FY2025 Budget Presentation

Dennis Rogero

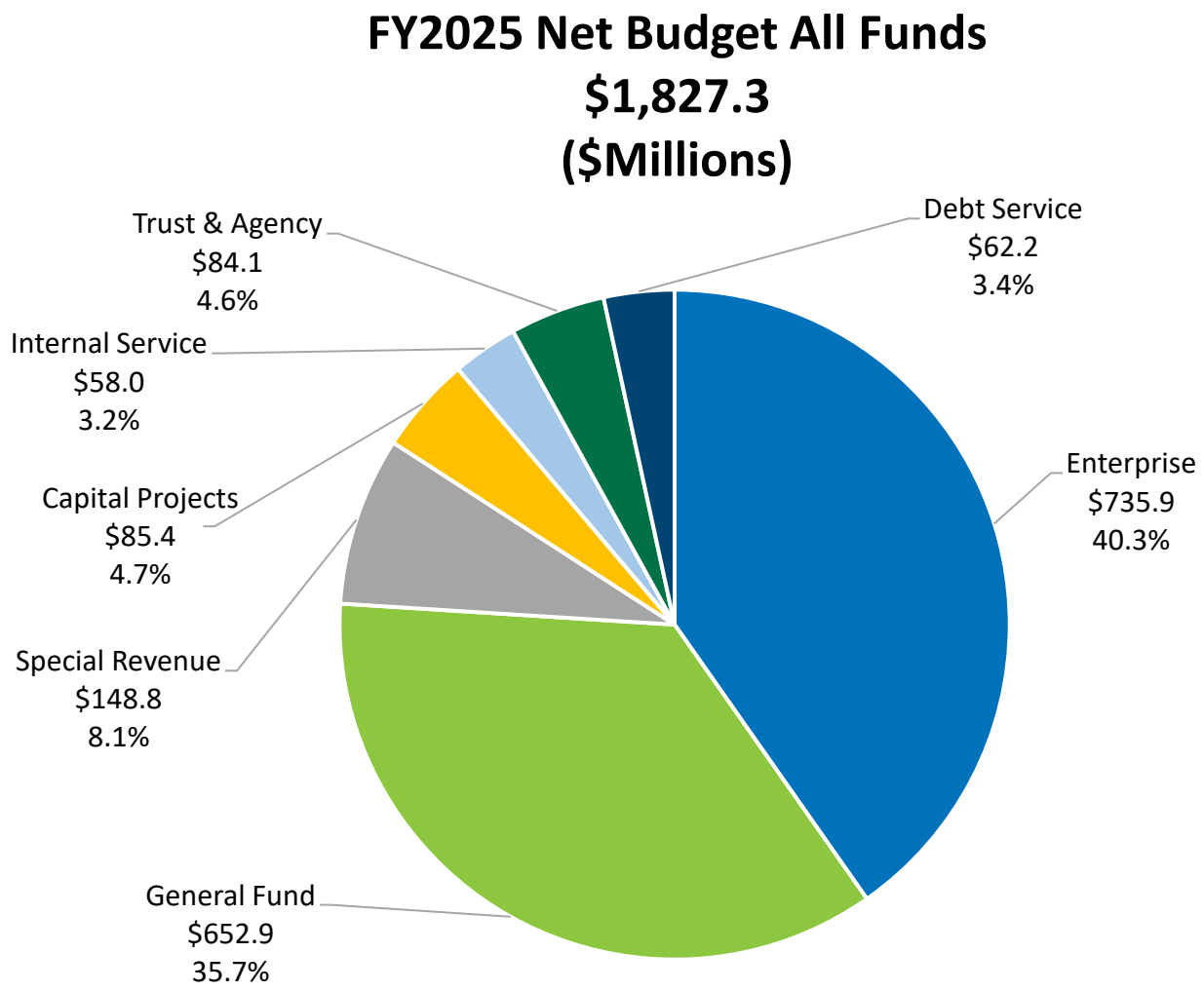
Chief Financial Officer

Table of Contents / Agenda

- FY2025 Recommended Operating & Capital Budget
- Capital Improvement Program
- Debt Program

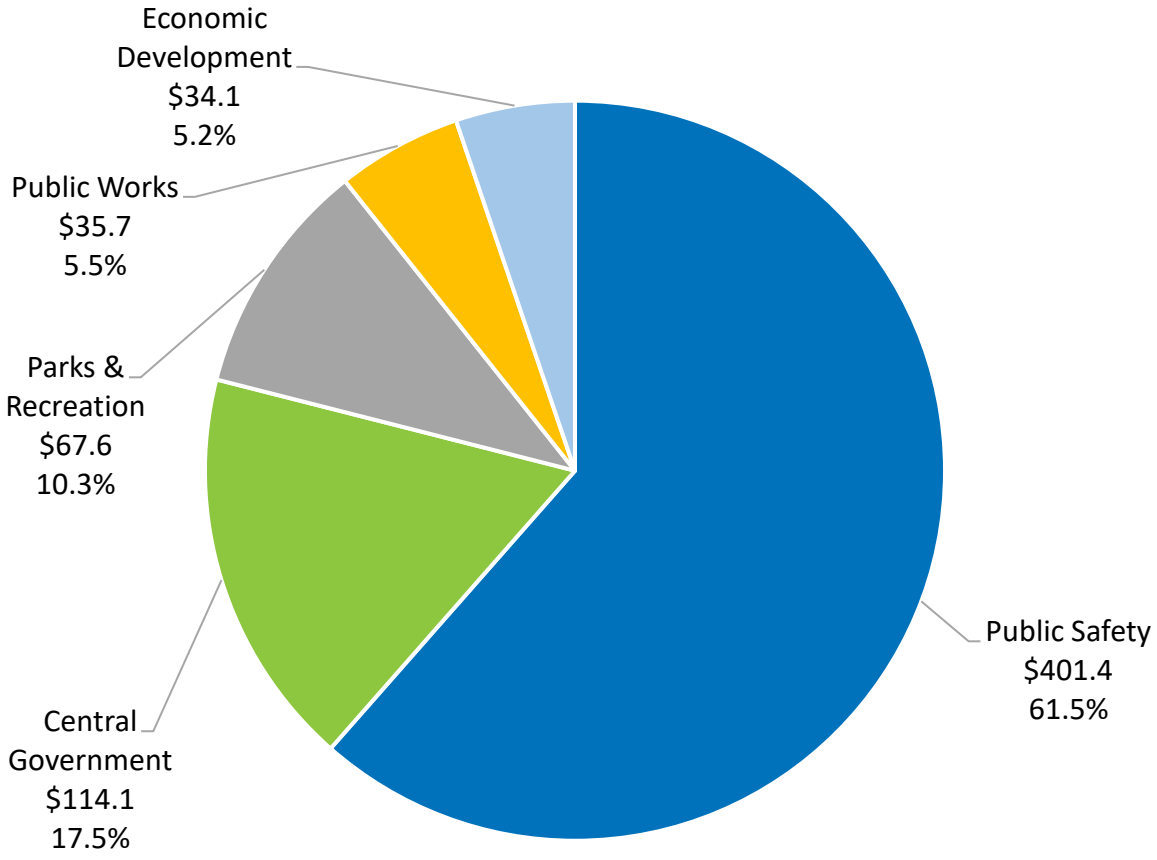
FY2025 Recommended Operating & Capital Budget

FY2025 Recommended Budget – All Funds

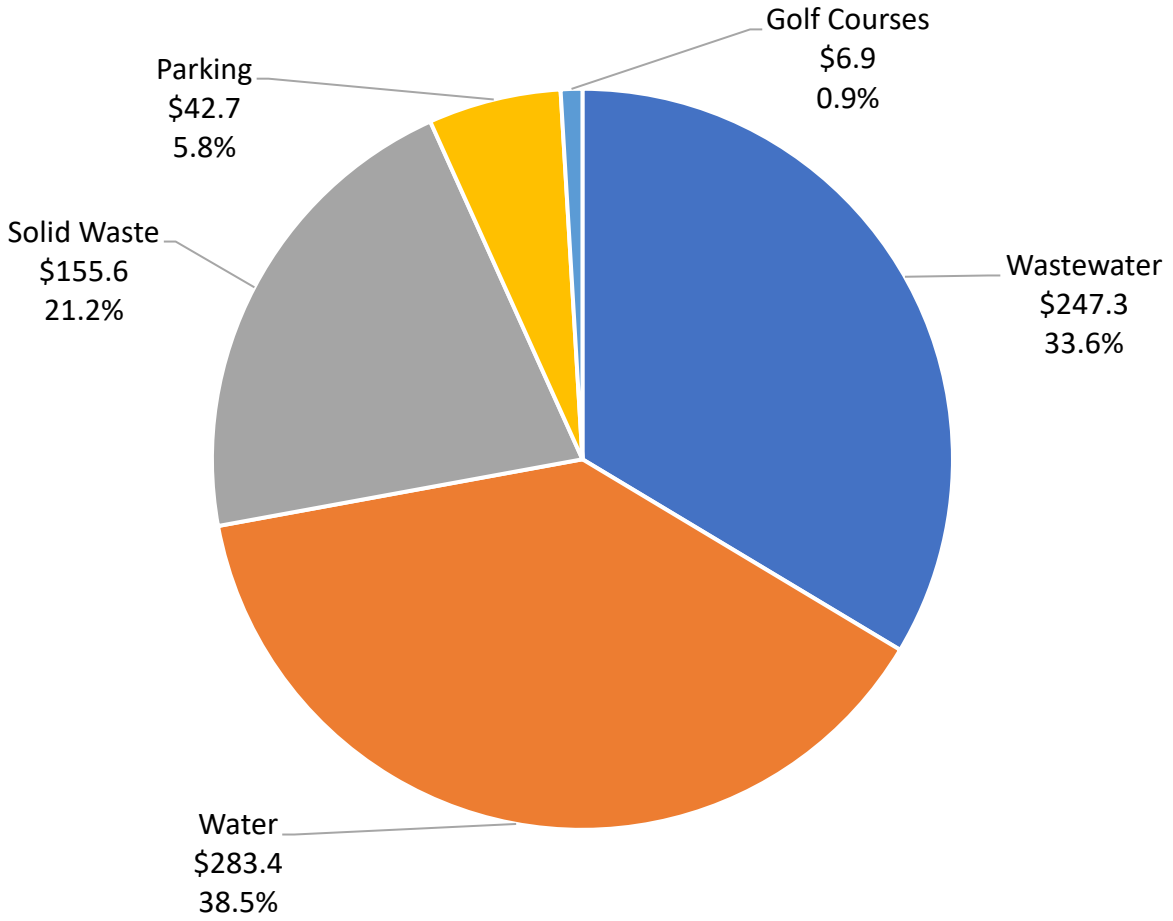


FY2025 Recommended Budget

FY2025 General Fund Expenditures
$652.9 million

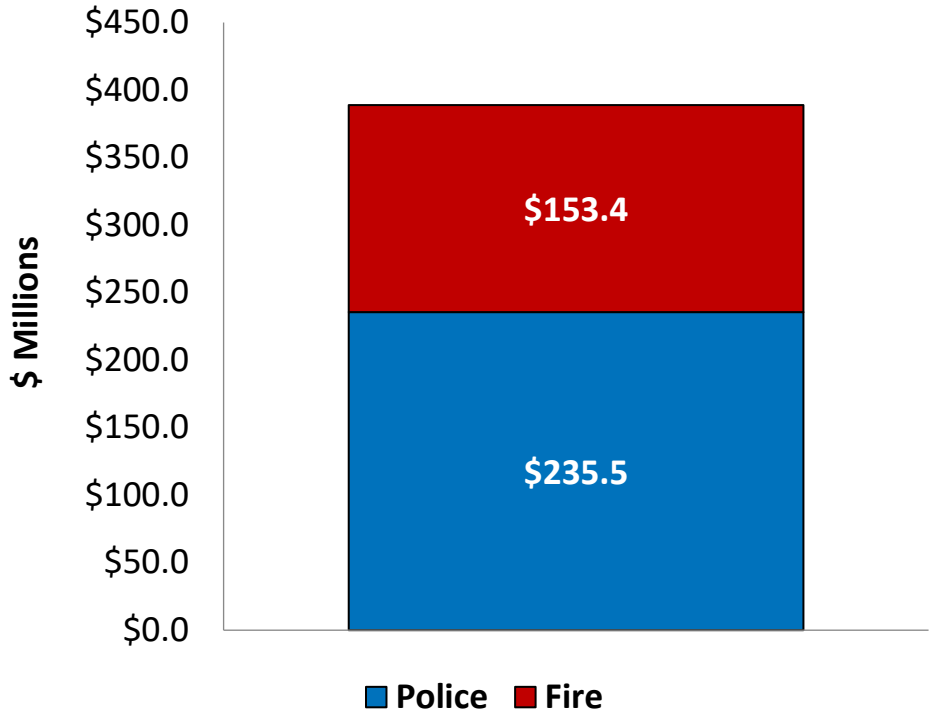


FY2025 Enterprise Fund Expenditures
$735.9 million

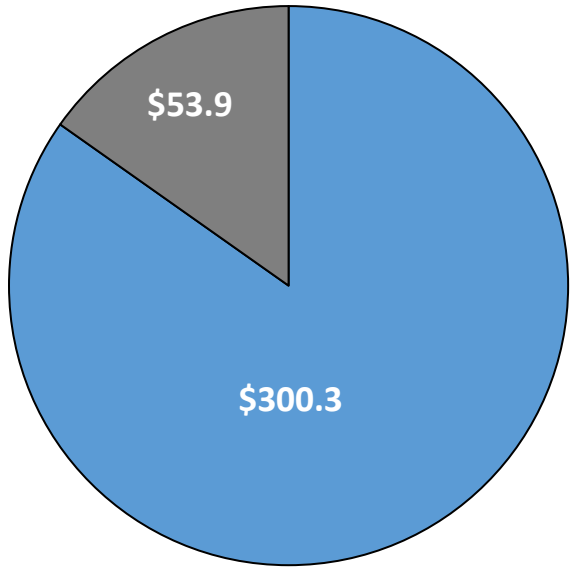


FY2025 Police, Fire, and CRA Expenditures

Total Fire/Police Expenses
$388.9 Million

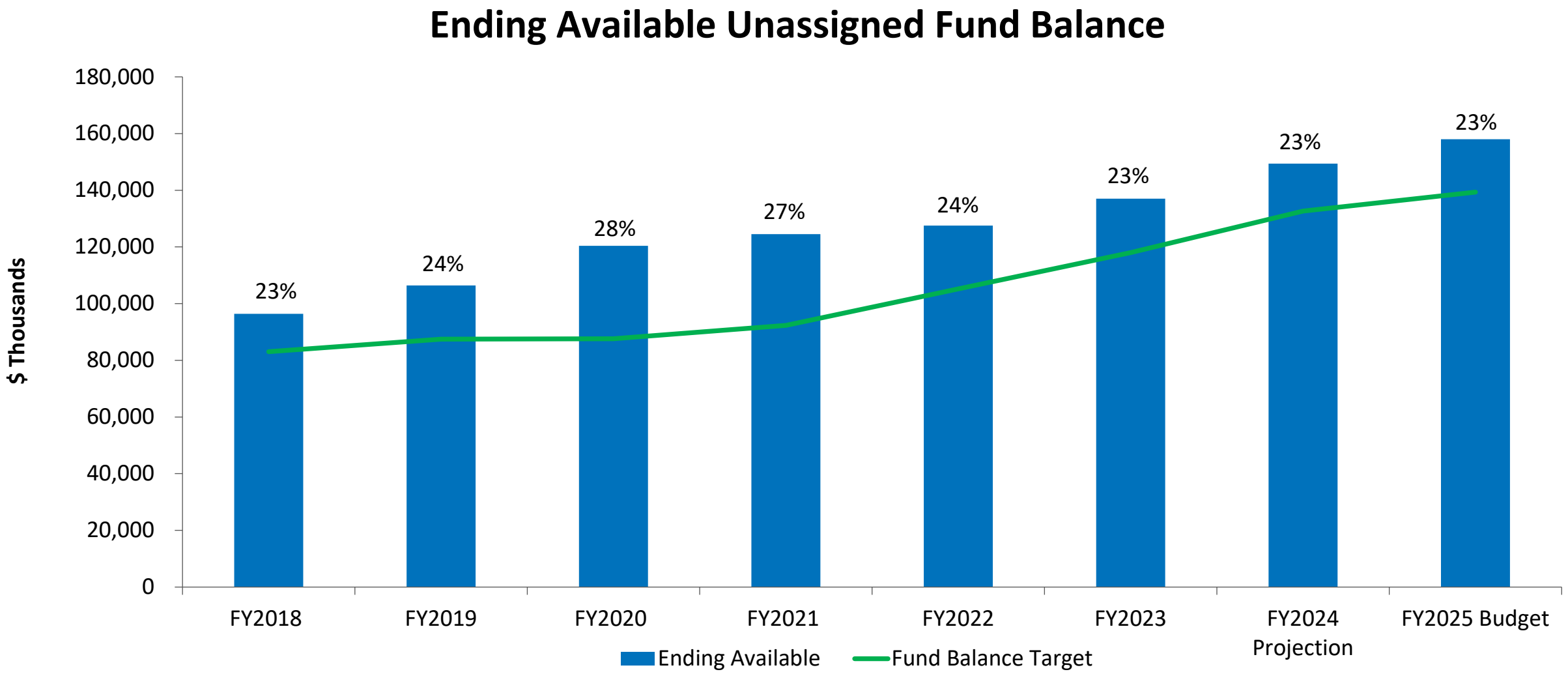


Total Property Taxes
$354.2 Million



$53.9 million is the amount the City will pay in TIF revenues to the CRAs

General Fund Balance



General Fund Budget

FY2025 Major Revenue Increases	($ millions)
Property Taxes*	20.3
Other Taxes	18.6
Charges for Service	3.5
Miscellaneous Revenues	15.0
Total Revenue Increases	**57.4**

*FY2025 property tax revenues were originally estimated at $26.7 million.

General Fund Budget

FY2025 Major Expenditure Increases	($ millions)
Salary and Benefits	36.5
New Positions (5 FTEs)	0.9
CRA Contributions	3.0
Pay-Go Capital Project Funding	3.0
Budget Increases:	
Increased Costs	10.7
Increased Level of Service	1.9
New Service	1.4
Total Major Increases	**57.4**

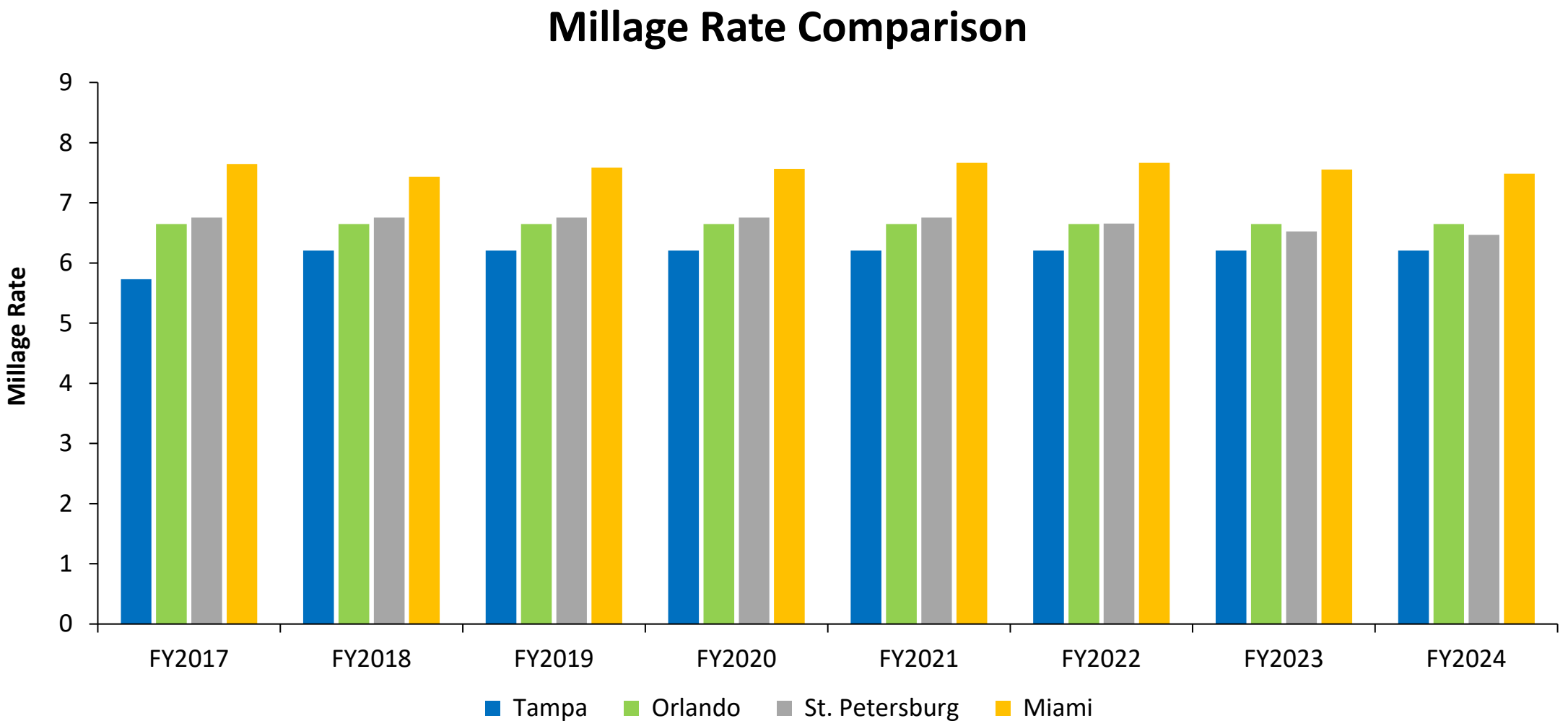
FY2025 Salary Adjustments

Classifications	FY2025 Negotiated Adjustments
Police Benevolent Association	4.5%
International Association of Fire Fighters	4.5%
Amalgamated Transit Union	4.5%
Non-Collective Bargaining Employees	
Appointed Unclassified (AU)	3.0%
Professionals	3.0%
Supervisors	3.0%
Managers	3.0%
Elected Officials	3.0%
Directors	Pending
Administrators	Pending

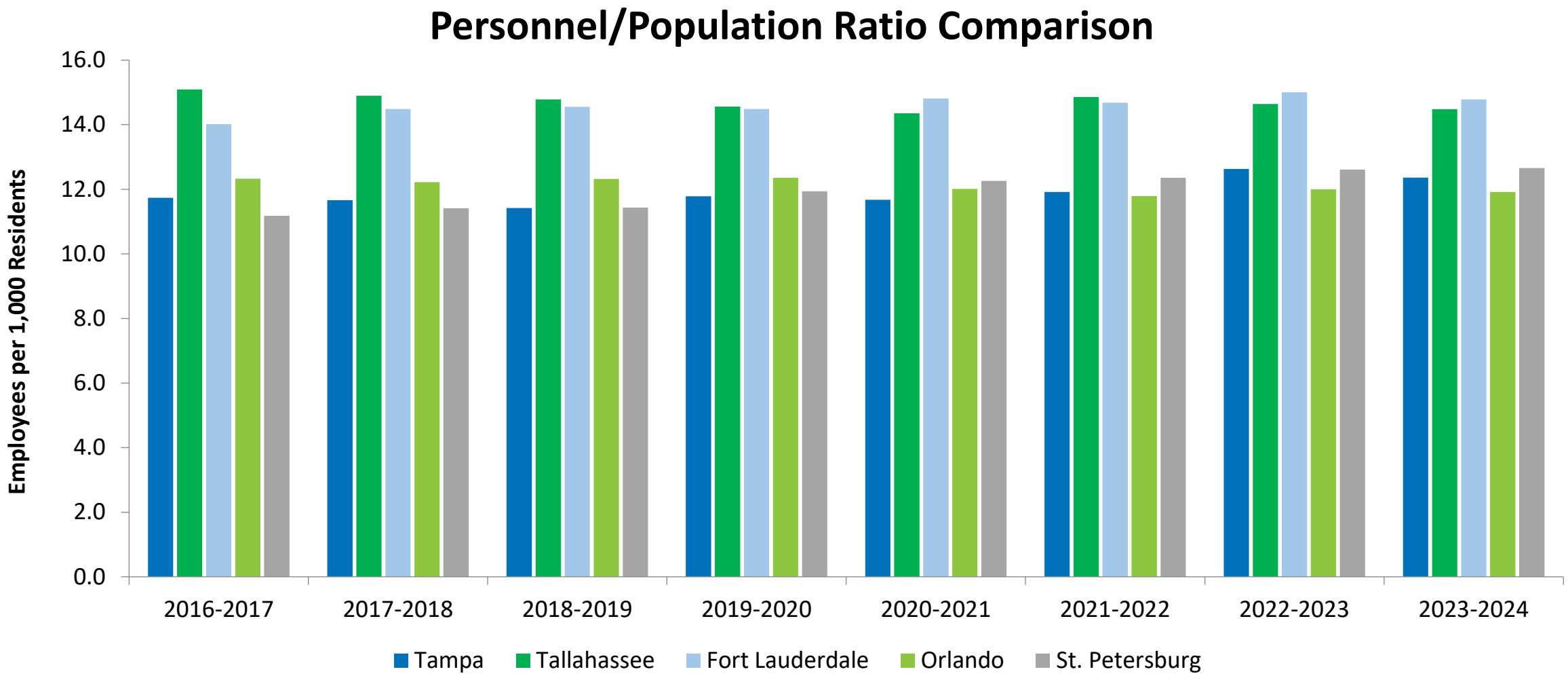
City-Wide Position Summary

FY2007 Adopted Positions	5048
FY2025 Proposed Positions	4995
Positions Reduced	(53)
FY2025 Positions	
City Attorney	1
Fleet Maintenance	1
Neighborhood & Community Affairs	1
Parks & Recreation	3
Total	**6**

City Millage Comparisons



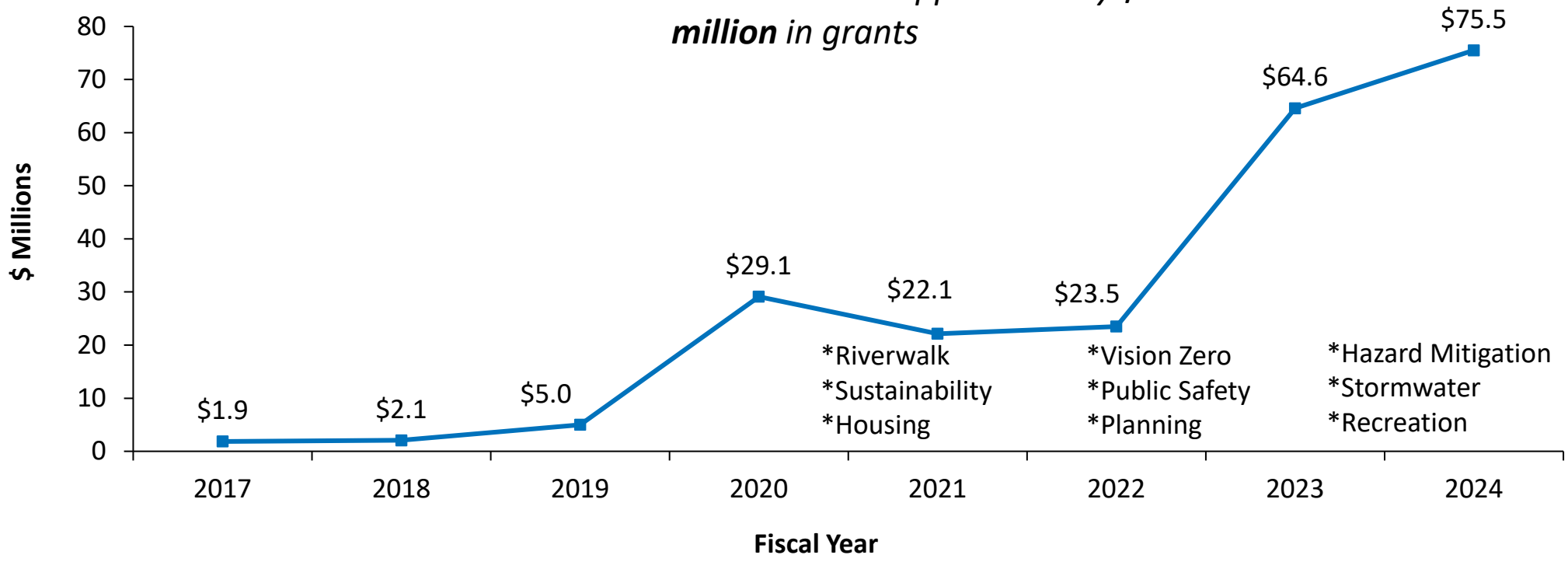
Staffing Ratio Comparison



Competitive Grant Program

Grants Awarded by Fiscal Year

*Over the past five years the City has been awarded approximately **$214.8 million** in grants*



Capital Improvement Program

FY2025-FY2029 Capital Improvement Program

	FY2025	FY2025-FY2029
Art & Cultural Affairs	$ 10,421	$ 10,421
Community Redevelopment Agency	25,818,807	25,818,807
Convention Center & Tourism	0	8,730,000
Facility Management	5,475,000	28,942,000
Fire Rescue	400,000	125,655,299
Infrastructure & Mobility Administration	8,375,000	8,375,000
Parking	9,816,051	31,316,051
Parks & Recreation	7,520,132	28,196,132
Police	40,750,000	40,750,000
Solid Waste	38,476,013	59,876,013
Stormwater	7,310,207	34,810,207
Technology & Innovation	8,510,000	25,955,000
Transportation	13,263,507	60,365,457
Wastewater	114,920,927	458,470,927
Water	124,028,137	739,368,621
Other Projects	1,040,000	5,020,000
Total	**$ 405,714,202**	**$ 1,681,659,935**

Citywide Capital Improvement Program

Major FY2025 Projects

Comprehensive Infrastructure for Tampa's Neighborhoods: East Tampa, Forest Hills, MacFarlane Park, and Virginia Park

PIPES (Water & Wastewater)

- David L. Tippin Water Treatment Plant Improvements
- Water Mains and Distribution Line Improvements
- Howard F. Curren Advanced Wastewater Treatment Plant Master Plan
- Wastewater Fleet Facility at Port Tampa
- Wastewater Collection Projects
- Wastewater Pumping Station Improvements

Citywide Capital Improvement Program

Major FY2025 Projects

Parks & Recreation

- Athletic Field Lighting Citywide
- K-Bar Ranch Park
- Guida House Renovations
- Citywide ADA Improvements
- Various Neighborhood Parks
- Veterans Memorials Citywide

Police

- TPD Howard Avenue Annex Building

Citywide Capital Improvement Program

Major FY2025 Projects

Mobility

- Street Resurfacing
- Sidewalks Construction and Maintenance
- Vision Zero Safety Improvements Program
- Stormwater Citywide Watershed Master Plan
- South Howard Flood Relief and Streetscape
- EV Charging Stations and Infrastructure Upgrades
- Smart City Parking Guidance

Citywide Capital Improvement Program

Major FY2025 Projects

Technology & Innovation

- TFR CAD & Alerting Platforms
- Citywide Infrastructure Upgrade
- Information Technology Service Management (ITSM) Replacement
- Public Safety Communications

Solid Waste & Environmental Program Management

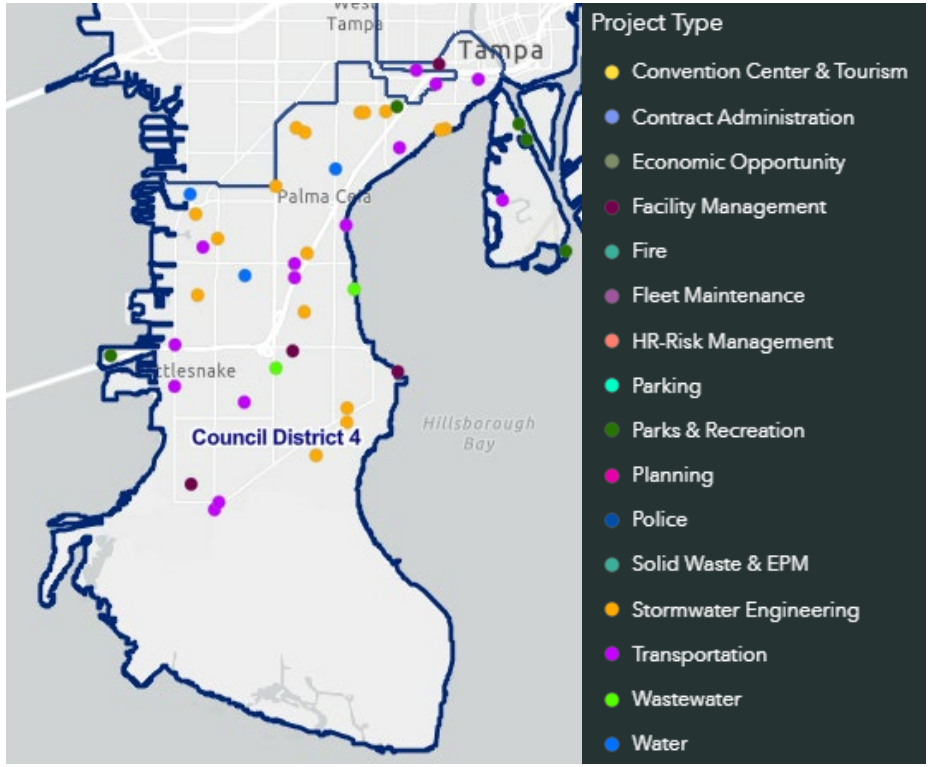
- Solid Waste Relocation to 34th Street/McKay Bay Complex
- McKay Bay Fleet Maintenance Building
- McKay Bay Waste-to-Energy Facility Improvements

District 4 Capital Improvement Program

District 4

Major ongoing projects include:

- Comprehensive Infrastructure for Tampa's Neighborhoods (Virginia Park)
- South Howard Flood Relief and Streetscape
- Stormwater Lower Peninsula Southeast Region
- Stormwater Lamb Canal Rehabilitation
- Manhattan: Vasconia Street to Obispo Street Flooding Relief
- Golfview Estates Flooding Relief
- El Prado Sidewalk from Lois Avenue to Bayshore Boulevard
- El Prado Sidewalk from Omar Avenue to Lois Avenue
- Gandy Park South and A.J. Palonis Park Improvements

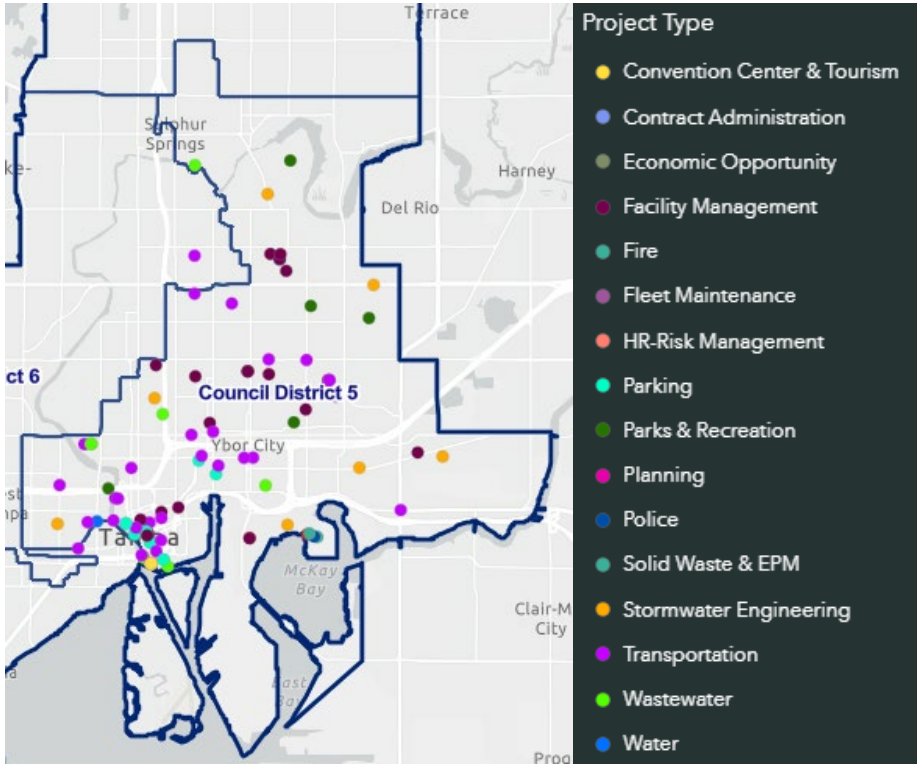


District 5 Capital Improvement Program

District 5

Major ongoing projects include:

- East Tampa Recreational Complex
- Comprehensive Infrastructure for Tampa's Neighborhoods (East Tampa)
- Tampa Multi-Modal Network and Safety Improvements – (Build Grant) (West Riverwalk)
- Fire Station No. 6 Expansion and Property Acquisition
- Public Safety Training Facilities
- Twiggs Street Complete Street
- Convention Center Upgrades

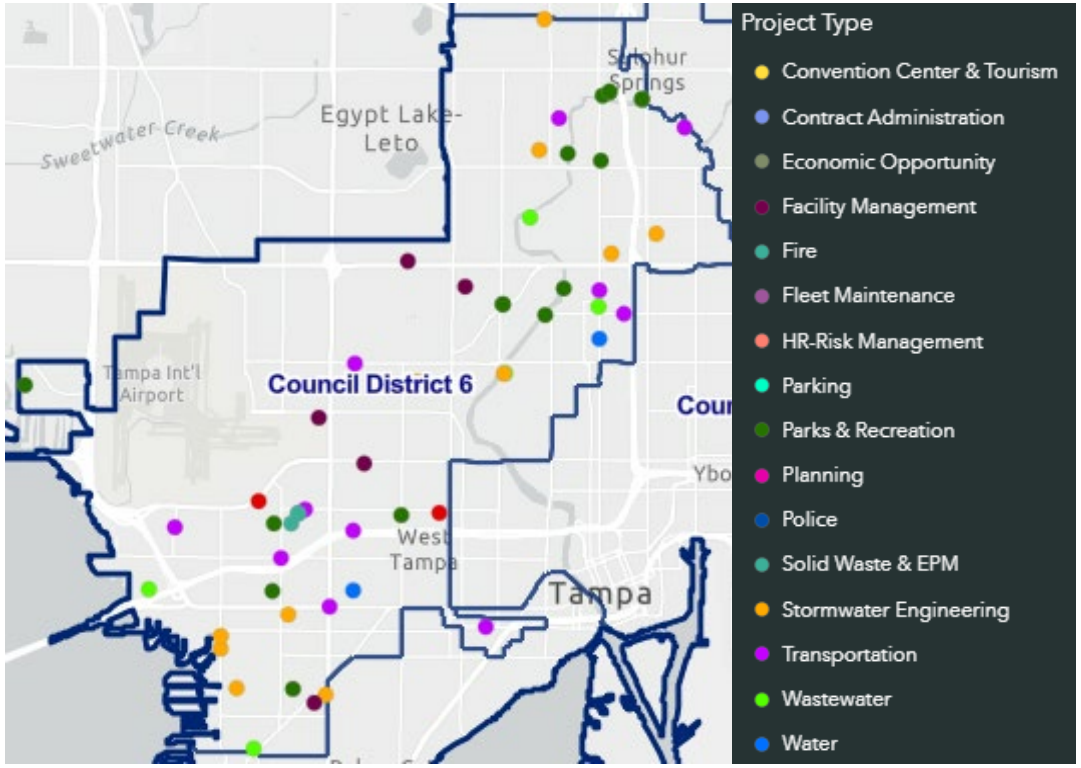


District 6 Capital Improvement Program

District 6

Major ongoing projects include:

- Comprehensive Infrastructure for Tampa's Neighborhoods (MacFarlane Park)
- Tampa Multi-Modal Network and Safety Improvements – (Build Grant) (West Riverwalk)
- TPD Howard Avenue Annex Building
- Fire Station No. 9 Renovations
- Guida House Renovations
- Sulphur Springs Park Improvements
- Sulphur Springs Pool Improvements
- Sulphur Springs Wastewater Pumping Station
- Wellswood Church

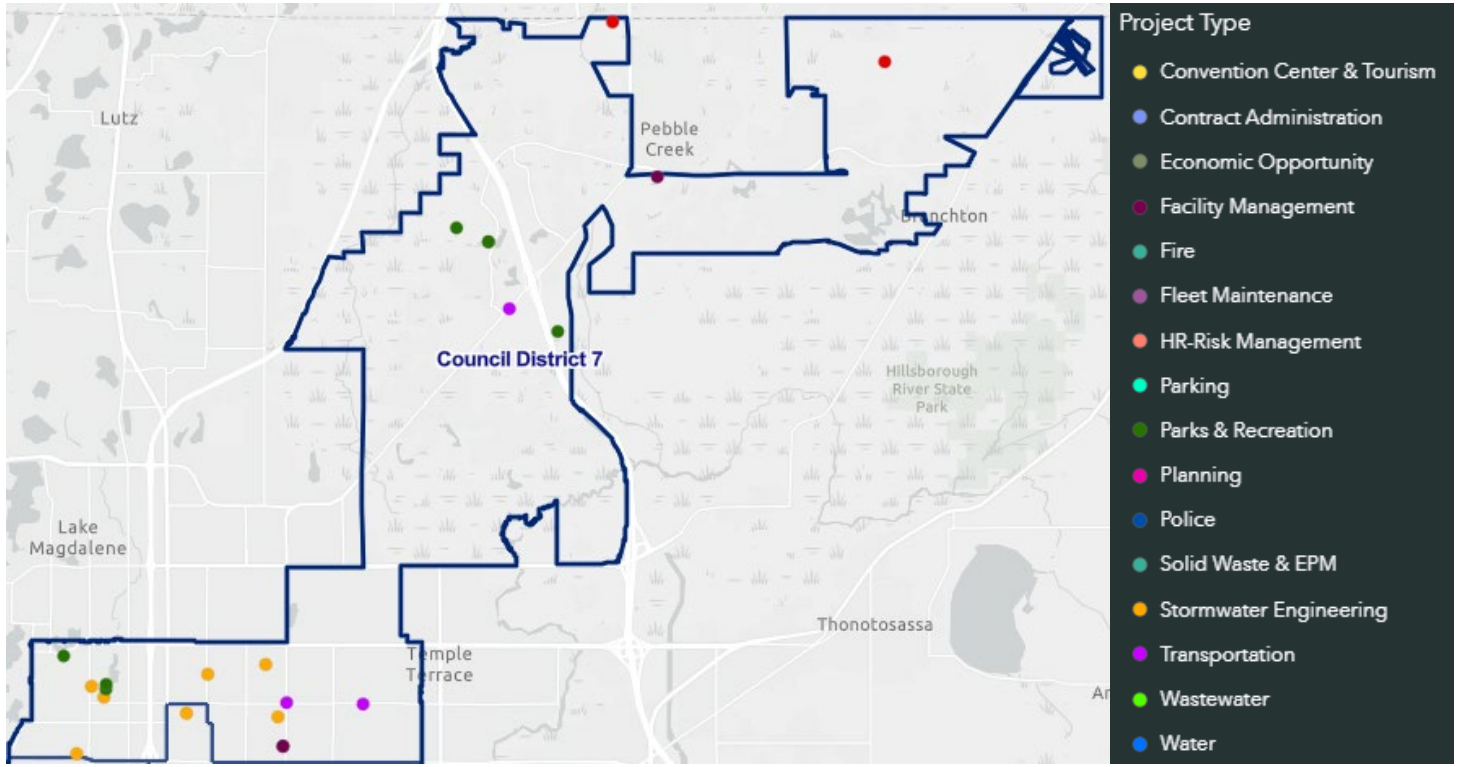


District 7 Capital Improvement Program

Major ongoing projects include:

- Comprehensive Infrastructure for Tampa's Neighborhoods (Forest Hills)
- Fire Station No. 24
- K-Bar Ranch Park
- Commerce Palms Drive and Compton Drive Traffic Signal

District 7



Debt Program

Bond Ratings

2 Credit Rating Upgrades Since 2019

	Moody's/Fitch/S&P
Issuer Credit Rating	Aa1 / AA+ / AAA
Water and Sewer Bonds	**Aaa** / AAA / AAA
Non-Ad Valorem Revenue Bonds	**Aa1** / AA / AAA
Stormwater Bonds	Aa2 / None / AA+
Utilities Tax Revenues Bonds	Aa3 / AA+ / AA-
Sales Tax Revenue Bonds	Aa3 / AA / AA

Non-Ad Valorem Debt Capacity I

- Elements used to calculate capacity
  - Revenues (historic audited revenues)
  - Required debt service coverage
  - Outstanding debt
    - Retiring of existing debt
    - Issuance of additional debt

Non-Ad Valorem Debt Capacity II

- Anti-dilution test
  - Protects existing bond holders by preventing the issuance of additional debt which the City may not afford
  - Must meet a two-prong test before issuing additional debt
    - Compliance with minimum required coverage
    - Maximum annual debt service
  - Calculated by the Financial Advisor using audited financial data
  - Existing financial market data
  - Legal test to ensure compliance

Non-Ad Valorem Anti-Dilution Test I

1st Test	FY2022	FY2023	Average
Legally available Non-Ad Valorem revenues	$331,757,977	$370,884,695	$351,321,336
Maximum annual debt service (includes projected debt)*			$60,426,141
Minimum debt service coverage			1.5x
Actual debt service coverage			5.8x

*Includes debt service for future debt issues

Non-Ad Valorem Anti-Dilution Test II

2nd Test	FY2022	FY2023	Average
Governmental revenues	$714,059,177	$873,834,385	$793,946,781
Less			
Sales tax	($27,353,415)	($29,268,904)	($28,311,160)
Stormwater	($28,635,869)	($31,507,751)	($30,071,810)
Available governmental revenues			$735,563,811
Current maximum annual debt service			$60,426,141
Max percentage of revenues for debt service			20%
Maximum annual debt service as a percentage of revenues			8%
Maximum annual debt service:			
Available governmental revenues			$735,563,811
Maximum percentage of revenues for debt service			20%
Calculated maximum allowable annual debt service			$148,000,000

Non-Ad Valorem Debt Capacity III

- Capacity is based on:
  - Financial market conditions
  - Required debt service coverage
  - Credit rating
  - Outstanding debt:
    - Repayment of existing debt
    - Issuance of additional debt
- Calculated maximum annual debt service - $148.0 million would support a legal debt issuance (capacity) of $1.5 billion

Note: Issuing this amount would affect the City's credit rating

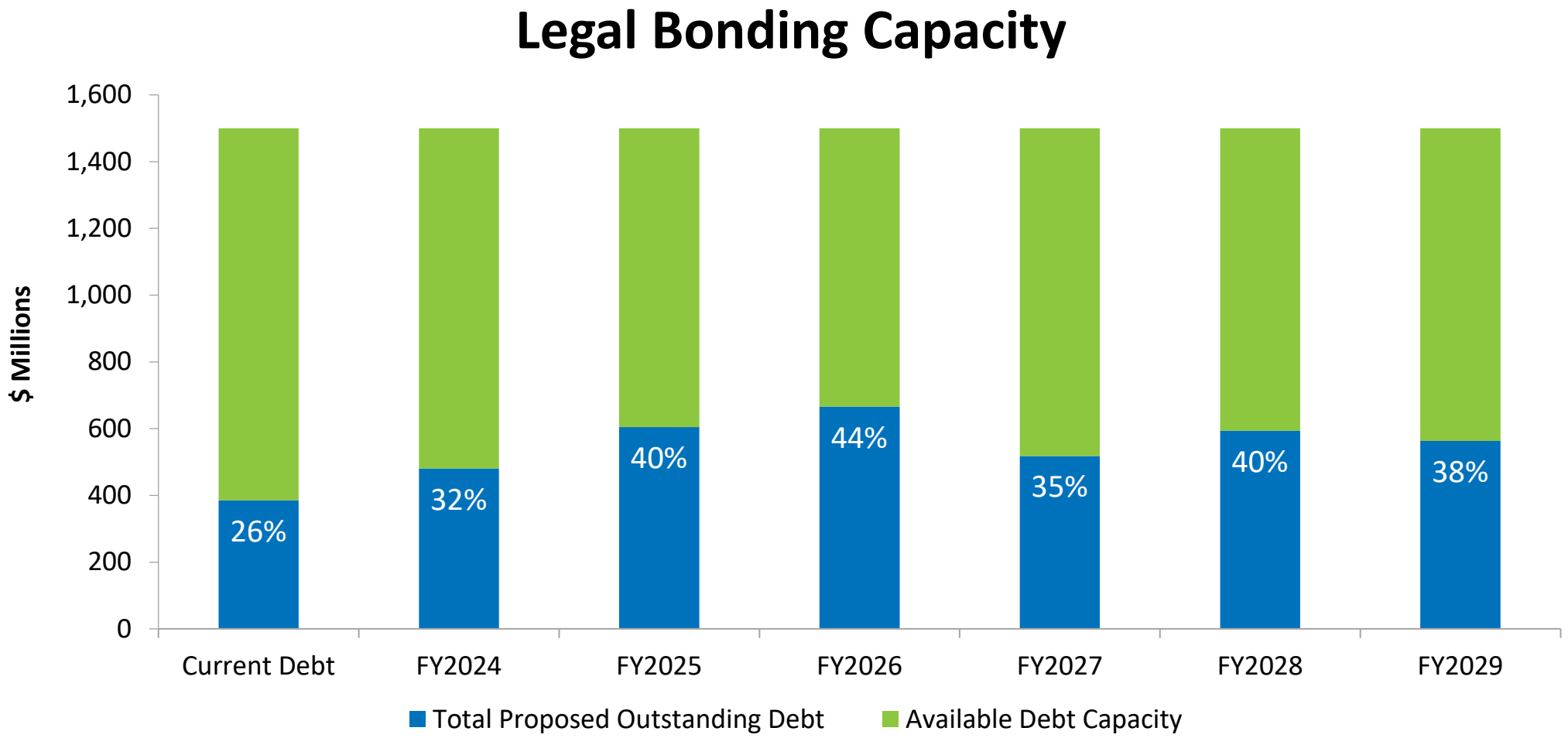
Anticipated Non-Ad Valorem Debt Program I

Project/Program	FY2025	FY2026/FY2027	FY2028/FY2029
Fire Station No. 24	$1,150,000	$20,000,000	
Fire Maintenance & Supply		$13,900,000	$40,000,000
Fire Station No. 6		$7,800,000	$20,500,000
Fire Station No. 9			$21,200,000
Fire Station No. 10			$19,100,000
Convention Center	$4,000,000	$14,300,000	
Hanna Ave Mobility	$200,000	$1,800,000	
Hanna Ave City Center	$8,200,000		
Lower Peninsula (Parks)	$800,000		
TPD Headquarters	$300,000	$800,000	
Fire Training Simulator & Skills Tower	$1,000,000		
East Tampa Recreation Fair Oaks	$36,500,000		

Anticipated Non-Ad Valorem Debt Program II

Project/Program	FY2025	FY2026/FY2027	FY2028/FY2029
TPD Howard Ave Annex Building	$45,300,000		
Fleet Maintenance – 40th Street		$7,700,000	
Public Safety Training Facility	$13,800,000		
Housing Program Property Acquisition	$11,000,000		
Sulphur Springs Pool	$1,600,000		
Guida House Renovations		$2,500,000	
K-Bar Ranch Park		$7,500,000	
West Riverwalk	$26,900,000		
Safe Streets & Roads for All 2022 (Match)		$3,200,000	
Safe Streets & Roads for All 2023 (Match)		$650,000	
UNITE Ashley Drive (Match)		$1,500,000	$3,800,000
Palmetto Beach (Match)		$1,000,000	
RAISE Palmetto Beach (Match)		$6,500,000	
TOTAL	**$150,750,000**	**$89,150,000**	**$104,600,000**

Anticipated Non-Ad Valorem Debt Program III



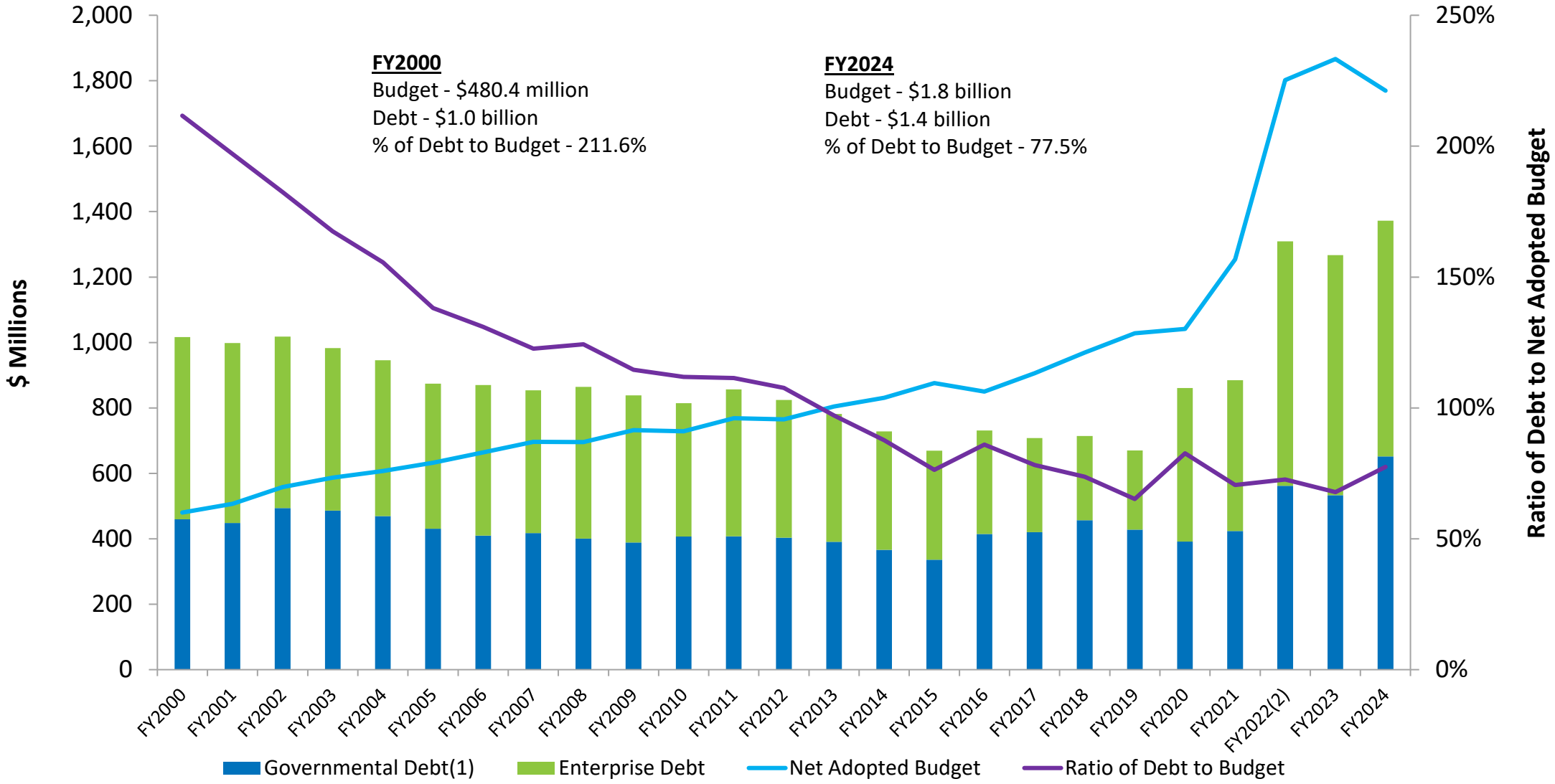
Anticipated Non-Ad Valorem Debt Program IV

Non-Ad Valorem Credit Rating vulnerabilities

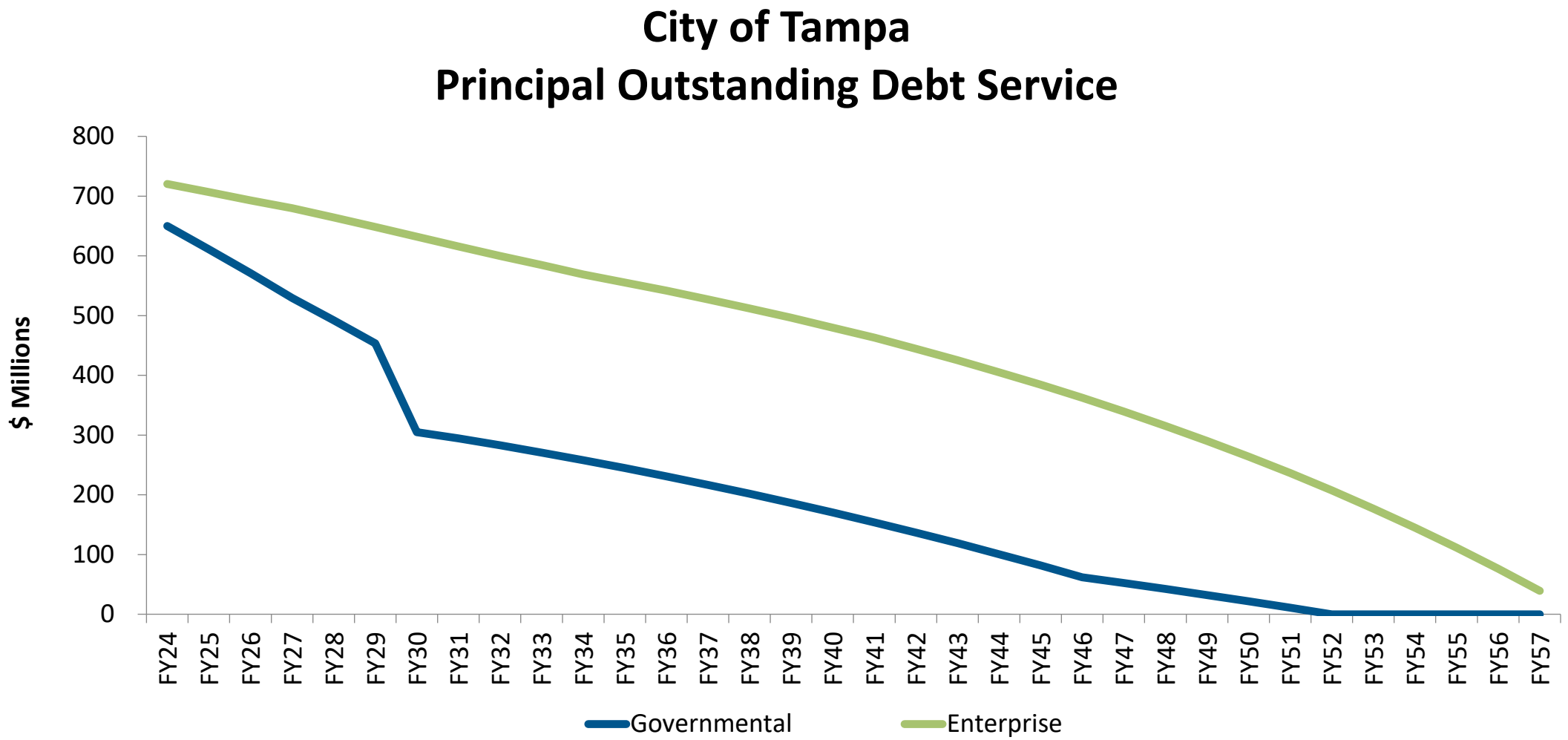
- Moody's [1]:
  - "**Significant increase in debt** and/or pension burden"
  - "**Material decline in fund balance** and/or liquidity."
- S&P Global[2]: "Although we view it as unlikely, we could lower the rating if the city reports **consecutive years of structural imbalance, leading to material deterioration in budget performance, available reserves**, or liquidity."
- Fitch[3]: "Sustained **weakening of pledged revenues or unexpected leveraging** leading to reduced coverage cushion that is inconsistent with the current rating."

1. Moody's Investors Service – Update to Credit Opinion, November 30, 2023
2. S&P Global Ratings – Tampa, Florida; General Obligation; Miscellaneous Tax, October 24, 2023
3. Fitch Ratings – Tampa, Florida Rating Action Commentary, November 3, 2023

Total City Principal by Fiscal Year

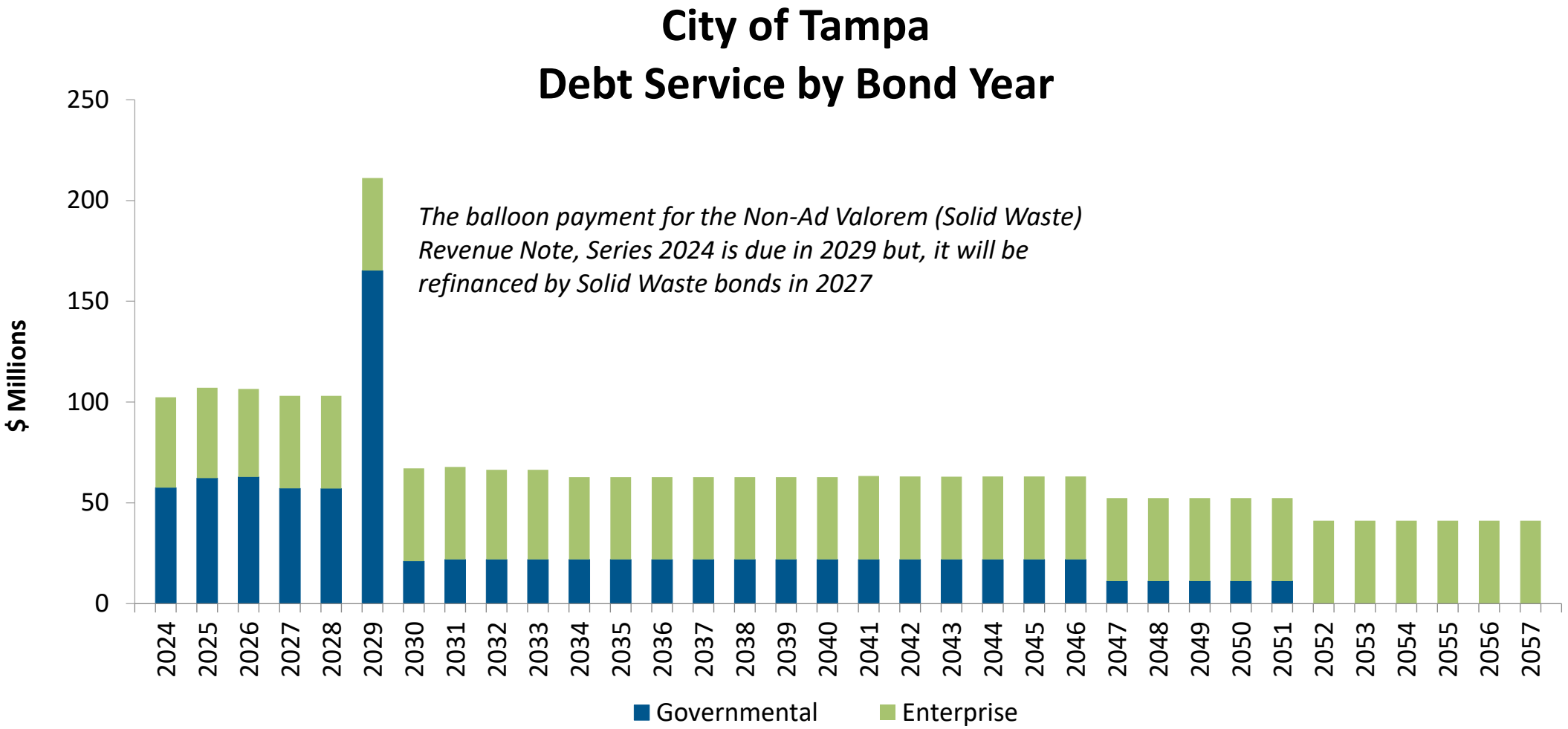


Principal Outstanding Debt Service



October 1st principal payment shown as outstanding.
Excludes TSA. As guarantor, the City does not make payments.

Debt Service by Bond Year



Excludes TSA. As guarantor, the City does not make payments.

Pro-Forma Debt Service
FY2025 (1st or 2nd Quarter) Non-Ad Valorem

• Project proceeds	$150.8 million
• Total interest	$153.8 million
• Total cost	$304.6 million
• Annual bond payments (approx.)	$ 10.3 million
• Assumed interest rate	4.40%
• Term of the debt	30 years

Pro-Forma Debt Service
FY2024 Water & Wastewater

- Water & Wastewater Debt Issuance – August/September 2024
  - Proceeds: $302.7 million
    - Par Amount - $272.8 million (projected)
    - Premium - $29.9 million (projected)
  - Type: Long-Term Bonds
  - True Interest Cost – Estimated 4.2%
  - Total Interest Cost – Estimated $544.4 million
  - Reimbursement resolution already adopted

FY2025 Programmed Debt Issuances
Solid Waste

- Solid Waste Debt Issuance – October/November 2024
  - Size: approximately $130.0 million
    - Relocation of Solid Waste Headquarters from Spruce Street to 34th Street
    - New fleet facility
  - Type: Short-term Line of Credit expected to be refinanced to long-term revenue bonds in FY2027/FY2028
  - Reimbursement resolution already adopted

FY2025 Budget Calendar

CIP Workshop – **August 5, 2024**

Operating Workshop – **August 19, 2024**

Request City Council's adoption of a motion:

- 1st Public Hearing on Budget *(Preliminary)* – ***September 3, 2024 (Tentative)***
- 2nd Public Hearing on Budget *(Final Adoption)* – ***September 17, 2024 (Tentative)***

FY2025 Budget can be found on Tampa.gov:

https://www.tampa.gov/budget

Thank You