

---

# Introduction

This section contains a narrative summary of the budget process used by the City of Tampa as well as the major funding and service level decisions reflected in this budget.

---

## The Budget Process

The City of Tampa's annual budget process routinely begins in November with the preparation of initial revenue and expense estimates, which are reviewed with the Mayor. In February, departments develop service delivery objectives for use in building the budget for the coming year. Then amounts of funding, or target budgets, to be allocated to each department are determined. Targets are based on current budget levels, level of service desired by the Administration and estimates of available revenues. Each department then prepares its budget for the upcoming fiscal year within the target amount. The resulting budgets are reviewed and requests for additional funding are

considered. The completed Recommended City Budget is presented to City Council in August. Finally, budget hearings are held and the Budget is adopted by the end of the current fiscal year (September 30).

The Budget process allows for amendments as conditions change during the year. An amendment may be initiated by the Mayor at any time and, after City Council approval, the appropriations of funds are realigned.

For further explanation of budget and financial terms, refer to the Related Financial Information section of this document.

|                     |  |
|---------------------|--|
| November - December | Initial revenue and expense estimates are prepared and reviewed.             |
| February - March    | Service delivery objectives are developed and funding levels are determined. |
| April               | Target budgets are finalized and allocated to each department.               |
| May                 | Departments prepare budgets within target amounts.                           |
| June                | Mayor reviews budgets and requests for additional funding.                   |
| July - August       | The Recommended Budget is presented to City Council.                         |
| September           | Public hearings are held and the budget is approved by City Council.         |
| October 1           | New fiscal year begins.  |

## **Objectives**

The City's major budget and management objectives for FY2000 and future years are as follows:

### **Fiscal**

- Keep recurring expenses in line with recurring revenues.
- Use private enterprise to supply public services when such agreements are cost effective.
- Use tax increment financing to combat blight and to promote economic development.
- Strive for continued excellence in budgeting and financial reporting.
- Review rates, fees and charges annually to be sure they continue to reflect the cost of services.
- Limit rate increases to one major enterprise (water, sewer, solid waste) a year, as necessary.
- Provide matching funds and "seed" money to leverage grants and other assistance.
- Prepare and maintain sound replacement programs for City assets.
- Prepare and maintain sound maintenance programs for City equipment and assets.
- Maintain adequate reserves and fund balances.

### **Personnel**

- Recognize employees for exceptional performance and creativity.
- Provide employee development by promoting training programs.
- Offer City employees training, counseling and referral services for stress, drug abuse and other personal difficulties.
- Stabilize labor relations through multi-year contracts.

### **Service**

- Promote the safety and welfare of Tampa's citizens by controlling and preventing crime.

- Provide high quality utility services at reasonable rates.
- Develop long-range plans in order to meet demands for City services.
- Support City housing programs by public and private financing.
- Contribute to the quality of life in Tampa by improving leisure services and facilities.
- Continue support of the State Growth Management Act.
- Maintain existing infrastructure and require that development contribute to growth related infrastructure improvements.

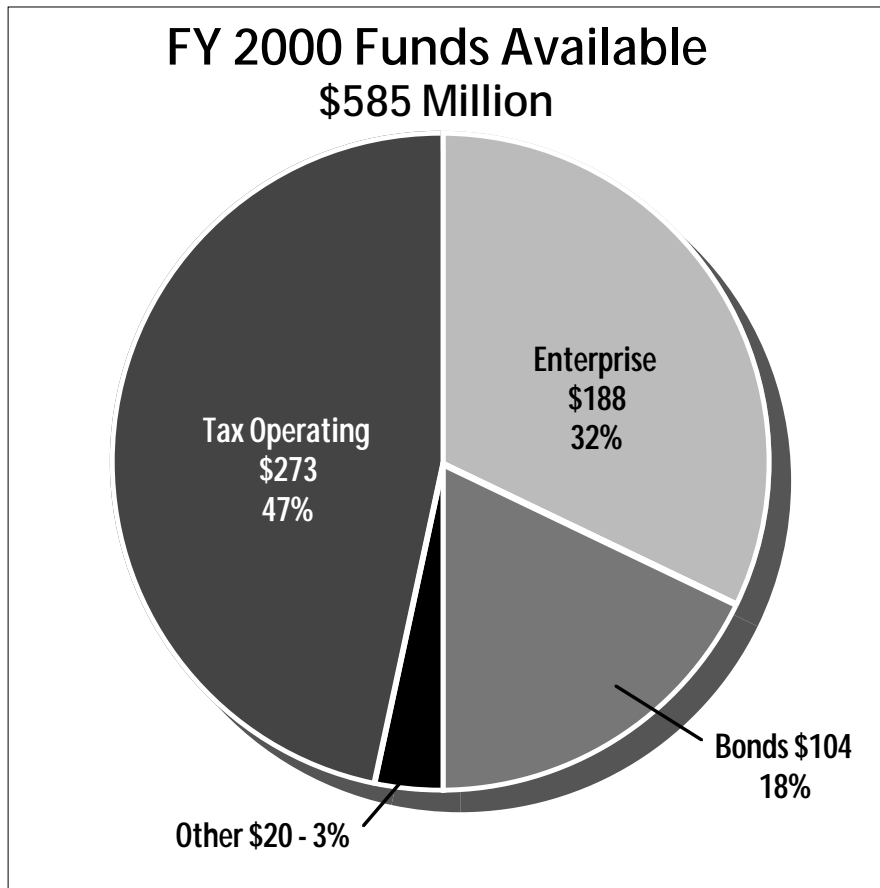
### **Community**

- Encourage public participation in developing solutions to City problems.
- Encourage the development of neighborhood organizations as a means of public participation.
- Improve the City's image through reduction of petty crime, littering and illegal signage.
- Obtain the support of the business community for improvements desired by the citizens.
- Utilize local universities and the business community where their expertise might offer improvements to City performance.
- Promote participation of women and minority business enterprises in City contracts.

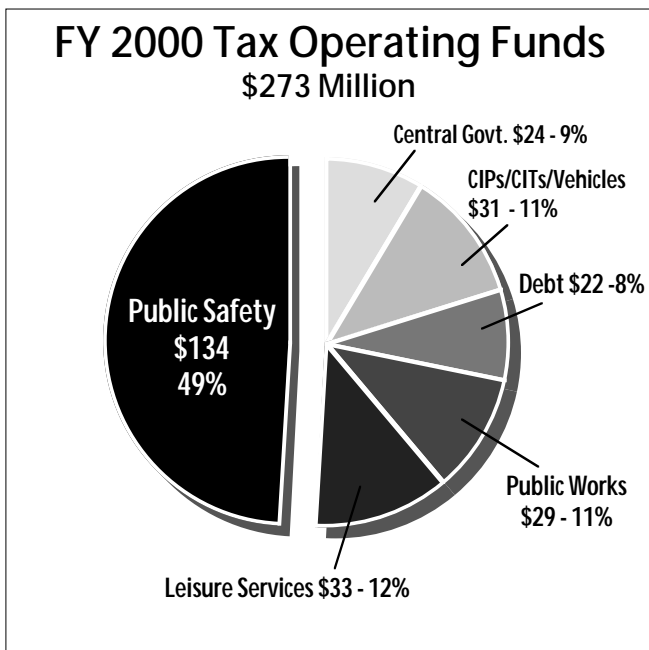
### **Intergovernmental**

- Improve planning for growth within the City by coordination of various planning agency proposals.
- Cooperate with other local governments in matters of regional interest.
- Develop proposals for the Hillsborough County Legislative Delegation agenda on matters requiring State action.

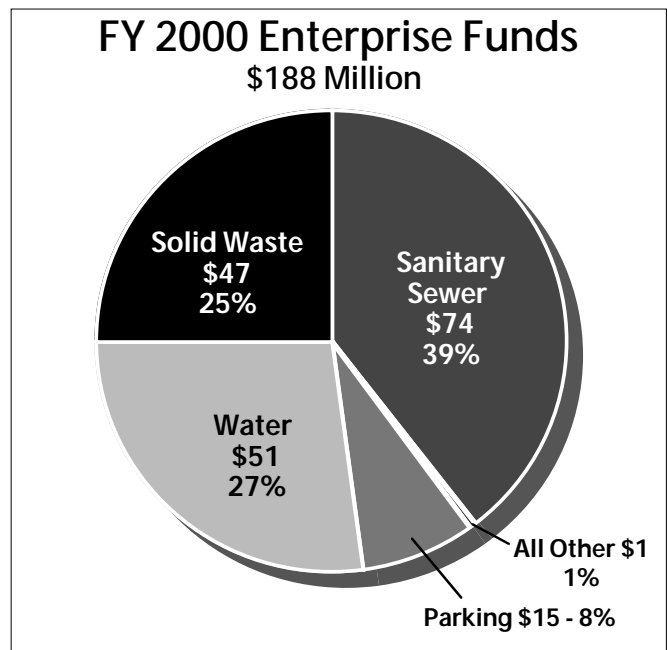
# The FY2000 Budget



Total funds available in FY2000 will be \$585 million.



The Tax Operating funds amount to \$273 million, with nearly 50% allocated for public safety.



Expenditures for Enterprise funds will total \$188 million, with the largest portion going to Sanitary Sewer.

## Comparing FY99 and FY2000

Funds available in FY2000 will total \$584.5 million. Of this, \$480.4 million is being appropriated in this document for the various Tax Operating, Enterprise, Internal Service and Grant funds. Additional funds available are Bond and State Loan funds (\$104.1 million).

A comparison of the major budget components is shown in the following table:

|                                    | Total Funds Available<br>(Millions) |                  |
|------------------------------------|-------------------------------------|------------------|
|                                    | FY99<br>Budget                      | FY2000<br>Budget |
| Tax Operating Funds                | \$ 259.4                            | \$ 272.8         |
| Internal Service Funds             | 7.0                                 | 7.1              |
| Enterprise Funds                   | 179.4                               | 187.8            |
| Grant Funds                        | 12.0                                | 12.7             |
| Total Being<br>Appropriated        | \$ 457.8                            | \$ 480.4         |
| Bond/State Loan<br>Funds Available | 54.9                                | 104.1            |
| <b>Grand Total</b>                 | <b>\$ 512.7</b>                     | <b>\$ 584.5</b>  |

The net increase of \$71.8 million, from \$512.7 to \$584.5 million, is primarily due to the substantial increase in available Bond/State loan funds, with smaller increases in Enterprise and Tax Operating funds.

The Tax Operating funds are increasing from \$259.4 to \$272.8 million, distributed as follows:

|                                   | Tax Operating Funds<br>(Millions) |                  |
|-----------------------------------|-----------------------------------|------------------|
|                                   | FY99<br>Budget                    | FY2000<br>Budget |
| General Fund                      | \$ 202.9                          | \$ 214.2         |
| Utility Tax Funds                 | 16.2                              | 16.6             |
| Community Investment<br>Tax Fund  | 8.5                               | 9.0              |
| Gas Tax Fund                      | 6.0                               | 6.6              |
| Transportation Impact<br>Fee Fund | 3.4                               | 2.3              |
| Cable Communications<br>Fund      | 2.0                               | 2.3              |
| Debt Service                      | 20.4                              | 21.8             |
| <b>Total</b>                      | <b>\$ 259.4</b>                   | <b>\$ 272.8</b>  |

In FY2000, Enterprise funds show a net increase of \$8.4 million, primarily due to increases in the Water and Parking Departments.

|                       | Enterprise Funds<br>(Millions) |                  |
|-----------------------|--------------------------------|------------------|
|                       | FY99<br>Budget                 | FY2000<br>Budget |
| Sanitary Sewer Fund   | \$ 71.4                        | \$ 73.3          |
| Water Fund            | 44.2                           | 51.1             |
| Utility Services Fund | 1.0                            | 1.0              |
| Solid Waste Fund      | 50.7                           | 46.9             |
| Parking Fund          | 12.0                           | 15.3             |
| Marina Fund           | .1                             | .2               |
| <b>Total</b>          | <b>\$ 179.4</b>                | <b>\$ 187.8</b>  |

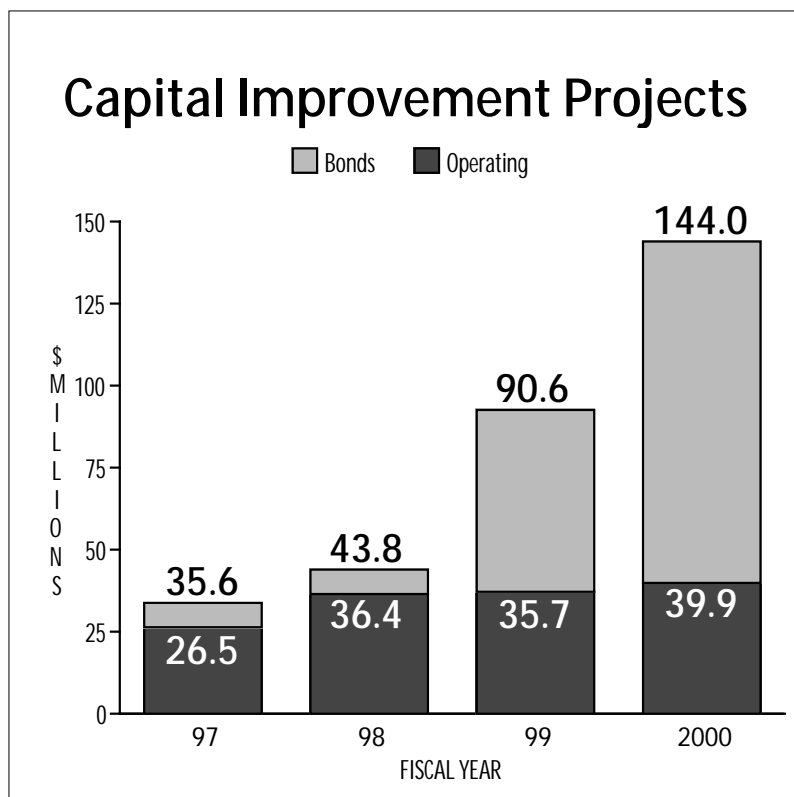
## City-wide Construction Programs

In FY2000, the Capital Improvement Program will be \$144 million, an increase of \$53.4 million over FY99. This capital program is significantly higher than in recent years. This is due, not only to new development and a need for additional facilities, but also a need to replace or rehabilitate a large number of aging City facilities. The funding increase results primarily from bonds recently issued or expected to be issued in FY2000. In general, user fees and utility taxes support these new bond programs. These bond issues include: Water Bonds to support additional capacity and quality demand at the Hillsborough River Water Treatment Plant and the Aquifer Storage Recovery Program which will reduce our need to buy more expensive water from others; Solid Waste Bonds to fund the retrofit program at the McKay Bay Refuse Plant to meet federal guidelines for cleaner air emissions and to provide for a new Administration facility; Utility Tax Improvement Bonds to support much needed additional parking downtown, in Ybor City and the South Howard area and significant improvements or new construction at 16 Parks and Recreation Facilities located throughout the City; and Local Option Gas Tax Bonds for the Downtown/Ybor City Streetcar, a new Industrial Yard Facility, and 40th Street Lane Widening. Also in FY2000, Enterprise Funds increased by \$5.2 million to complement increased Florida Department of Transportation road projects and expansion into new annexed areas.

The following table is a comparison of funding sources. Major projects are summarized in the following narrative. For specific project descriptions, see Recommended Capital Improvement Budget book.

### Funding Sources

|                               | (Millions)     |                 |
|-------------------------------|----------------|-----------------|
|                               | FY99           | FY2000          |
| Utility Tax                   | \$ 7.3         | \$ 7.4          |
| Community                     |                |                 |
| Investment Tax                | 5.4            | 5.7             |
| Local Option Gas Tax          | 5.6            | 5.9             |
| Local Option Gas Tax Bond     |                | 13.3            |
| Transportation Impact Fee     | 3.4            | 2.3             |
| Enterprise Funds              | 13.1           | 18.3            |
| Community Development         |                |                 |
| Block Grant                   | .8             | .3              |
| Utility Tax Construction Bond | 5.2            | 4.1             |
| Utility Tax Improvement Bonds | 25.9           | 34.7            |
| Water Bond/State Loan         | 11.9           | 17.0            |
| Solid Waste Bond              | 11.9           | 34.9            |
| Fleet Maintenance             | .1             | .1              |
| <b>Total</b>                  | <b>\$ 90.6</b> | <b>\$ 144.0</b> |

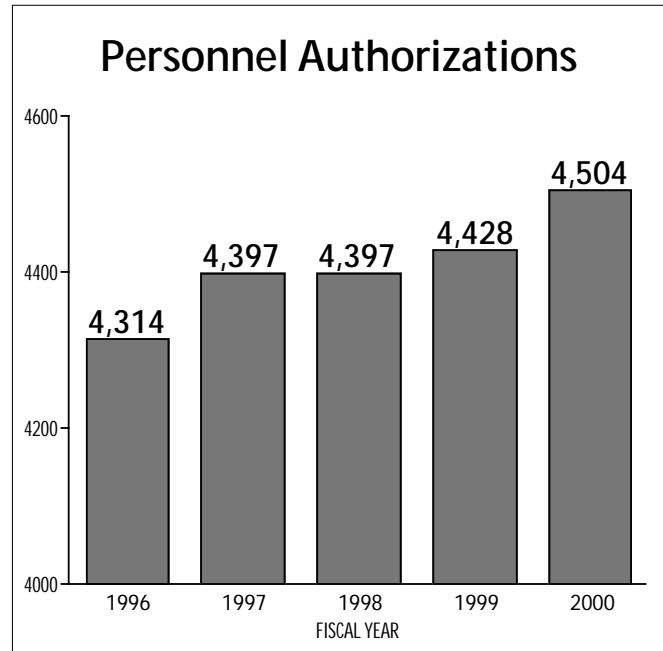


## Personnel Authorizations

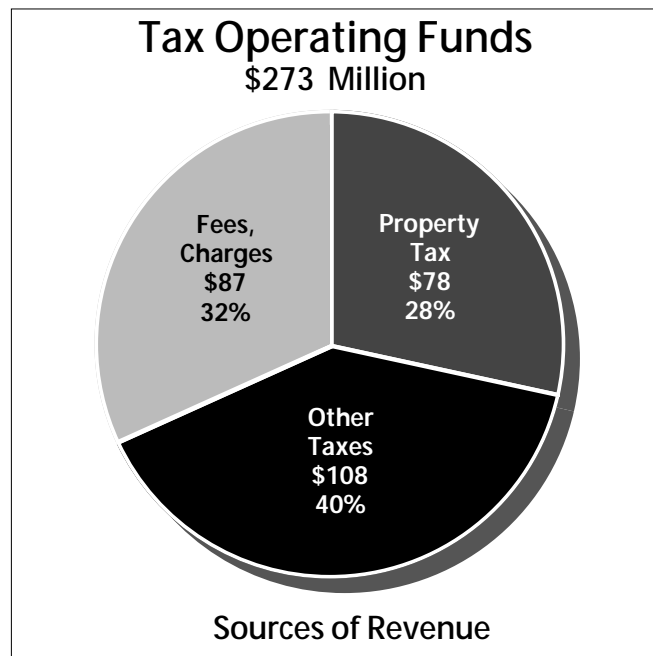
In FY2000, the City of Tampa will provide the necessary municipal services to the citizens of Tampa with 4,504 authorized full-time equivalent positions, a net increase of 76 over the staffing level of FY99.

Staffing additions for FY2000 include 35 parking positions needed for the expansion of Fort Brooke Parking Garage, the new Ybor City Parking Garage and administrative staff. The Universal Hiring Grant II will fund 9 of the 11 police officers added to the force. Fire Rescue personnel include 7 positions to staff an additional ambulance unit. Other public safety additions include 3 Police Department civilian positions and funding for staff assistance for Police and Fire Rescue communications.

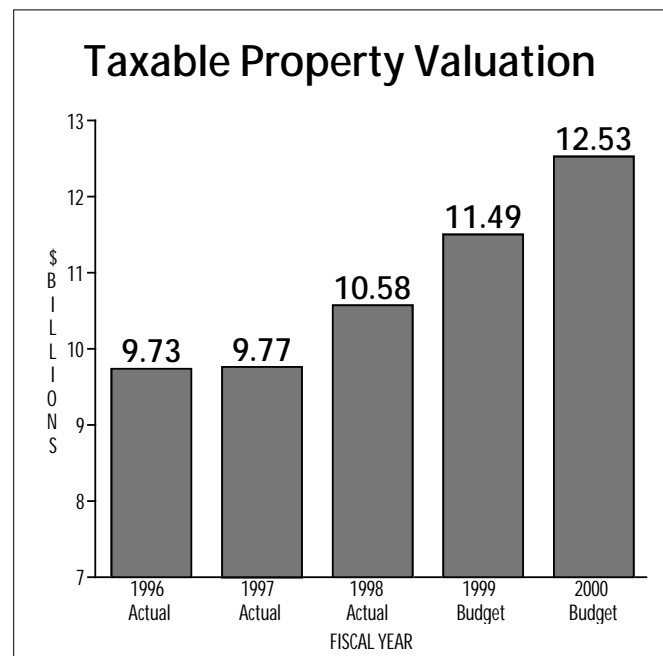
Public Works employees increased by 13 to provide services for new development and additional capital improvement projects. Three professional plan examiners were added to Business and Community Services for expected growth in the City's newly annexed areas.



## Tax Operating Funds Revenues/Ad Valorem Taxes

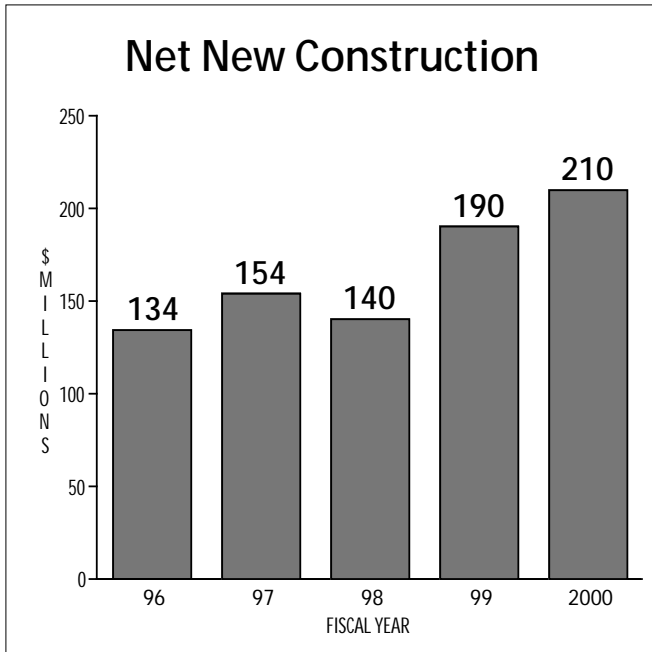


Property tax revenue is \$78 million, or 28% of Tax Operating funds. Other State and local taxes supply \$108 million (40%), and various fees, charges, and interest account for the balance.

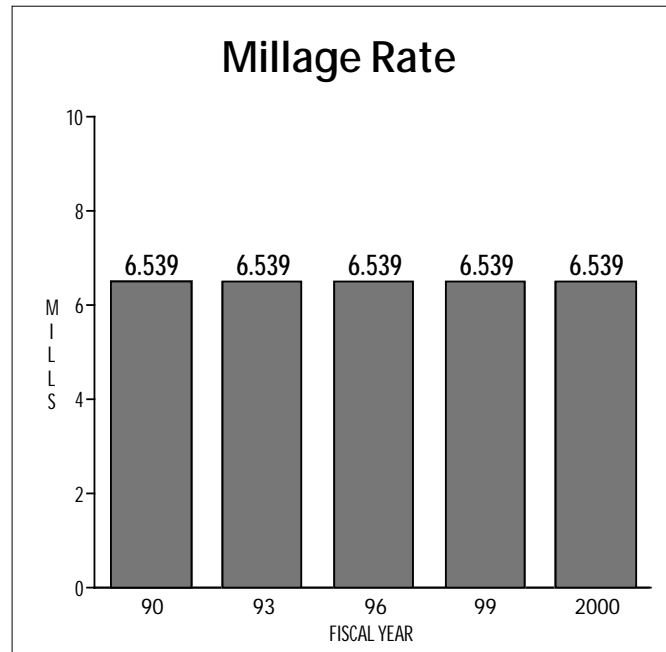


Taxable property values within the City have increased by 9.1% from the FY99 Budget to the FY2000 Budget. Property valuation of approximately \$191 million was not included due to pending litigation.

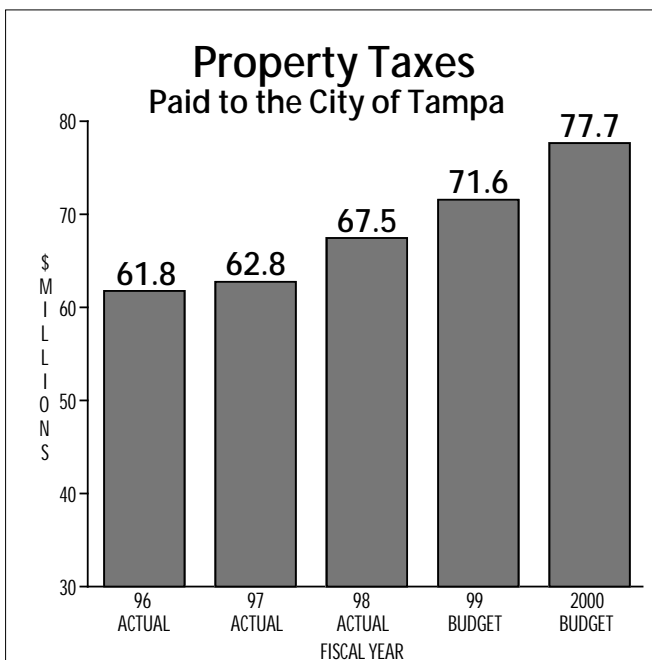
## Tax Operating Funds Revenues/Ad Valorem Taxes (continued)



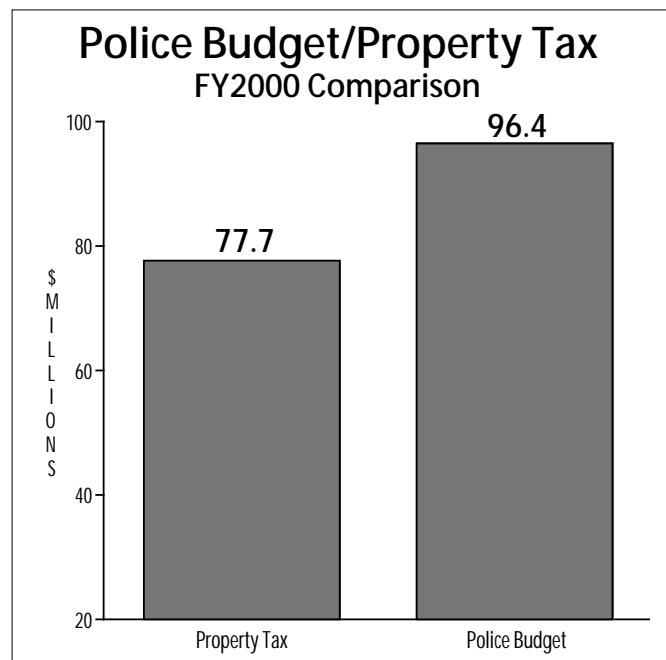
Newly constructed properties, placed on the tax rolls for the first time in FY2000, make up \$210 million of the \$12.5 billion tax roll, a 10.5% increase from the FY99 level. Approximately \$191 million of new construction is excluded due to pending litigation.



The property tax rate remains at 6.539 mills, the same rate used since FY90, due to continued efforts to contain costs and through budget control measures.



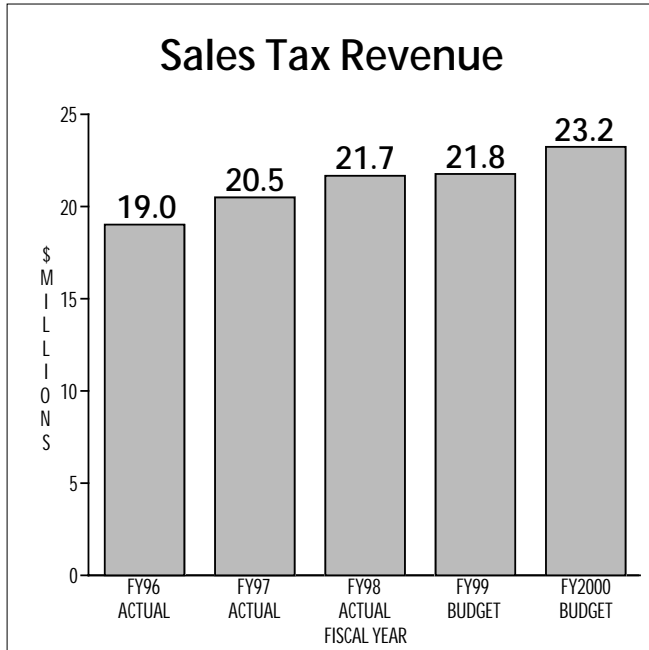
In FY2000, estimated ad valorem taxes collected by the City will total \$77.7 million. The net \$6.1 million increase over the FY99 Budget resulted from changes in property valuation, addition of previously untaxed property to the tax rolls and a reserve of \$1.6 million for potentially uncollectable revenue due to pending litigation.



Again in FY2000, the cost of police services alone exceeds property tax revenues.

## Sales Tax

The FY2000 Sales Tax estimate is \$23.2 million; 6.4% higher than the \$21.8 million budgeted for FY99. The Florida Sales Tax rate remains at 6% and Hillsborough County has added a local option 1/4 cent for indigent health care and a 1/2 cent for Community Investment Tax projects.



## Other Taxes

In FY2000, Franchise Fees are expected to increase 3.8% above the FY99 budget level. The rates charged are 6% on electricity, 5% on gas service and cable communications, and 1% on telecommunications.

### Franchise Fees (Millions)

|                    | FY99<br>Budget | FY99<br>Projection | FY2000<br>Budget |
|--------------------|----------------|--------------------|------------------|
| Electric           | \$ 14.8        | \$ 15.1            | \$ 15.3          |
| Telecommunications | 1.0            | 1.0                | 1.0              |
| Gas                | 0.8            | 0.8                | 0.7              |
| Cable              | 1.8            | 2.1                | 2.1              |
| <b>Total</b>       | <b>\$ 18.4</b> | <b>\$ 19.0</b>     | <b>\$ 19.1</b>   |

Utility Tax Revenues are expected to increase by 8.5% over the FY99 budget level primarily due to increased demand for telecommunication services. The tax rate for utility services is 10%, except for telecommunications which is taxed at 7%.

### Utility Taxes (Millions)

|                    | FY99<br>Budget | FY99<br>Projection | FY2000<br>Budget |
|--------------------|----------------|--------------------|------------------|
| Electric           | \$ 21.3        | \$ 22.1            | \$ 22.4          |
| Telecommunications | 16.8           | 18.7               | 19.0             |
| Water              | 2.1            | 2.4                | 2.4              |
| Gas                | 1.0            | 0.9                | 0.9              |
| <b>Total</b>       | <b>\$ 41.2</b> | <b>\$ 44.1</b>     | <b>\$ 44.7</b>   |