

## Management's Discussion and Analysis

As management of the City of Tampa, we offer readers of the City of Tampa's basic financial statements this narrative overview and analysis of the financial activities of the City of Tampa for the fiscal year ended September 30, 2003. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found on pages 1-4 of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### Financial Highlights

- The assets of the City of Tampa exceeded its liabilities at the close of the most recent fiscal year by \$1,334,081 (*net assets*). Of this amount, \$196,732 (*unrestricted net assets*) may be used to meet the city's ongoing obligations to citizens and creditors.
- The city's total net assets increased by \$74,154. Virtually all of this increase is attributable to ongoing revenues outstripping expenses over the past year. Governmental activities and business-type activities each accounted for approximately two thirds and one third of this increase, respectively.
- As of the close of the current fiscal year, the City of Tampa's governmental funds reported combined ending fund balances of \$228,869, a decrease of \$14,459 in comparison with the prior year. Approximately three fourths of this amount, \$177,359, is available for spending at the city's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved undesignated fund balance for the general fund was \$42,050 or 16 percent of total general fund expenditures.
- The City of Tampa's total debt decreased by \$35,257 (3.5 percent) during the current fiscal year. The primary factor in this decrease was scheduled debt principal payments made during the year. No new money debt was issued in 2003.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Tampa's basic financial statements. The City of Tampa's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Tampa's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the City of Tampa's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Tampa is improving or deteriorating.

The *statement of activities* presents information showing how the city's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Tampa that are principally supported by taxes and intergovernmental revenues (*governmental activities*), from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Tampa include general government, public safety, public works, economic environment, and culture and recreation. The business-type activities of the City of Tampa include the water utility, wastewater utility, solid waste system, parking facilities, marina, and the golf courses.

The government-wide financial statements include not only the City of Tampa itself (known as the *primary government*), but also the legally separate the Florida Aquarium, Inc. and the Tampa Historic Streetcar, Inc. for which the City of Tampa is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself. The Community Redevelopment Agency, although legally separate, functions for all practical purposes as a department of the City of Tampa, and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 24-25 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Tampa, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Tampa can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the city's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Tampa maintains twenty-three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the utility tax special revenue fund, both of which are considered to be major funds. Data for the other twenty-one governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is presented in the form of *combining statements* elsewhere in this report.

The City of Tampa adopts an annual appropriated budget for its general fund and utility tax special revenue fund. A budgetary comparison statement has been provided for both funds to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 26-33 of this report.

**Proprietary funds.** The City of Tampa maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Tampa uses enterprise funds to account for its water utility, wastewater utility, solid waste system, parking facilities, marina, and the golf courses. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Tampa's various functions. The City of Tampa uses internal service funds to account for its fleet maintenance, administrative services, and utility accounting functions. Because these services predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide statements, only in more detail. The proprietary fund financial statements provide information for the four major enterprise funds. The two nonmajor funds are combined into a single aggregated presentation in the proprietary fund financial statements, as are the three internal service funds. Individual fund data for the nonmajor enterprise funds and the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The proprietary fund financial statements can be found on pages 34-39 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of Tampa's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund aggregate financial statements can be found on pages 40-41 of this report. Individual fund data is provided in the form of *combining statements* elsewhere in this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 42-73 of this report.

**Other information.** In addition to the basic financial statements and the accompanying notes, this report also presents certain *required supplementary information*, concerning the City of Tampa's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 74-75 of this report.

The combining statements referred to earlier in connection with nonmajor governmental, nonmajor enterprise, internal service and fiduciary funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 78-102 of this report.

### Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Tampa, assets exceeded liabilities by \$1,334,081 at the close of the most recent fiscal year.

By far the largest portion of the City of Tampa's net assets (77 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Tampa uses those capital assets to provide services to citizens, consequently these assets are *not* available for future spending. Although the City of Tampa's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The 2002 numbers presented below have been restated as discussed in unaudited note I.A. to the basic financial statements.

#### City of Tampa's Net Assets

	Governmental activities		Business-type activities		Total	
	2003	2002	2003	2002	2003	2002
Current and other assets	\$ 306,040	\$ 313,130	\$ 246,473	\$ 277,827	\$ 552,513	\$ 590,957
Capital assets	762,013	709,307	1,141,683	1,116,206	1,903,696	1,825,513
Total assets	1,068,053	1,022,437	1,388,156	1,394,033	2,456,209	2,416,470
Long-term liabilities outstanding	536,886	544,888	485,834	509,060	1,022,720	1,053,948
Other liabilities	56,415	52,165	42,993	50,430	99,408	102,595
Total liabilities	593,301	597,053	528,827	559,490	1,122,128	1,156,543
Net assets:						
Invested in capital assets, net of related debt	352,041	326,005	675,339	640,488	1,027,380	966,493
Restricted	26,506	23,330	83,464	87,442	109,970	110,772
Unrestricted	96,205	76,049	100,526	106,613	196,731	182,662
Total net assets	\$ 474,752	\$ 425,384	\$ 859,329	\$ 834,543	\$ 1,334,081	\$ 1,259,927

An additional portion of the City of Tampa's net assets (8 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$196,731) may be used to meet the city's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Tampa is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

There was a decrease in restricted net assets reported in connection with the city's business-type activities of \$3,978. Pooled cash set aside for repayment of debt decreased by \$5,408, primarily in the water utility and wastewater utility funds to meet the bond requirements of existing debt. Accrued interest payable decreased by \$1,645, primarily in the solid waste system fund due to the scheduled repayment of debt principal.

For governmental activities, there was an increase in restricted net assets reported of \$3,176. The primary factor in this increase is pooled cash deposited into utility tax bonds and occupational license tax bonds debt service funds to meet the funding requirements of existing debt.

The city's net assets increased \$74,154 during the current fiscal year. Virtually all of this increase represents the degree to which ongoing revenues have outstripped similar increases in ongoing expenses in both governmental and business-type activities. An increase in operating revenues in the enterprise funds was more than offset by an increase in operating expenses primarily in the wastewater, solid waste system, and parking facilities funds. These expense increases necessitated 15% rate increases in the wastewater and solid waste system funds in fiscal 2004 and an increase in parking fees in late fiscal 2003. In the governmental activities, property tax revenues increased without any millage increase and donated land and buildings caused a significant increase in capital grants and contributions.

**Governmental activities.** Governmental activities increased the City of Tampa's net assets by \$36,551 (before transfers), thereby accounting for 49 percent of the total growth in the net assets of the City of Tampa. Key elements of this increase are as follows:

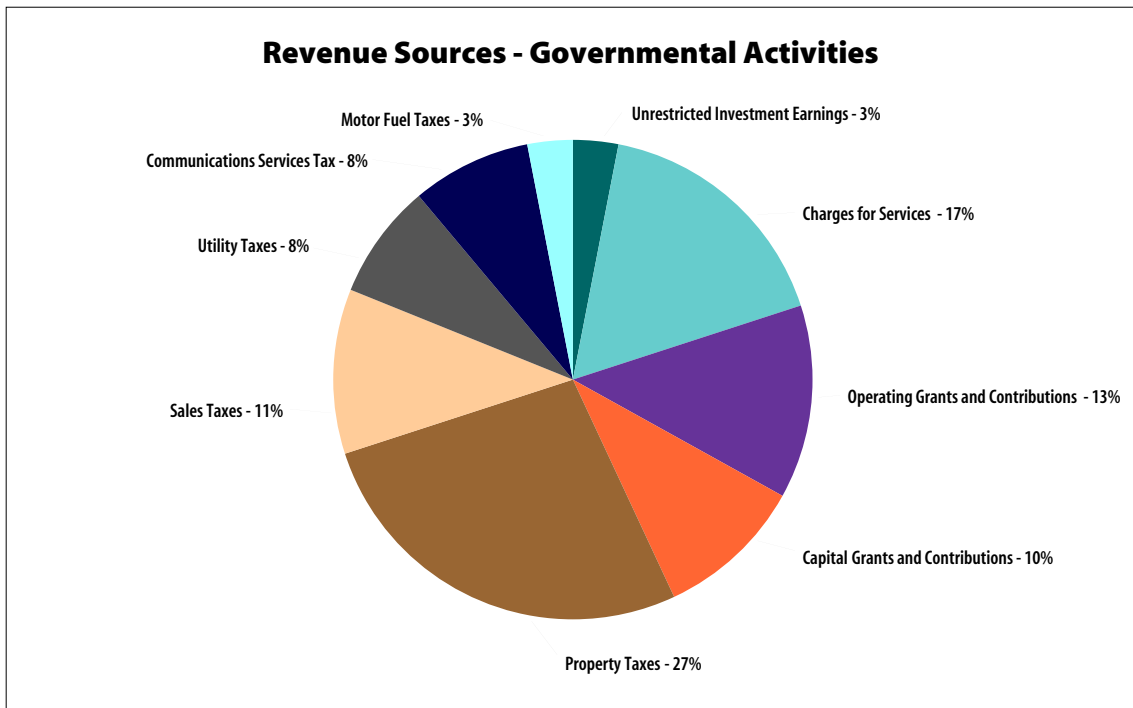
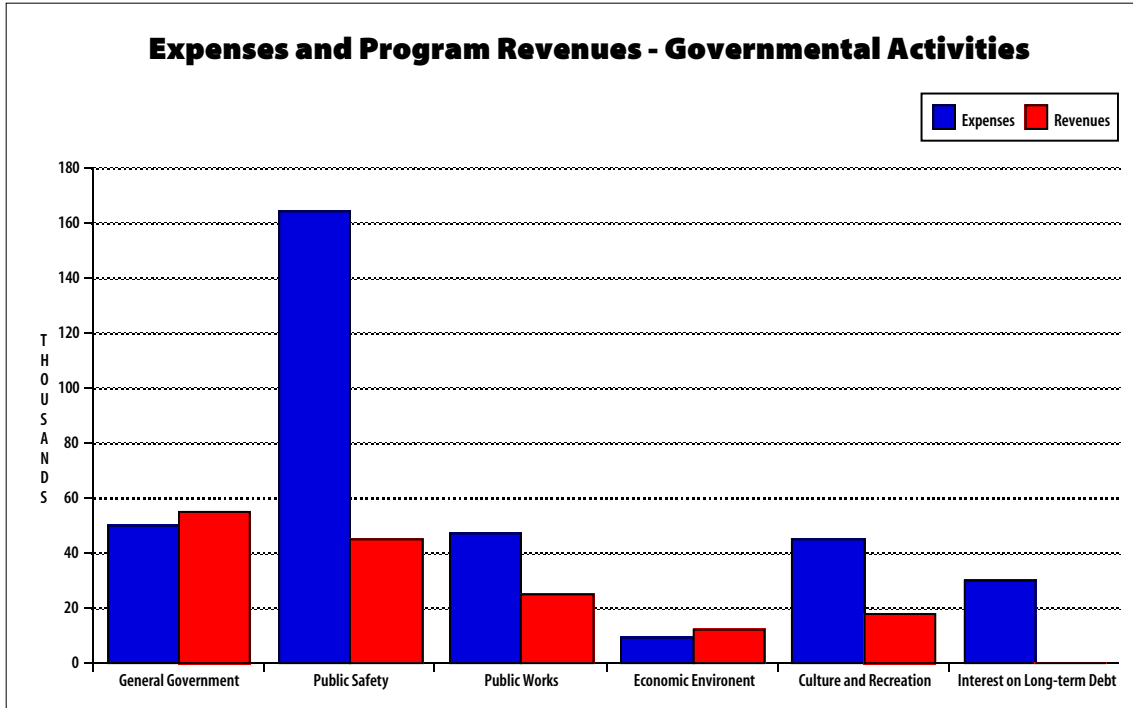
### City of Tampa's Changes in Net Assets

	Governmental activities		Business-type activities		Total	
	2003	2002	2003	2002	2003	2002
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 66,966	\$ 61,459	\$ 192,165	\$ 195,284	\$ 259,131	\$ 256,743
Operating grants and contributions	51,388	47,306	435	8,590	51,823	55,896
Capital grants and contributions	36,522	11,137	15,593	6,233	52,115	17,370
<b>General revenues:</b>						
Property taxes	105,197	97,714	-	-	105,197	97,714
Other taxes	111,941	112,452	-	-	111,941	112,452
Investment earnings	9,982	11,047	7,208	7,027	17,190	18,074
Other	-	(4,102)	85	(2,223)	85	(6,325)
Total revenues	381,996	337,013	215,486	214,911	597,482	551,924
<b>Expenses:</b>						
General government	49,934	36,601	-	-	49,934	36,601
Public safety	164,621	153,037	-	-	164,621	153,037
Public works	46,865	40,119	-	-	46,865	40,119
Economic environment	9,177	14,915	-	-	9,177	14,915
Culture and recreation	45,089	43,629	-	-	45,089	43,629
Interest on long-term debt	29,759	22,463	-	-	29,759	22,463
Water utility	-	-	37,199	36,642	37,199	36,642
Sewer utility	-	-	64,999	59,218	64,999	59,218
Solid waste system	-	-	57,207	50,410	57,207	50,410
Parking facilities	-	-	14,029	12,500	14,029	12,500
Marina	-	-	137	110	137	110
Golf Courses	-	-	4,312	4,031	4,312	4,031
Total expenses	345,445	310,764	177,883	162,911	523,328	473,675
Increase in net assets before transfers	36,551	26,249	37,603	52,000	74,154	78,249
Transfers	12,817	13,692	(12,817)	(13,692)	-	-
Increase in net assets	49,368	39,941	24,786	38,308	74,154	78,249
Net assets - 10/01/02, as restated	425,384	385,443	834,543	796,235	1,259,927	1,181,678
Net assets - 9/30/03	\$ 474,752	\$ 425,384	\$ 859,329	\$ 834,543	\$ 1,334,081	\$ 1,259,927

The 2002 numbers presented above have been restated as discussed in unaudited note I.A. to the basic financial statements.

- Property taxes increased by \$7,483 (8 percent) during the year. This increase is the result of a rise in assessed values, the addition of new property through construction, and the addition of previously exempt property to the tax roles. The city's 6.54 millage rate remains the same for the fourteenth consecutive year, and well within the 10-mill rate limit established by the state.

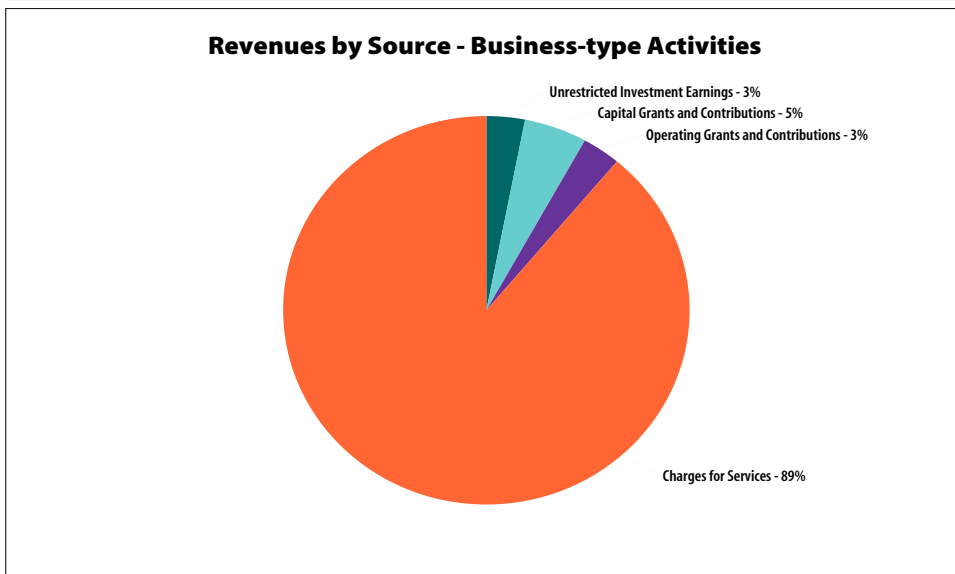
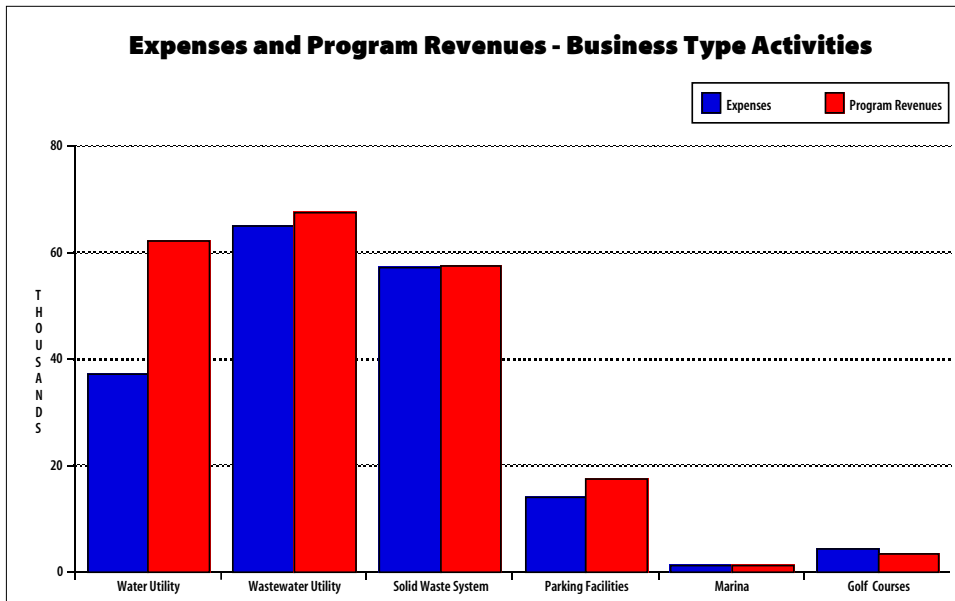
- The most significant change in expenditures occurred in the general government and public safety categories. The general government increase is primarily due to increases in the reserve for claims and judgements and in aid given to local organizations. The public safety increase is mainly due to an unusually large number of retirements in the police and fire departments and the associated compensated absences buy out.



**Business-type activities.** Business-type activities increased the City of Tampa’s net assets by \$37,603 (before transfers), accounting for 51 percent of the total growth in the city’s net assets. Key elements of this increase are as follows.

- The change in net assets before transfers in the water utility fund was \$27,285 which is comparable to the 2002 amount of \$27,522. A 5% decline in operating revenues caused by a significant increase in rainfall in 2003 was offset by an increase in grant revenues primarily due to the receipt of a \$6,896 EPA infrastructure grant.
- In the wastewater utility fund a 3.5% decrease in operating revenue, again primarily the result of increased rainfall in 2003, was accompanied by an increase in operating expenses of \$4,863. Of this increase \$1,966 is the result of higher depreciation charges primarily due to the completion of a \$50,000 biological treatment facility and \$35,000 in treatment plant improvements in 2002. Increases in utility and maintenance charges accounted for the balance of the increase. The change in net assets before transfers for 2003 was \$5,367 and after transfers was \$51.
- In the solid waste system fund operating revenues and operating expenses both increased by approximately \$2,000. Interest charges increased in 2003 by \$4,486 due mainly to the capitalization of \$4,972 of interest charges in 2002 that did not occur in 2003. The change in net assets before transfers was \$1,542 in 2003 compared to \$6,325 in 2002 with a total change in net assets of \$(895) in 2003.
- In the parking facilities fund a \$1,000 increase in operating revenues and a \$1,500 increase in operating expenses occurred in 2003, resulting primarily from the opening of two new garages in Ybor City. These changes along with a \$500 decrease in local government grant revenues resulted in a change in net assets before transfers of \$4,043 in 2003 compared to \$5,863 in 2002. Transfers out increased in 2003 to \$6,271 from \$3,136 in 2002 due to the increased debt service requirements associated with the construction of the new facilities. The total change in net assets was \$(2,228) in 2003.

**Financial Analysis of the Government’s Funds**



As noted earlier, the City of Tampa uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

**Governmental funds.** The focus of the City of Tampa's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Tampa's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Tampa's governmental funds reported combined ending fund balances of \$228,869, a decrease of \$14,459 in comparison with the prior fiscal year. Approximately three fourths of this total amount (\$177,359) constitutes *unreserved fund balance*, subtracting \$22,070 designated for payment of claims and judgements, \$155,289 is available for spending at the city's discretion of which \$101,308 is designated for capital projects. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it is already committed 1) to liquidate contracts and purchase orders of the prior period (\$37,986), 2) to pay debt service (\$12,751), or 3) for a variety of other restricted purposes (\$773).

The general fund is the chief operating fund of the City of Tampa. At the end of the current fiscal year, unreserved and undesignated fund balance of the general fund was \$42,050, while total fund balance reached \$72,630. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved and undesignated fund balance represents 16 percent of total general fund expenditures, while total fund balance represents 28 percent of that same amount.

The fund balance of the City of Tampa's general fund increased by \$2,254 during the current fiscal year. Key factors in this growth are as follows:

- Revenues in every category except contributions and donations showed increases of between 3% and 8% with the largest dollar increase (\$6,107) occurring in property tax revenue. A one- time contribution of \$2,000 received in 2002 was the primary reason for the \$2,700 decrease in contributions and donations in 2003.
- Public safety expenses increased 11% primarily due to an unusually high number of retirements in the police and fire departments and the associated compensated absences buy out. At \$15,153, this category had the largest dollar amount increase.
- The largest percentage increase for expenditures (17%) occurred in the general government services category which had a dollar amount increase of \$4,400. Of that amount \$3,368 resulted from increases in aid given to private organizations.
- In the other financing sources category, the transfer from the utility tax special revenue fund increased by \$8,783.

The fund balance of the utility tax special revenue major fund decreased by \$(3,206) in 2003, with an ending fund balance amount of \$24,254. The key factors in this change are as follows:

- Utility tax revenues increased by \$481 in 2003, or 1.7%
- Communications services tax revenue increased \$1,799 or 6.5% due to portions of this revenue that, in previous years, were credited to the general fund and the cable communications fund being credited to the utility tax fund and then transferred to those funds.
- Transfers out increased by \$10,105 due to the communications tax related transfers (\$3,911) and an increase in the general fund transfer (\$7,342).
- Capital outlay expenditures (primarily vehicle purchases) increased \$2,306.

**Proprietary funds.** The City of Tampa's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the water utility amounted to \$38,615, those for the wastewater utility amounted to \$48,083, those for the solid waste system amounted to \$1,862, those for the parking facilities amounted to \$8,202, and those for the nonmajor funds amounted to \$3,764. The total change in net assets for the four major funds was \$24,532, \$51, \$(895), and \$(2,228) respectively. Other factors concerning the finances of those funds have already been addressed in the discussion of the City of Tampa's business-type activities.

### **General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget were \$8,887 (increase in appropriations) and can be briefly summarized as follows:

- \$4,599 in increases allocated for public safety
- \$1,404 in increases allocated to the parks and recreation departments
- \$3,969 in increases allocated to the public works department
- \$1,085 in decreases allocated to the general government departments

Practically all of this increase was to be budgeted from available fund balance. During the year, however, revenues exceeded budgetary estimates and expenditures were less than budgetary estimates, thus eliminating the need to draw upon existing fund balance.

Differences between the final budget and actual revenues were \$11,543 (actual amount in excess of the budgeted amount) and can be summarized as follows:

- Licenses and permits actual revenue exceeded the budgeted amount by \$1,648 primarily due to higher than budgeted franchise fees received (\$1,586).
- Charges for services actual revenue exceeded the budgeted amount by \$8,451 due to higher than budgeted receipts for public safety (\$1,308), convention center (\$1,281), self-insurance (\$3,838), and miscellaneous charges (\$2,081).

Differences between the final budget and actual expenditures were \$22,845 (actual amount less than budgeted amount) and can be summarized as follows:

- Public safety expenditures were \$4,114 under the final budgeted amount primarily due to \$3,942 relating to police expenditures.
- General government expenditures were \$12,000 under the final budgeted amount primarily due to unclassified non-departmental expenditures (sick and annual leave buyout, contingency reserve) that were \$10,382 under budget.

### Capital Asset and Debt Administration

**Capital assets.** The City of Tampa's investment in capital assets for its governmental and business-type activities as of September 30, 2003, amounts to \$1,903,696 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total increase in the City of Tampa's investment in capital assets for the current fiscal year was 4 percent (a 7 percent increase for governmental activities and a 2 percent increase for business-type activities).

Major capital asset events during the current fiscal year included the following:

- For governmental activities, the investment in buildings increased nearly \$29,000 in 2003. The completion of the 40th St. maintenance facility and several parks and recreation center construction projects were the primary factors.
- The investment in infrastructure increased by nearly \$15,000 due to the completion of multiple road and stormwater projects.
- In the water utility fund various distribution system and storage projects were completed increasing the investment in improvements by \$17,000. Many more projects are under construction with construction in process increasing \$19,000 to \$130,165.
- In the wastewater utility fund the investment in improvements also increased by \$17,000 reflecting the completion of several treatment plant and collection system upgrades. Construction in process showed a slight decrease of \$2,800 to \$24,749.

### City of Tampa's Capital Assets (net of depreciation)

	Governmental activities		Business-type activities		Total	
	2003	2002	2003	2002	2003	2002
Land	\$ 184,939	\$ 151,693	\$ 32,751	\$ 31,901	\$ 217,690	\$ 183,594
Buildings	202,347	182,173	303,160	306,100	505,507	488,273
Improvements other than buildings	61,495	52,147	634,262	624,319	695,757	676,466
Furniture and equipment	49,598	45,971	15,681	14,728	65,279	60,699
Infrastructure	204,976	195,428	-	-	204,976	195,428
Construction in progress	58,658	81,895	155,829	139,158	214,487	221,053
Total	\$ 762,013	\$ 709,307	\$ 1,141,683	\$ 1,116,206	\$ 1,903,696	\$ 1,825,513

The 2002 numbers presented above have been restated as discussed in unaudited note I.A. to the basic financial statements.

Additional information on the City of Tampa’s capital assets can be found in note IV.C. on pages 51-53 of this report.

**Long-term debt.** At the end of the current fiscal year, the City of Tampa had total bonded debt outstanding of \$901,052. Debt incurred under the State of Florida revolving loan program outstanding at the end of the fiscal year amounted to \$71,386. HUD section 108 loans outstanding at the end of the current fiscal year amounted to \$10,445. The full faith and credit of the City of Tampa back none of this outstanding debt; rather it is secured solely by specified revenue sources (i.e., revenue bonds).

**City of Tampa’s Outstanding Debt**  
Revenue Bonds, State Loans, HUD Section 108 Loans

	Governmental activities		Business-type activities		Total	
	2003	2002	2003	2002	2003	2002
Revenue bonds	\$ 475,768	\$ 483,798	\$ 425,284	\$ 448,562	\$ 901,052	\$ 932,360
State of Florida revolving loans	-	-	71,386	75,310	71,386	75,310
HUD section 108 loans	10,445	10,470	-	-	10,445	10,470
Total	\$ 486,213	\$ 494,268	\$ 496,670	\$ 523,872	\$ 982,883	\$ 1,018,140

The City of Tampa’s total debt decreased \$35,257 (3.5 percent) during the current fiscal year due to the scheduled repayment of existing debt. No new money debt was issued in 2003.

During the current fiscal year, the city refinanced some of its existing debt to take advantage of favorable interest rates.

- The city issued refunding bonds to refinance previously outstanding revenue bonds of the water and wastewater utilities. The refunding transactions will result in a present value savings in future debt service payments of \$2,717.
- The city issued revenue bonds to refinance previously outstanding utility tax revenue bonds, resulting in a present value savings in future debt service payments of \$455.

The City of Tampa maintains a minimum of an “A” rating from Standard & Poor’s, Fitch, and Moody’s for revenue bonds. Most revenue bond issues are rated “AAA” or “Aaa” by these three agencies because all of the issues are fully insured. As of the end of the current fiscal year the city has no general obligation debt.

Additional information on the City of Tampa’s long-term debt can be found in note IV.F. on pages 55-67 of this report.

**Economic Factors and Next Year’s Budgets and Rates**

- The unemployment rate for the City of Tampa area is currently 4.6 percent, which is the same as a year ago, and is lower than the state’s average unemployment rate of 5.5 percent and the national average rate of 6.1 percent.
- An 8.1% increase in taxable property valuation is projected for 2004.

All of these factors were considered in preparing the City of Tampa’s budget for the 2004 fiscal year.

During the current fiscal year, unreserved and undesignated fund balance in the general fund decreased to \$42,050. The City of Tampa has appropriated \$24,916 of this amount for spending in 2004 fiscal year budget. It is intended that this use of available fund balance will avoid the need to raise taxes or charges during the 2004 fiscal year.

Rates in effect for the water utility will remain unchanged in the 2004 fiscal year.

Rate increases of 15% have been enacted for both the wastewater and solid waste system utilities.

**Requests for Information**

This financial report is designed to provide a general overview of the City of Tampa’s finances for all those with an interest in the city’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the office of the Finance Director, City of Tampa, 306 East Jackson Street, Tampa, Florida, 33602.

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