

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

NOTE 19 - POLLUTION REMEDIATION OBLIGATIONS

In accordance with GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation*, the following provides a general description of the nature of pollution remediation activities.

The Wastewater Department had a diesel fuel spill at the Treatment Plant on January 25, 2008 (FDEP Facility No. 298624817, Project No. 133621-04000000). City officials have been working since then with the Hillsborough County Environmental Protection Commission (HCEPC) and Florida Department of Environmental Protection (FDEP) to complete a site assessment and pilot test plan (precursor to remediation). A Pilot Test Plan to gather data for a remediation proposal was submitted to HCEPC on July 23, 2009, approved on November 9, 2010, and is ongoing. Until the pilot testing is completed and HCEPC approves the results, the City will not receive authorization to proceed with the full remediation activities.

The Solid Waste Department is involved with cleanups of underground storage tanks and other materials at various locations.

The City of Tampa Risk Management Office has several structured insurance programs related to possible pollution exposure: A formal self insurance program pursuant to the authority granted by Florida Statute; the City's self insurance program operates within the limits of sovereign immunity. A Pollution Legal Liability Insurance policy which provides coverage for pollution exposure and related clean-up costs; and a Storage Tank Third Party Liability Insurance policy providing coverage for third-party bodily injury and property damage due to a storage tank release. In addition, this policy provides coverage for related cleanup and defense costs. By implementing several insurance programs, the City is transferring these potential exposures to a limit of liability in a formal insurance program.

The City has not recognized a liability for a pollution remediation obligation because the City is either not compelled to take action in the items described above, the work was completed before year-end, or a liability is not reasonably estimable.

NOTE 20 - LITIGATION

The City is a defendant in various litigation incidental to its routine operations. In the opinion of the City Attorney, based upon the amount of damages alleged in the various cases and facts currently known, the potential liabilities in these cases will not materially affect the City's financial statements. The City has established a general liability account within the City's general fund and has reflected its best estimates of such liabilities. Changes in the balances of claims and judgments liabilities during the past two years are as follows (in thousands):

	Year ended 9/30/15	Year ended 09/30/14
Unpaid claims, Beginning of Fiscal Year	\$ 66,972	\$ 64,821
Incurring Claims (including IBNR's):		
Worker's Compensation/General Liab/Auto	2,167	12,286
Health Benefits	47,882	49,914
Claim Payments	(56,498)	(60,049)
Unpaid Claims, End of Fiscal Year	<u>\$ 60,523</u>	<u>\$ 66,972</u>