



PAM IORIO
MAYOR

August 9, 2007

Honorable Chairman
and Members of City Council

I am pleased to present for your consideration the Recommended Annual Budget for the City of Tampa for the fiscal year beginning October 1, 2007 and ending September 30, 2008.

This year's theme is "Providing Quality Services," and it continues our commitment to provide the best essential services at the lowest possible rates. This includes the city providing one of the lowest residential utility service rates in the area.

Our budget for FY08 totals \$761 million which is comprised of tax operating funds (\$415 million), enterprise funds (\$250 million), internal service / other funds (\$31 million), and previously appropriated bond funds we expect to spend in FY08 (\$65 million).

This year we were faced with a challenge. Mandated budget rollbacks and cuts from Tallahassee meant that we had to cut approximately \$20 million from our budget. We were required to rollback our millage rate to FY07 levels plus an additional five percent reduction. These reductions result in an overall 10.5 percent reduction of our millage rate from 6.408 to 5.7326 mills. Further, the new legislation restricts our future property tax revenue increases.

As in the past, my first priority to the residents of Tampa continues to be public safety. In preparing the FY08 budget and identifying reductions to meet the mandates, our continued commitment to public safety was important.

With minimal street-level reductions imposed on the police and fire rescue departments, it fell upon the remaining general fund city departments to absorb most of the \$20 million reduction. The greatest impact has been to parks and recreation. In the general fund, 214 full-time and 133 part-time and seasonal positions were identified for deletion, a savings of approximately \$14 million, with 197 of these positions coming from the Parks and Recreation Department. This includes the transfer of 61 full-time-equivalent Clean City Division positions


to Neighborhood Services. In parks and recreation, this will necessitate a combination of reducing hours at pool facilities and community centers as well as some program reductions. Your basic services for water, wastewater and solid waste are not affected by these mandates, however, some positions were deleted to provide efficiencies of service.

The "Investing in Neighborhoods" program continues in FY08 with \$6.45 million, an increase of \$250,000 over FY07 with the additional dollars coming from the Community Investment Tax. This very visible neighborhood program provides for street resurfacing, new and repaired sidewalks, replacing signs, and installing traffic calming devices. Since FY03 almost \$30 million has been allocated to this program.

We are putting in place multi-year programs and identifying funding to address long-standing infrastructure problems with our aging pipes and flooding. In FY06, \$36 million in bonds were issued for the Wastewater Department to begin their replacement program including the 12th Street Force Main estimated to cost \$16 million. In the Water Department, 15 percent of the pipes are at or beyond their useful lives. A proposed five-year program of rate adjustments will provide the cash flow to accelerate the program. The stormwater department is in its third year of a five-year, \$60 million program to alleviate flooding.

As mentioned previously, difficult decisions were made this year to provide a balanced budget while maintaining public safety and basic core services that you rely on and expect. With your continuing support to serve the residents of Tampa, we will fulfill our commitment to provide quality services to make Tampa one of the most livable cities in the country.

Sincerely,

A handwritten signature in cursive script, appearing to read "Pam Iorio".

Pam Iorio