

FY 27

County Administrator's Recommended Budget

July 15, 2026



Hillsborough
County Florida



GFOA Award, Received Since 1986



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Hillsborough County
Florida**

For the Biennium Beginning

October 01, 2025

Christopher P. Morill

Executive Director

AAA Credit Rating from the Three Leading Agencies

Moody's

"The County's financial position is very strong driven by sophisticated management and conservative budgeting practices which have led to nine consecutive general fund surpluses." May 20, 2024

S&P Global

"The 'AAA' rating reflects our opinion of the County's:

- Strong financial operations, consisting of a long track record of surplus operations and the maintenance of very strong reserves.*
- Very strong management conditions and a strong institutional framework score, which support financial operations." May 22, 2024*

"Hillsborough County's GO bonds are eligible to be rated above the sovereign because we believe the county can maintain better credit characteristics than the U.S. in a stress scenario." May 22, 2024

Fitch Ratings

"Hillsborough's 'AAA' IDR and GO bond ratings reflect 'strong' financial resilience evidenced by a history of reserves maintained notably above 10% of spending and high expense and revenue raising controls." May 20, 2024

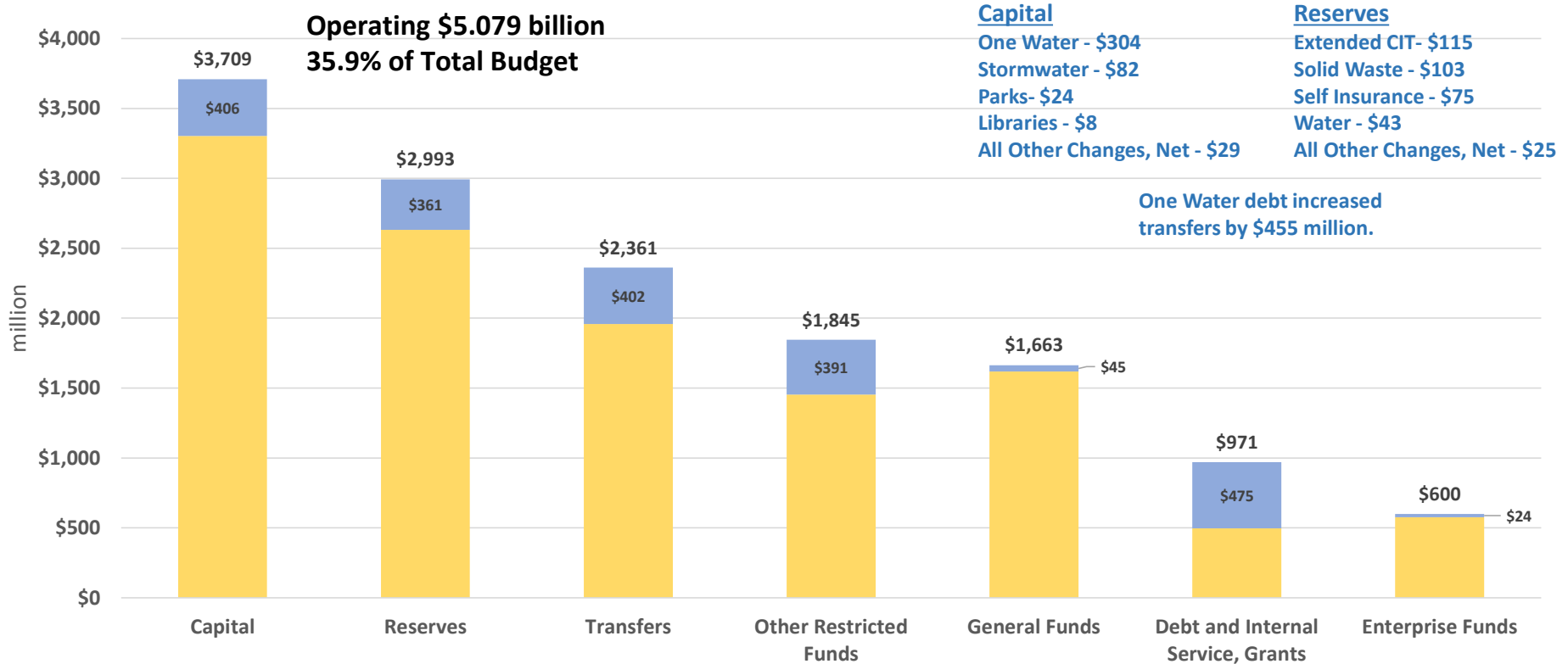
Budget Guiding Principals

- **Adopt a structurally balanced budget – recurring revenues match or exceed recurring expenditures**
- **Structure FY 27 budget to prepare for possible property tax reform**
- **Use restricted funds first**
- **Maintain general fund reserves between 20% - 25%**
- **Prioritize Public Safety**
- **Maintain County infrastructure/equipment**
- **Maintain current service levels**
- **Identify budget savings**
- **Invest in County employees**

Change in Total County Budget, FY 26 to FY 27

(In Billions)	
FY 27 Recommended Budget	\$14.142
FY 26 Adopted Budget	<u>\$12.038</u>
FY 27 Budget Increase	<u>\$ 2.104</u>

FY 27 Total Recommended Budget, \$14.142 Billion

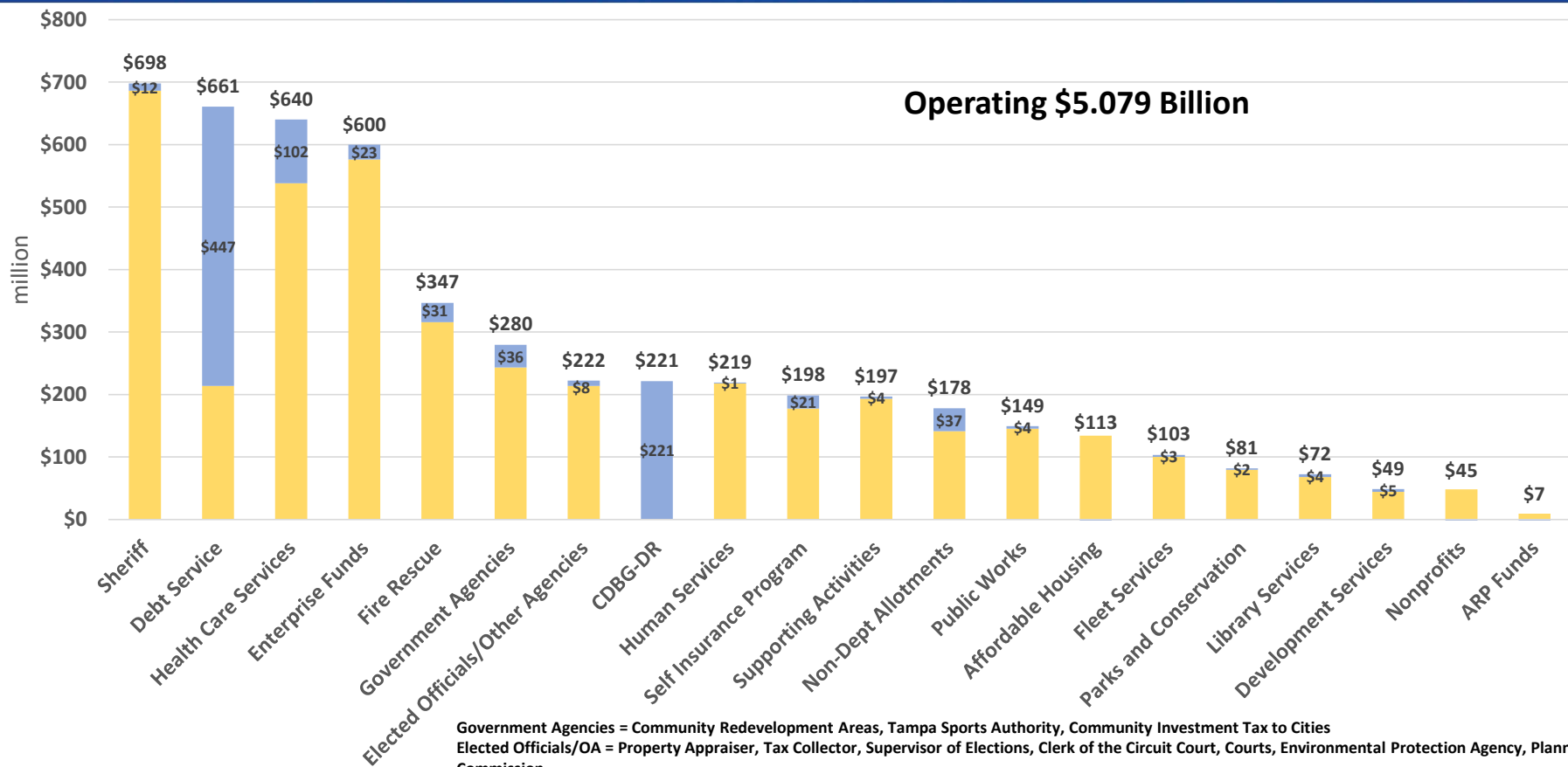


Operating budget includes General Funds, Other Restricted Funds, Debt and Internal Service Funds, Grants, and Enterprise Funds

Internal Service – Fleet and Insurance

Other Restricted Funds – Indigent Health Care, Constitutional Officers, Transportation Trust, Sales Tax, Library, Development Services, Affordable Housing, etc.

FY 27 Total Recommended Operating Budget, \$5.079 Billion



Government Agencies = Community Redevelopment Areas, Tampa Sports Authority, Community Investment Tax to Cities

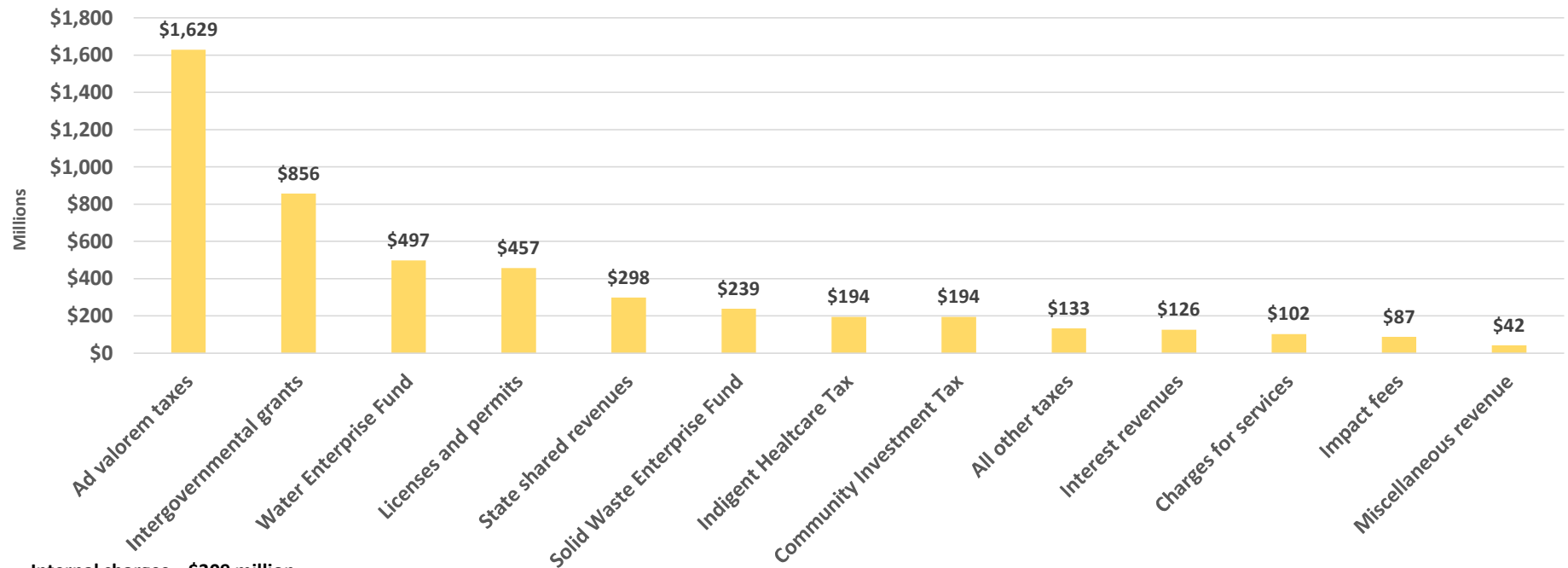
Elected Officials/OA = Property Appraiser, Tax Collector, Supervisor of Elections, Clerk of the Circuit Court, Courts, Environmental Protection Agency, Planning Commission

Human Services = Aging Services, Children's Services, Social Services, Medical Examiner, Homeless Services, Sunshine Line

Supporting Activities = Budget, Procurement, Human Resources, Facilities, Risk Management, Technology Services, Financial Services, County Attorney, Internal Auditor, Communications, Customer Service, County Administration

Health Care Services includes the Hospital Direct Payment Program a pass-through Special Assessment directed by hospitals. The program increased \$105 million for FY 27.

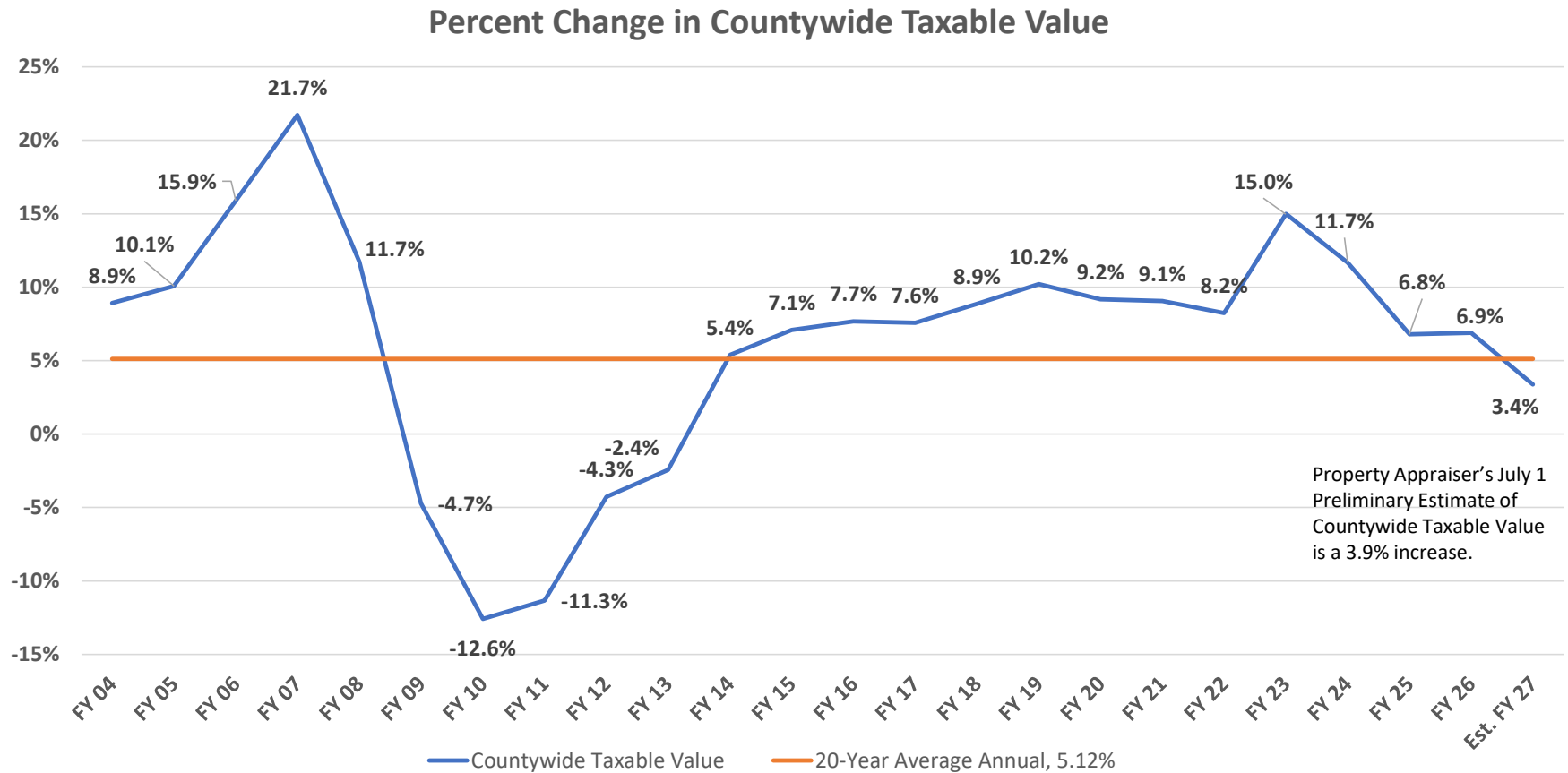
FY 27 Recommended Revenues, \$5.163 Billion



Internal charges = \$309 million

- State shared revenues = fuel taxes, half-cent sales tax, state general revenues, etc.
- Licenses and permits includes an FY 27 special assessment of \$360 million, a pass-through associated with the Hospital Direct Payment Program
- All other taxes = Communications Services Tax, local option fuel tax, ninth-cent fuel tax, tourist development taxes, etc.
- Charges for services = ambulance fees, court costs and charges, etc.
- Miscellaneous revenues include \$7 million in opioid settlement dollars
- Internal charges = insurance, fleet, indirect costs

Taxable Value Changes, FY 04 to FY 26, with June 1 Property Appraiser Estimate for FY 27



Proposed Millage Swap

	Countywide	Unincorporated Area	Net Change in Revenue
June 1, 2026 Taxable Value	\$ 185,600,000,000	\$ 110,100,000,000	
Impact of a 0.050 mil swap	\$ (9,280,000)	\$ 5,505,000	\$ (3,775,000)
Impact of a 0.100 mil swap	\$ (18,560,000)	\$ 11,010,000	\$ (7,550,000)
Impact of a 0.150 mil swap	\$ (27,840,000)	\$ 16,515,000	\$ (11,325,000)

A 0.100 mil swap is incorporated in the FY 27 County Administrator's Recommended Budget.

This will be in addition to the 0.1000 mil swap approved by the Board in the FY 25 Budget and the 0.1418 mil swap approved in the FY 26 Budget.

Millage Swap Impact on \$350,000 Home

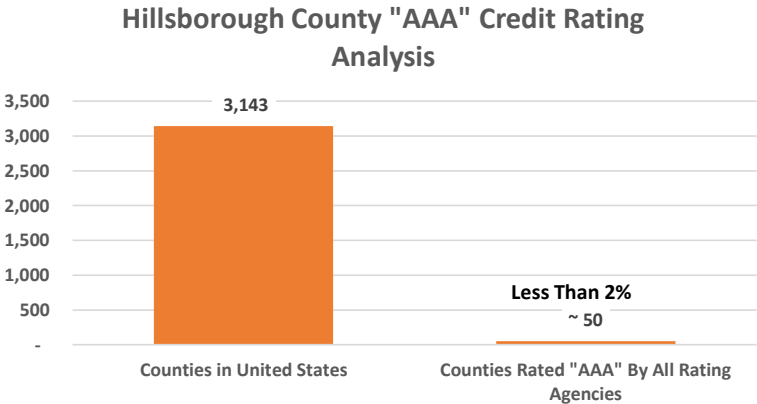
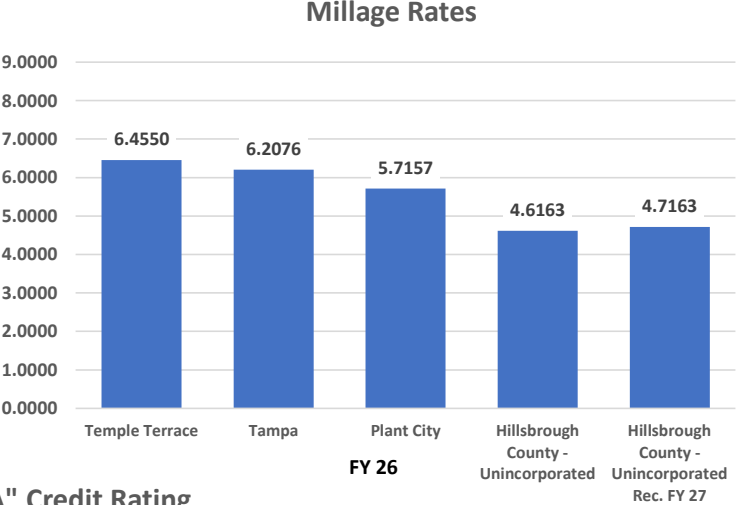
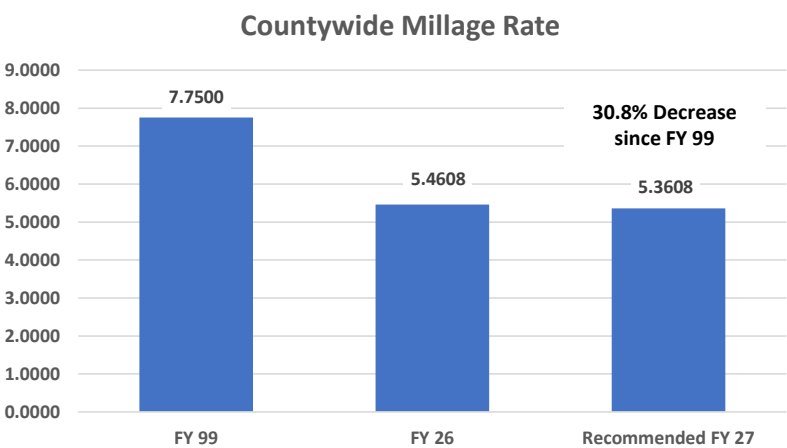
Unincorporated Area Homestead with Assessed Value of \$350,000

	<u>Countywide</u>	<u>Unincorporated Area</u>	<u>Total</u>
Impact of a 0.050 mil swap	\$ (15)	\$ 15	\$ -
Impact of a 0.100 mil swap	\$ (30)	\$ 30	\$ -
Impact of a 0.150 mil swap	\$ (45)	\$ 45	\$ -

City Homestead with Assessed Value of \$350,000

	<u>Countywide</u>	<u>Unincorporated Area</u>	<u>Total</u>
Impact of a 0.050 mil swap	\$ (15)	\$ -	\$ (15)
Impact of a 0.100 mil swap	\$ (30)	\$ -	\$ (30)
Impact of a 0.150 mil swap	\$ (45)	\$ -	\$ (45)

Millage Rates and Credit Ratings



Change in General Funds Budget, FY 26 to FY 27

(In Millions)	
FY 27 Recommended Budget	\$2,556
FY 26 Adopted Budget	<u>\$2,506</u>
FY 27 Recommended Budget Increase, 2%	<u>\$ 50</u>

Fire Rescue increased \$29 million, Constitutional Officers/Elected Officials increased \$11 million, all others increased a net \$10 million.

Countywide General Fund Characteristics

- Funds services for all Hillsborough County residents
- Operating millage rate of 5.3608 mills assessed on all properties (Recommended FY 27)
 - \$1,608 on a home with an assessed value of \$350,000

- Services

Sheriff – primarily jail operations

Clerk of Courts, Supervisor of Elections, Tax Collector, Property Appraiser

Court Operations

Human Services

Emergency Management

Conservation and Parks

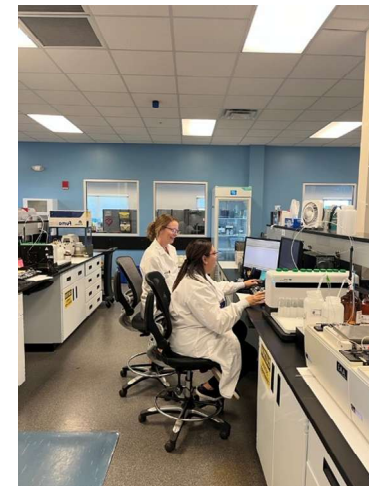
Affordable Housing

Economic Development

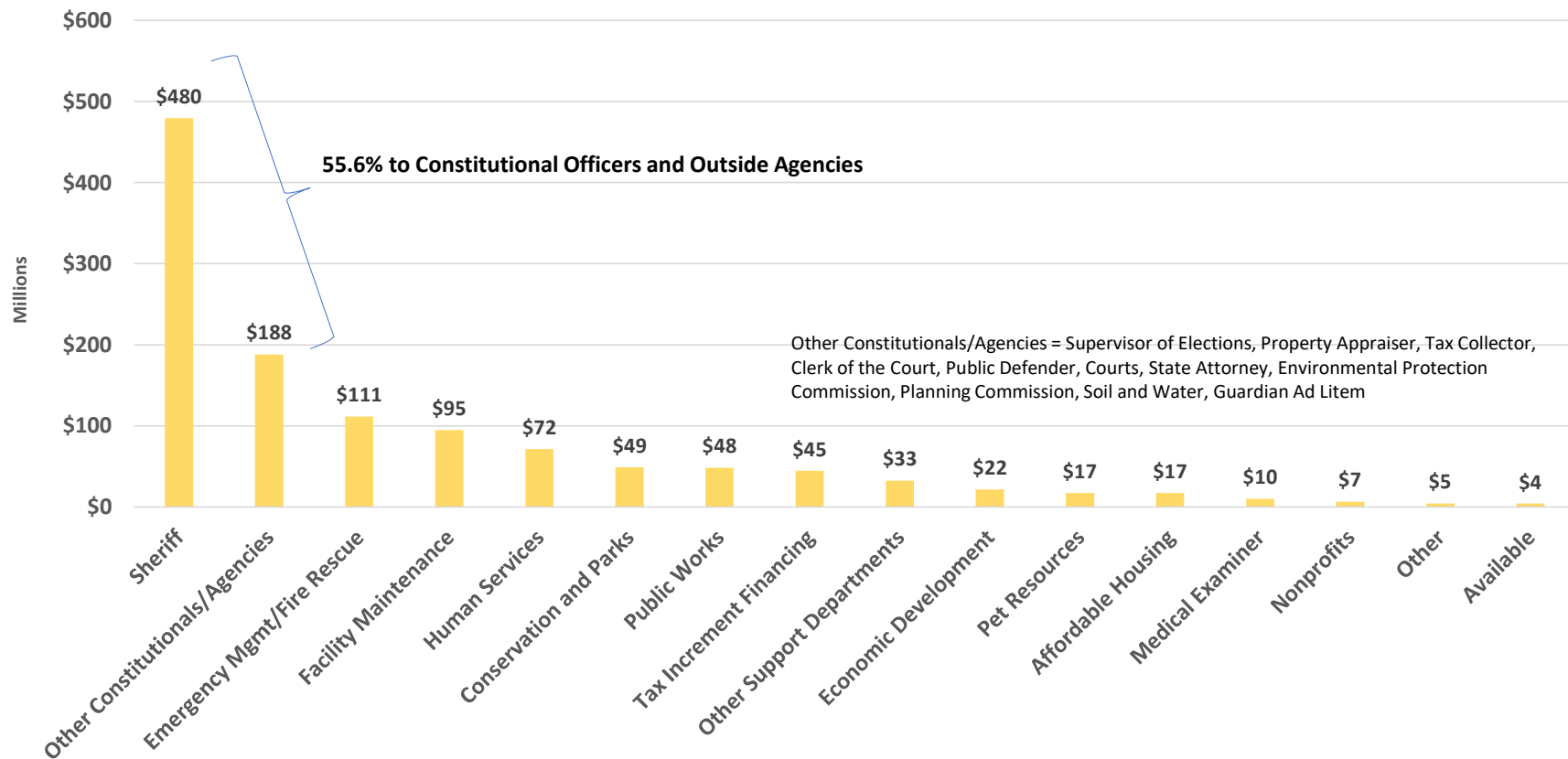
Medical Examiner

Pet Resources

Support Services – HR, Budget, Procurement, IIO, etc.



FY 27 Recommended Countywide General Fund, \$1.633 Billion



Reserves = \$338.0 million
Intrafund Transfers = \$2.0 million

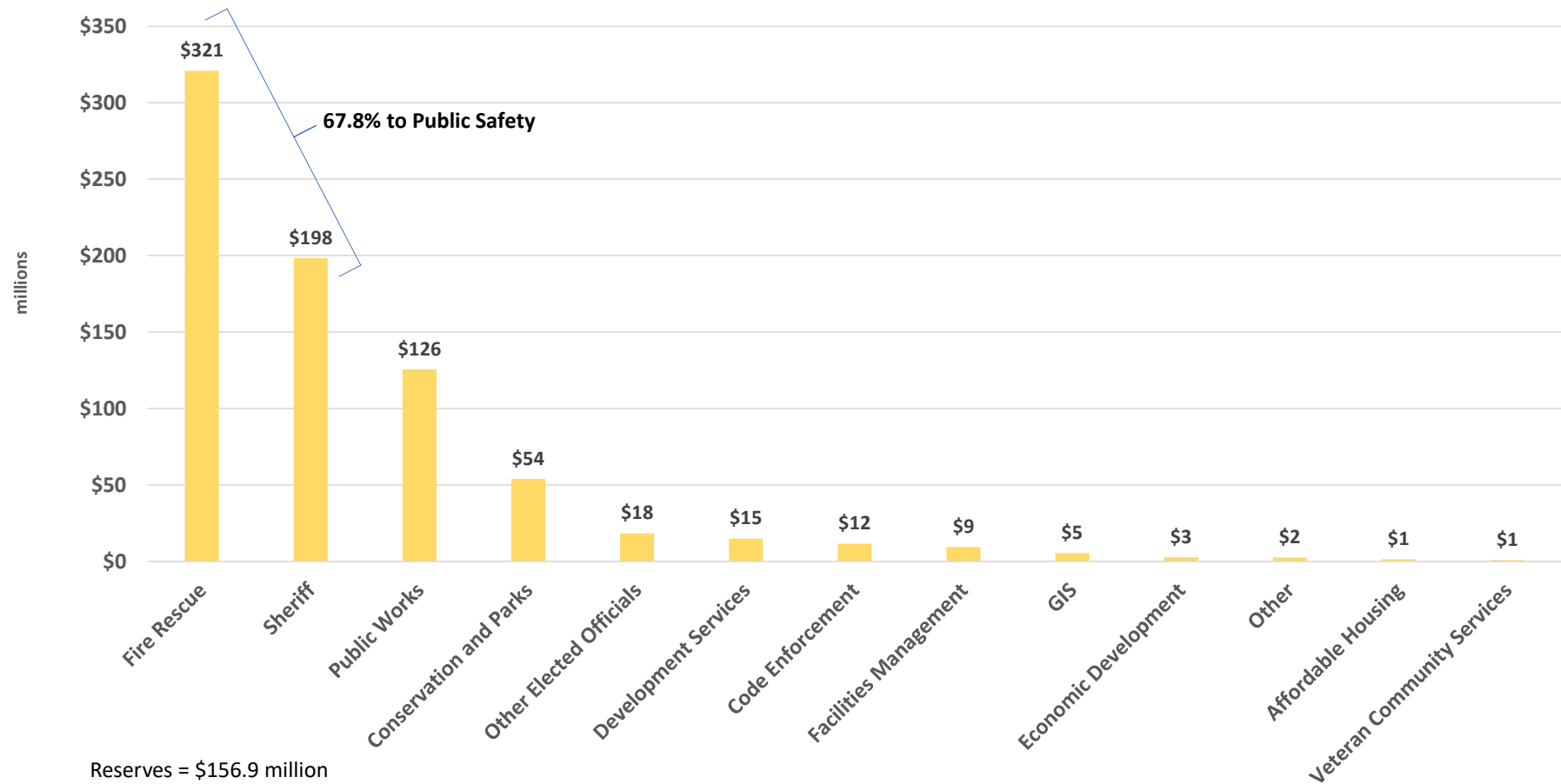
Other support departments are net of indirect cost reimbursements of \$90 million. These departments include Management and Budget, Procurement, Communications, Human Resources, Risk Management, etc.

Unincorporated Area General Fund Characteristics

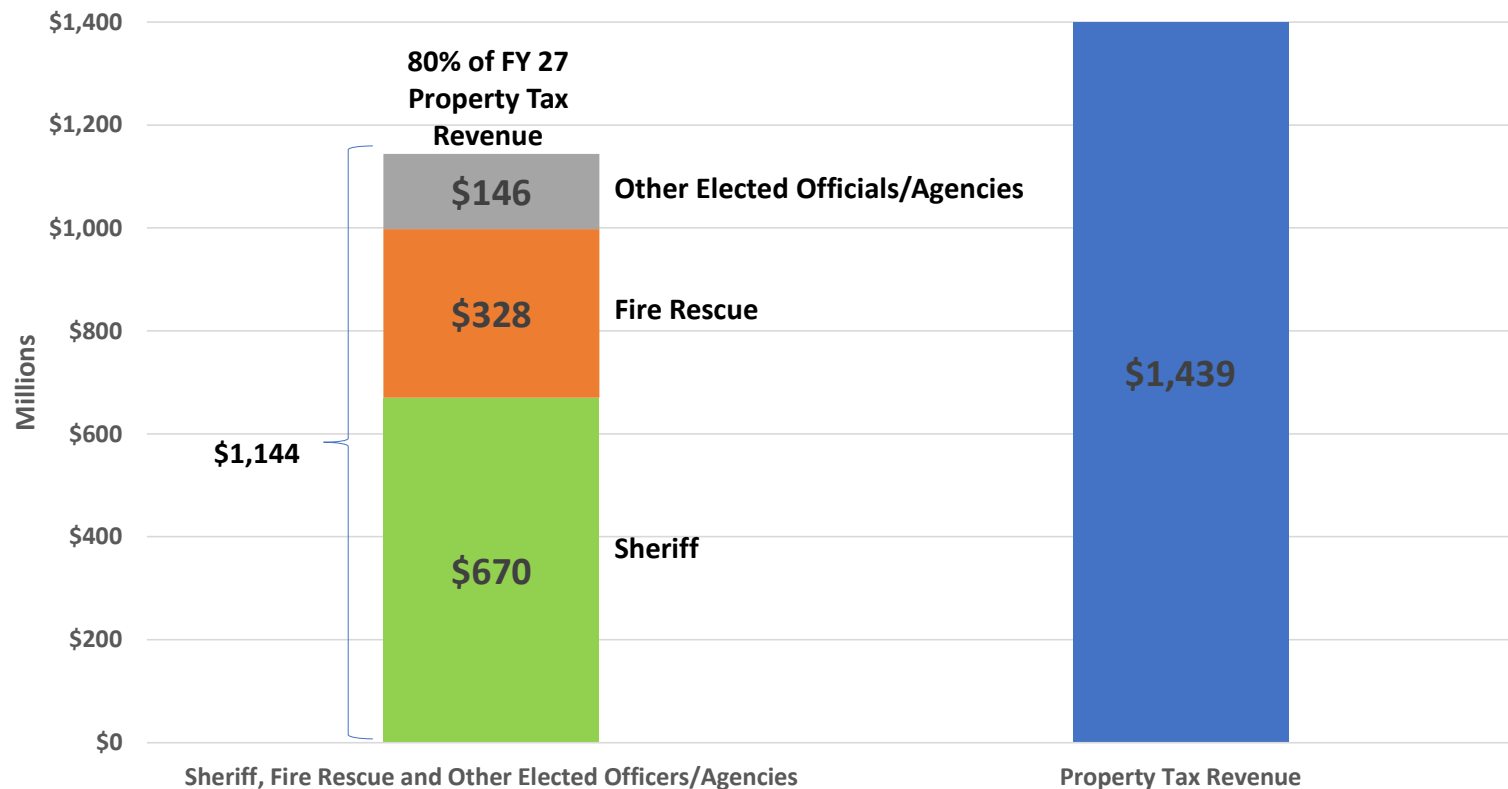
- Funds services for unincorporated area residents of Hillsborough County – services typically closely mirror those provided to city residents through city millage assessments
- Operating millage rate of 4.7163 mills assessed on all unincorporated area properties (Recommended FY 27)
 - \$1,415 on a home with an assessed value of \$350,000
 - City of Tampa's millage is 6.2076, Plant City's millage is 5.7157, and Temple Terrace's millage is 6.4550 (FY 26)
- Services:
 - Fire Rescue
 - Sheriff – primarily patrol operations
 - Public Works
 - Parks and Recreation
 - Development Services
 - Code Enforcement



FY 27 Recommended Unincorporated Area General Fund, \$924 Million

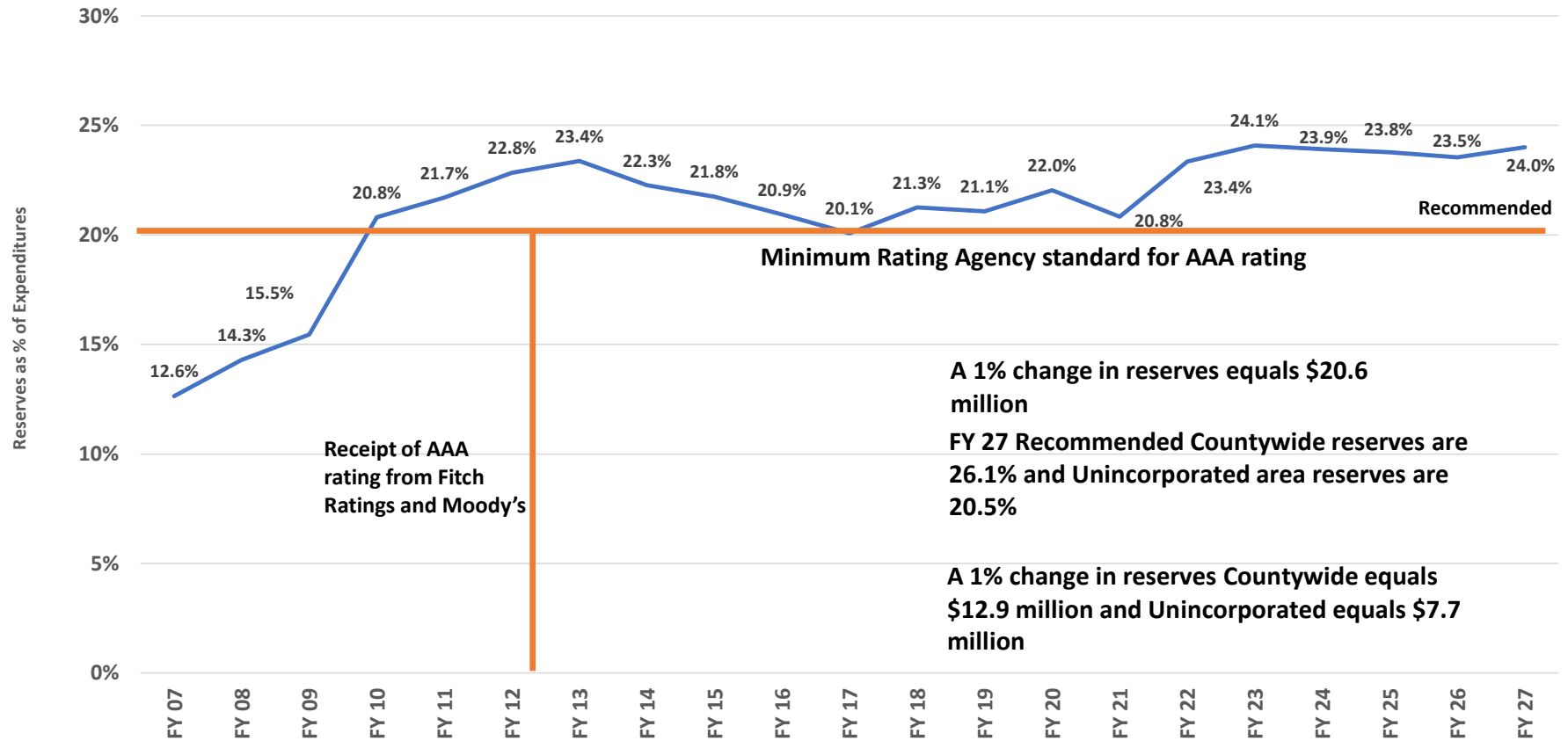


FY 27 Comparison of Public Safety and Other Constitutional Officer Budgets to General Funds Property Tax Revenue



Other Elected Officials/Agencies includes Constitutional Officers, Environmental Protection Commission, Courts, Planning Commission, Soil and Water, and Value Adjustment Board

General Fund Reserve Analysis



Maximum Millage Rate Limitation

Senate Bill 4F revises the current maximum millage rate calculation that can be levied with a simple majority vote and is based on the rolled-back rate.

The bill is statutory and not constitutional. Therefore, it applies to the FY 27 budget.

Under new legislation:

Millage rate at rolled-back rate

- Simple majority vote
- Revenue impact compared to Recommended FY 27 millage
 - Countywide increase of \$587,000
 - Unincorporated reduction of \$20.2 million
 - Library reduction of \$1.8 million

Millage rate not greater than 110% of rolled-back rate

- Two-thirds (super majority) vote
- Recommended FY 27 Millage will require a super majority

Millage rate greater than 110% of rolled-back rate

- Unanimous vote
-

Estimated Budget Impact of Property Tax Reform Amendment

	(in millions)	
	FY 28	FY 29
	<u>\$150,000</u>	<u>\$250,000</u>
	<u>Homestead</u>	<u>Homestead</u>
	<u>Exemption</u>	<u>Exemption</u>
Countywide General Fund	\$ 143.3	\$ 213.0
Unincorporated Area General Fund	\$ 89.7	\$ 130.3
Total General Funds	<u>\$ 233.0</u>	<u>\$ 343.3</u>
Library District Fund	\$ 14.0	\$ 21.2
ELAPP Debt Service	\$ 1.6	\$ 2.4

Ad valorem revenue would decrease 15.7% in FY 28 and 23.2% by FY 29.

The Constitutional Amendment vote will take place on November 3, 2026, and requires 60% approval.

FY26 General Fund - Personnel Budget Example

	FY 26, in millions			
	<u>Countywide General Fund</u>	<u>Unincorporated Area General Fund</u>	<u>Combined General Funds</u>	
Personnel Budget	\$ 527.7	\$ 449.9	\$ 977.60	
Less: Fire Rescue Personnel Budget	\$ 2.7	\$ 230.9	\$ 233.60	23.9%
Less: Sheriff Personnel Budget	\$ 331.9	\$ 167.3	\$ 499.20	51.1%
	\$ 193.1	\$ 51.7	\$ 244.8	25.0%
FY 28 Property Tax Reform Impact	\$ 143.3	\$ 89.7	\$ 233.0	
FY 29 Property Tax Reform Impact	\$ 213.0	\$ 130.3	\$ 343.3	

Rating Agency Commentary on Property Tax Reform

Fitch Ratings

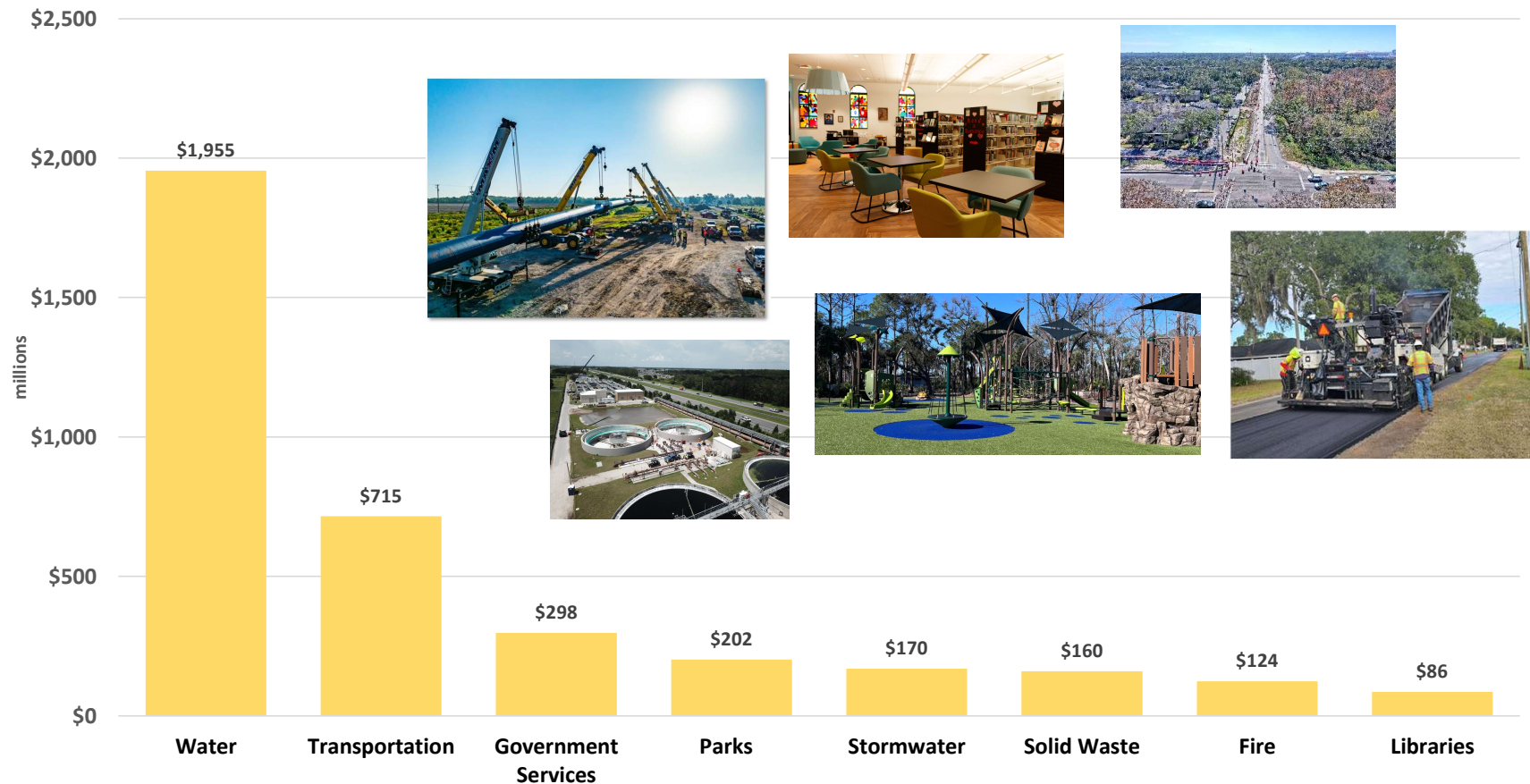
“Under Fitch’s U.S. Public Finance Local Government Rating Criteria, lower revenue-raising control due in part to reduced future taxing capacity not adequately offset by a rise in other available revenue, such as charges and fees, may require a local government to maintain higher unrestricted general fund reserves to achieve a given financial resilience assessment and rating level.” June 12, 2026

“Rating effects, if any, will depend on local governments’ ability to offset any resulting loss of property tax revenue without excessive reliance on one-time budget actions, including reserve use, while preserving sufficient taxing margin under the 10-mill statutory cap.” June 12, 2026

S&P Global

“Although local government (LG) ratings in Florida have shown stability over time, S&P Global Ratings expects greater credit pressure for LG’s if voters approve the property tax reform this November.” June 9, 2026

FY 27 Recommended Capital Budget, \$3.709 Billion



History of Transportation Funding from General Funds and CIT

in millions		Countywide	Unincorporated Area	Community		
Year		General Fund	General Fund	Investment Tax		Total
FY 20 Adopted	\$	-	\$ 8.5	\$ 1.0	\$	9.5
FY 21 Adopted	\$	5.0	\$ -	\$ -	\$	5.0
FY 22 Adopted	\$	6.5	\$ 7.4	\$ -	\$	13.9
FY 23 Adopted	\$	2.1	\$ 5.3	\$ -	\$	7.4
FY 24 Adopted	\$	11.0	\$ 11.1	\$ 28.0	\$	50.1
FY 25 Adopted	\$	45.4	\$ 25.7	\$ 48.0	\$	119.1
FY 26 Adopted	\$	14.0	\$ 73.8	\$ 46.9	\$	134.7
FY 27 Recommended	\$	16.4	\$ 61.7	\$ 39.0	\$	117.1

Total FY 20 to FY 27 investment of \$456.8 million.

FY 27 Recommended Transportation System Investments

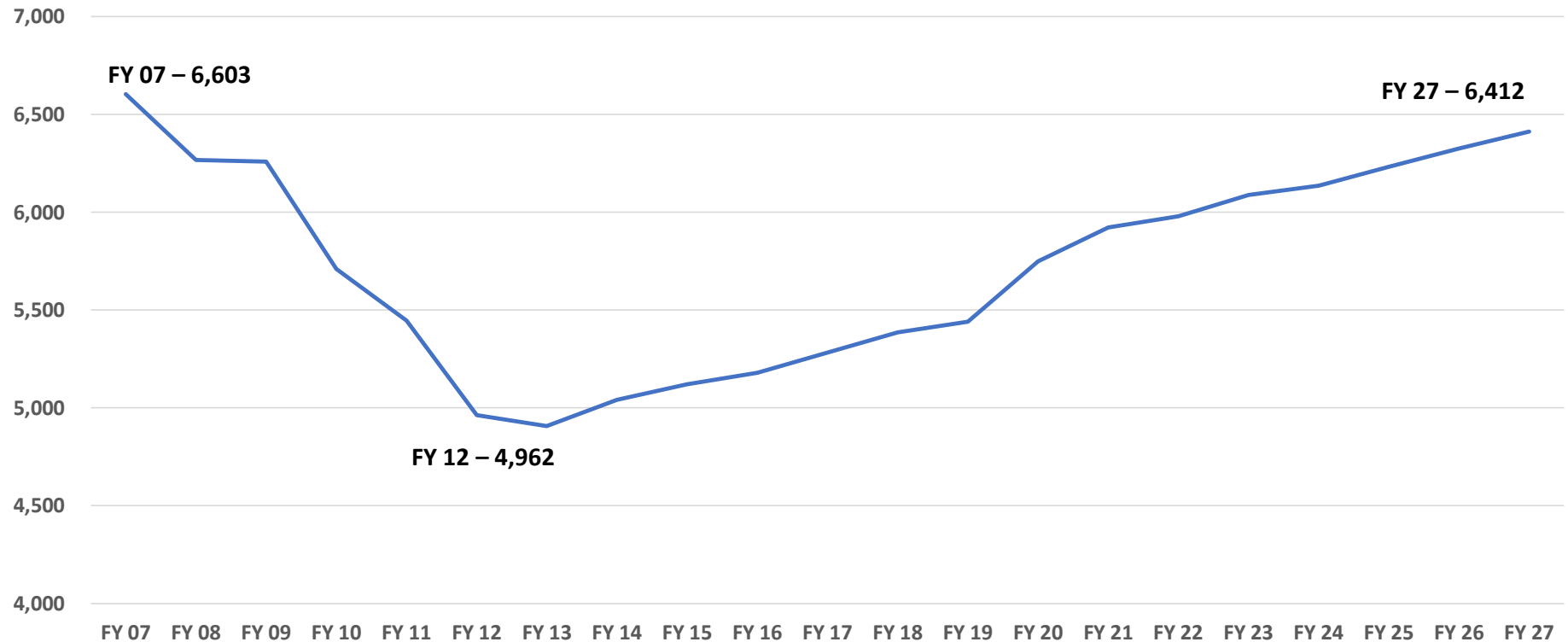
in millions	Countywide General Fund	Unincorporated Area General Fund	Community Investment Tax	Total
Bridges and Guardrails	\$ 7.0	\$ 1.2	\$ -	\$ 8.2
Corridor Safety Improvements	\$ 1.5	\$ -	\$ -	\$ 1.5
Sidewalks	\$ 1.2	\$ 31.3	\$ -	\$ 32.5
Intersection Improvements	\$ 4.7	\$ 10.2	\$ -	\$ 14.9
Resurfacing	\$ 2.0	\$ 19.0	\$ -	\$ 21.0
Fletcher District Transportation Improv.	\$ -	\$ -	\$ 24.0	\$ 24.0
Lithia Pinecrest Rd Corridor Improv.	\$ -	\$ -	\$ 7.5	\$ 7.5
Van Dyke Rd Corridor Improv.	\$ -	\$ -	\$ 7.5	\$ 7.5
	\$ 16.4	\$ 61.7	\$ 39.0	\$ 117.1



In addition to the above information, approximately \$27.8 million was invested from other funding sources including fuel taxes, mobility fees, etc.

Total new funding for resurfacing in FY 27 is \$26.4 million. The funding includes the above sources plus \$5.4 million in fuel taxes.

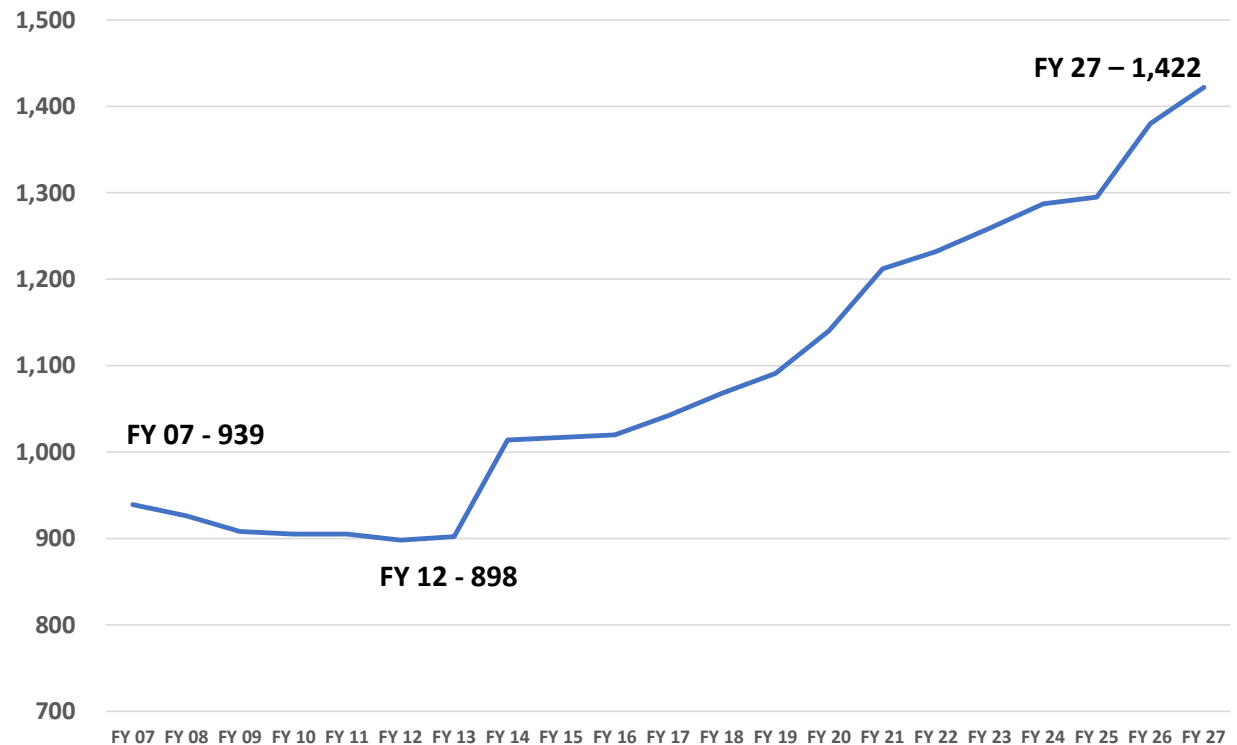
Total County Administrator Positions – FY 07 to FY 27



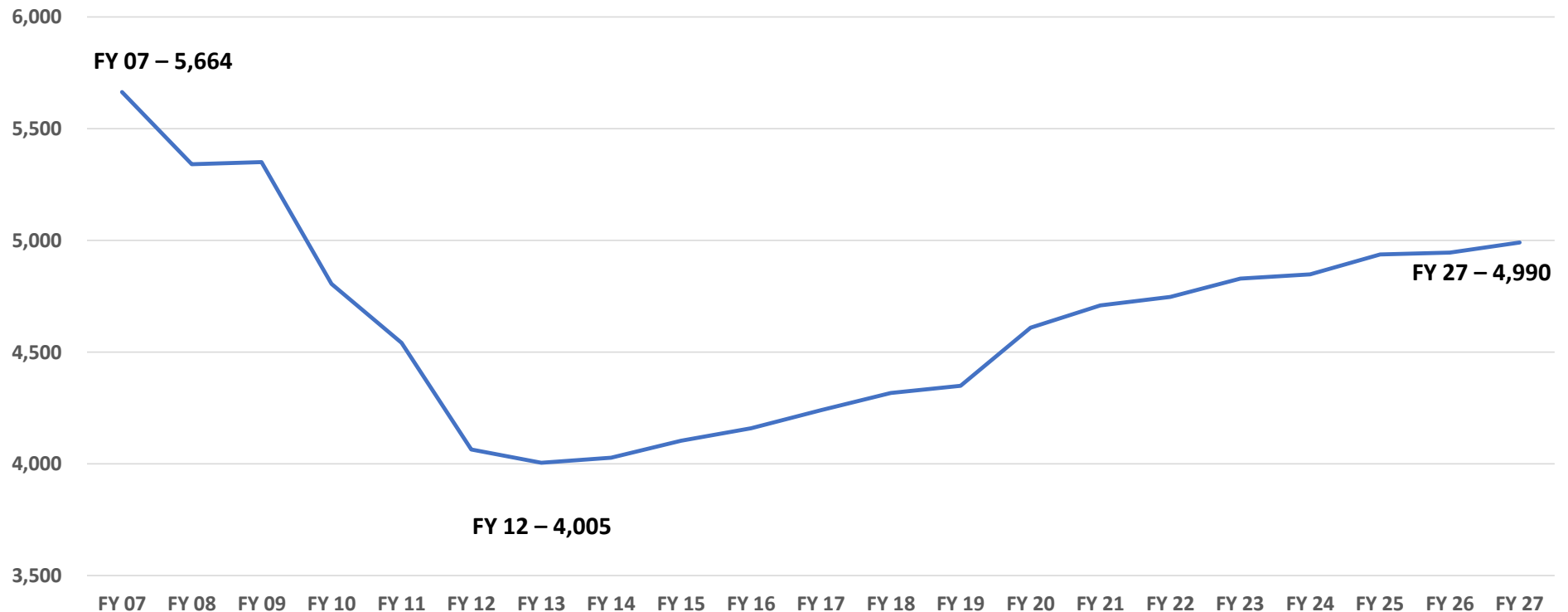
The County Administrator's organization has 191 less positions in FY 27 than in FY 07, a decrease of 2.9%. From FY 07 to FY 27, Hillsborough County's population has grown 32%.

Fire Rescue Investments – FY 20 – FY 26, with Recommended FY 27

- 8 Replacement Fire Stations
- 4 new Fire Stations
- 16 New Rescue Ambulance Units
- 4 SHERP amphibious vehicles
- Land Acquisition funding (FY 27)
- 483 more positions in FY 27 than in FY 07, an increase of 51.4%. From FY07 to FY 27, Hillsborough County's population has grown 32%.



Total County Administrator Positions – FY 07 to FY 27 Excluding Fire Rescue



Excluding Fire Rescue, the County Administrator's organization has 674 less positions in FY 27 than in FY 07, a decrease of 11.9%. From FY 07 to FY 27, Hillsborough County's population has grown 32%.

Budget Reconciliation Public Hearing, July 29, 2026

- **Truth-in-Millage (TRIM) process**
 - **Set in Florida Statutes**
 - **Specific language**
 - **Set initial millage rates by motion**
- **Flagging process**
 - **Nonprofit Policy**
 - **Nonprofit Funding Request Form**

Budget Calendar

Budget Workshops and Regular Meetings

- April 22 – Budget Overview Workshop
- June 17 – Property Tax Reform Staff Report

Property Appraiser Valuation Estimates

- June 1 – Early estimates
- July 1 – Preliminary Certification Estimates

Budget Delivery (at Regular Board Meeting)

- July 15 – FY 27 Recommended Budget

Budget Reconciliation Public Hearing

- July 29 - Flagging and TRIM

Final Public Hearings

- September 10 – Adopt Tentative Budget and Millages
- September 24 – Adopt Final Budget and Millages