debt:				
1993	Criminal Justice	0	0	0	0
1983	Courthouse Annex Tower RAN	0	0	0	0
1998	Fuel Tax Refunding Bonds	0	15,000	0	0
1996	Capital Improvement Refunding Revenue Bonds	0	5,513	0	0
1996	Non Ad-Valorem Refunding Revenue Bonds	0	5,513	0	0
1996	Tax-Exempt Commercial Paper	0	41,419	0	0
1998	Non-Ad Valorem Revenue Bonds (Warehouse)	<u>0</u>	<u>15,000</u>	<u>0</u>	<u>0</u>
	Subtotal	0	82,445	0	0
	Self-Supporting Debt:				
1994	Solid Waste/Resource Recovery	0	5,000	0	0
1991A	Water/Wastewater Utility Bonds	0	100,000	0	0
1991B	Water/Wastewater Utility Bonds	0	0	0	0
1993	Water/Wastewater Utility Bonds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Subtotal	0	105,000	0	0
	TOTAL	0	194,957	0	0

SUMMARY OF OUTSTANDING DEBT

AS OF SEPTEMBER 30, 1998

Description	Issue Date	Purpose	Revenues Pledged
\$45,000,000 General Obligation (ELAP Program), Series 1992	Jul-92	Acquisition and protection of environmentally sensitive land	Property taxes not to exceed .25 mil
\$10,000,000 General Obligation (Parks Bonds)	Jul-93	Acquisition and construction of parks and recreational facilities	Property taxes sufficient to pay debt service
\$17,990,000 General Obligation (ELAP Program), Series 1994	Oct-94	Acquisition and protection of environmentally sensitive land	Property taxes not to exceed .25 mil
\$10,000,000 General Obligation (Parks)	Jun-96	Acquisition and construction of parks and recreational facilities	Property taxes sufficient to pay debt service
\$28,190,000 General Obligation (ELAP Program) Series 1998	Aug-98	To partially refund the Series 1992 ELAP Program general obligation bonds.	Property taxes not to exceed .25 mil
\$139,415,000 CIP Refunding Revenue Bonds, Series 1993 (Criminal Justice Facilities)	Aug-93	To refund the outstanding Series 1987 CIP Revenue Bonds issued to fund construction of Criminal Justice facilities	Local Government Half-Cent Sales Tax per Chapter 218, Part IV, FL Statutes
\$6,400,000 Courthouse Annex Tower Addition	Oct-83	Construction of an addition to the courthouse annex, referred to as the Courthouse Annex Tower	Net revenues derived from certain court costs
\$19,965,000 Fuel Tax Refunding Bonds, Series 1998	Jan-98	To refund the County's Road Improvement Refunding Revenue Bonds, Series 1985	County Fuel Tax, Local Option Gas Tax

SUMMARY OF OUTSTANDING DEBT

AS OF SEPTEMBER 30, 1998

Description	Range of Annual Interest Rates	Fund Making Payment	FY 99 Debt Service (\$000's)	Amount Outstanding 9/30/98 (\$000's)
\$45,000,000 General Obligation (ELAP Program), Series 1992 Refunded \$7,670,000	5.600% 6.000%	Governmental	2,210	7,670
\$10,000,000 General Obligation (Parks Bonds) Series 1993	4.700% 5.500%	Governmental	672	9,170
\$17,990,000 General Obligation (ELAP Program), Series 1994	3.900% 5.800%	Governmental	1,628	14,830
\$10,000,000 General Obligation (Parks) Series 1996	4.500% 5.750%	Governmental	714	9,830
\$28,190,000 General Obligation (ELAPP), Series 1998	3.750% 5.000%	Governmental	1,602	28,190
\$139,415,000 CIP Refunding Revenue Bonds, Series 1993 (Criminal Justice Facilities)	5.250%	Governmental	10,426	120,920
\$6,400,000 Courthouse Annex Tower Addition	3.850%	Governmental	459	3,906
\$19,965,000 Fuel Tax Refunding Bonds, Series 1998	5.500% 6.000%	Governmental	2,369	19,965

SUMMARY OF OUTSTANDING DEBT

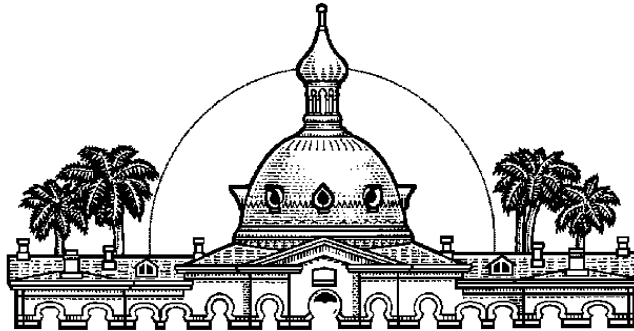
AS OF SEPTEMBER 30, 1998

Description	Issue Date	Purpose	Revenues Pledged
\$48,521,120 CIP Refunding Revenue Bonds, Series 1996	Jan-96	To refund all outstanding 1994 Series bonds for the Yankees spring training stadium and 800 MHz radio system	Local Government Half-Cent Sales Tax (Chapter 218, Part IV, FL Statutes)
\$76,935,000 Non Ad-Valorem Refunding Revenue Bonds (A&B) Series 1996	Jan-96	To refund all outstanding 1992 Series MOSI and County Center Bonds	County Non Ad-Valorem Revenues
\$8,700,000 Tax-Exempt Commercial Paper	Dec-98	To provide short-term funding for RWIU's and governmental facilities	County Non-Ad-Valorem Revenues
\$23,040,000 Capital Improvement Non-Ad Valorem Revenue Bonds, Series 1998	Jun-98	To fund construction of a warehouse facility and district facilities for the Sheriff's Department	County Non-Ad Valorem Revenue
\$244,940,151 Refunding Bonds (Water/ Wastewater Bonds), Series 1991 A	Sep-91	To refund all outstanding Series 1988 and a portion of the Series 1987 Utility Revenue Bonds, and pay issuance costs	Net revenues and capacity fees of the Water/ Wastewater System
\$13,145,000 Refund Bonds (Water/Waster Bonds), Series 1991 B	Sep-91	To refund all outstanding Series 1988 Cone Ranch Public Improvement Bonds, and pay issuance costs	Net revenues and capacity fees of the Water/ Wastewater System
\$176,700,000 Refunding Revenue Bonds (Water/Wastewater Facilities), Series 1993	Aug-93	To provide funds sufficient to refund certain Utility System debt in the principal amount of \$162,348,063; to fund the Reserve account; and pay issuance costs	Net revenues and capacity fees of the Water/ Wastewater System
\$121,810,000 Solid Waste Resource Recovery Revenue Bonds, Series 1994	Jul-94	To refund bonds issued for construction of facilities for the disposal of solid waste and generation of electricity	Net revenues of the Solid Waste Control System

SUMMARY OF OUTSTANDING DEBT

AS OF SEPTEMBER 30, 1998

Description	Range of Annual Interest Rates	Fund Making Payment	FY 99 Debt Service (\$000's)	Amount Outstanding 9/30/97 (\$000's)
\$48,521,000 CIP Refunding Revenue Bonds Series 1996	4.800% 6.000%	Governmental	3,487	46,941
\$76,935,000 Non-Ad-Valorem Refunding Revenue Bonds (A&B) Series 1996	4.800% 6.000%	Governmental	5,387	73,540
\$8,700,000 Tax-Exempt Commercial Paper	Variable	Governmental	1,457	87,000
\$23,040,000 CIP Non Ad Valorem Revenue Bonds (Warehouse), Series 1998	4.500% 5.000%	Governmental	1,496	23,040
\$244,940,151 Refunding Bonds (Water/Wastewater Bonds), Series 1991 A	7.000%	Governmental	26,127	239,804
\$13,145,000 Refund Bonds (Water/Wastewater Bonds), Series 1991 B	7.250%	Enterprise	854	13,145
\$176,700,000 Refunding Revenue Bonds (Water/Wastewater Facilities), Series 1993	4.700% 5.500%	Enterprise	15,877	162,845
\$121,810,000 Solid Waste Resource Recovery Revenue Bonds, Series 1994	4.500% 5.700%	Enterprise	12,232	102,155



Hillsborough County
Florida