Sensible Solutions
in Tough Economic Times

October 1, 2010
Through
September 30, 2011

Recommended Annual Budget for Fiscal Year 2011

BUDGET KEY PRINCIPLES

- Protect key public services
- Ongoing review of business practices
- Build infrastructure that will improve the community in the long-term
- Preserve reserves to remain financially healthy - - fiscally sound
- Strategically shrink the size of city government

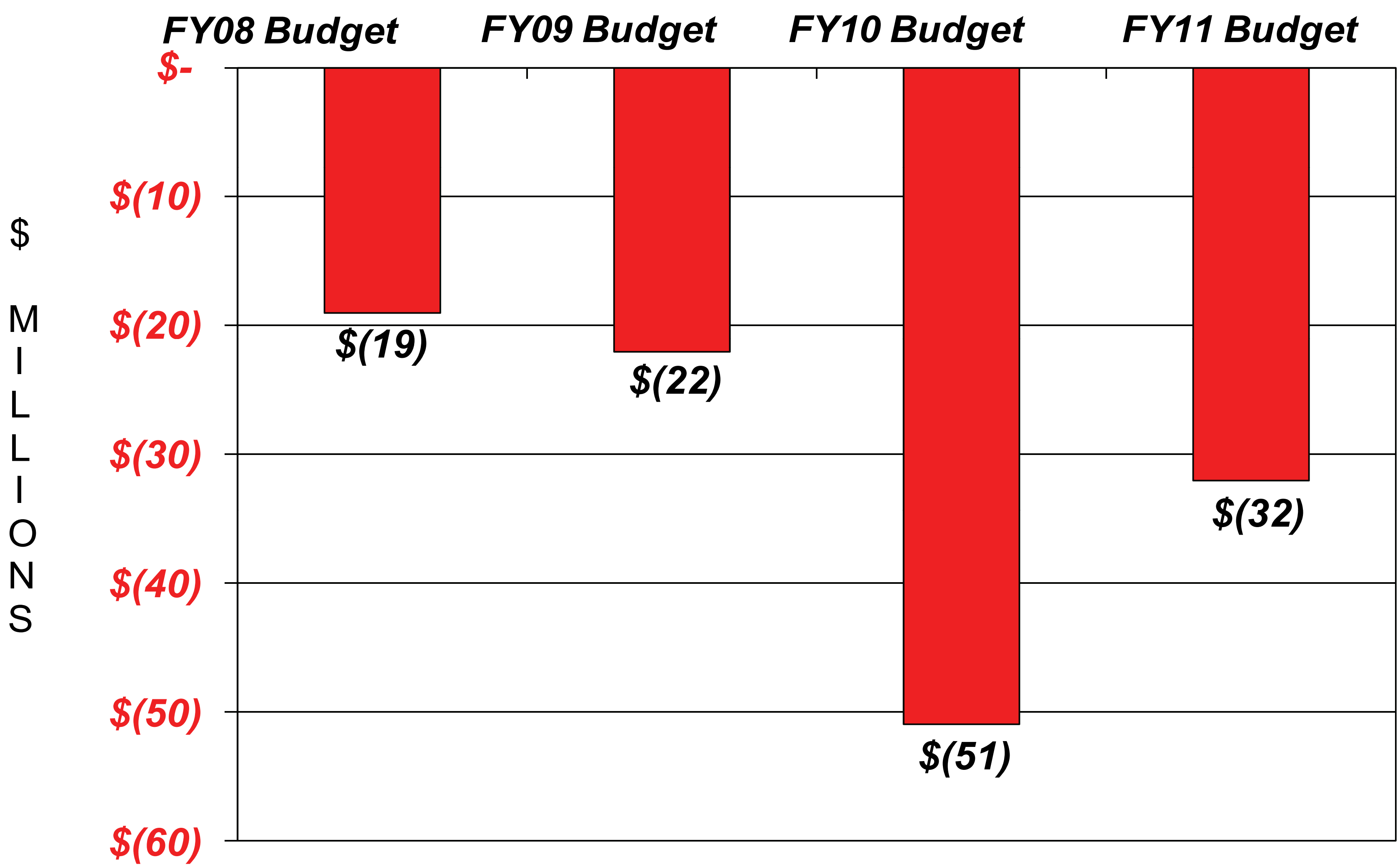
COMPARATIVE CONDENSED BUDGETS
($ Millions)

	FY10	FY11	
General, Utility Tax and Other Tax Operating Funds	$424.6	$436.5	
Enterprise Funds	276.3	304.8	
Internal Service Funds	15.6	16.9	
Grant Funds	11.9	10.7	
Total Appropriated	**$728.4**	**$768.9**	
Bond Funds Available	25.6	18.1	
	$754.0	**$787.0**	**4.4%**

FY11 ECONOMIC OUTLOOK

- Florida's recovery will be slow and mixed
- Unemployment rate to stay above 10%
- Housing and commercial real estate markets continue to be challenged
  - Moody's predicts decline of 2% to 8% in home prices next 12 months
- Population growth is increasing marginally

SHORTFALLS



FY08 Budget
FY09 Budget
FY10 Budget
FY11 Budget
$-
$(10)
$(20)
$(30)
$(40)
$(50)
$(60)
$ MILLIONS
$(19)
$(22)
$(51)
$(32)

HOW WE BALANCED THE FISCAL YEAR 2011 BUDGET

- Reduced FY2010 mid-year operating budgets by rolling back to FY2009 expense levels
- Reduced FY2011 operating budgets by 3% vs. FY2009 expenses
- Eliminated 146 Positions
- Use of Fund Balance:
  - FY10 Savings Account of $19.5 million
  - FY11 Fund Balance of $12.3 million
- Continued EETF Cost Savings Efforts

RESERVES AND BALANCES

- Fund adequate reserves
  - Increased pension expenses
  - Decreased revenues (i.e., property tax collections)

- Maintain adequate undesignated fund balance
  - GFOA guidelines
  - Bond Ratings

CITY OF TAMPA BOND RATINGS

Issuer Rating: Aa1 (Recalibrated April, 2010)

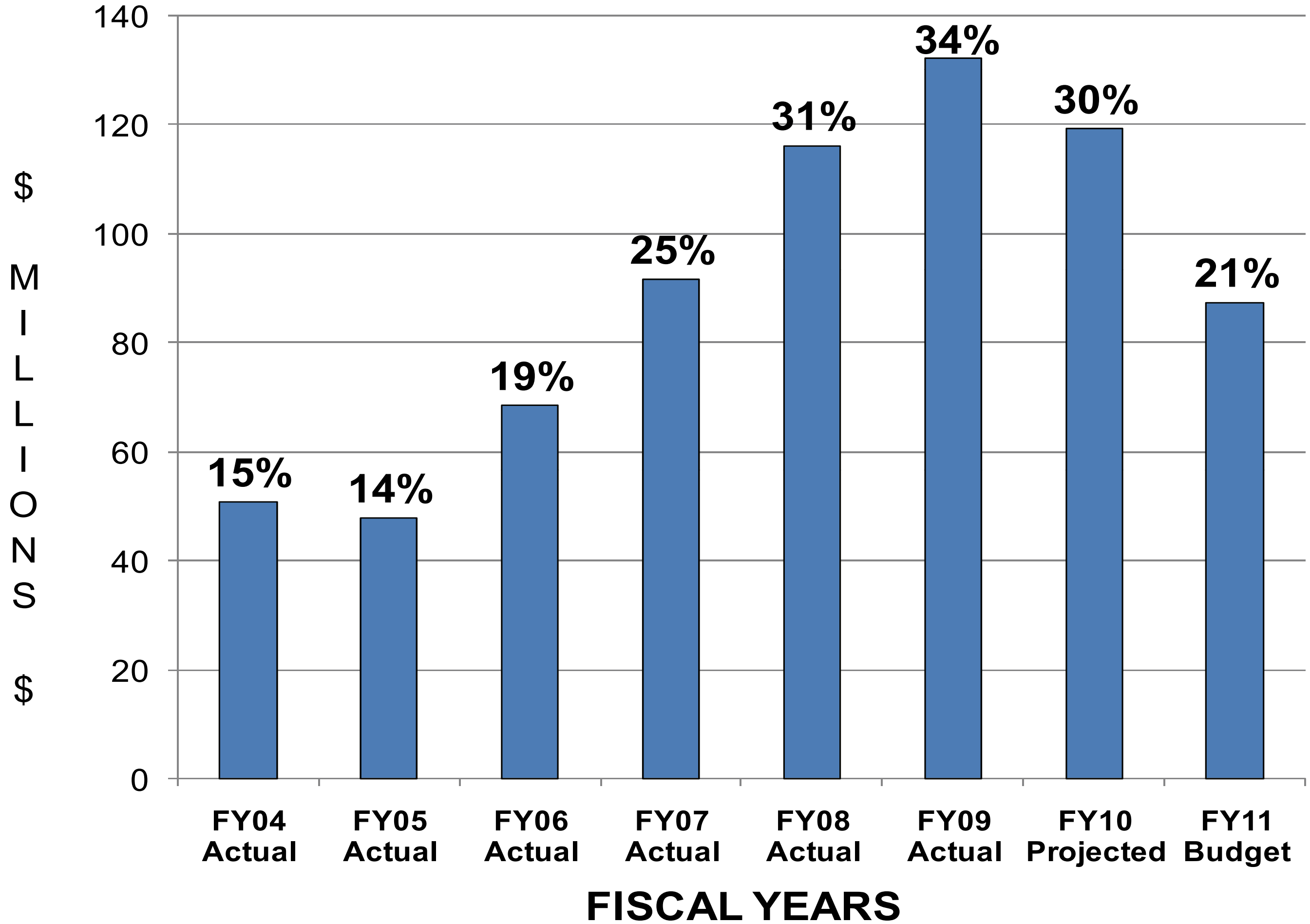
"… based on the City's currently favorable financial position, weakened but regionally-important economic base and manageable debt load."

Moody's Investors Service Rating Report, June 2009

CITY OF TAMPA BOND RATINGS

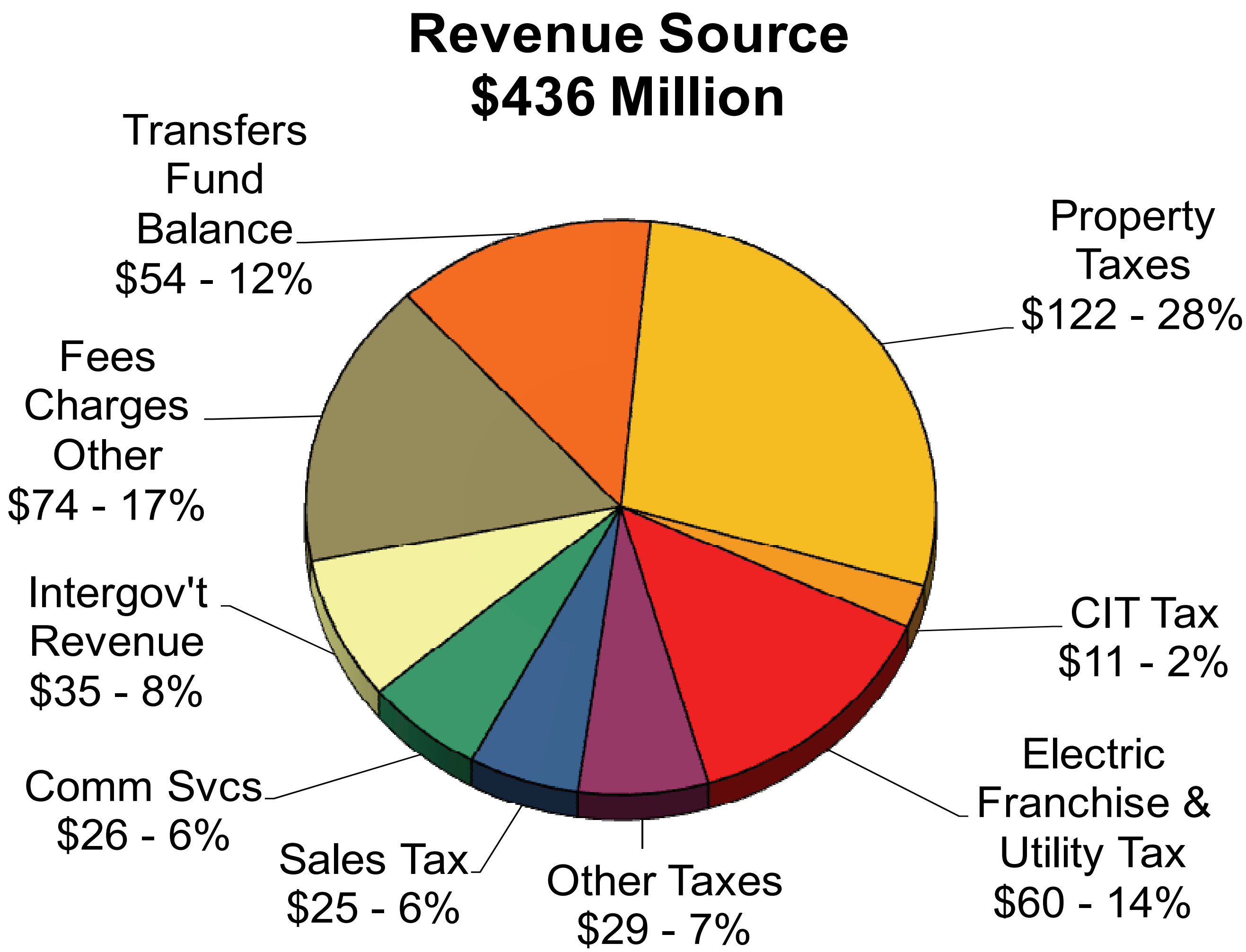
	Moody's	Standard and Poor's	Fitch
Occupational License Tax	Aa2	-	AA-
Sales Tax (CIT)	Aa2	AA+	AA
Solid Waste	A3	-	A
Utilities Tax–Senior Lien	Aa2	AA-	AA
Utilities Tax–Junior Lien	Aa3	AA-	AA-
Water and Sewer	Aa1	AA	AA+

GENERAL FUND AND UTILITY TAX FUND BALANCE



MAJOR REVENUE SOURCES

FY11 GENERAL, UTILITY TAX, AND OTHER TAX FUNDS

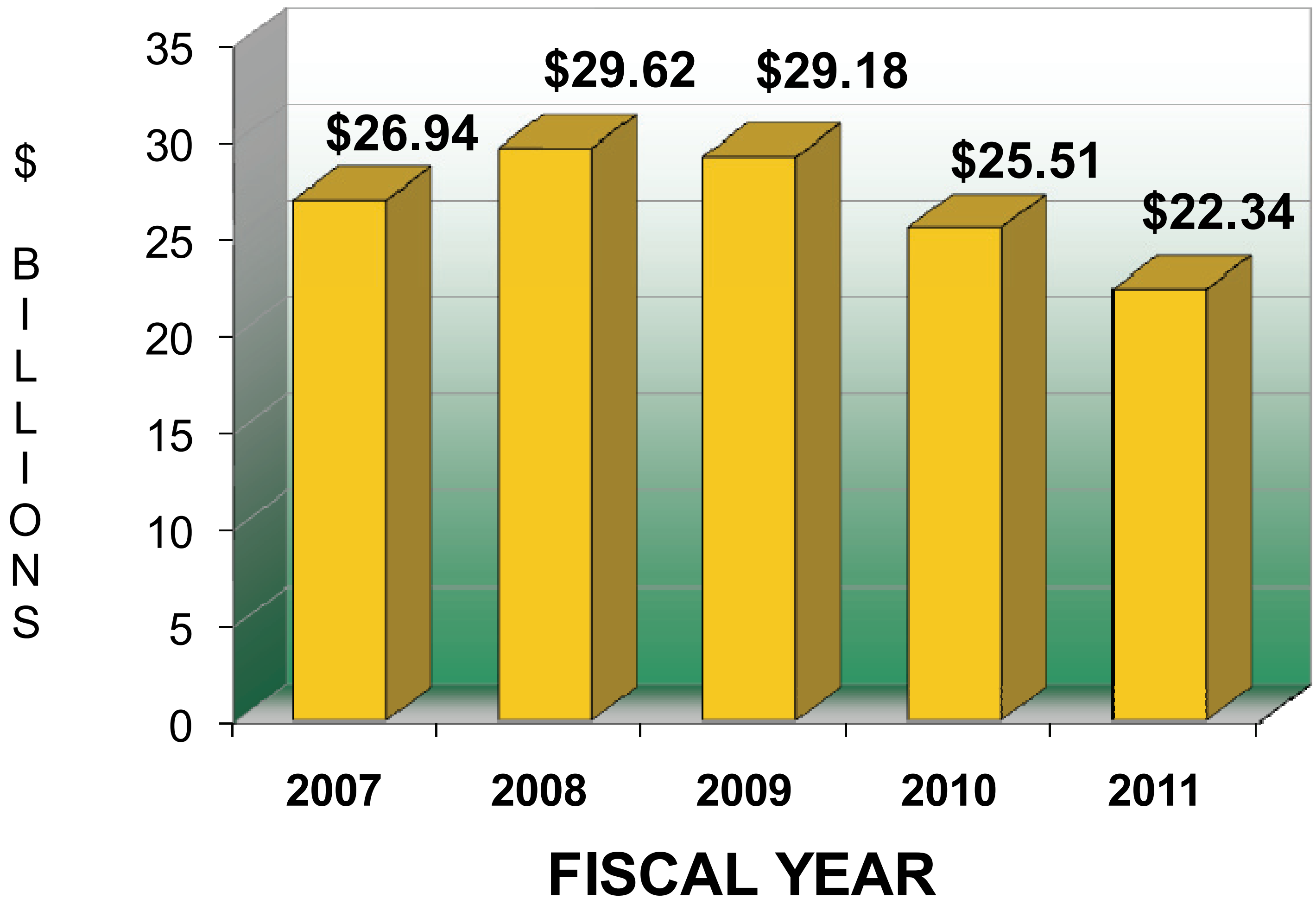


GENERAL AND UTILITY TAX FUNDS

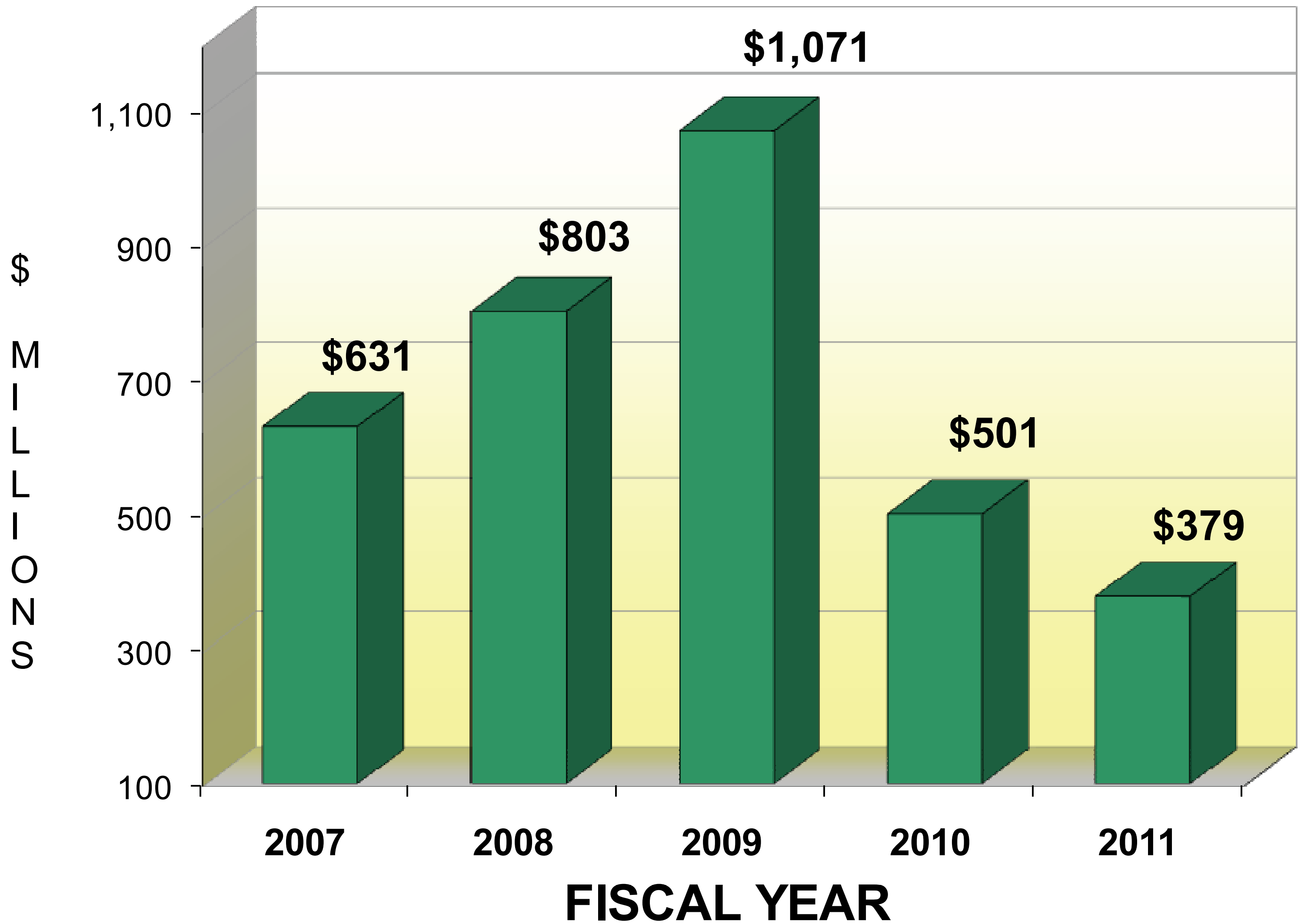
(EXCLUDING TRANSFERS) ($Millions)

	FY10 Budget	FY10 Projected	FY11 Budget
Total Revenue	$ 322.1	$ 324.1	$ 330.6
Total Expenditures	353.1	334.2	362.4
Surplus / (Deficit)	($ 31.0)	($ 10.1)	($ 31.8)
Savings Account Balance			**$ 19.5**
Amount needed from Fund Balance			**$ 12.3**

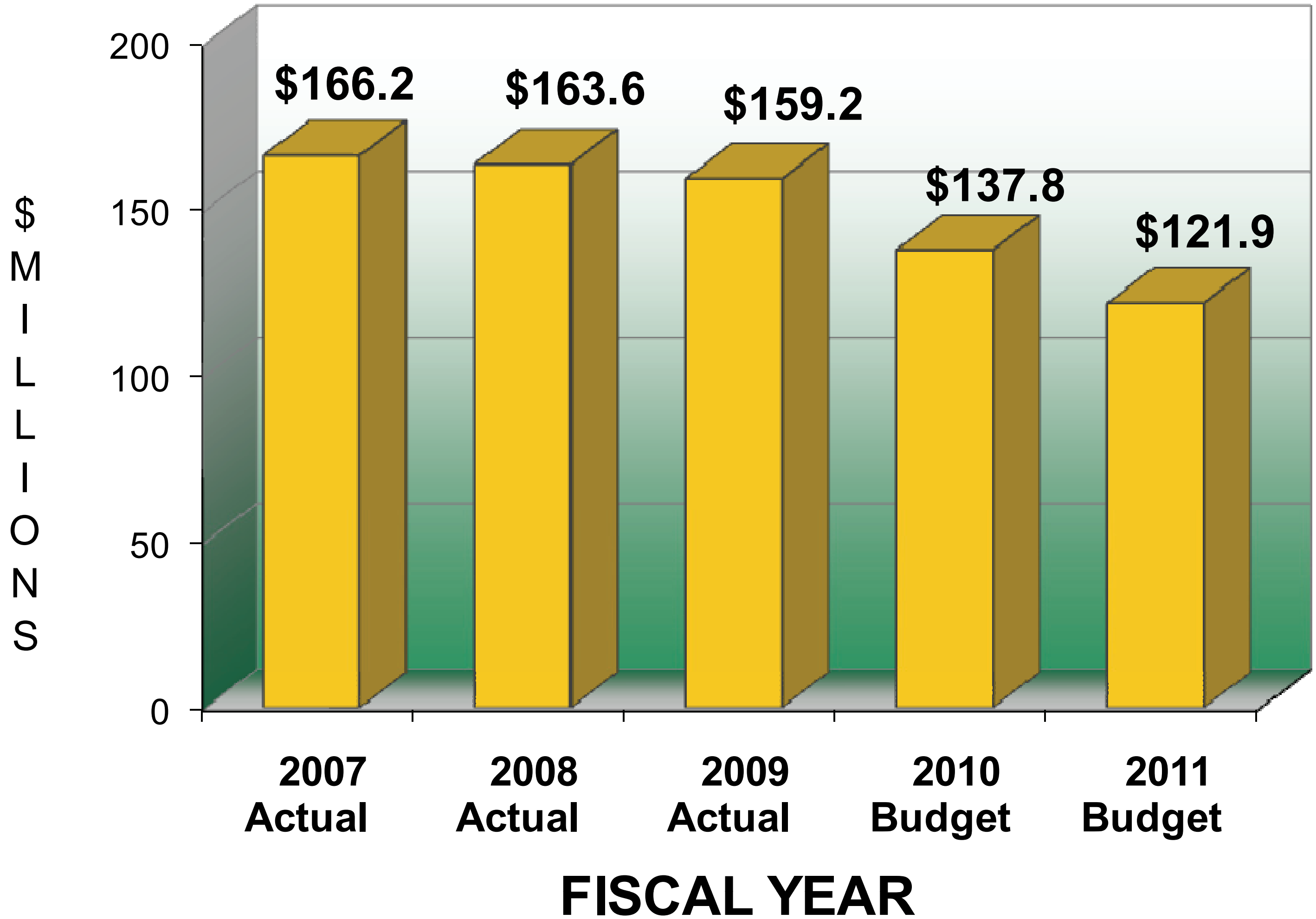
TAXABLE PROPERTY VALUATION



NET NEW CONSTRUCTION



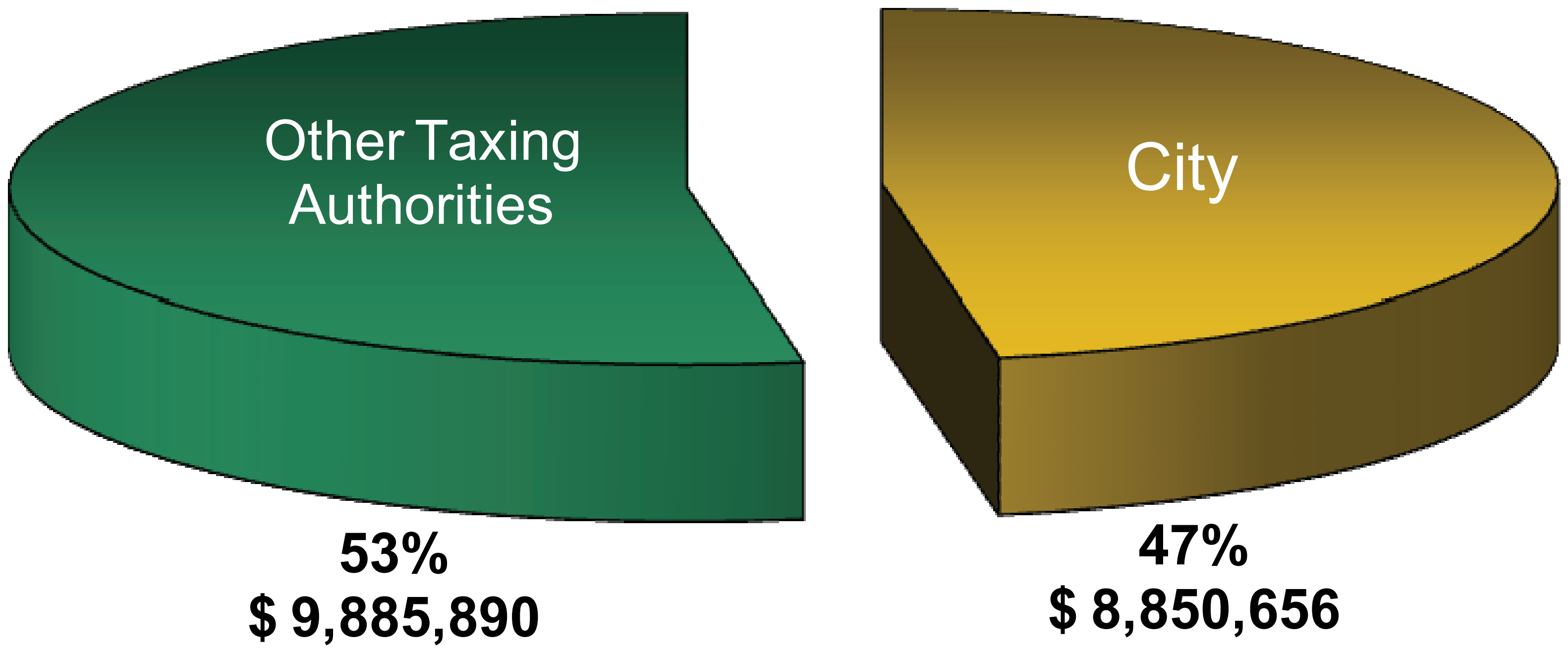
PROPERTY TAXES
INCLUDING DELINQUENT TAXES



PROPERTY TAXES PAID TO CRAs

CRA	FY10 City Share of TIF Payments	FY11 City Share of TIF Payments	% Change
Downtown	$ 7,140,996	$ 6,051,985	(15.3%)
East Tampa	1,968,617	396,136	(79.9%)
Channel District	1,704,473	1,282,297	(24.8%)
Ybor City CRA 1	891,301	670,531	(24.8%)
Drew Park	506,011	295,955	(41.5%)
Ybor City CRA 2	195,983	97,680	(50.2%)
Tampa Heights Riverfront	84,764	54,312	(35.9%)
Central Park	15,088	1,760	(88.3%)
Total	**$12,507,231**	**$ 8,850,656**	**(29.2%)**

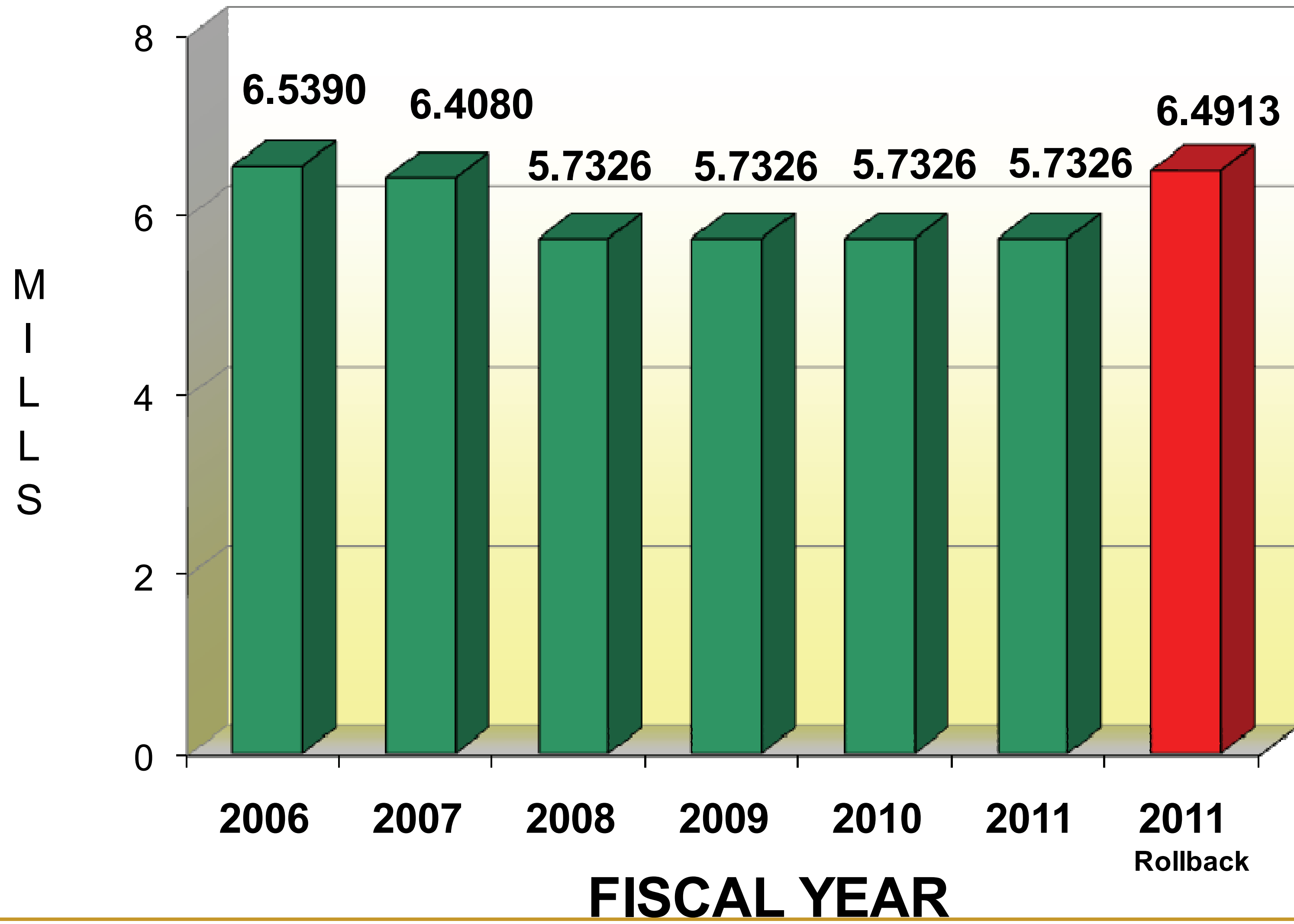
PROPERTY TAXES PAID TO CRAs
FY11 ESTIMATE



ROLLBACK MILLAGE RATE

- Rollback rate is the millage rate that would produce the same property tax revenues as the prior year.
- When property values decline, the rollback rate results in an <u>increase</u> in the millage rate.
- We are <u>not</u> proposing the rollback rate.

MILLAGE RATE



PROPERTY TAX EXAMPLE

Single family residence with an assessed value of $157,000

	FY11 Rollback	FY11 Proposed
Assessed Value	$157,000	$157,000
Less Homestead Exemption	50,000	50,000
Taxable Value	107,000	107,000
Times Millage Rate (City of Tampa)	6.4913	5.7326
Property Tax Assessment	**$ 695**	**$ 613**

$ 82 Difference on Average Home in FY11.

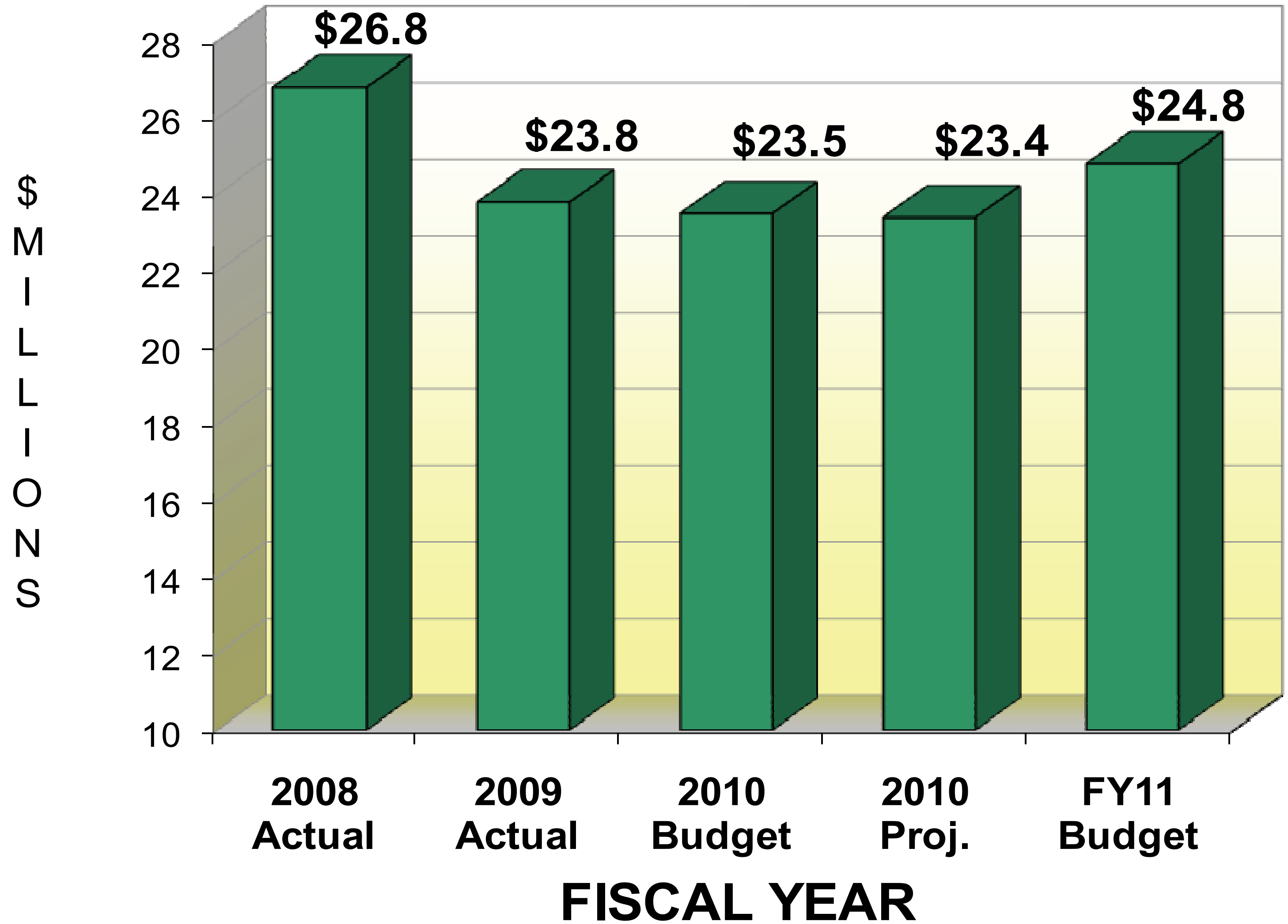
PROPERTY TAX DISTRIBUTION

Single family residence with an assessed value of $157,000, taxable value of $107,000 and tax bill of $2,486

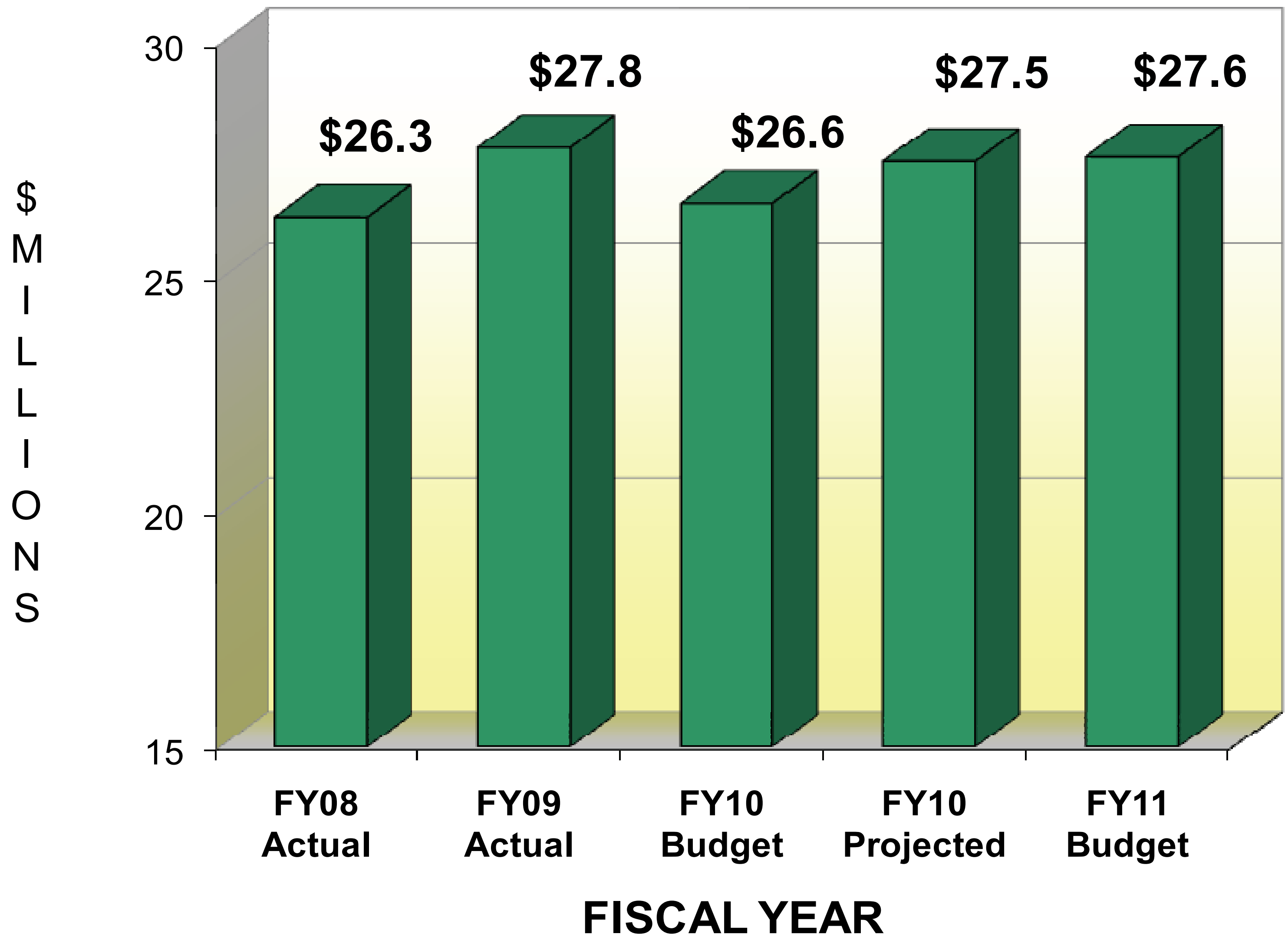
Authority	Proposed Millage	Taxes	% of Total Taxes
School Board*	7.5920	$1,002.14	40.31%
Hillsborough County	5.8011	620.72	24.97%
City of Tampa	**5.7326**	**613.39**	**24.67%**
SWFWMD	0.6166	65.98	2.65%
Public Library	0.5583	59.74	2.40%
HART	0.4682	50.10	2.02%
Children's Board	0.5000	53.50	2.15%
Port Authority	0.1900	20.33	0.83%
Total Taxes Paid	**21.4588**	**$2,485.90**	**100%**

*School Board tax value is $132,000 as only $25,000 of homestead value is exempted.

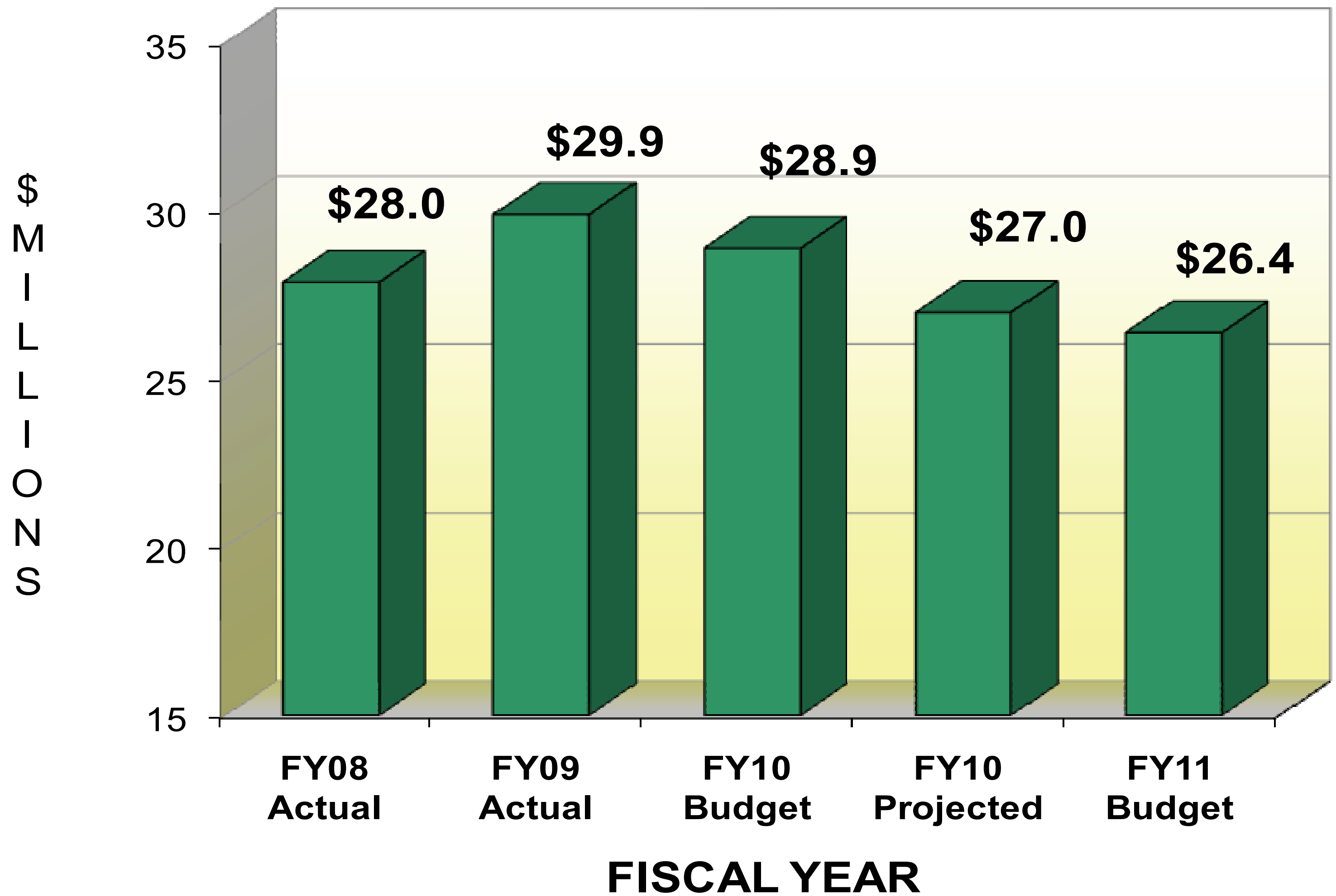
SALES TAX REVENUE



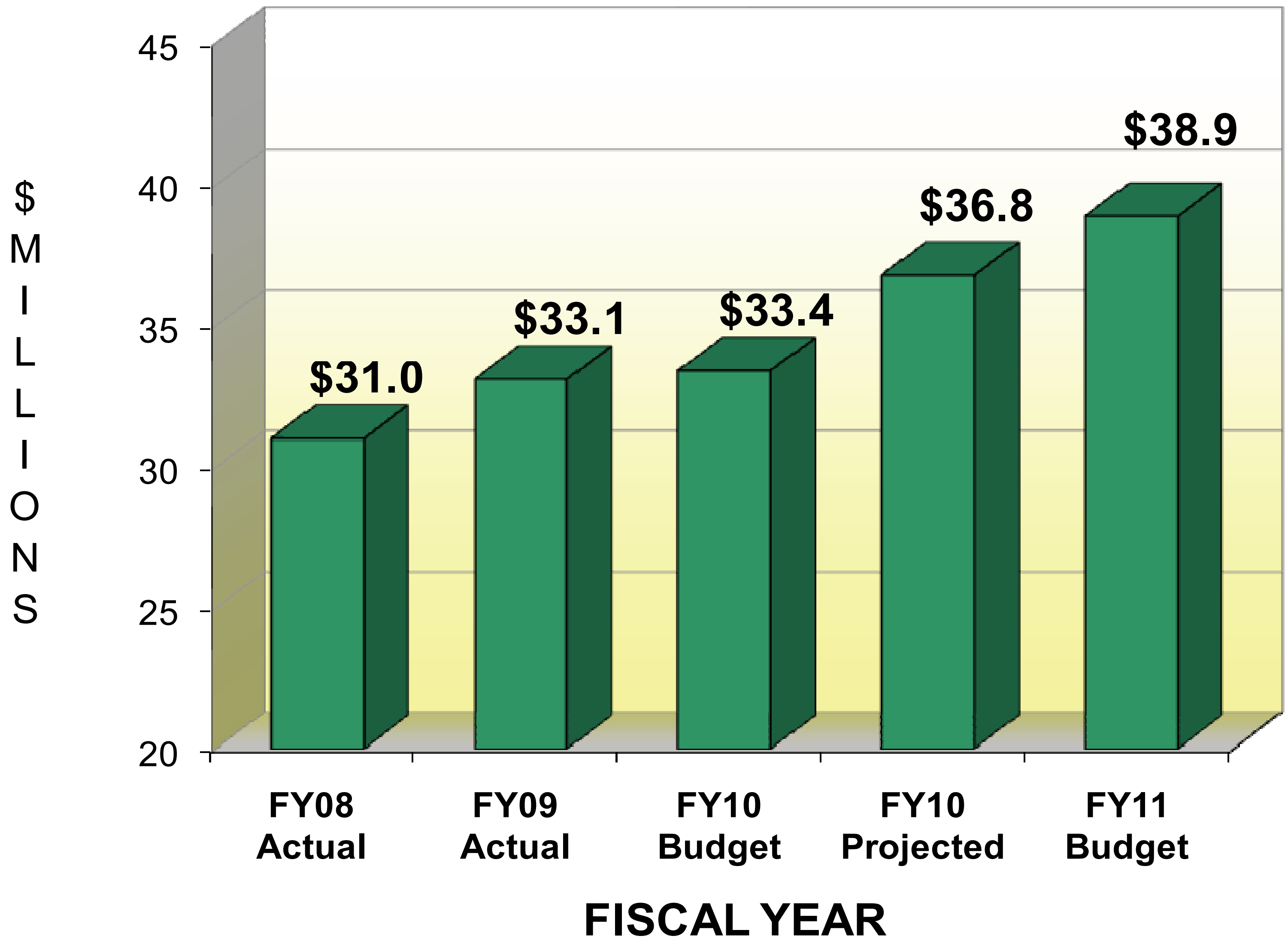
FRANCHISE FEES REVENUE



COMMUNICATIONS SERVICES TAXES REVENUE

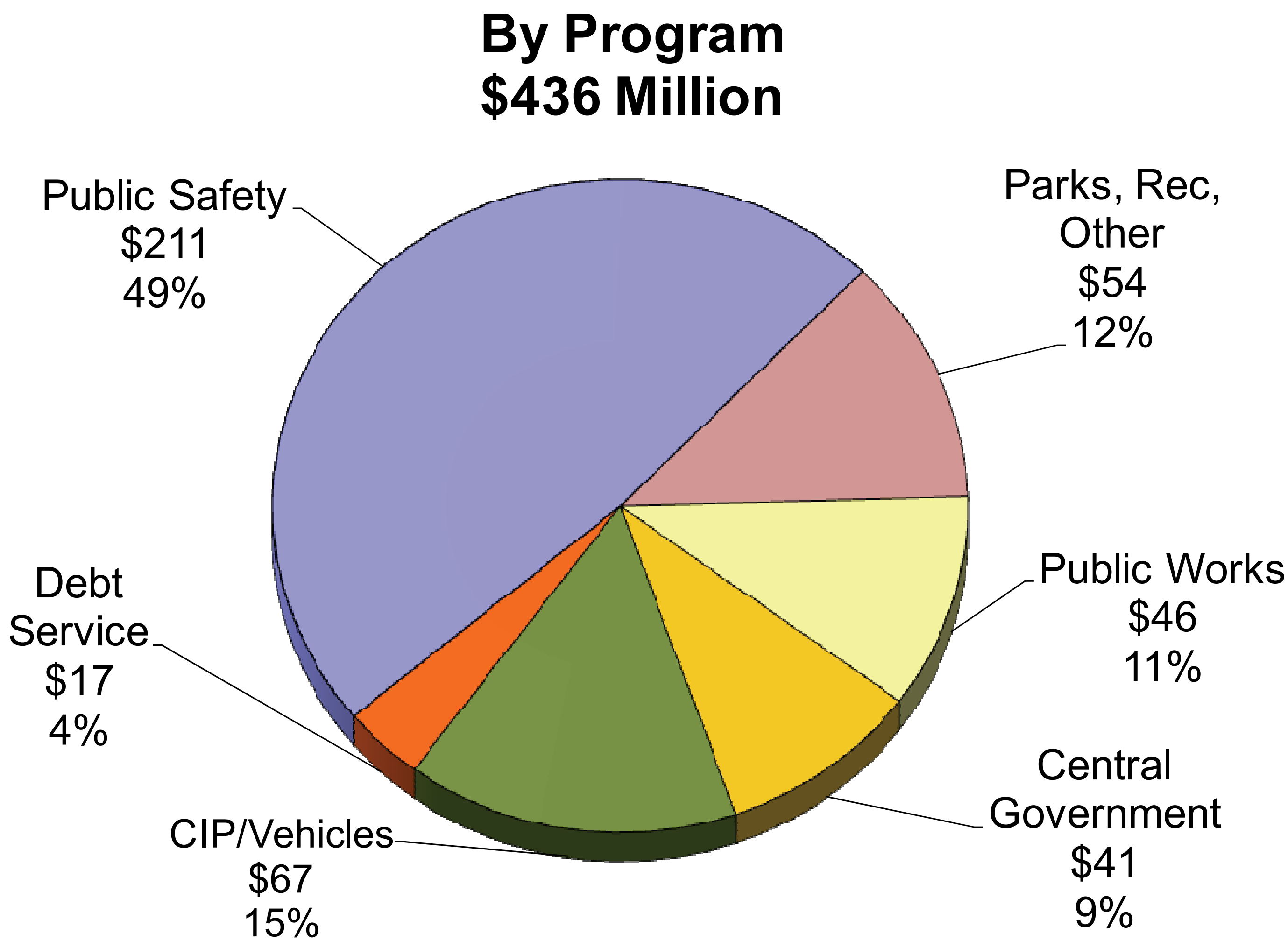


UTILITY TAXES



MAJOR EXPENDITURE CATEGORIES

FY11 GENERAL, UTILITY TAX AND OTHER TAX OPERATING FUNDS



EETF PROGRAM SAVINGS

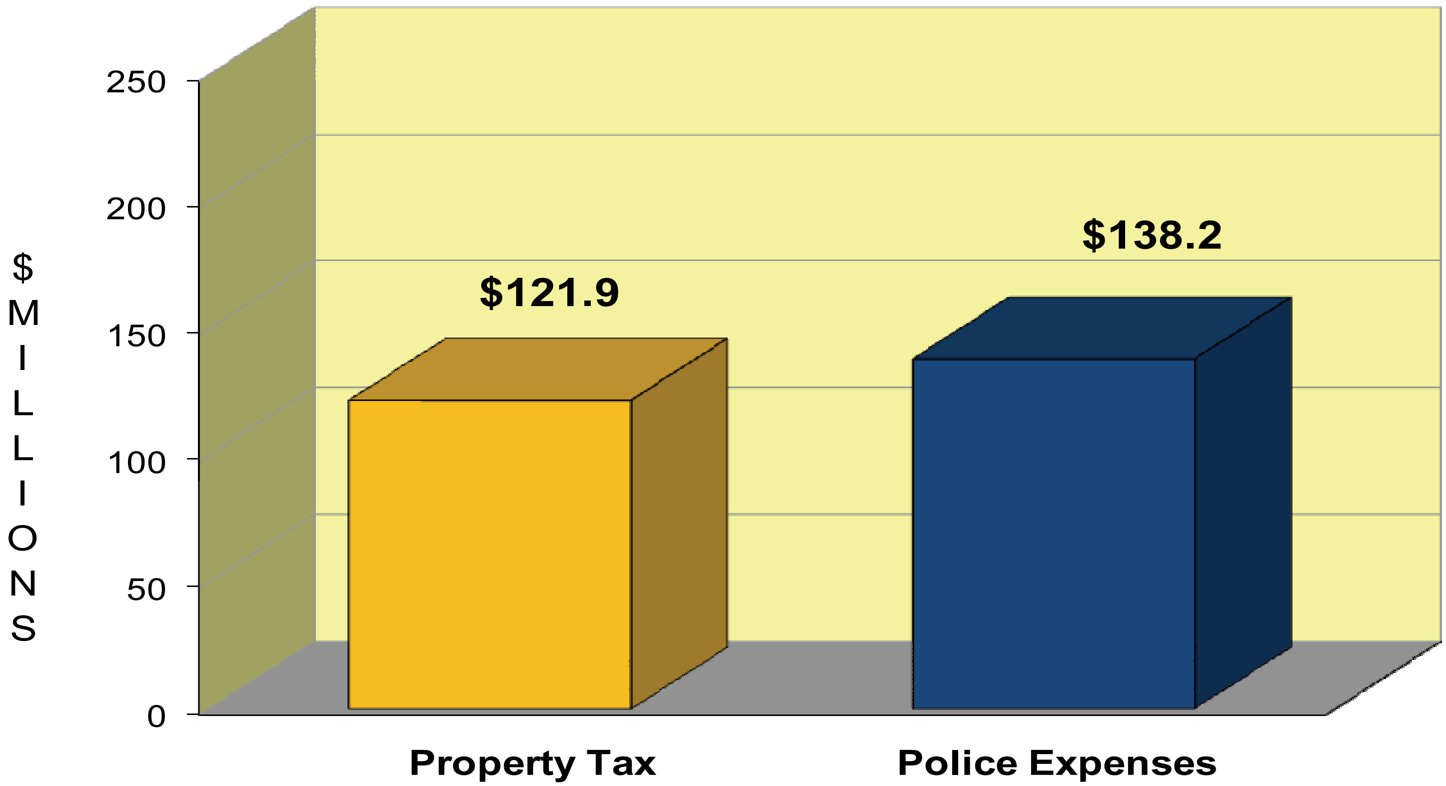
($Millions)	Annualized	One-Time
Savings	$9.3	$0.2
Revenues	$2.4	$3.8
Total	**$11.7**	**$4.0**

*Efficiency and Effectiveness Task Force

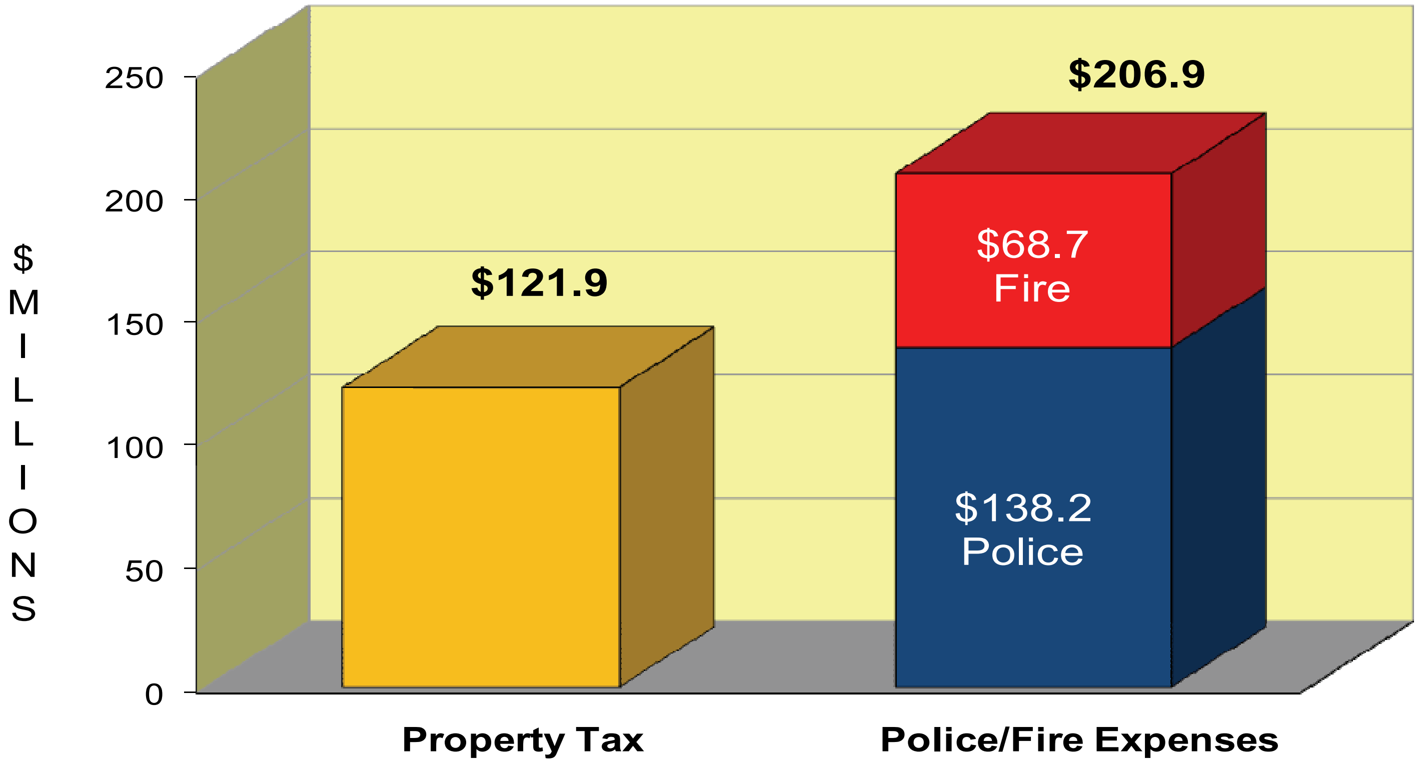
Revenue Initiatives:
- On-Line Auctions
- Extra Duty Fee Review
- Single Family Residency Rental Certificate
- Fee Review
- Rent Revenue and Sales Initiatives
- Internal Service Fund Balance Review

Saving Initiatives:
- Implementation of Internal Audit Recommendations
- Organizational Consolidations
- Staffing and Process Modifications
- Fleet Optimization
- Parking Meter Implementation
- Garbage Pick-up: Eliminate Holiday Make-Up
- Service Level Standardization
- Re-bid Bad Debt Collection Services Contract
- Traffic Signal Change
- Certified Letter Tracking Automation
- Electronic Distribution Exchange
- Conservation Committee

PROPERTY TAX COMPARED TO POLICE EXPENSE

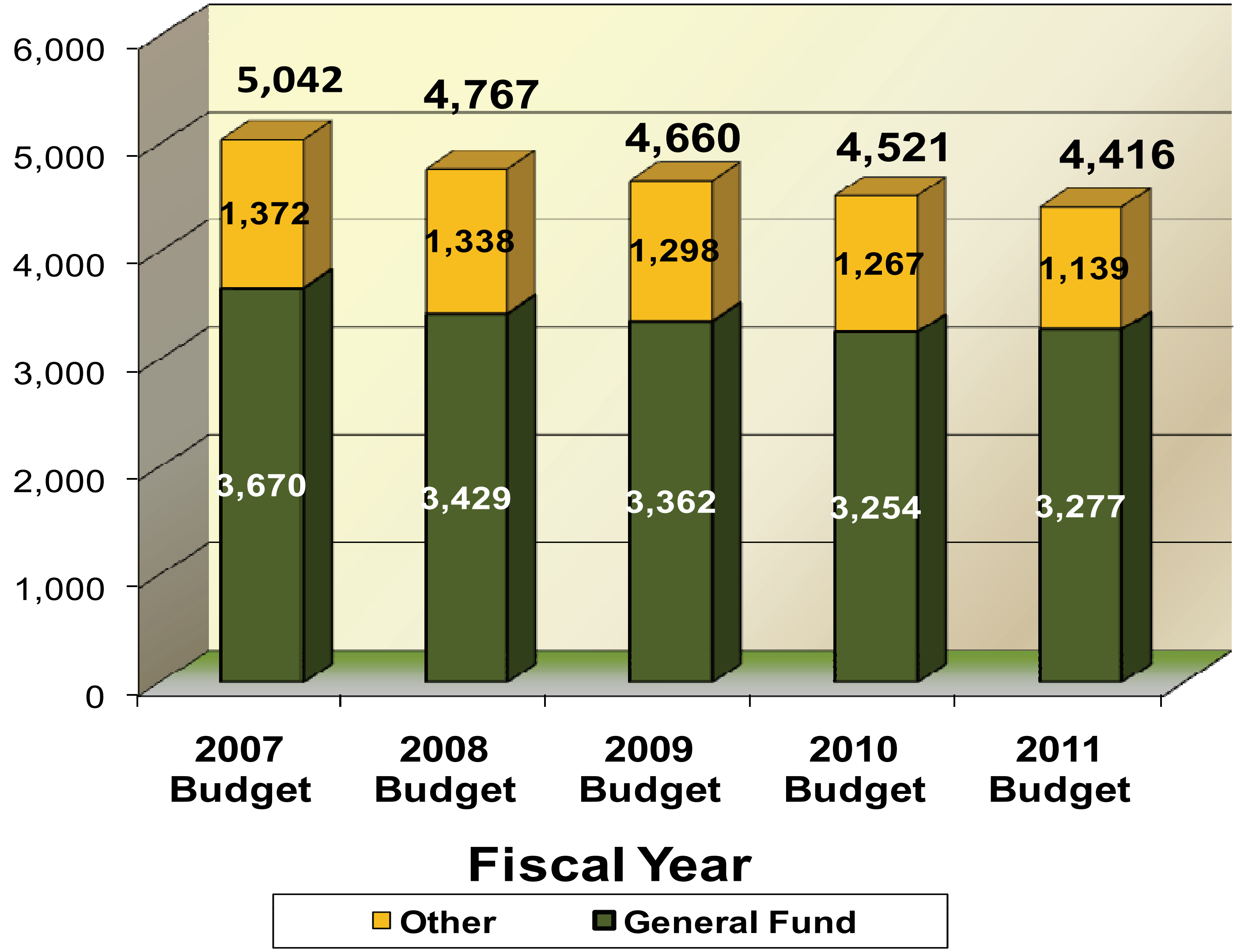


PROPERTY TAX COMPARED TO POLICE AND FIRE RESCUE EXPENSE

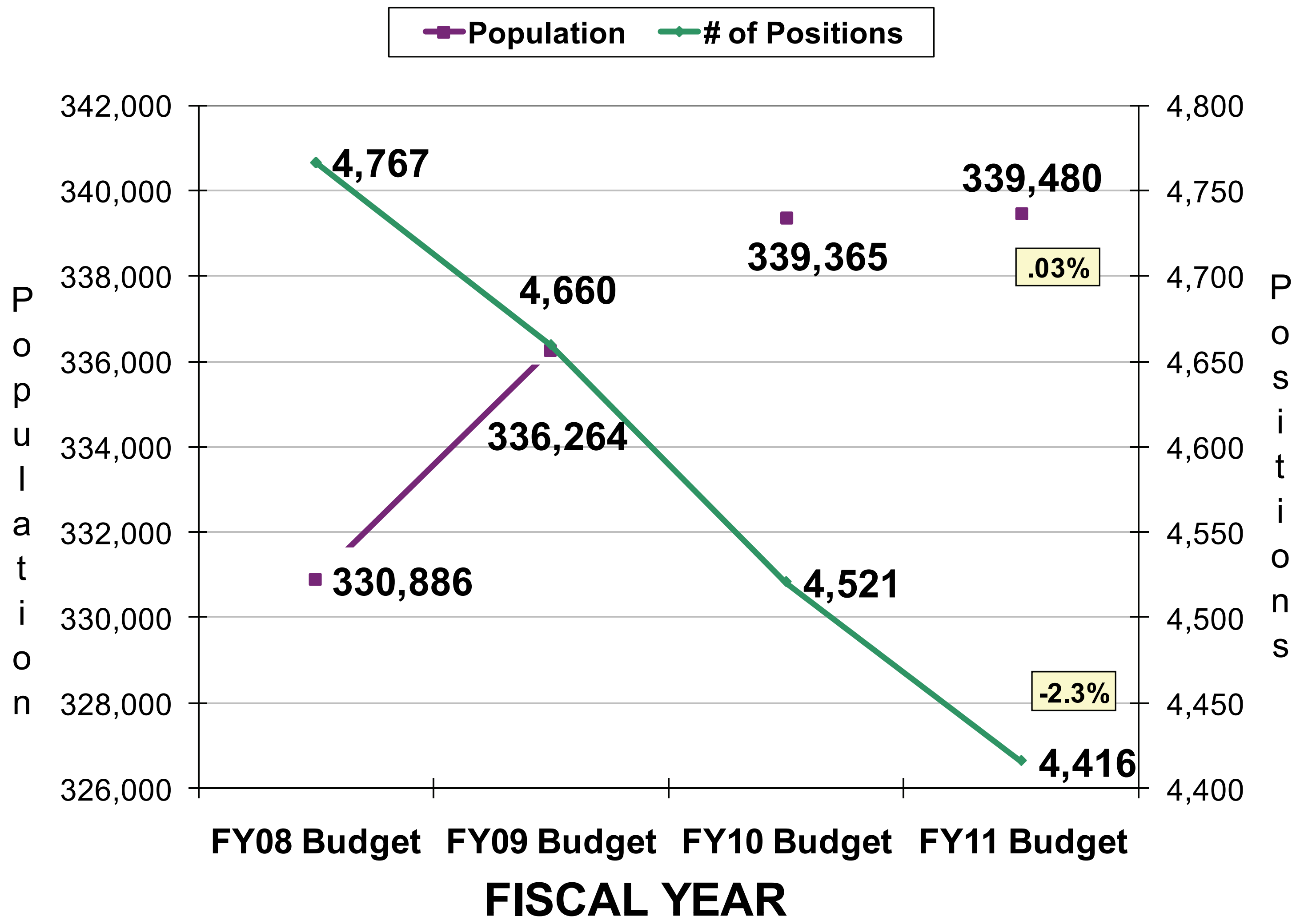


FY09($43.1M) - FY10($63.4M) - FY11($85.0M)

PERSONNEL AUTHORIZATIONS



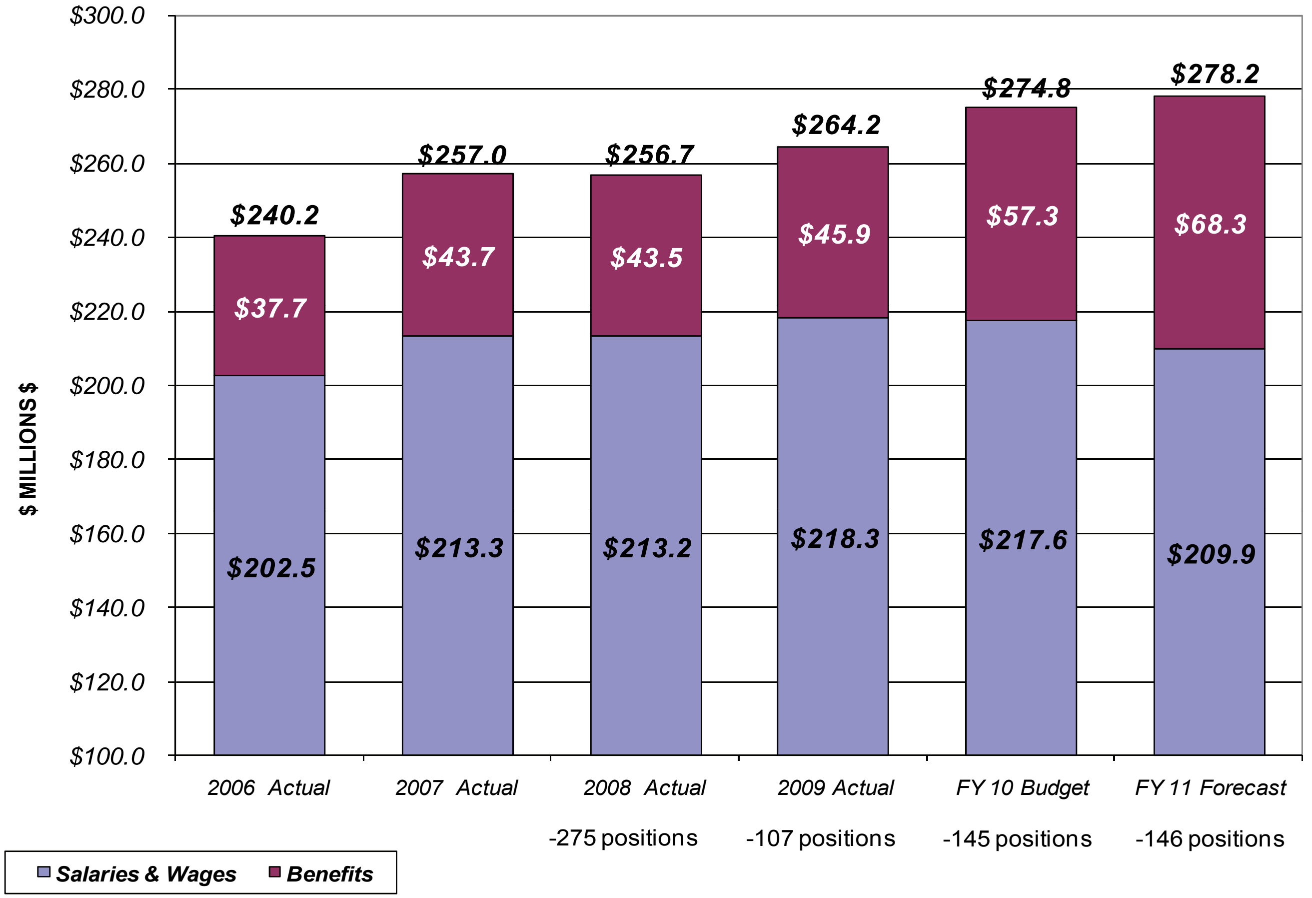
CITYWIDE PERSONNEL/POPULATION



POSITIONS ELIMINATED FY2008 TO FY2011

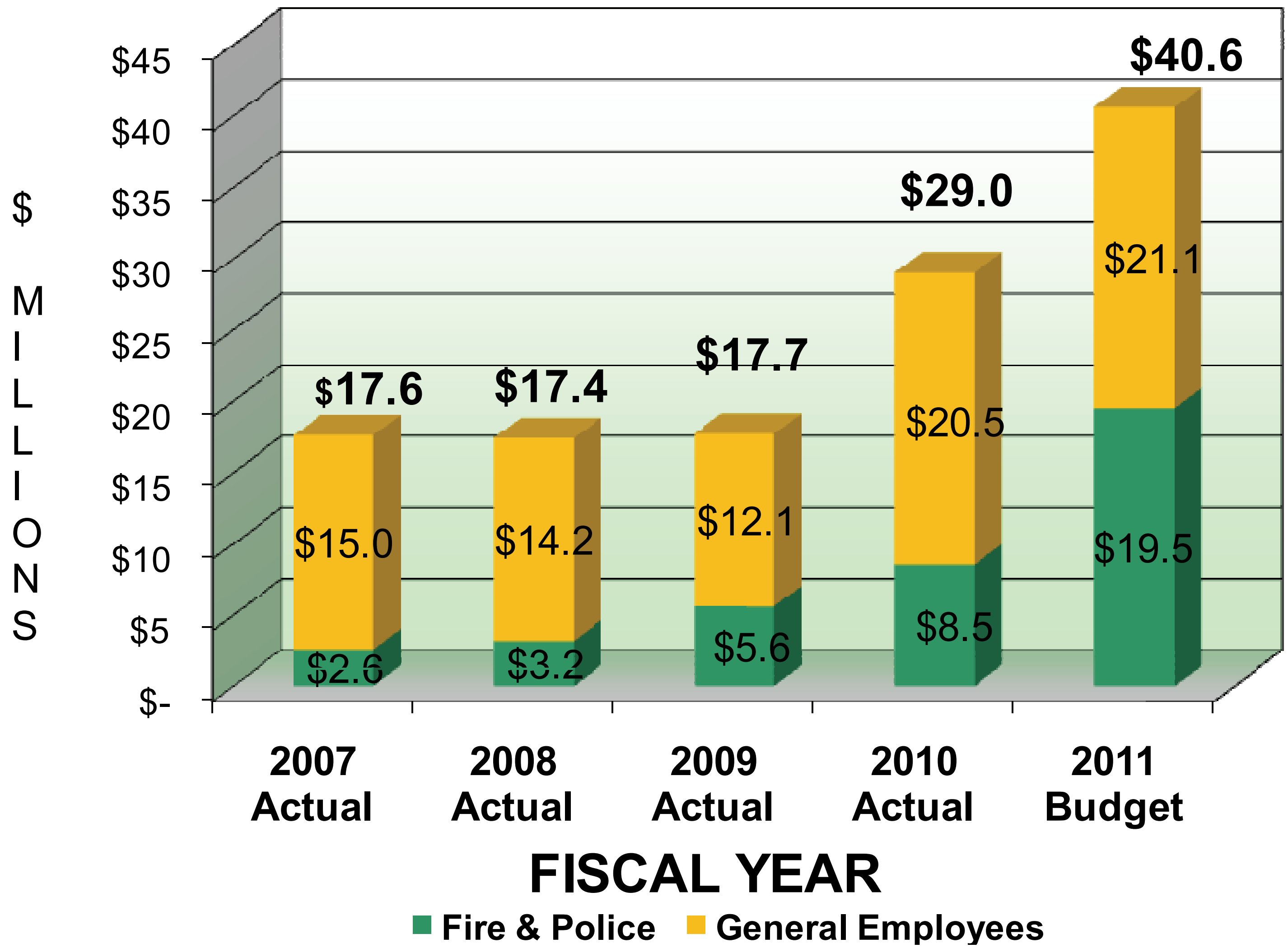
	Layoffs	Vacancies	Total
FY2008	119	156	275
FY2009	29	78	107
FY2010	48	97	145
FY2011	39	107	146
Total	**235**	**438**	**673**

GENERAL FUND SALARIES AND BENEFITS

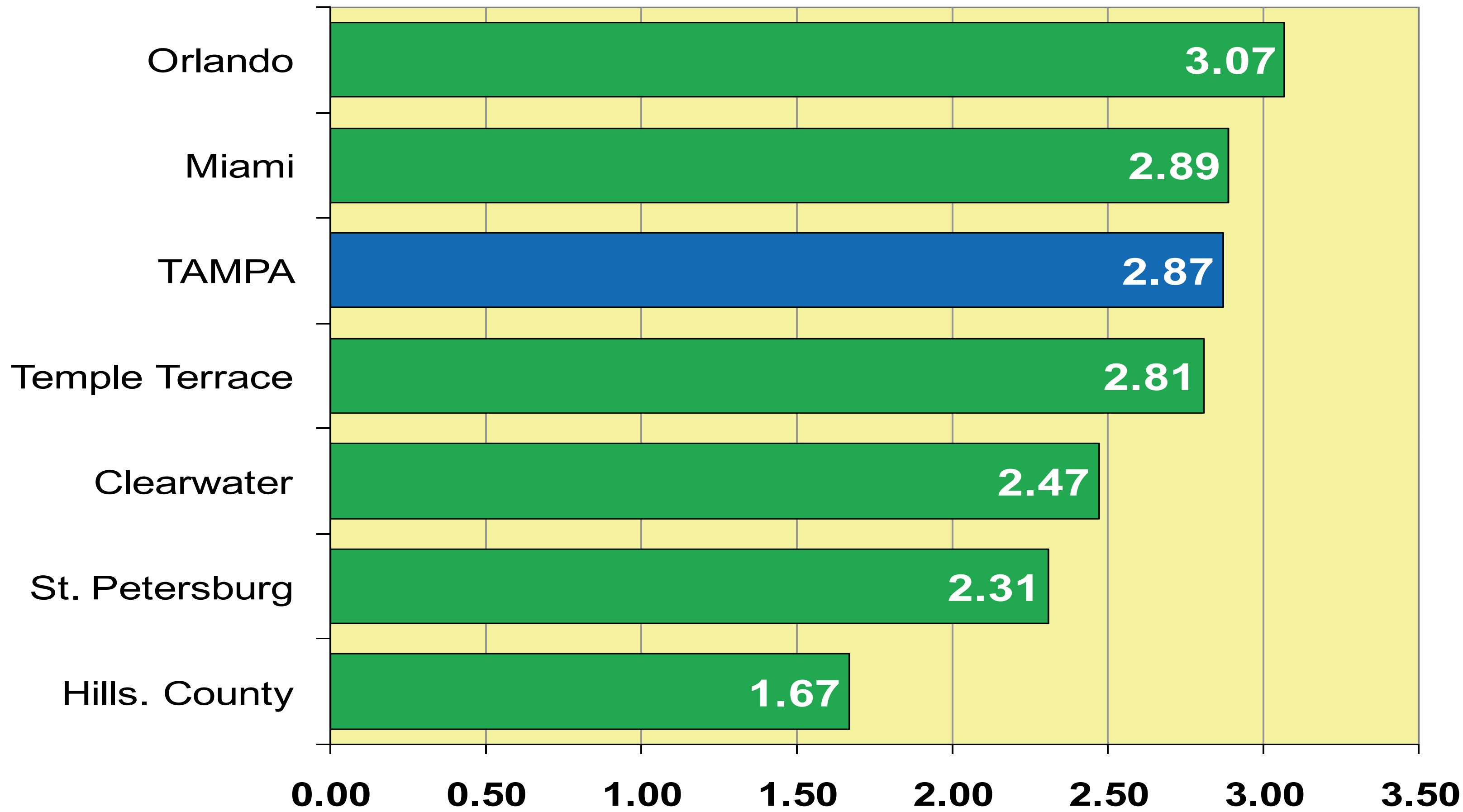


This chart contains General Fund salary, benefits, and city-wide position reductions (net of consolidation).

PENSION HISTORY (City Contribution)



POLICE OFFICERS (SWORN)
PER THOUSAND RESIDENTS



COMMUNITY INVESTMENT TAX (CIT)

COMMUNITY INVESTMENT TAX (CIT)

- City Council authorized third five-year program - June 15, 2006 (FY07 - FY11)
- Starting on fourth five-year program (FY12-16)
- Significant revenue source for capital programming
- $11.7M in FY11 projects and debt service
- CIT revenues have declined from a high of $16.2M in FY07 to $10.7M in FY11.

COMMUNITY INVESTMENT TAX (CIT)

Parks & Recreation - Neighborhood Programs

Community Centers – ADA repairs, renovations, improvements, signage	$	337,050
Fencing, bollards, gates, park security, athletic courts and fields		224,700
Ancillary and play equipment		187,250
Total	**$**	**749,000**

COMMUNITY INVESTMENT TAX (CIT)

FY11 Fire Rescue

New/Replacement Stations	$1,500,000
Station Roof Replacements	125,000
Station Painting	75,000
Station Flooring	30,000
	$1,730,000

COMMUNITY INVESTMENT TAX (CIT)

FY11 Debt Service

2001 Bond Issue	$3,964,778
2006 Bond Issue	1,277,106
Total Debt Service	**$5,241,884**

TPD VEHICLES

- Purchase 131 marked and detective sedans
- Places TPD on a nine-year replacement cycle
- Requires approximately $3.9 million
  - Currently budgeted CIT Funds of $1.9 million
  - FY11 Utility Tax Funds of $2.0 million

FY11 ENTERPRISE FUNDS

The Five-Year Water Rate Plan allowed for:

- System replacement and rehabilitation
- Improving distribution system maintenance
- Enhancing the lower Hillsborough River
- Reclaimed water system subsidy

AREAS OF SIGNIFICANT EXPENDITURE CHANGES ($ Millions)

	FY10 Budget	FY11 Budget	Change
Water	**$90.7**	**$118.2**	**$27.5**

Personnel	UAD consolidaton, net increase $8.0M
Operating	Tampa Bay Water decreased
Capital and CIP	Increase of $27M – MFL & Bruce B. Downs
Debt	Proposed bond issue to retire $43.5M of Commercial Paper

METER REPLACEMENT

Utility Technician Explains Meter Replacement Program

Replacing Aging Water Mains Downtown

AREAS OF SIGNIFICANT EXPENDITURE CHANGES ($ Millions)

	FY10 Budget	FY11 Budget	Change
Wastewater	**$93.9**	**$96.1**	**$2.2**

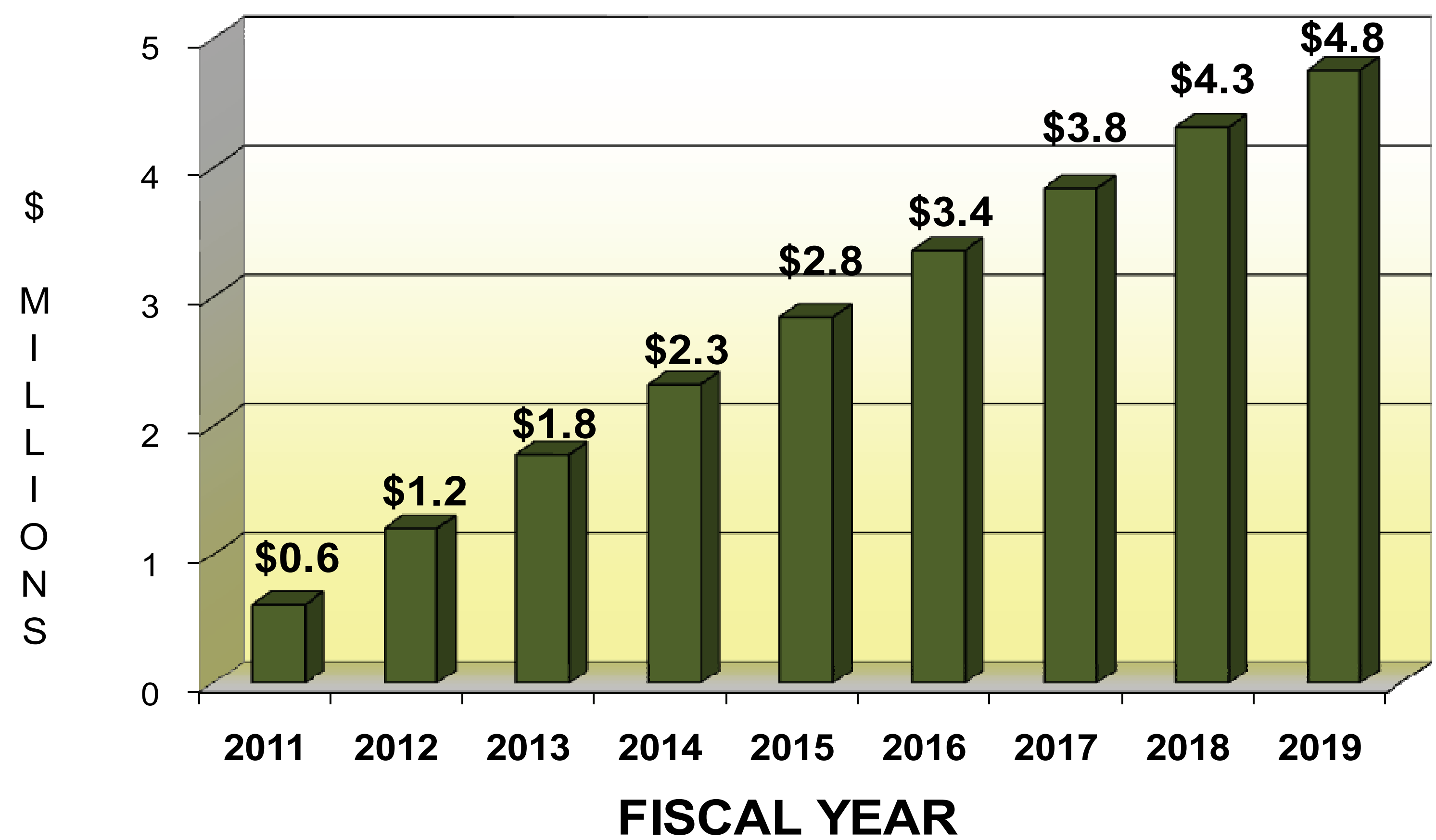
Personnel	Decrease of $4.0M
Operating	Chemicals remain unchanged
Capital and CIP	Increase of $8.1M; San Carlos & 25th St Pump Stations
Debt	Proposed bond issue for $12.0M for capital repairs and replacement

AREAS OF SIGNIFICANT EXPENDITURE CHANGES ($ Millions)

	FY10 Budget	FY11 Budget	Change
Solid Waste	**$71.3**	**$70.8**	**($0.5)**

Personnel	Personnel remains relatively unchanged
Operating	Balanced routing and expanded fully-automated refuse collection services; McKay Bay transfer station
Capital and CIP	Maintain state-of-the-art facilities, automated scale lane
Debt	Revenue bonds refunding saved approx $4.8M

SOLID WASTE BOND REFUNDING
(CUMULATIVE)



SOLID WASTE

Holiday Make-Up

- Discontinued holiday make-up days
- $500,000 annual savings

Automated Scale Lane

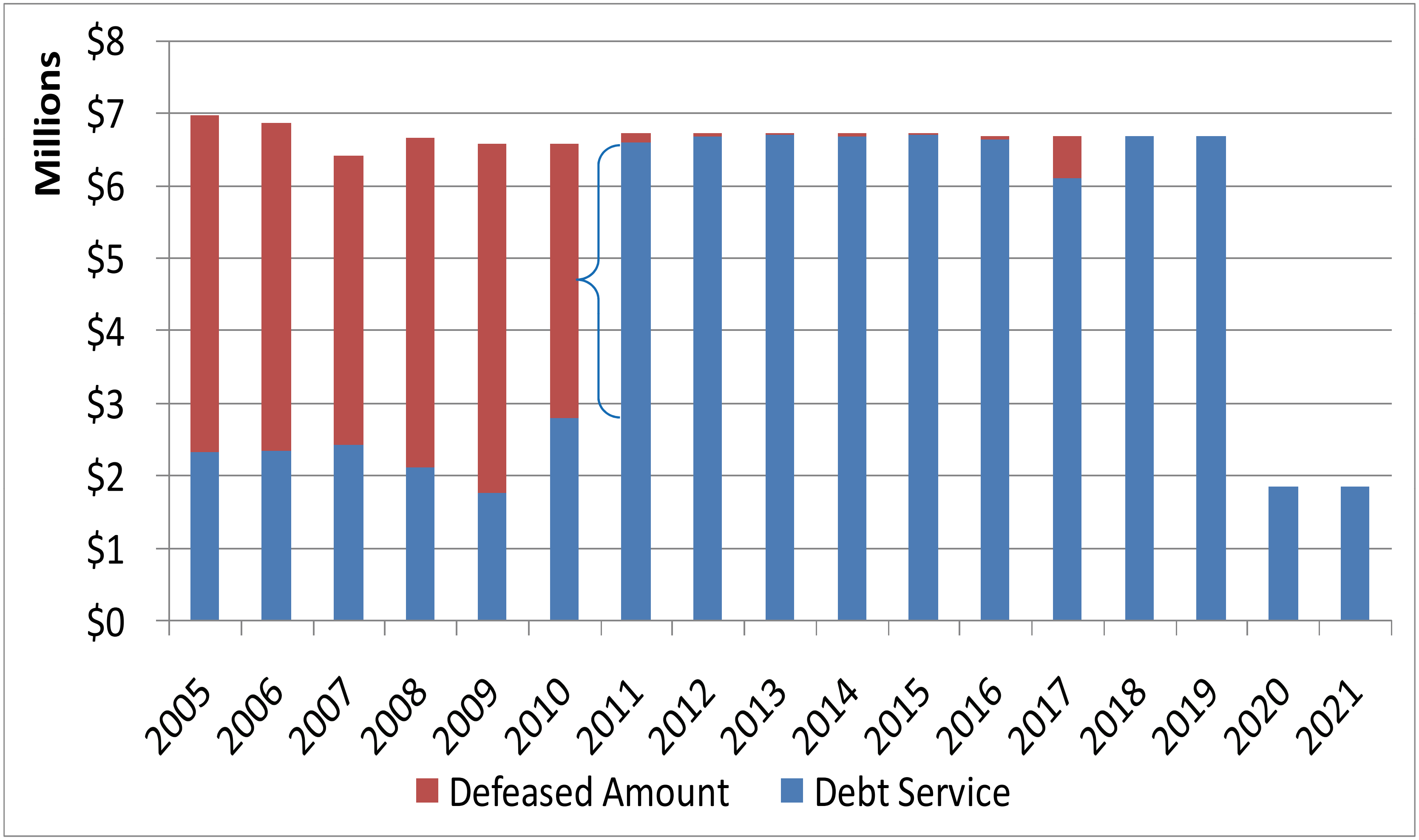
- Requires no attendant
- Interfaces with SmartPass
- Decreased wait times

AREAS OF SIGNIFICANT EXPENDITURE CHANGES ($ Millions)

	FY10 Budget	FY11 Budget	Change
Parking	**$16.9**	**$20.5**	**$3.6**

Personnel	Reduction of 12 positions due to reorganization
Operating	Operating remains relatively unchanged
Capital and CIP	Using available bond funds for garage improvements
Debt	Increase from $2.5M to $6.5M

PARKING FUND - DEBT SERVICE



AREAS OF SIGNIFICANT EXPENDITURE CHANGES ($ Millions)

	FY10 Budget	FY11 Budget	Change
Stormwater	**$17.2**	**$14.5**	**($2.7)**

Personnel	Realignment to Public Works Department
Operating	Reduction in mowing contract
Capital and CIP	Continued emphasis on environmental projects
Debt	Proposed Utility Tax Bond issue to pay off $12.5M of Commercial Paper and $8.0M for projects

STORMWATER CAPITAL PROJECTS
($ Millions)

Project	Source	$ Amount
Alline & Coachman	Future Utility Tax Bond	$ 8.5
Duck-Donut Pond	Commercial Paper / Grants	7.5
Waterways Mgt.	Utility Tax/Grants	1.8
Other R&R	Utility Tax	3.6
Total		**$ 21.4**

AVERAGE MONTHLY RESIDENTIAL UTILITY BILL

UTILITY	FY10	INCREASE*	FY11
Water	$17.25	$ 2.40	$19.65
Wastewater	39.10	4.70	43.80
Solid Waste	25.25	0	25.25
TOTAL	**$81.60**	**$ 7.10**	**$88.70**

8.7% increase in bill

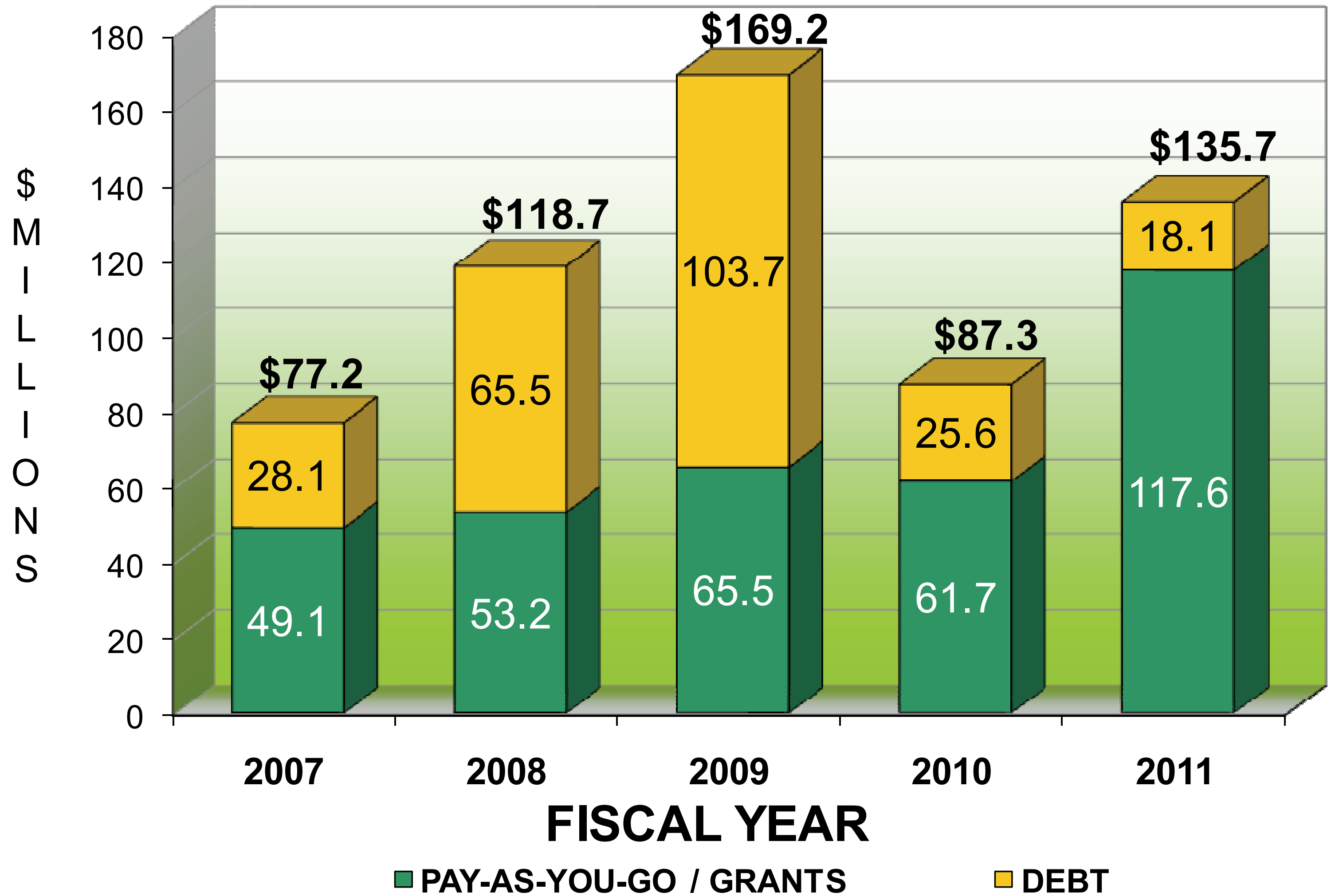
* Includes previously approved rate increases for Water and Wastewater

AVERAGE MONTHLY RESIDENTIAL UTILITY BILL

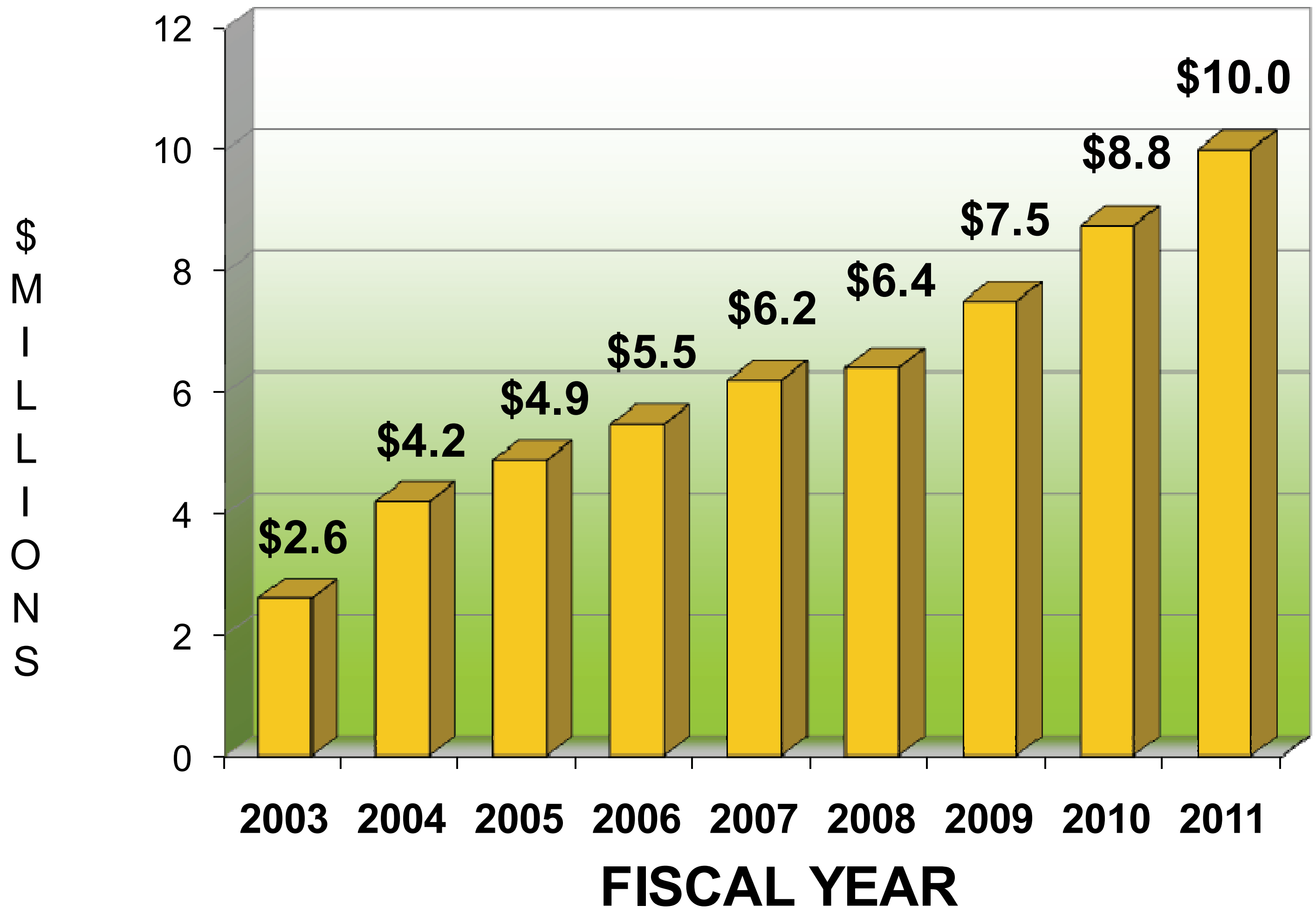
Municipalities	Avg. Bill
City of Sarasota	$120.37
Hillsborough County	$102.02
City of Temple Terrace	$ 99.29
City of St. Petersburg	$ 99.04
City of Tampa	**$ 88.70**

CAPITAL IMPROVEMENT PROJECTS

CAPITAL IMPROVEMENT PROJECTS



CAPITAL IMPROVEMENT PROJECTS
INVESTING IN NEIGHBORHOODS



CAPITAL IMPROVEMENT PROJECTS
INVESTING IN NEIGHBORHOODS

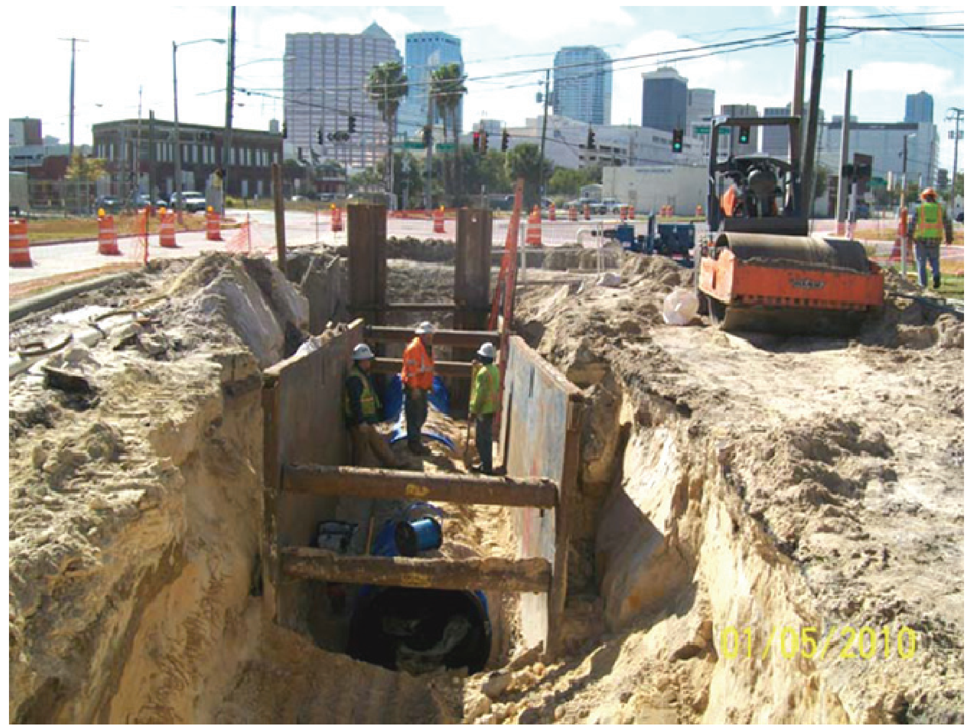
	FY10	**FY11**	**%**
Sidewalks	$ 2,020,000	$ 2,900,000	44%
Traffic Calming	985,000	1,000,000	2%
Signage	750,000	900,000	20%
Street Maintenance/ Resurfacing	4,995,000	5,200,000	4%
Total	**$ 8,750,000**	**$10,000,000**	**14%**

UTILITY CAPITAL IMPROVEMENT PROJECTS (UCAP)

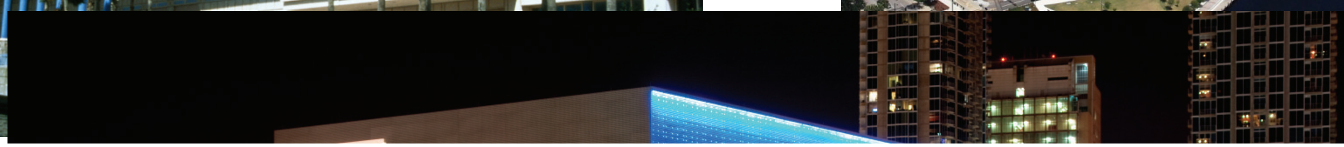
Contribution in Aid of Construction (CIAC) Water Main Segment 1.
Installed 4.3 miles of pipeline to-date from 30th Street through downtown Tampa.

Downtown Phase A Water Main Project.
Replaced to date 1.7 miles of aged pipeline to include Florida Ave. from Cass St. north to Harrison St.

Channel District York St. Stormwater Improvements.
The 12-inch water line is 75% complete and the 12-inch storm drain line is complete. When the project is complete, it will reduce localized flooding and provide drainage improvements for 47 acres.



DOWNTOWN WATERFRONT



CAPITAL IMPROVEMENT PROJECTS

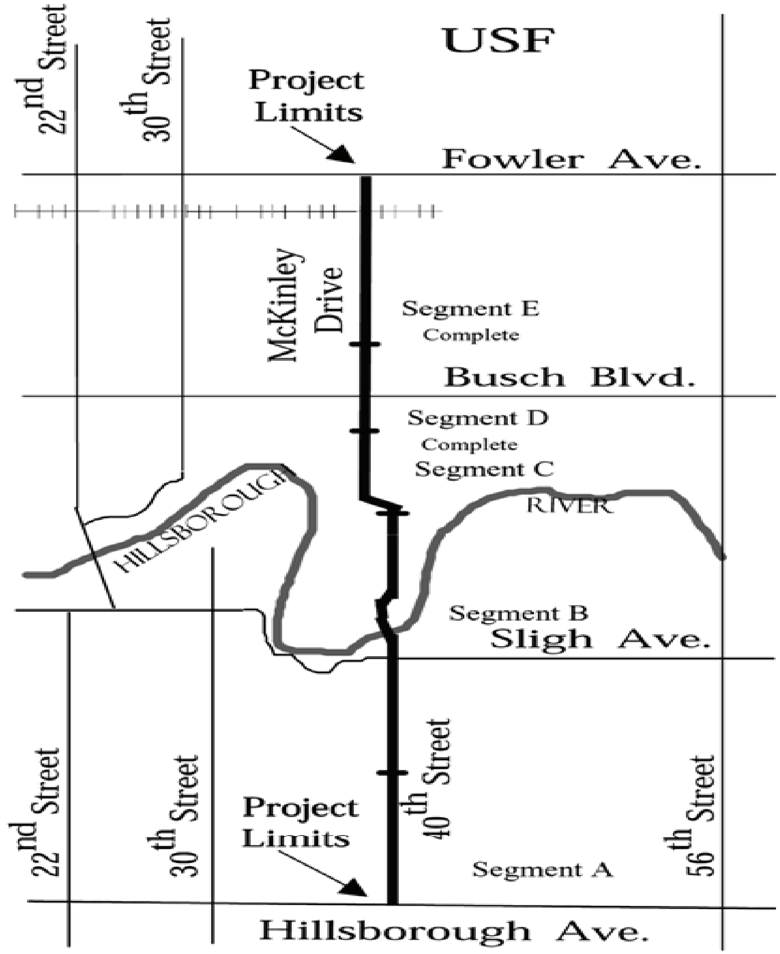
Children's Museum

CAPITAL IMPROVEMENT PROJECTS

CAPITAL IMPROVEMENT PROJECTS

CAPITAL IMPROVEMENT PROJECTS

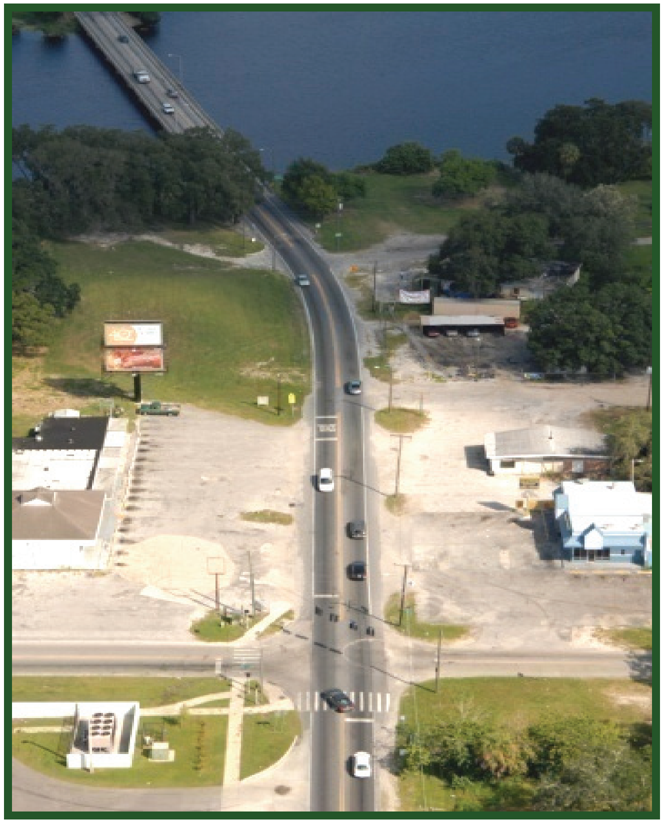
THE 40th STREET IMPROVEMENT PROJECT REMAINS THE HIGHEST TRANSPORTATION PRIORITY FOR THIS ADMINISTRATION



40th STREET IMPROVEMENT PROJECT

CAPITAL IMPROVEMENT PROJECTS

Before



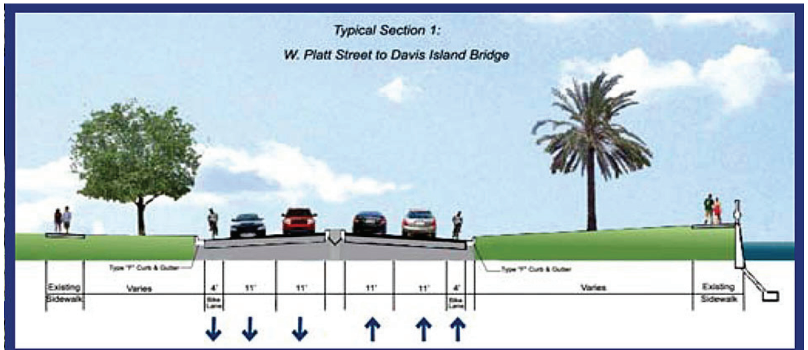
40th Street Segment Before Construction

After

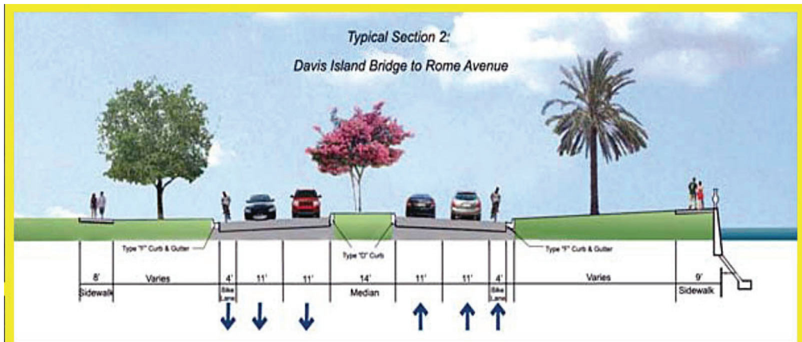
40th Street Segment After Construction

40TH Street Bridge and Road Widening Project

CAPITAL IMPROVEMENT PROJECTS



W. Platt Street to Davis Island Bridge



Davis Island Bridge to Rome Avenue

- Continuous bicycle lanes
- Northbound left turn bays
- Rome and Swann Avenues

Bayshore Boulevard Bicycle Enhancement Project

CAPITAL IMPROVEMENT PROJECTS

The Duck-Donut Pond Watershed

CAPITAL IMPROVEMENT PROJECTS

Alline Avenue Drainage Improvements

CAPITAL IMPROVEMENT PROJECTS

Waterways Management

VISIT OUR WEBSITE

To learn more about the City of Tampa's Fiscal Year 2011 Budget visit our web site at www.tampagov.net/budget

TIMETABLE

August 12	Budget Presentation
Tuesday, September 14th	1st Budget Hearing – City Hall – 5:01 PM
Tuesday, September 28th	2nd Budget Hearing – City Hall – 5:01 PM

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Tampa

Florida

For the Fiscal Year Beginning

October 1, 2009

President

Executive Director