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Comprehensive Annual Financial Report

For the fiscal year ended
September 30, 2011

City of Tampa,
Florida





Comprehensive Annual Financial Report

of the

CITY OF TAMPA, FLORIDA

for the

Fiscal Year Ended September 30, 2011

Bob Buckhorn

Mayor

Sonya C. Little

Chief Financial Officer

Prepared by the Department of Revenue and Finance

Table of Contents

INTRODUCTORY SECTION

| | |
|---|---|
| Letter of Transmittal | 1 |
| GFOA Certificate of Achievement for Excellence in Financial Reporting | 7 |
| Mayor | 8 |
| Organization Chart | 8 |
| City Council | 9 |

FINANCIAL SECTION

| | |
|--|----|
| Report of Independent Auditors | 11 |
| Management's Discussion and Analysis | 13 |

Basic Financial Statements:

| | |
|--|----|
| Government-wide Financial Statements: | |
| Statement of Net Assets | 24 |
| Statement of Activities | 25 |
| Fund Financial Statements: | |
| Balance Sheet - Governmental Funds | 27 |
| Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets | 28 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds | 29 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 30 |
| Statement of Net Assets - Proprietary Funds | 32 |
| Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds | 35 |
| Statement of Cash Flows - Proprietary Funds | 36 |
| Statement of Fiduciary Net Assets - Fiduciary Funds | 38 |
| Statement of Changes in Fiduciary Net Assets - Pension Trust Funds | 39 |
| Notes to the Financial Statements | 40 |

Required Supplementary Information:

| | |
|---|-----|
| Schedules of Funding Progress | 94 |
| Schedules of Employer Contributions | 95 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund | 97 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Major Special Revenue Funds | 99 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual-Annually-Budgeted Nonmajor Special Revenue Funds | 100 |

Combining and Individual Fund Statements and Schedules:

| | |
|---|-----|
| Combining Balance Sheet - Nonmajor Governmental Funds | 103 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds | 104 |
| Combining Balance Sheet - Special Revenue Funds | 106 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Special Revenue Funds | 109 |
| Combining Balance Sheet - Debt Service Funds | 113 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Debt Service Funds | 115 |
| Combining Balance Sheet - Capital Projects Funds | 118 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Capital Projects Funds | 121 |
| Combining Statement of Net Assets - Nonmajor Enterprise Funds | 126 |
| Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets - Nonmajor Enterprise Funds | 127 |
| Combining Statement of Cash Flows - Nonmajor Enterprise Funds | 128 |
| Combining Statement of Net Assets - Internal Service Funds | 131 |
| Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets - Internal Service Funds | 132 |
| Combining Statement of Cash Flows - Internal Service Funds | 133 |
| Combining Statement of Fiduciary Net Assets - Pension Trust Funds | 136 |
| Combining Statement of Changes in Fiduciary Net Assets - Pension Trust Funds | 137 |
| Combining Statement of Fiduciary Net Assets - Other Agency Funds | 138 |
| Statement of Changes in Assets and Liabilities - Rehabilitation Loans Agency Fund | 139 |
| Statement of Changes in Assets and Liabilities - Other Agency Funds | 140 |

Community Redevelopment Agency - Tax Increment Financing:

Schedule of Revenues, Expenditures, and Changes in Fund Balance 141

STATISTICAL SECTION

Net Assets by Component - Last Six Fiscal Years 145
Changes in Net Assets - Last Six Fiscal Years..... 146
Fund Balances of Governmental Funds - Last Ten Fiscal Years 148
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years 149
Governmental Activities Tax Revenues by Source - Last Ten Fiscal Years..... 151
Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years..... 152
Property Tax Rates - Direct and Overlapping Governments - Last Ten Fiscal Years 153
Principal Property Taxpayers - Current Year and Nine Years Ago..... 154
Property Tax Levies and Collections - Last Ten Fiscal Years 155
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years 156
Direct and Overlapping Governmental Activities Debt 157
Legal Debt Margin Information - Last Ten Fiscal Years 158
Demographic and Economic Statistics - Last Ten Fiscal Years 159
Principal Employers - Current Year and Nine Years Ago 160
Full-Time Equivalent City Employees by Function - Last Six Fiscal Years 161
Operating Indicators by Function - Last Six Fiscal Years 162
Capital Asset Statistics by Function – Last Six Fiscal Years 163

CONTINUING DISCLOSURE SECTION

Guaranteed Entitlement Refunding Bonds 167
Sales Tax Bonds..... 171
Utilities Tax Bonds 175
Occupational License Bonds 179
Water and Sewer System Bonds 182
Solid Waste System Bonds..... 183

SINGLE AUDIT SECTION

Report of Independent Auditors on Internal Control over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards 187
Report of Independent Auditors on Compliance With Requirements Applicable to Each Major Federal Program and State
Financial Assistance Project and on Internal Control Over Compliance in Accordance with OMB Circular A-133, Section
215.97, Florida Statutes, and Chapter 10.550, Rules of the Auditor General 191
Schedule of Expenditures of Federal Awards and State Financial Assistance..... 194
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance 200
Schedule of Findings and Questioned Costs..... 201
Management Letter on Internal Control and State Reporting Requirements..... 203

TAB
Introductory Section



CITY OF TAMPA

March 13, 2012

To the Honorable Mayor, Members of City Council, and Citizens of the City of Tampa:

It is our pleasure to submit this Comprehensive Annual Financial Report (CAFR) for the City of Tampa, Florida for the fiscal year-ended September 30, 2011. The report fulfills the requirements set forth by State law, in accordance with the Florida Statutes Section 166.241 and Chapter 10.500 Rules of the Auditor General requires that all general-purpose local governments publish each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with auditing standards generally accepted in the United States by a firm of licensed certified public accountants.

This CAFR consists of management's representations concerning the finances of the City of Tampa. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Tampa has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Tampa's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Tampa's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Florida Statutes require that an annual financial audit be performed by independent certified public accountants. This year the audit was performed by Crowe Horwath LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Tampa for the fiscal year-ended September 30, 2011, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unqualified opinion that the City of Tampa's financial statements for the fiscal year-ended September 30, 2011, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Tampa was part of a broader, mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements - with special emphasis involving the administration of federal and state awards. These reports are included in the Single Audit section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Tampa's MD&A can be found immediately following the report of the independent auditors.

CITY PROFILE

The City of Tampa, initially incorporated in 1855 with a second incorporation in 1887, is the largest city in Hillsborough County, is the county seat, and is the third most populous city in Florida. It is located on the west coast of Florida, approximately 200 miles northwest of Miami, 180 miles southwest of Jacksonville, and 20 miles northeast of St. Petersburg. The City of Tampa currently occupies 116 square miles and serves a population of 353,840. The City of Tampa is empowered to levy a property tax on real property located within its boundaries. It is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

The City of Tampa has operated under a mayor-council form of government since 1945. Legislative authority is vested in an elected City Council consisting of seven members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and approving the hiring of department head nominees submitted by the Mayor. The Mayor is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, for drafting the budget and submitting it to City Council for approval, and for nominating department heads for hiring approval by the City Council. The Mayor and all seven City Council members are elected every four years with a term limit of two terms. The Mayor and three City Council members are elected-at-large and four City Council members are elected from individual districts within the City of Tampa.

The City of Tampa provides a full range of services, including police and fire protection; the construction of streets, and other infrastructure; recreation and park facilities; convention facilities; and water, wastewater, solid waste, and parking operations. The City of Tampa is also financially responsible for the legally separate Tampa Historic Streetcar, Inc., which is reported separately in the City of Tampa's basic financial statements. The City is also financially responsible for the Community Redevelopment Agency whose operations are considered part of the City's, so their data is combined with data of the City. More information on these entities can be found on page 141 in the notes to the financial statements.

The annual budget serves as the foundation for the City of Tampa's financial planning and control. All departments of the City of Tampa are required to submit requests for appropriation to the Mayor. The Mayor uses these requests as the starting point for developing the proposed budget. The Mayor then presents this proposed budget to the City Council for review prior to August 15. The City Council is required to hold two public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the City of Tampa's fiscal year. The appropriated budget is prepared by fund and department (e.g., police). Department heads may make operating transfers within a department. Reappropriation of funds between capital and operating accounts, and between departments, however, requires the approval of the City Council according to the City Charter. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted, and this comparison is presented on pages 97 – 102 as part of the Required Supplementary Information (RSI) Section.

ECONOMIC CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Tampa operates.

Local Economy

Service, retail, finance, insurance, shipping by air and sea, national defense, professional sports, tourism and real estate all play a vital role in the City of Tampa's economy. Many corporations, such as large banks and telecommunications companies, maintain regional offices in Tampa. Several fortune 1000 companies are headquartered in the metropolitan area, including OSI Restaurant Partners, WellCare Health Plans, Inc., TECO Energy, Walter Energy, and Raymond James Financial. MacDill Air Force Base also remains a major employer as the parent installation for over 13,300 active uniformed military, Department of Defense (DoD) civil service, and DoD contractor personnel in the Tampa Bay area. Tampa's port is now the seventh largest in the nation and Florida's largest tonnage port, handling nearly half of all seaborne commerce that passes through the state. Tampa currently ranks second in the state behind Miami in terms of cruise ship travel. Institutions of higher learning located in the city include the University of South Florida, the University of Tampa, Hillsborough Community College, and the Stetson University College of Law.

The Standard Metropolitan Statistical Area economic indicators for Tampa-St. Petersburg-Clearwater are expected to show moderate growth over the next several years.¹ However, Florida's recovery will be uneven with many ups and downs in the near term. Employment growth is expected to be 2.2% annually. While employment is expected to grow, the unemployment rate is projected to remain above 10% through the 2nd quarter 2012 and to decline below 8% by 2014.

The high unemployment rate reflects the large dislocations associated with the housing slump. In addition, the slumping housing market has resulted in significant layoffs in the region's financial sectors. In the past, population growth has fueled the state's economy contributing to both high employment numbers and income growth. The area is expected to experience continued sluggish population growth until FY2015 when growth is expected to reach 2% per year. The continuing slump in the housing and commercial real estate markets, a challenging lending environment, and sluggish population growth has had a significant impact on the city's taxable value. FY2008 saw the peak of the city's property values at \$29.4 billion; subsequently the taxable value has decreased 28% to this year's value of \$22.2 billion. This decrease in the city's taxable value, coupled with property tax reform, has resulted in corresponding decreases in property tax revenues. Since FY2008, the City has seen the annual property tax revenues decrease from \$163.6 million to \$117.2 million. The taxable value is projected to continue to decrease over the next few years, but the rate of decline is not anticipated to be as drastic as it has been the past few years.

The City of Tampa, like nearly all local and state governments, continues to face financial challenges as the region struggles with home foreclosures and a high proportion of homeowners with negative equity. Tampa's overall economic recovery will remain sluggish. The housing market will take much longer to fully recover. Tampa has also received a smaller benefit from international trade. Early gains in this area were largely paced by container traffic and the Port of Tampa's bulk cargo. However, international trade will play a bigger role in the region's economy in attracting more international visitors and investors will be key to reinvigorating job growth.

¹ Florida & Metro Forecast, Institute for Economic Competitiveness, College of Business Administration, University of Central Florida, April 2011, Page 84.

2011-2012 Budget Highlights

The FY2012 total budget is \$765.4 million. This represents a \$34.7 million decrease, from the FY2011 level of \$800.1 million. This decrease is primarily due to:

- A General Fund decrease of approximately \$4.8 million primarily due to reduction in pension costs, partially offset by salary increases and increases in health insurance costs. Departmental operating costs have been reduced and contributions to the Community Redevelopment and Tax Increment Financing areas are decreasing associated with the decline in property values. Additionally, the Right-of-Way and Construction Services Divisions have been transferred to Special Revenue Funds, better aligning the services to the primary sources of funding;
- A \$5.3 million decrease within the Utility Tax Fund as a result of reduced transfers for capital improvement projects. This reduction is partially offset by an increase in the transfer to the Parking Fund, and a transfer to the Debt Service Fund associated with the 2010 Stormwater bonds;
- A \$12.6 million decrease in the Utility Tax Construction Funds primarily due to a decline in the amounts allocated for capital improvement projects;
- An \$11 million decrease in the Enterprise Funds primarily due to a decline in the size of the Water Department's capital improvement program.

Personnel Authorizations

Since FY 2008, Tampa has reduced the size of City government 703 positions either by reducing staff or eliminating vacant positions. The City continues a hiring freeze for vacant non-essential positions. Although the number of positions has decreased, employee compensation costs continue to rise, primarily due to increases in health insurance.

FY2012-FY2016 Capital Improvement Overview

The City's FY2012 – FY2016 Capital Improvement Program contains capital improvement projects totaling \$327.4 million. The majority of the capital projects focus on repairing and renovating existing city infrastructure such as roads, parks, buildings, parking structures, water and wastewater pipelines and plant facilities. The City's FY2012 capital budget is \$79.8 million. This is a 41% decrease from the FY2011 capital budget. The FY2011 budget contained several significant capital projects which constructed new facilities as opposed to the FY2012 capital budget which is oriented toward repairing and renovating existing infrastructure. Some of the new infrastructure that is currently underway includes the following projects:

- New Tampa Boulevard Extension and Bridge (\$17 million)
- Kennedy Boulevard and Dale Mabry Highway Intersection (\$2.2 million)
- Dale Mabry Highway and Columbus Drive Turn Lanes (\$1.7 million)
- Bruce B. Downs Boulevard Utility Relocation (\$11.1 million)
- Blue Sink (Minimum Flow and Levels) (\$10.7 million)
- Sulphur Springs Upper Weir and Pumping Station (\$5.3 million)

Management and Budget Goals

The City's ongoing budget and management goals for FY2012 and future years include:

Fiscal

- Maintain a minimum reserve equal to 20% of the General and Utility Tax fund's operating expenditures;
- Strive to keep recurring expenses in line with recurring revenues;

- Periodically use private enterprise to supply public services when such agreements are appropriate and cost-effective;
- Use tax increment financing to combat blight and to promote economic development;
- Periodically review and adjust rates, fees and charges to reflect the cost of services;
- Place a high priority on seeking matching and “seed” funds to leverage grants and other assistance;
- Prepare sound maintenance and replacement programs for City equipment and assets;
- Maintain high credit ratings to ensure low borrowing costs;
- Maintain adequate reserves and fund balances for unforeseen needs and emergencies;
- Continue promoting excellence in budgeting and financial reporting;
- Develop and maintain a long-range forecast model to measure the effectiveness of budgetary and financial decisions.

Personnel

- Recognize employees for exceptional performance and creativity;
- Provide employee development by promoting training programs;
- Offer counseling and referral services for stress, drug abuse and other personal difficulties.

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 to meet demands for city services;
- Support housing programs through public and private financing;
- Ensure compliance with the requirements of the Florida Growth Management Act;
- Maintain existing infrastructure and ensure new development contributes to growth-related infrastructure improvements.

Community

- Invest in infrastructure and other assets to make life better for city residents and businesses;
- Encourage development of neighborhood organizations;
- Improve the city’s image through reduction of petty crime, littering, and illegal signage;
- Obtain consensus from the business community and citizens regarding potential projects;
- Utilize the expertise of local universities and the business community to improve the city;
- Promote contract opportunities for the Small Local Business Enterprise and Woman Minority Business Enterprise.

Intergovernmental

- Improve planning for growth within the city by coordinating planning agency proposals;
- Partner with other local governments in matters of regional interest;
- Develop proposals for the Hillsborough County legislative delegation agenda on matters requiring state action;
- Coordinate with other local governments in order to enhance services and minimize duplication of efforts.

DEBT

The City issues revenue bonds for the purpose of acquiring or constructing capital assets, or to refund previously issued bonds to take advantage of favorable interest rate conditions; the City does not issue bonds for the purpose of funding daily operations.

As of September 30, 2011, the City has approximately \$857,016,529 in outstanding principal, including \$449,394,448 in enterprise fund debt, \$407,622,081 in governmental fund debt, and \$4,297,081 in Channel District Community Redevelopment Area debt. Included in the \$406,385,000 governmental debt is \$9,395,000 in Tampa Sports Authority Debt (Series 1995) which is guaranteed by the City. The City’s full faith and credit has not been pledged to secure the currently outstanding principal debt; none of the issuances are general obligations of the City. Except for the City’s outstanding commercial paper, all debt is

in fixed rate form. About 67% of the City's outstanding debt is due within the next 10 fiscal years. Approximately 28% of the outstanding debt is due in fiscal years 2022-2031, and the remaining 5% of the outstanding debt is due in fiscal years 2032-2041.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Tampa for its comprehensive annual financial report for the fiscal year-ended September 30, 2010. This was the 23rd consecutive year that the City of Tampa has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an efficiently organized and easy-to-read Comprehensive Annual Financial Report (CAFR). This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for its annual budget for the fiscal year beginning October 1, 2010. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including as a policy document, a financial plan, an operations guide, and a communications device.

Preparation of this report would not have been possible without the dedicated and efficient service of the entire staff of the Revenue and Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Tampa's finances.

Respectfully submitted,



Sonya C. Little
Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Tampa
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Danison

President

Jeffrey R. Enos

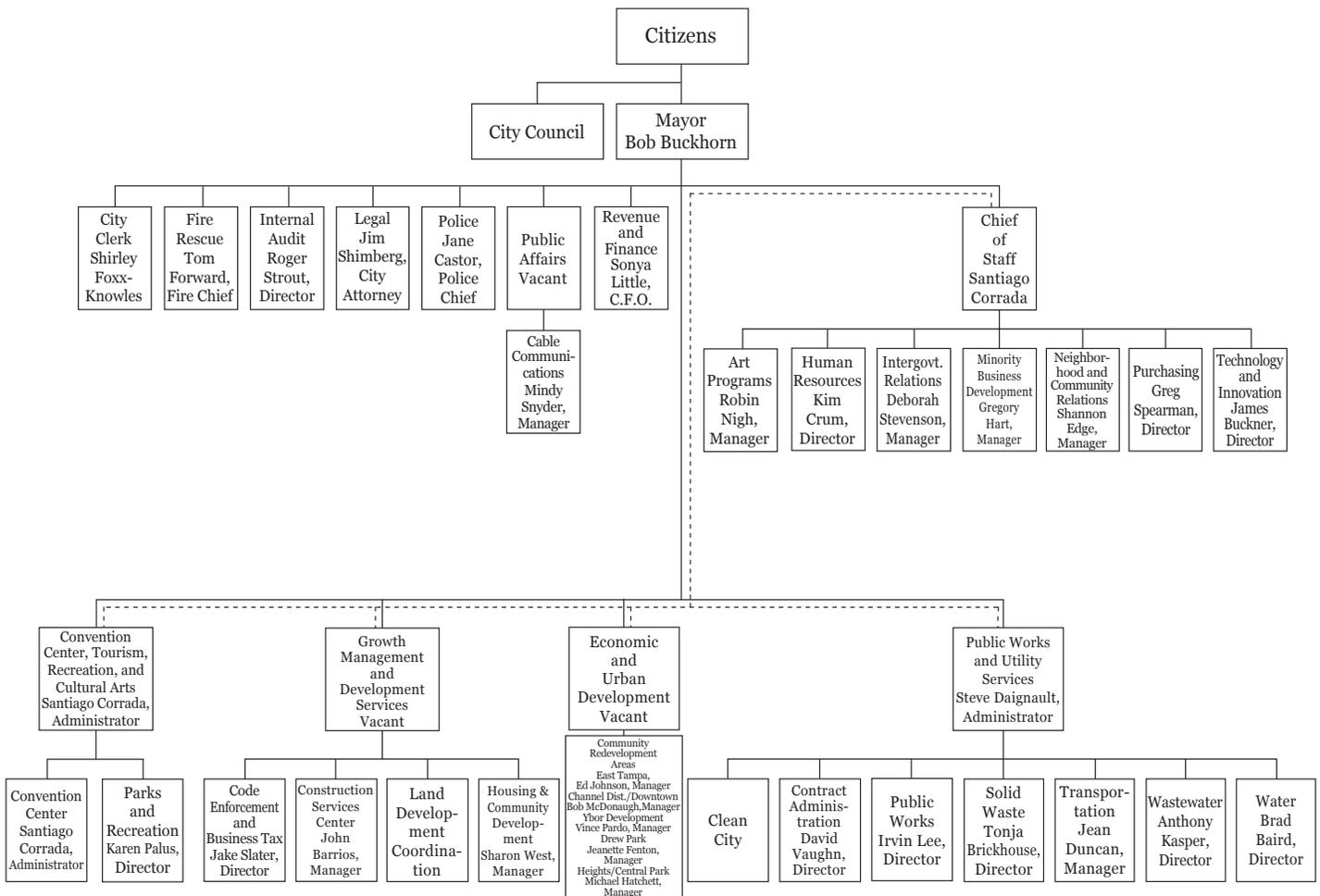
Executive Director

City of Tampa, Florida



Mayor Bob Buckhorn

Organization Chart



Tampa City Council

Districts One, Two and Three are at-large districts, as they represent all of the City of Tampa. Districts Four, Five, Six and Seven are represented individually.



Mike Suarez
District 1 At-Large



Mary Mulhern
District 2 At-Large
Vice Chair



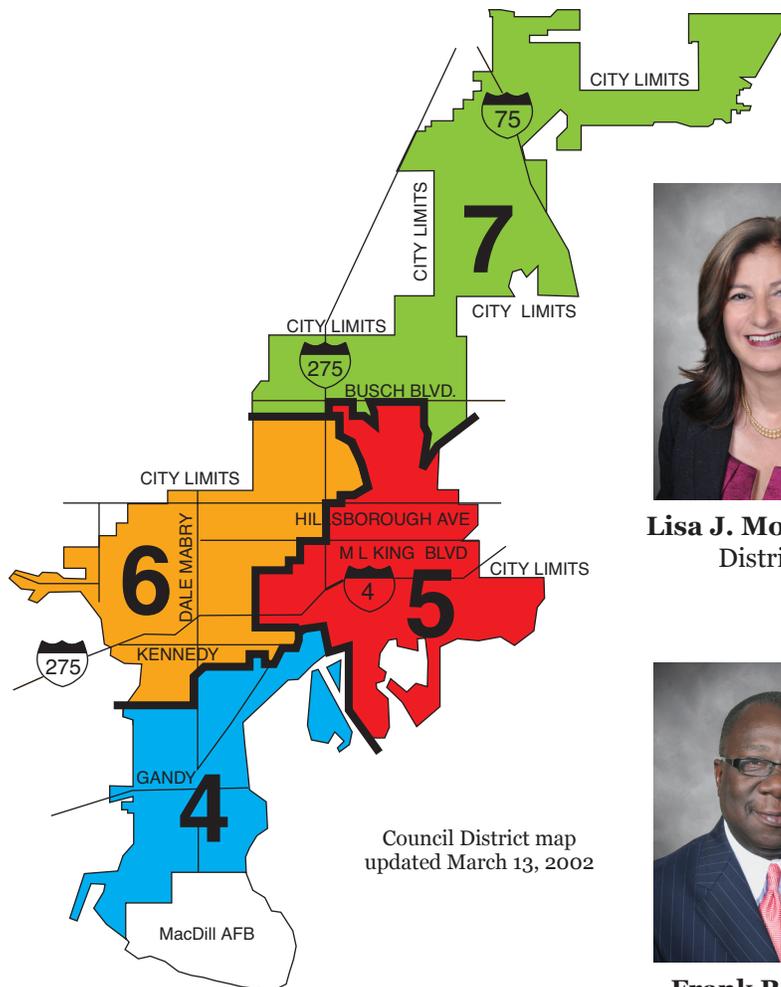
Yvonne Yolie Capin
District 3 At-Large



Charlie Miranda
District 6
Chairman



Harry Cohen
District 4



Council District map
updated March 13, 2002



Lisa J. Montelione
District 7



Frank Reddick
District 5

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TAB

Financial Section

Report of Independent Auditors

The Honorable Mayor and Members of City Council
City of Tampa, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Tampa, Florida, (the "City") as of and for the year ended September 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Tampa Historic Streetcar (a discretely presented component unit) which comprises 100% of assets and 100% of revenues and the Tampa Fire and Police Pension Fund, which comprises 73% of the net assets of the fiduciary funds of the City. Those financial statements were audited by other auditors whose reports thereon has been furnished to us, and our opinions, insofar as they relate to the amounts included for the Tampa Historic Streetcar and the Tampa Fire and Police Pension Fund, are based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Tampa, Florida, as of September 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 3 to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Standard No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

As discussed in Note 3(A) to the financial statements, the City restated their October 1, 2010 beginning fund balance to correct the nature of certain funds as classified by accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2012 on our consideration of the City of Tampa, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis, schedule of funding progress and employer contributions, and general and major special revenue fund budgetary comparison information on pages 13 through 22, pages 94 through 95, and pages 96 through 102 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Tampa, Florida's basic financial statements. The introductory section, combining and individual fund statements and schedules, supplemental financial schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, based on our audit and the reports of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section, supplemental financial schedules, and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.


Crowe Horwath LLP

Tampa, Florida
March 13, 2011

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, 2011. 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- 6 of this report. **All amounts in this MD&A, unless otherwise indicated, are expressed in thousands of dollars.**

Responding to the economic challenges facing the nation, state and local area, the City of Tampa continued to reorganize departments, trim staff, freeze hiring, defer select capital purchases, and implement various other cost saving techniques so that the City was able to post mixed, but mostly positive, financial results for fiscal year 2011. In addition, the City undertook the adoption of Governmental Accounting Standards Board (GASB) Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions. The adoption of this new required accounting standard resulted in the City reviewing and changing its fund structure and related fund balance presentation, resulting in the reclassification of approximately \$15.7 million into the special revenue funds and \$17.5 million into the general fund from the previous classification as either trust or agency funds. Furthermore, GASB 54 requires fund balances to be newly characterized as unspendable, restricted, committed, assigned or unassigned (instead of as in prior years as reserved, unreserved, designated and undesignated). In broad terms, the term restricted is used to report fund balances that are restricted by outside agencies (e.g., grantor agencies); the term committed is used to report fund balances that are committed by City Council via ordinance or resolution; the term assigned is used to report balances assigned by the mayor and City administrators (e.g., for emergencies); and the term unassigned is used to report fund balances that are not otherwise encumbered.

Financial Highlights

- Looking at the Government-wide statements, the combined total assets of the City of Tampa, at \$3.0 billion, exceeded its combined total liabilities of \$1.05 billion at the close of fiscal year 2011 by \$1.96 billion (net assets), an increase of \$57.4 million (3.0%) in net assets compared to the prior year balance.
 - Of this net asset amount, \$1.55 billion (79%) is invested in capital assets and \$145 million (7%) is restricted, leaving \$264.5 million (14%) in unrestricted net assets which may be used to meet the City's ongoing and outstanding obligations to citizens, creditors and other agencies.
 - This unrestricted amount of \$264.5 million is a \$12.4 million (4.5%) decrease from the prior year unrestricted net asset balance of \$276.9 million.
- As stated above, the City's combined total net assets increased \$57.4 million. This is the result of governmental net assets increasing \$37.2 million (going from \$908 million in 2010 to \$945 million in 2011) and the business-type net assets increasing \$20.3 million (going from \$995.1 million to \$1.015 billion) during the year.
- In governmental activities, revenues of \$423.6 million lagged behind expenses of \$447.8 million. In the business-type activities, the increase in net assets of the water and wastewater enterprise funds accounted for the majority of the increase in the net assets.
- As of the close of the current fiscal year, the City of Tampa's governmental funds (i.e., general fund, utility tax fund, etc.) reported combined ending fund balances of \$341.5 million, a decrease of \$10.5 million (or 3.0%) in comparison with the prior year balance of \$352 million. Approximately 22% of this amount, \$76.2 million, is in unassigned fund balance and the remainder is restricted, committed or assigned for open contracts, programs, debt, etc. This unassigned fund balance of \$76.2 million for the general fund is 23% of total general fund expenditures.
- The City of Tampa's outstanding debt increased by \$25.2 million during the current fiscal year.

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, and 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 Tampa Historic Streetcar, Inc. for which the City of Tampa is financially accountable. Financial information for this *component unit* 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 thirty 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, utility tax fund and the Community Redevelopment Agency special revenue fund, which are considered to be major funds. Data for the other twenty-seven 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 governmental fund financial statements can be found on pages 27-30 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, and 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 three 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 32-37 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 38-39 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 40-91 of this report.

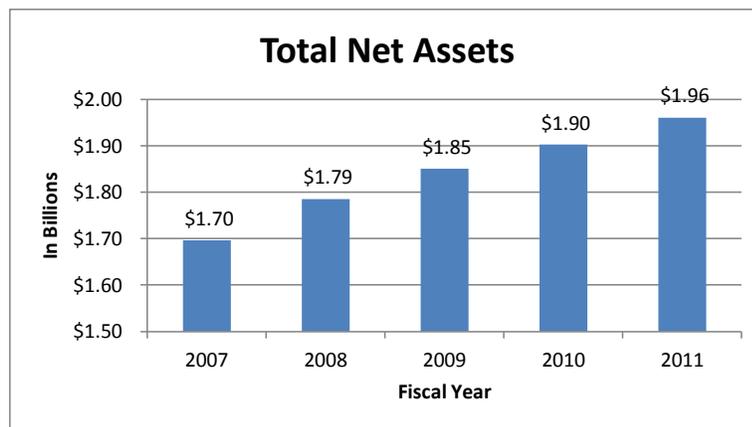
Other information. In addition to the basic financial statements and the accompanying notes, this report also presents certain *required supplementary information*, concerning the City of Tampa's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Also, since the City of Tampa adopts an annual appropriated budget for its general fund, utility tax, Community Redevelopment Agency and other non-major governmental funds, a budgetary comparison statement has been provided for these funds to demonstrate compliance with this budget.

Required supplementary information can be found on pages 94-102 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 103-140 of this report.

Government-wide Financial Analysis

As noted earlier, the combined total net assets of the City may serve over time as a useful indicator of Tampa's financial position. In the case of the City of Tampa, assets (at \$3.01 billion) exceeded liabilities (at \$1.05 billion) by \$1.96 billion (net assets) at the close of the most recent fiscal year, an increase of \$57.4 million (3.0%) over the total net asset amount of \$1.90 billion in the prior year.



As illustrated in the table below, by far the largest portion of the City of Tampa's assets (76%) reflects its investment in capital assets (e.g., land, buildings, furniture, and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Tampa uses these 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. Net assets invested in capital assets grew 1.5% or \$23.0 million during the year (from \$1.53 billion to \$1.55 billion).

An additional portion (5%) of the City of Tampa's assets, *restricted net assets* at \$145 million, represents resources that are subject to external restrictions on how they may be used, e.g., for debt and capital improvements. These restricted net assets grew 47.8% or \$46.85 million during the year.

The remaining balance of *unrestricted net assets* (at \$264.5 million) decreased \$12.43 million (or 4.5%) during the year and are used to meet the City's ongoing obligations to citizens, creditors and other agencies (e.g., the CRA, grantors, etc.).

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 (growing at 3.0%), as well as for its separate governmental (growing at 4.09%) and business-type (growing at 2.0%) activities. The same situation held true for the prior fiscal years.

City of Tampa's Net Assets

| | Governmental activities | | Business-type activities | | Total | |
|---|-------------------------|------------|--------------------------|------------|--------------|--------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Current and other assets | \$ 436,225 | \$ 425,797 | \$ 278,784 | \$ 236,288 | \$ 715,009 | \$ 662,085 |
| Capital assets | 1,056,035 | 1,024,824 | 1,236,590 | 1,250,279 | 2,292,625 | 2,275,103 |
| Total assets | 1,492,260 | 1,450,621 | 1,515,374 | 1,486,567 | 3,007,634 | 2,937,188 |
| Long-term liabilities outstanding | 482,146 | 479,063 | 472,314 | 435,050 | 954,460 | 914,113 |
| Other liabilities | 64,862 | 63,476 | 27,688 | 56,420 | 92,550 | 119,896 |
| Total liabilities | 547,008 | 542,539 | 500,002 | 491,470 | 1,047,010 | 1,034,009 |
| Net assets: | | | | | | |
| Invested in capital assets, net of related debt | 736,432 | 694,672 | 814,767 | 833,506 | 1,551,199 | 1,528,178 |
| Restricted | 37,505 | 57,513 | 107,450 | 40,588 | 144,955 | 98,101 |
| Unrestricted | 171,315 | 155,897 | 93,155 | 121,003 | 264,470 | 276,900 |
| Total net assets | \$ 945,252 | \$ 908,082 | \$ 1,015,372 | \$ 995,097 | \$ 1,960,624 | \$ 1,903,179 |

Governmental activities. As mentioned earlier, how the City's net assets changed during the most recent fiscal year is reflected in the *statement of activities*, a summary of which is shown below. This statement divides the activities between governmental activities and business-type activities. Governmental activities decreased the City of Tampa's net assets by \$24.1 million (before transfers) and increased net assets \$4.9 million after transfers (e.g., transfers from the enterprise funds for PILOT – payment in lieu of taxes - and PILOFF – payment in lieu of franchise fees). Key elements of this change are as follows:

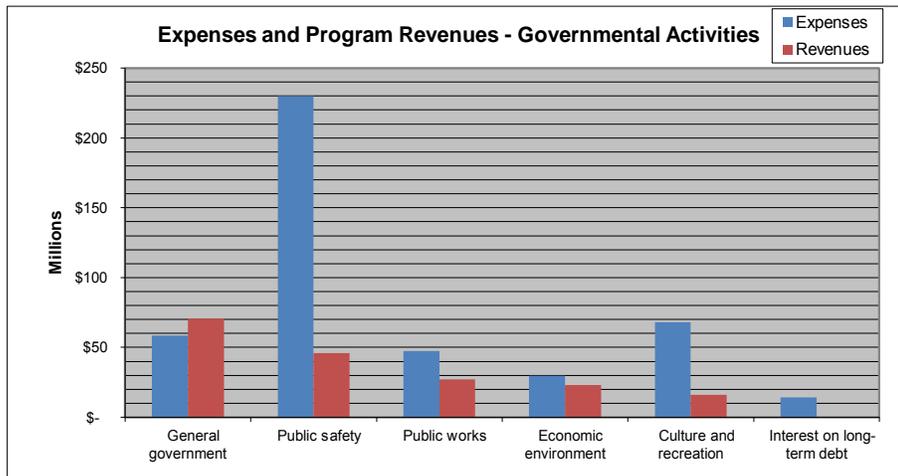
- Total revenues were down \$32.12 million (from \$455.8 million to \$423.6 million), after being down \$40.8 million in the prior year. Only one revenue line illustrated in the following table reflects an increase over the prior year, i.e., charges for services (up 8.5%). The other lines reflect declines, e.g., capital grants (down 15.6%), property taxes (down 12.5%), operating grants (down 2.06%) and investment earnings (down 71.65%).
- Most significantly and most probably continuing in the future, property taxes decreased by \$17.4 million during the year, after being down \$20.6 million in the prior year. These declines are the result of voter approved and other legislative property tax changes, along with declining property values due to the depressed economy. The City's millage rate of 5.7326 was the same as the rate adopted the previous year, and is well below the 10-mill rate limit established by the state.
- Expenses reflect a mixture of increases and decreases over the prior year. Total expenses were up \$11.59 million (or 2.7%) from \$436.2 million to \$447.8 million, after being down \$4.1 million in 2010.

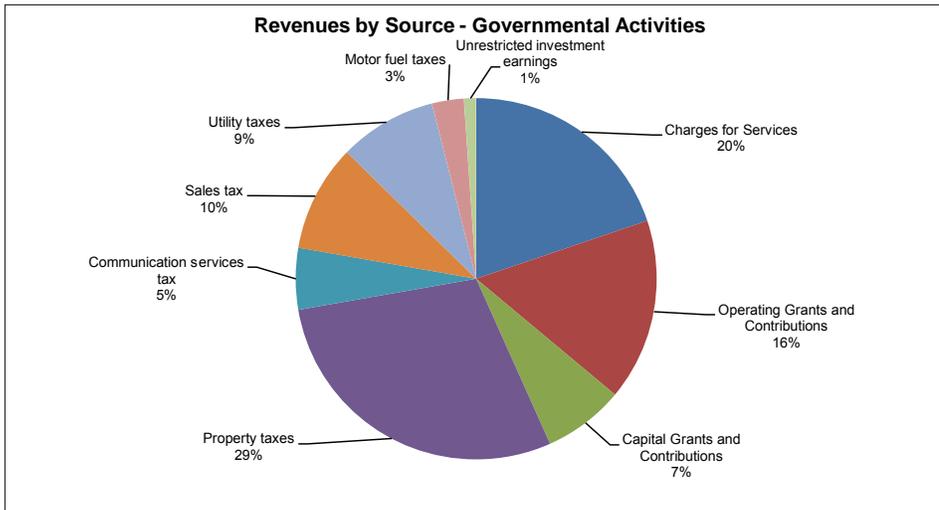
In addition, as mentioned in the opening paragraphs the City undertook the adoption of GASB Statement 54 and as a result changed portions of its fund structure and related fund balance presentation, resulting in the reclassification of approximately \$15.7 million into the special revenue funds and \$17.5 million into the general fund from the previous classification as either trust or agency funds in 2011 and a restatement of the prior period fund balance (see Note 3 in the notes to the financial statements).

Further, as the bar chart on page 17 illustrates, governmental activities do not typically pay for themselves. For example, public safety expenses of \$230 million are offset only by \$46 million in specific charges, grants and contributions. The pie chart on page 18 shows that overall only 43% of offsetting revenues for governmental activity expenses come from specific charges for services, operating grants and capital grants and contributions. The remaining 57% of revenue supporting governmental activities comes from property taxes (29%) and other taxes (27%), with the remaining 1% coming from investment earnings.

City of Tampa's Changes in Net Assets

| | Governmental | | Business-type | | Total | |
|---|-------------------|-------------------|---------------------|-------------------|---------------------|---------------------|
| | activities | | activities | | | |
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 85,976 | \$ 79,314 | \$ 271,257 | \$ 246,519 | \$ 357,233 | \$ 325,833 |
| Operating grants and contributions | 68,623 | 70,064 | - | - | 68,623 | 70,064 |
| Capital grants and contributions | 30,248 | 35,823 | 10,962 | 13,274 | 41,210 | 49,097 |
| General revenues: | | | | | | |
| Property taxes | 122,036 | 139,391 | - | - | 122,036 | 139,391 |
| Other taxes | 112,202 | 115,098 | - | - | 112,202 | 115,098 |
| Investment earnings | 4,556 | 16,068 | 2,918 | 8,770 | 7,474 | 24,838 |
| Other | - | - | 94 | 48 | 94 | 48 |
| Total revenues | 423,641 | 455,758 | 285,231 | 268,611 | 708,872 | 724,369 |
| Expenses: | | | | | | |
| General government | 58,285 | 65,109 | - | - | 58,285 | 65,109 |
| Public safety | 230,035 | 221,798 | - | - | 230,035 | 221,798 |
| Public works | 47,513 | 54,125 | - | - | 47,513 | 54,125 |
| Economic environment | 29,671 | 20,518 | - | - | 29,671 | 20,518 |
| Culture and recreation | 67,883 | 55,283 | - | - | 67,883 | 55,283 |
| Interest on long-term debt | 14,387 | 19,356 | - | - | 14,387 | 19,356 |
| Water utility | - | - | 72,156 | 67,295 | 72,156 | 67,295 |
| Wastewater utility | - | - | 81,736 | 83,089 | 81,736 | 83,089 |
| Solid waste system | - | - | 63,218 | 66,144 | 63,218 | 66,144 |
| Parking facilities | - | - | 14,660 | 13,917 | 14,660 | 13,917 |
| Marina | - | - | - | 583 | - | 583 |
| Golf courses | - | - | 4,197 | 4,506 | 4,197 | 4,506 |
| Total expenses | 447,774 | 436,189 | 235,967 | 235,534 | 683,741 | 671,723 |
| Increase in net assets before transfers | (24,133) | 19,569 | 49,264 | 33,077 | 25,131 | 52,646 |
| Transfers | 28,990 | 18,186 | (28,990) | (18,185) | - | 1 |
| Increase (decrease) in net assets | 4,857 | 37,755 | 20,274 | 14,892 | 25,131 | 52,647 |
| Net assets - 10/01/10 (as restated) | 940,395 | 870,327 | 995,098 | 980,205 | 1,935,493 | 1,850,532 |
| Transfer of assets | - | - | - | - | - | - |
| Net assets - 9/30/11 | \$ 945,252 | \$ 908,082 | \$ 1,015,372 | \$ 995,097 | \$ 1,960,624 | \$ 1,903,179 |

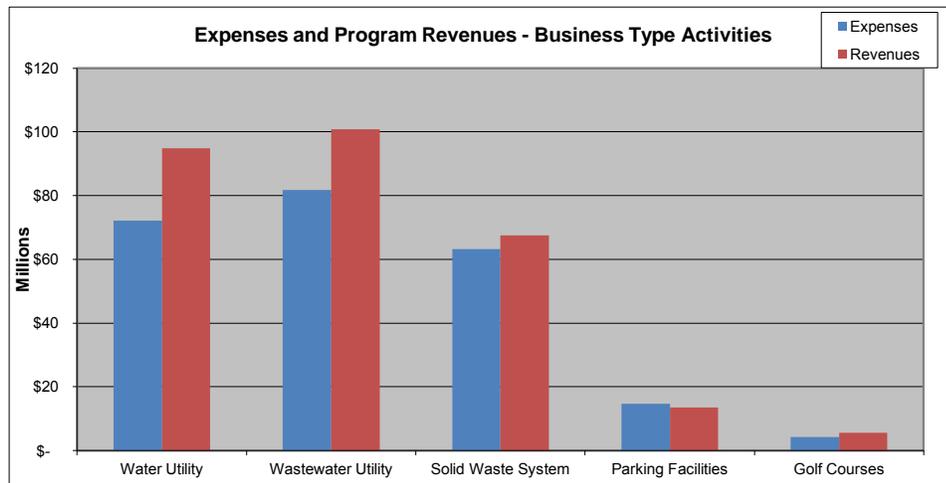


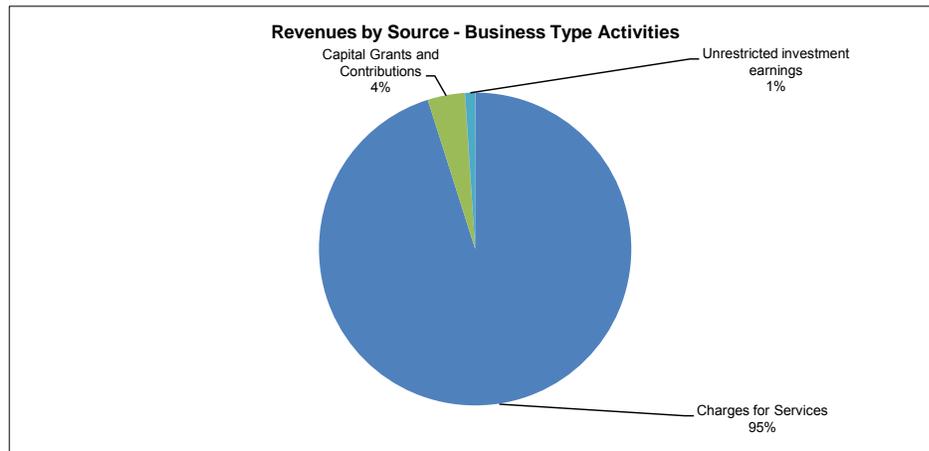


Business-type activities. Business-type activities increased the City of Tampa’s net assets by \$49.3 million (before transfers) and \$20.3 million after transfers (e.g., transfers for PILOT and PILOFF to the governmental funds). Key elements of this change are as follows:

- Charges for services increased \$24.7 million (from \$246.5 million to \$271.3 million) due to rate increases implemented during the year for water and wastewater services. As discussed more fully in the proprietary fund section below, water operating revenues were up \$14.4 million (from \$74.6 million to \$89.1 million); wastewater operating revenues were up \$7.2 million (from \$91.0 million to \$98.2 million); and solid waste operating revenues were up \$2.3 million (from \$64.9 million to \$67.2 million).
- Operating expenses were flat, at \$235.97 million compared to \$235.53 million in the prior year.

As the bar chart below illustrates, unlike governmental activities, business-type activities are typically able to pay for themselves through specific user charges and revenue sources.





Fund Level Financial Analysis

Governmental funds. As noted earlier, the City of Tampa uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. These funds include governmental funds, proprietary funds and other fund types. The general fund, utility tax fund, CRA special revenue funds and a variety of special revenue, debt service and capital project funds are recorded in the 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, *unassigned fund balance* may serve as a useful measure of a government's net resources 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 \$341.5 million, a decrease of \$10.5 million in comparison with the prior fiscal year. Approximately 78% of this total amount (\$265.3 million) is non-spendable, restricted, committed, or assigned, leaving \$76.2 million (22%) unassigned.

The general fund is the chief operating fund of the City of Tampa. At the end of the current fiscal year, unassigned fund balance of the general fund was \$76.2 million, while total fund balance declined to \$110 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 18% of total general fund expenditures, while total fund balance represents 33% of that same amount. The City's target unassigned fund balance for its general fund and utility tax fund combined is 20%.

While the fund balance of the City of Tampa's general fund declined \$25.1 million during the current fiscal year as a result of operations, the net decline compared to the prior year balance was only \$9.43 million due to a restatement of prior year balances. See Note 3 in the notes to the financial statements which describes that \$15.67 million was reclassified from agency funds as a prior period restatement. Key operating factors affecting fund balance are as follows:

- The final general fund budget reflected an anticipated deficit of \$32.8 million. Actual revenues fell short of budgeted revenues by \$4.7 million, while actual expenditures were \$13.2 million under budget, narrowing the anticipated deficit by nearly \$8 million to \$25.1 million.
- Most notably on the revenue side, convention center revenues were stronger than expected, coming in at \$2.9 million more than budgeted, while franchise fees, fines and forfeitures and investment earnings were well short of expectations, coming in at \$1.7 million, \$2.0 million and \$3.2 million less than budgeted respectively. On the expenditure side, most expenditures were under budget, most notably police expenditures were \$4.1 million lower than budgeted, parks & recreation expenditures were \$2.7 million lower than budgeted, and public works expenditures were \$8.1 million lower than budgeted. Two expenditure lines, economic development and non departmental expenditures are reported as over budget, but this is the result of moving non-budgeted former trust & agency expenditures into the general fund in conjunction with GASB 54 re-classifications.
- Slightly less than budgeted, revenues at \$241 million declined \$24.6 million compared to 2010 (at \$265.9 million). Most notably, property tax revenues at \$139 million were down \$17.36 million compared to the prior year due to lower property values.
- Actual expenditures were \$13.2 million less than budgeted expenditures, and only \$4.7 million (or 1.4%) higher compared to 2010.

The fund balance of the utility tax special revenue major fund decreased by \$3.7 million in 2011, with an ending fund balance amount of \$51.6 million. The key factors in this change are as follows:

- Revenues fell short of budgeted amounts by \$5.2 million, as revenues dropped \$4 million compared to 2010.
- Expenditures decreased \$1.6 million compared to 2010 and were \$1.5 million under budgeted amounts.
- Net transfers increased \$7.5 million compared to 2010.

The fund balance in the Community Redevelopment Agency (CRA) major fund decreased \$4.8 million in 2011, with an ending fund balance of \$14.4 million. The key factors in this change are as follows:

- Total revenues decreased \$7.6 million compared to 2010 due to lower tax increment property tax receipts, a result of economic decline in the property valuations in the CRAs.
- Total expenditures declined \$6.5 million compared to 2010.
- Transfers out decreased \$1.7 million compared to 2010.

Proprietary funds. The City of Tampa's proprietary funds provide the same type of information found in the business-type activities column in the government-wide financial statements, but in more detail. These funds include the water, wastewater, solid waste, parking, and golf course enterprise funds, along with the fleet, administrative services and utility accounting internal service funds.

- In the water utility fund the change in net assets before contributions and transfers was \$18.8 million, a \$5.5 million improvement compared to the prior year as new water rates were implemented. Operating revenues increased \$14.5 million, while expenses increased only \$3.5 million.
- In the wastewater utility fund the change in net assets before contributions and transfers was \$18.3 million, an \$8.1 million improvement compared to the prior year as new wastewater rates were implemented. Operating revenues increased \$11.9 million, while operating expenses remained virtually the same as in the prior year.
- In the solid waste system fund the change in net assets before contributions and transfers was \$4.6 million, a \$3.5 million increase over the prior year as operating revenues increased \$2.3 million and operating expenses declined \$3.8 million.
- Unrestricted net assets of the water utility amounted to \$62 million, for the wastewater utility \$14 million, for the solid waste system \$13.8 million, and those for the non-major funds amounted to \$3.3 million. The total change in net assets for the three major funds (water, wastewater and solid waste) was \$18.5 million; \$14.03 million; and \$695 thousand, 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 \$12.2 million (increase in appropriations) and can be briefly summarized as follows:

- \$9 million in increases allocated to public safety.
- \$608 thousand in increases allocated to the convention center.
- \$1 million in increases allocated to public works.

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

Differences between the final budget and actual revenues were (\$4.7 million) (actual amount below the budgeted amount) and can be summarized as follows:

- Special assessment fees were moved into the general fund from former trust & agency funds (in conjunction with GASB 54 reclassifications) without a corresponding budget and so all revenue is reported as exceeding budget by \$2.2 million.
- Building fees fell short of the budgeted amount by \$6.1 million as construction service center activity was moved out of the general fund into its own special revenue fund, but the related budgeted amount was not moved.
- Charges for services revenues exceeded the budgeted amount by \$6.3 million. Of that amount \$903 thousand was related to public safety, where police extra duty charges (which pay for offsetting expenditures) are the main component. Recreation revenues were \$660 thousand in excess of budgeted amounts. Convention Center revenues were \$2.9 million in excess of budgeted amounts.
- Investment earnings were \$3.2 million short of the budgeted amount.

During the year, the City undertook various cost savings measures so that differences between the final budget and actual expenditures were \$13.2 million (actual amount less than budgeted amount) and can be summarized as follows:

- Public safety expenditures were \$5 million under the budgeted amount with \$4.1 million of that amount relating to police expenditures.
- Culture and recreation expenditures were \$3.3 million under the budgeted amount with \$2.7 million of that amount relating to

parcs and recreation.

- Public works expenditures were \$8.1 million under the budgeted amount.
- General government services expenditures were \$3.3 million over the budgeted amount, as certain expenditures were reclassified as economic development (in conjunction with GASB 54 reclassifications) without a corresponding 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, 2011, amounts to \$2.3 billion (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 net increase in the City of Tampa’s investment in capital assets for the current fiscal year was .77% (a 3.0% increase for governmental activities and a 1.1% decrease for business-type activities). Major capital asset events during the current fiscal year included the following:

- Marina net assets of \$5.4 million were transferred from the business-type activities into the governmental activities as the Marina will no longer be treated as an enterprise fund, but will be reported in the general fund.
- Stormwater Fund capital improvements totaled \$11.3 million.
- Gas Tax Fund capital improvements totaled \$10.5 million.
- Community Investment Tax (CIT) Fund capital projects totaled \$17.4 million.

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

| | Governmental activities | | Business-type activities | | Total | |
|-----------------------------------|-------------------------|--------------|--------------------------|--------------|--------------|--------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Land | \$ 195,865 | \$ 193,066 | \$ 31,428 | \$ 35,650 | \$ 227,293 | \$ 228,716 |
| Buildings | 261,845 | 264,192 | 210,400 | 221,187 | 472,245 | 485,379 |
| Improvements other than buildings | 106,536 | 103,659 | 942,081 | 935,861 | 1,048,617 | 1,039,520 |
| Furniture and equipment | 56,782 | 58,088 | 15,897 | 17,180 | 72,679 | 75,268 |
| Infrastructure | 388,013 | 354,943 | - | - | 388,013 | 354,943 |
| Construction in progress | 46,994 | 50,876 | 36,784 | 40,401 | 83,778 | 91,277 |
| Total | \$ 1,056,035 | \$ 1,024,824 | \$ 1,236,590 | \$ 1,250,279 | \$ 2,292,625 | \$ 2,275,103 |

Additional information on the City of Tampa’s capital assets can be found in Note 8 on pages 60-62 of this report.

Long-term debt. At the end of the current fiscal year, the City of Tampa had total revenue bonded debt outstanding of \$790 million. Debt incurred under the State of Florida revolving loan program outstanding at the end of the fiscal year amounted to \$33 million. HUD section 108 loans outstanding at the end of the current fiscal year amounted to \$7.5 million, and outstanding commercial paper loans totaled \$21.8 million. The full faith and credit of the City of Tampa back none of this outstanding debt.

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

| | Governmental activities | | Business-type activities | | Total | |
|----------------------------------|-------------------------|------------|--------------------------|------------|------------|------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Revenue bonds | \$ 395,845 | \$ 356,110 | \$ 394,610 | \$ 370,069 | \$ 790,455 | \$ 726,179 |
| State of Florida revolving loans | - | - | 32,996 | 37,752 | 32,996 | 37,752 |
| Commercial paper loans | - | 11,256 | 21,788 | 43,484 | 21,788 | 54,740 |
| CRA bank loan | 4,297 | 5,441 | - | - | 4,297 | 5,441 |
| HUD section 108 loans | 7,480 | 7,720 | - | - | 7,480 | 7,720 |
| Total | \$ 407,622 | \$ 380,527 | \$ 449,394 | \$ 451,305 | \$ 857,016 | \$ 831,832 |

The City of Tampa’s outstanding debt increased by \$25.2 million during the current fiscal year. The City borrowed \$192 million during the year and used these borrowings to refund earlier issuances. Of the amounts borrowed, \$22 million was used in the first weeks of October 2011 to retire commercial paper debt (and so it is reflected as an outstanding liability as of September 30, 2011).

The City of Tampa seeks to maintain a minimum of an “A” rating from Standard & Poor’s Rating Services (S&P), Fitch Ratings (Fitch), and Moody’s Investor Services (Moody’s) for revenue bonds, and in the past the City typically insured its bonds to achieve “AAA” or

“Aaa” ratings by these three agencies. But with the 2009 ratings downgrades of several bond insurers, there has been little financial incentive to purchase insurance on new issuances.

Within the past year, the rating agencies have issued the following ratings:

| Date | Issue | Agency | Rating |
|-----------|--------------------------------|-------------------|--------|
| 4/30/2010 | Sales Tax | Moody's | Aa2 |
| 4/30/2010 | Occupational License | Moody's | Aa2 |
| 4/30/2010 | Utility Tax - Senior Lien | Moody's | Aa2 |
| 4/30/2010 | Utility Tax - Subordinate Lien | Moody's | Aa3 |
| 4/30/2010 | Solid Waste | Moody's | A3 |
| 7/13/2010 | Solid Waste | Fitch | A |
| 7/28/2011 | Water & Sewer | Moody's | Aa1 |
| 7/29/2011 | Water & Sewer | Fitch | AA+ |
| 7/27/2011 | Water & Sewer | Standard & Poor's | AA+ |
| 10/6/2011 | Occupational License | Fitch | AA- |
| 12/8/2011 | Implied GO | Fitch | AA |
| 12/8/2011 | Taxable Non-Ad Valorem | Fitch | AA- |
| 12/8/2011 | Taxable Non-Ad Valorem | Moody's | Aa2 |
| 12/8/2011 | Implied GO | Moody's | Aa1 |

As of the end of the current fiscal year the City had no general obligation debt. Additional information on the City of Tampa's long-term debt can be found in Notes 12 and 13 on pages 66-75 of this report.

Economic Factors and Next Year's Budgets and Rates

- At the end of the fiscal year, the unemployment rate for the City of Tampa area was 12.0%, which is lower than the rate of 12.6% of a year ago, but above the state's average unemployment rate of 11.2% and above the national average rate of 9.3%.
- A 4% decrease in taxable property valuation (from \$22.34 billion to \$21.40 billion) is budgeted for 2012.
- Water rates in the enterprise fund will increase to cover construction and other costs according to a five-year schedule previously adopted by City council and wastewater rates in the enterprise fund will increase to cover operating and other costs according to a three-year schedule adopted by City council in the prior fiscal year.
- During the current fiscal year, available fund balances in the general fund and utility tax fund increased to \$112.2 million. The City of Tampa appropriated \$20.4 million of this amount from the general fund for spending in the 2012 fiscal year budget.
- Taking advantage of the low interest rate environment, bond refinancings continued in 2012, resulting in further debt service savings to the City.
- The property tax millage rate will remain the same at 5.7326 mills in 2012.

All of these factors were considered in preparing the City of Tampa's budget for the 2012 fiscal year.

The City continues ongoing communication with the County Property Appraiser to assess the impact of the housing and economic crisis on property values. After a decline in property values for fiscal year 2012, it is expected that property values will decline further for fiscal year 2013.

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 Chief Financial Officer, City of Tampa, 306 East Jackson Street, Tampa, Florida, 33602.

Basic
Financial
Statements

CITY OF TAMPA, FLORIDA
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2011

| | Primary Government | | | Component Unit |
|---|----------------------------|-----------------------------|-------------------------|------------------|
| | Governmental Activities | Business-type Activities | Total | Streetcar |
| ASSETS | | | | |
| Cash and Investments | \$ 341,081,724 | \$ 119,070,339 | \$ 460,152,063 | \$ 160,039 |
| Receivables-Net of Allowance for Uncollectibles | 36,012,460 | 38,620,623 | 74,633,083 | - |
| Internal Balances | 162,083 | (162,083) | - | - |
| Inventories | 682,758 | 3,241,589 | 3,924,347 | - |
| Prepaid Items | 1,358,809 | 11,751 | 1,370,560 | 45,525 |
| Deferred Charges | 2,311,712 | 3,280,833 | 5,592,545 | - |
| Restricted Assets: | | | | |
| Cash and Investments | 54,616,072 | 114,638,704 | 169,254,776 | - |
| Receivables | - | 81,377 | 81,377 | - |
| Capital Assets not Being Depreciated: | | | | |
| Land and Land Rights | 195,864,781 | 31,428,643 | 227,293,424 | - |
| Construction in Progress | 46,994,104 | 36,784,332 | 83,778,436 | - |
| Land Infrastructure | 81,019,179 | - | 81,019,179 | - |
| Capital Assets Net of Accumulated Depreciation: | | | | |
| Buildings and Improvements | 261,844,808 | 210,400,424 | 472,245,232 | - |
| Improvements Other than Buildings | 106,535,630 | 942,081,160 | 1,048,616,790 | - |
| Furniture and Equipment | 56,782,345 | 15,896,566 | 72,678,911 | - |
| Infrastructure | 306,993,659 | - | 306,993,659 | - |
| TOTAL ASSETS | 1,492,260,124 | 1,515,374,258 | 3,007,634,382 | 205,564 |
| LIABILITIES | | | | |
| Accounts Payable | 27,569,491 | 13,545,672 | 41,115,163 | 75,810 |
| Contracts Payable - Retainage | 1,465,011 | 1,389,581 | 2,854,592 | - |
| Accrued Liabilities | 9,582,255 | 1,383,495 | 10,965,750 | - |
| Unearned Revenues | 14,091,964 | 282,712 | 14,374,676 | 86,520 |
| Deposits and Advances | 6,831,687 | 526,305 | 7,357,992 | - |
| Liabilities Payable From Restricted Assets | 6,601,494 | 10,560,261 | 17,161,755 | - |
| Noncurrent Liabilities: | | | | |
| Due Within One Year | 49,829,785 | 47,765,896 | 97,595,681 | - |
| Due in More Than One Year | 431,036,209 | 424,547,876 | 855,584,085 | - |
| TOTAL LIABILITIES | 547,007,896 | 500,001,798 | 1,047,009,694 | 162,330 |
| NET ASSETS | | | | |
| Invested in Capital Assets, Net of Related Debt | 736,432,048 | 814,766,674 | 1,551,198,722 | - |
| Restricted for: | | | | |
| Debt Service | 22,791,308 | 82,757,677 | 105,548,985 | - |
| Capital Improvements | 14,714,221 | 18,046,873 | 32,761,094 | - |
| Grants | - | 6,645,876 | 6,645,876 | - |
| Unrestricted | 171,314,651 | 93,155,360 | 264,470,011 | 43,234 |
| TOTAL NET ASSETS | \$ 945,252,228 | \$ 1,015,372,460 | \$ 1,960,624,688 | \$ 43,234 |

The notes to the financial statements are an integral part of this statement.

MAJOR GOVERNMENTAL FUNDS

General Fund is the principal fund of the City and is used to account for all activities not included in the other funds. The General Fund accounts for the normal recurring activities of the City (i.e., Police, Fire Rescue, Public Works, Parks and Recreation, General Government, etc.), which are funded principally by property taxes, intergovernmental revenues, and licenses and fees.

Utility Tax Special Revenue Fund is used to account for the taxes levied on communications and utilities using these funds for general government operations, capital equipment and vehicles, capital projects, and debt service.

Community Redevelopment Agency Special Revenue Fund is used to account for community redevelopment taxes in order to invest these funds into neighborhood redevelopment in the nine community redevelopment areas.

CITY OF TAMPA, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2011

| | <u>Major Funds</u> | | | | <u>Total Governmental Funds</u> |
|--|-----------------------|--|---|--|---|
| | <u>General</u> | <u>Utility Tax Special Revenue</u> | <u>Community Redevelopment Agency Special Revenue</u> | <u>Nonmajor Governmental Funds</u> | |
| ASSETS | | | | | |
| Cash and Investments | \$ 117,542,900 | \$ 45,981,095 | \$ 14,826,506 | \$ 209,209,178 | \$ 387,559,679 |
| Accounts Receivable, Net | 8,498,449 | 5,735,460 | - | 21,152,295 | 35,386,204 |
| Due from Other Funds | 1,197,344 | - | - | 2,127 | 1,199,471 |
| Inventory | 419,512 | - | - | - | 419,512 |
| Prepaid Costs and Deposits | 292,000 | - | - | - | 292,000 |
| TOTAL ASSETS | \$ 127,950,205 | \$ 51,716,555 | \$ 14,826,506 | \$ 230,363,600 | \$ 424,856,866 |
| LIABILITIES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Vouchers and Accounts Payable | \$ 6,857,563 | \$ 156,694 | \$ 369,129 | \$ 20,171,717 | \$ 27,555,103 |
| Deposits and Advances | 893,800 | - | - | 1,780,602 | 2,674,402 |
| Retainage on Contracts | - | - | 21,000 | 1,561,120 | 1,582,120 |
| Accrued Salaries | 8,030,896 | - | - | 211,904 | 8,242,800 |
| Other Accrued Liabilities | 1,054,517 | - | - | 526 | 1,055,043 |
| Accrued Interest Payable | - | - | - | 6,151,439 | 6,151,439 |
| Current Portion of Long-Term Debt | - | - | - | 21,045,305 | 21,045,305 |
| Due to Other Funds | 977,006 | - | - | 24,010 | 1,001,016 |
| Deferred Revenues | 101,006 | - | - | 13,990,957 | 14,091,963 |
| TOTAL LIABILITIES | 17,914,788 | 156,694 | 390,129 | 64,937,580 | 83,399,191 |
| FUND BALANCE | | | | | |
| Non Spendable | 711,512 | - | - | - | 711,512 |
| Restricted | - | - | 14,436,377 | 123,013,518 | 137,449,895 |
| Committed | 4,202,970 | 28,347 | - | 42,412,502 | 46,643,819 |
| Assigned | 28,911,297 | 51,531,514 | - | - | 80,442,811 |
| Unassigned | 76,209,638 | - | - | - | 76,209,638 |
| TOTAL FUND BALANCES | 110,035,417 | 51,559,861 | 14,436,377 | 165,426,020 | 341,457,675 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 127,950,205 | \$ 51,716,555 | \$ 14,826,506 | \$ 230,363,600 | \$ 424,856,866 |

The notes to the financial statements are an integral part of this statement.

City of Tampa, Florida
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
SEPTEMBER 30, 2011

| | | |
|---|---------------|---------------|
| Total fund balances of governmental funds in the balance sheet (page 27) | \$ | 341,457,675 |
| Amounts reported for governmental activities in the statement of net assets (page 24) are different because: | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds, net of capital assets included in internal service funds which are accounted for below. | | 1,056,034,507 |
| Internal service funds are used by management to charge the costs of fleet maintenance, administrative services, and utility accounting to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. | | 3,311,830 |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds: | | |
| Bonds and Notes Payable | (379,356,776) | |
| Less: unamortized discount | 30,831,829 | |
| Less: loss on refunding | 6,339,676 | |
| HUD Section 108 loan | (7,220,000) | |
| Capital Leases | (1,513,058) | |
| Deferred Lease obligations | (352,763) | |
| Total Bonds and Notes Payable | (351,271,093) | |
| Certain assets and liabilities reported in governmental activities are not financial resources and therefore, are not reported in the funds: | | |
| Claims and judgments | | (48,832,703) |
| Compensated absences | | (45,067,232) |
| Net OPEB obligation | | (13,759,277) |
| Less: deferred issuance costs | | 2,311,712 |
| Net Pension obligation (prepaid) | | 1,066,809 |
| Net assets of governmental activities (page 24) | | 945,252,228 |
| | \$ | |

The notes to the financial statements are an integral part of this statement.

CITY OF TAMPA, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Major Funds | | | | Total Governmental Funds |
|--|-----------------------|-----------------------------------|---|-----------------------------------|--------------------------------|
| | General | Utility Tax Special Revenue | Community Redevelopment Agency Special Revenue | Nonmajor Governmental Funds | |
| REVENUES | | | | | |
| TAXES: | | | | | |
| Property | \$ 122,035,729 | \$ - | \$ - | \$ - | \$ 122,035,729 |
| Sales | 97,796 | - | - | 13,769,595 | 13,867,391 |
| Local Option Resort | 987,059 | - | - | 853,756 | 1,840,815 |
| Motor Fuel | - | - | - | 10,338,295 | 10,338,295 |
| Utility | - | 36,888,618 | - | - | 36,888,618 |
| Communications Services | - | 23,260,619 | - | - | 23,260,619 |
| Special Assessments | - | - | - | 6,207,287 | 6,207,287 |
| INTERGOVERNMENTAL: | | | | | |
| Federal | 1,539,795 | - | - | 37,427,738 | 38,967,533 |
| State | 42,463,217 | - | - | 8,444,988 | 50,908,205 |
| Local | 4,730,968 | - | 18,730,275 | 22,535 | 23,483,778 |
| Transportation Impact Fees | - | - | - | 1,006,263 | 1,006,263 |
| Licenses and Permits | 28,863,549 | - | - | 15,964,721 | 44,828,270 |
| Charges for Services and User Fees | 35,645,119 | - | - | 503,324 | 36,148,443 |
| Fines and Forfeitures | 1,882,024 | - | - | 2,850,234 | 4,732,258 |
| Earnings on Investments | 2,451,436 | 355,037 | 213,812 | 1,535,461 | 4,555,746 |
| Contributions | 607,273 | - | - | 2,144,098 | 2,751,371 |
| TOTAL REVENUES | 241,303,965 | 60,504,274 | 18,944,087 | 101,068,295 | 421,820,621 |
| EXPENDITURES | | | | | |
| CURRENT: | | | | | |
| Public Safety | 214,920,810 | 437,889 | - | 4,546,671 | 219,905,370 |
| Culture and Recreation | 41,265,490 | - | - | 578,818 | 41,844,308 |
| Public Works | 28,904,015 | 100,000 | - | 3,966,514 | 32,970,529 |
| General Government Services | 51,389,234 | 211,864 | - | 210,490 | 51,811,588 |
| Economic and Physical Environment | - | - | 2,075,773 | 27,690,177 | 29,765,950 |
| DEBT SERVICE: | | | | | |
| Principal Payments | - | 30,610 | - | 81,454,160 | 81,484,770 |
| Interest Payments | - | 49,963 | - | 14,337,057 | 14,387,020 |
| Debt Issuance Costs | - | 10,276 | 839 | 628,450 | 639,565 |
| Capital Outlay | 2,310 | 3,283,506 | 6,125,407 | 73,946,295 | 83,357,518 |
| TOTAL EXPENDITURES | 336,481,859 | 4,124,108 | 8,202,019 | 207,358,632 | 556,166,618 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) | | | | | |
| EXPENDITURES | (95,177,894) | 56,380,166 | 10,742,068 | (106,290,337) | (134,345,997) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Debt Proceeds | - | - | - | 63,265,321 | 63,265,321 |
| Sale of Capital Assets | 608,908 | 458,386 | - | 167 | 1,067,461 |
| Transfers In | 69,533,217 | 27,000 | - | 79,385,205 | 148,945,422 |
| Transfers Out | (27,000) | (60,582,931) | (15,503,497) | (45,310,362) | (121,423,790) |
| TOTAL OTHER FINANCING SOURCES (USES) | 70,115,125 | (60,097,545) | (15,503,497) | 97,340,331 | 91,854,414 |
| NET CHANGE IN FUND BALANCES | (25,062,769) | (3,717,379) | (4,761,429) | (8,950,006) | (42,491,583) |
| FUND BALANCES - OCTOBER 1 (AS RESTATED, SEE NOTE 3) | 135,098,186 | 55,277,240 | 19,197,806 | 174,376,026 | 383,949,258 |
| FUND BALANCES - SEPTEMBER 30 | \$ 110,035,417 | \$ 51,559,861 | \$ 14,436,377 | \$ 165,426,020 | \$ 341,457,675 |

The notes to the financial statements are an integral part of this statement.

City of Tampa, Florida
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

Net change in fund balances - total governmental funds (page 29) \$ (42,491,583)

Amounts reported for governmental activities in the statement of activities (page 25) are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

| | | |
|----------------------|---------------------|------------|
| Capital Outlay | 83,357,518 | |
| Depreciation Expense | <u>(58,292,126)</u> | 25,065,392 |

The net effect of various transactions involving capital assets (i.e., donations, disposals, and sales) is to decrease net assets.

| | | |
|--|------------------|-------------|
| Claims and Judgments | 2,758,353 | |
| Compensated Absences | 1,686,672 | |
| Deferred Operating Lease | 194,737 | |
| Amortization of discount/premium | (3,638,849) | |
| Net OPEB obligation/Prepaid | (2,078,252) | |
| Amortization of loss | (647,483) | |
| Amortization of issuance costs | <u>(162,942)</u> | |
| Expenses not requiring current financial resources | | (1,887,764) |

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

| | | |
|-----------------------------------|---------------|------------|
| Long term debt issuance & payment | | |
| Issuance of bonds | (63,265,321) | |
| Less issuance costs | 2,783,516 | |
| Principal payments: | | |
| Bond principal | 81,864,770 | |
| Capital lease | <u>95,341</u> | |
| Long term debt issuance & payment | | 21,478,306 |

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

| | | |
|--|------------------|-----------|
| Misc. capital asset transactions | | |
| Donated capital assets | 1,820,522 | |
| Sale of capital assets - cost of assets sold | <u>4,322,434</u> | |
| | | 6,142,956 |

The net revenue of certain activities of internal service funds is reported with governmental activities. (3,450,044)

Change in net assets of governmental activities (page 25) \$ 4,857,263

The notes to the financial statements are an integral part of this statement.

ENTERPRISE FUNDS

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises and where the costs of providing goods or services to the general public are recovered primarily through user charges; or where the City has decided that determination of net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Individual major enterprise funds are described below.

Besides the major enterprise funds listed below, the nonmajor enterprise funds include Parking, Golf Courses, Marina, and the Internal Service Funds include Fleet Management, Administrative Services, and Utility Accounting.

MAJOR ENTERPRISE FUNDS

The Water Utility Fund accounts for the treating and delivering of drinking water to a service population of approximately 560,000 people in the Tampa Bay area and is responsible for citywide water conservation efforts to help manage local water demands. The Department's service area encompasses 211 square miles.

The Wastewater Utility Fund accounts for the receiving and treatment of wastewater collected from the Tampa area and surrounding suburbs.

The Solid Waste System Fund accounts for collection, recycling and disposal of commercial and residential garbage services throughout the city, including the operation of three municipally owned landfill sites, two of which are closed.

CITY OF TAMPA, FLORIDA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
SEPTEMBER 30, 2011

| | Business-Type Activities - Enterprise Funds | | | | | Governmental Activities |
|--|---|--------------------|--------------------|------------------------------|----------------------|----------------------------|
| | Major Funds | | | | Total | Internal Services Fund |
| | Water Utility | Wastewater Utility | Solid Waste System | Nonmajor Enterprise Funds | | |
| ASSETS | | | | | | |
| CURRENT ASSETS: | | | | | | |
| Cash and Investments | \$ 67,305,809 | \$ 35,083,242 | \$ 11,799,471 | \$ 4,881,816 | \$ 119,070,338 | \$ 8,138,116 |
| Accounts Receivable, Net | 16,381,549 | 12,876,335 | 9,147,410 | 215,329 | 38,620,623 | 626,256 |
| Due from Other Funds | - | - | - | 24,163 | 24,163 | - |
| Inventories | 1,240,076 | 1,930,579 | - | 70,934 | 3,241,589 | 263,246 |
| Prepaid Expenses and Deposits | - | - | - | 11,749 | 11,749 | - |
| RESTRICTED ASSETS: | | | | | | |
| Restricted Equity in Pooled Cash and Investments | 47,465,997 | 30,521,273 | 20,011,513 | - | 97,998,783 | - |
| Interest Receivable | - | - | 81,377 | - | 81,377 | - |
| TOTAL CURRENT ASSETS | 132,393,431 | 80,411,429 | 41,039,771 | 5,203,991 | 259,048,622 | 9,027,618 |
| NONCURRENT ASSETS: | | | | | | |
| RESTRICTED NONCURRENT ASSETS: | | | | | | |
| Restricted Investments | - | - | 15,284,718 | - | 15,284,718 | - |
| Noncurrent Equity in Pooled Cash and Investments | 1,147,324 | - | 207,880 | - | 1,355,204 | - |
| Advances to Other Funds | - | 6,256,639 | - | - | 6,256,639 | - |
| Deferred Bond Issuance Costs-Net | 1,403,587 | 699,154 | 1,178,091 | - | 3,280,832 | - |
| CAPITAL ASSETS: | | | | | | |
| Land and Land Rights | 5,579,285 | 2,946,546 | 584,859 | 22,317,953 | 31,428,643 | 1,310 |
| Buildings | 42,102,348 | 57,063,915 | 208,061,607 | 98,715,537 | 405,943,407 | 3,016,363 |
| Improvements | 734,999,460 | 837,796,347 | 3,600,452 | 14,590,886 | 1,590,987,145 | 1,760,247 |
| Machinery and Equipment | 10,089,137 | 15,090,160 | 22,537,282 | 4,683,886 | 52,400,465 | 2,094,923 |
| Construction in Progress | 29,968,932 | 6,612,456 | 9,614 | 193,330 | 36,784,332 | - |
| Less Accumulated Depreciation | (222,508,650) | (475,300,815) | (132,788,645) | (50,354,758) | (880,952,868) | (4,974,423) |
| TOTAL CAPITAL ASSETS: | 600,230,512 | 444,208,609 | 102,005,169 | 90,146,834 | 1,236,591,124 | 1,898,420 |
| TOTAL NONCURRENT ASSETS | 602,781,423 | 451,164,402 | 118,675,858 | 90,146,834 | 1,262,768,517 | 1,898,420 |
| TOTAL ASSETS | 735,174,854 | 531,575,831 | 159,715,629 | 95,350,825 | 1,521,817,139 | 10,926,038 |

CITY OF TAMPA, FLORIDA
STATEMENT OF NET ASSETS (continued)
PROPRIETARY FUNDS
SEPTEMBER 30, 2011

| | Business-Type Activities - Enterprise Funds | | | | | Governmental Activities |
|---|---|-----------------------|----------------------|------------------------------|-------------------------|----------------------------|
| | Major Funds | | | | Total | Internal Services Fund |
| | Water Utility | Wastewater Utility | Solid Waste System | Nonmajor Enterprise Funds | | |
| LIABILITIES | | | | | | |
| CURRENT LIABILITIES: | | | | | | |
| Vouchers and Accounts Payable | 6,766,857 | 2,630,187 | 3,910,272 | 238,354 | 13,545,670 | 347,336 |
| Accrued Salaries | 443,778 | 575,419 | 262,992 | 150,360 | 1,432,549 | 284,415 |
| Retainage on Contracts | 1,136,615 | 405,310 | 500 | - | 1,542,425 | - |
| Due to Other Funds | 49,309 | 77,756 | 38,225 | 20,955 | 186,245 | 36,372 |
| Customer Advances | - | - | - | - | - | 1,458,421 |
| Current Portion of Capital Lease | - | - | 166,000 | 148,514 | 314,514 | - |
| PAYABLE FROM RESTRICTED ASSETS: | | | | | | |
| Accounts Payable - Restricted | 1,411,572 | 10,217 | - | - | 1,421,789 | - |
| Bond and Notes Payable - Current Portion | 26,884,383 | 12,230,006 | 8,185,000 | - | 47,299,389 | - |
| Accrued Interest Payable | 3,790,403 | 2,463,450 | 2,731,775 | - | 8,985,628 | - |
| Other Current Liabilities | 102,888 | - | - | - | 102,888 | - |
| Customer Deposits | 273,635 | - | 154,410 | 98,260 | 526,305 | 2,698,864 |
| Deferred Revenue | - | - | 50 | 282,712 | 282,762 | - |
| TOTAL CURRENT LIABILITIES | 40,859,440 | 18,392,345 | 15,449,224 | 939,155 | 75,640,164 | 4,825,408 |
| LONG-TERM LIABILITIES: | | | | | | |
| Advances from Other Funds | 6,256,639 | - | - | - | 6,256,639 | - |
| Landfill Postclosure | 1,147,324 | - | 207,880 | - | 1,355,204 | - |
| Long-Term Compensated Absences | 2,540,206 | 3,283,294 | 1,954,691 | 651,096 | 8,429,287 | 890,382 |
| Other Post Employment Benefits | 943,988 | 1,203,008 | 819,549 | 444,501 | 3,411,046 | - |
| Revenue Bonds Payable | 185,181,746 | 114,195,614 | 111,780,819 | - | 411,158,179 | - |
| Long-Term Capital lease | - | - | - | 194,160 | 194,160 | - |
| TOTAL LONG-TERM LIABILITIES | 196,069,903 | 118,681,916 | 114,762,939 | 1,289,757 | 430,804,515 | 890,382 |
| TOTAL LIABILITIES | 236,929,343 | 137,074,261 | 130,212,163 | 2,228,912 | 506,444,679 | 5,715,790 |
| NET ASSETS | | | | | | |
| Invested in Capital Assets, Net of Related Debt | 394,132,730 | 332,493,624 | (1,663,841) | 89,804,161 | 814,766,674 | 1,898,420 |
| RESTRICTED: | | | | | | |
| Capital Improvements | 4,042,643 | 14,004,230 | - | - | 18,046,873 | - |
| Debt Service | 31,423,658 | 33,972,904 | 17,361,115 | - | 82,757,677 | - |
| Grants | 6,645,876 | - | - | - | 6,645,876 | - |
| Unrestricted | 62,000,604 | 14,030,812 | 13,806,192 | 3,317,752 | 93,155,360 | 3,311,828 |
| TOTAL NET ASSETS | \$ 498,245,511 | \$ 394,501,570 | \$ 29,503,466 | \$ 93,121,913 | \$ 1,015,372,460 | \$ 5,210,248 |

The notes to the financial statements are an integral part of this statement.

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CITY OF TAMPA, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Business-Type Activities - Enterprise Funds | | | | | Governmental Activities |
|---|---|-----------------------|----------------------|------------------------------|-------------------------|----------------------------|
| | Major Funds | | | | Total | Internal Services Fund |
| | Water Utility | Wastewater Utility | Solid Waste System | Nonmajor Enterprise Funds | | |
| OPERATING REVENUES | | | | | | |
| CHARGES FOR SERVICES: | | | | | | |
| Charges for Services | \$ 969,569 | \$ 52,667 | \$ - | \$ - | \$ 1,022,236 | \$ 131,665 |
| Sales - Water | 88,117,169 | - | - | - | 88,117,169 | - |
| Sales - Wastewater | - | 98,169,911 | - | - | 98,169,911 | - |
| Solid Waste Charges and Fees | - | - | 67,238,973 | - | 67,238,973 | - |
| Parking Charges and Fees | - | - | - | 13,274,819 | 13,274,819 | - |
| Internal Services Billings | - | - | - | - | - | 23,472,439 |
| Golf Course Charges | - | - | - | 3,072,143 | 3,072,143 | - |
| Other Revenues | - | - | - | 22,865 | 22,865 | - |
| TOTAL OPERATING REVENUES | 89,086,738 | 98,222,578 | 67,238,973 | 16,369,827 | 270,918,116 | 23,604,104 |
| OPERATING EXPENSES | | | | | | |
| Personal Services and Benefits | 16,273,731 | 22,686,247 | 13,548,134 | 7,011,769 | 59,519,881 | 8,408,787 |
| Supplies and Materials | 10,889,180 | 8,920,075 | 449,393 | 275,466 | 20,534,114 | 7,531,918 |
| Contract Services | 6,537,594 | 1,782,217 | 19,524,128 | 3,378,557 | 31,222,496 | 1,330,208 |
| Other Services and Charges | 14,329,295 | 16,914,472 | 15,084,029 | 3,383,390 | 49,711,186 | 5,581,482 |
| Depreciation | 17,034,836 | 26,230,117 | 9,118,967 | 3,486,629 | 55,870,549 | 284,108 |
| TOTAL OPERATING EXPENSES | 65,064,636 | 76,533,128 | 57,724,651 | 17,535,811 | 216,858,226 | 23,136,503 |
| OPERATING INCOME (LOSS) | 24,022,102 | 21,689,450 | 9,514,322 | (1,165,984) | 54,059,890 | 467,601 |
| NONOPERATING REVENUES (EXPENSES) | | | | | | |
| Miscellaneous | (5,148) | 323,514 | 12,037 | 8,405 | 338,808 | 14,927 |
| Intergovernmental Revenues | 907,622 | - | - | - | 907,622 | - |
| Intergovernmental Expenses | (577) | (39,402) | - | (335,610) | (375,589) | - |
| Earnings on Investments | 859,862 | 1,453,789 | 541,411 | 63,310 | 2,918,372 | 76,825 |
| Interest Expense | (7,197,159) | (5,604,835) | (5,779,156) | (966) | (18,582,116) | - |
| Amortization of Bond Discount and Issue Cost | 105,732 | 440,925 | 397,095 | - | 943,752 | - |
| Gain (Loss) on Disposition of Capital Assets | 69,106 | 24,533 | (110,759) | (984,997) | (1,002,117) | (128,613) |
| TOTAL NONOPERATING REVENUES (EXPENSES) | (5,260,562) | (3,401,476) | (4,939,372) | (1,249,858) | (14,851,268) | (36,861) |
| INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS | 18,761,540 | 18,287,974 | 4,574,950 | (2,415,842) | 39,208,622 | 430,740 |
| TRANSFERS AND CONTRIBUTIONS | | | | | | |
| Contributions from Citizens and Developers | 4,884,060 | 2,260,804 | 205,865 | 2,704,722 | 10,055,451 | 13,087 |
| Transfers In | - | - | - | 1,900,000 | 1,900,000 | - |
| Pilot and Piloff | (5,103,500) | (6,512,000) | (4,085,700) | (710,300) | (16,411,500) | - |
| Transfers Out | (10,000) | (9,000) | - | (14,459,460) | (14,478,460) | (3,911,161) |
| TOTAL TRANSFERS AND CONTRIBUTIONS | (229,440) | (4,260,196) | (3,879,835) | (10,565,038) | (18,934,509) | (3,898,074) |
| CHANGE IN NET ASSETS | 18,532,100 | 14,027,778 | 695,115 | (12,980,880) | 20,274,113 | (3,467,334) |
| NET ASSETS - OCTOBER 1 | 479,713,411 | 380,473,792 | 28,808,351 | 106,102,793 | 995,098,347 | 8,677,582 |
| NET ASSETS - SEPTEMBER 30 | \$ 498,245,511 | \$ 394,501,570 | \$ 29,503,466 | \$ 93,121,913 | \$ 1,015,372,460 | \$ 5,210,248 |

The notes to the financial statements are an integral part of this statement.

CITY OF TAMPA, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Business-type Activities - Enterprise Funds | | | | | Governmental Activities - Internal Service Funds |
|--|---|-----------------------|-----------------------|---------------------------------|---------------------|---|
| | Major Funds | | | Nonmajor Enterprise Funds | Total | |
| | Water Utility | Wastewater Utility | Solid Waste System | | | |
| Cash flows from operating activities: | | | | | | |
| Receipts from customers and users | \$ 95,966,630 | \$ 95,087,966 | \$ 63,672,916 | \$ 16,370,448 | \$ 271,097,960 | \$ 2,962,632 |
| Receipts from interfund services provided | 979,734 | 1,452,709 | 945,950 | 190,157 | 3,568,550 | 20,416,765 |
| Payments to suppliers | (16,407,087) | (17,037,626) | (24,620,560) | (5,398,789) | (63,464,062) | (11,197,115) |
| Payments to employees | (17,156,462) | (23,223,198) | (13,773,146) | (7,164,977) | (61,317,783) | (8,509,407) |
| Payments for interfund services used | (9,882,149) | (9,478,563) | (9,695,834) | (2,122,598) | (31,179,144) | (2,844,921) |
| Other receipts (payments) | (1,428,842) | 256,018 | 28,246 | 335,437 | (809,141) | 17,910 |
| Net cash provided (used) by operating activities | <u>52,071,824</u> | <u>47,057,306</u> | <u>16,557,572</u> | <u>2,209,678</u> | <u>117,896,380</u> | <u>845,864</u> |
| Cash flows from noncapital financing activities: | | | | | | |
| Cash received from other funds | - | 955,805 | - | - | 955,805 | - |
| Transfers in | - | - | - | 1,900,000 | 1,900,000 | - |
| Transfers out | (5,113,500) | (6,521,001) | (4,085,700) | (15,169,759) | (30,889,960) | (3,911,198) |
| Cash paid to other funds | (955,805) | - | - | - | (955,805) | - |
| Nonoperating grants received | 907,045 | - | - | - | 907,045 | - |
| Operating grants paid out | - | (39,402) | - | (335,610) | (375,012) | - |
| Net cash used by noncapital financing activities | <u>(5,162,260)</u> | <u>(5,604,598)</u> | <u>(4,085,700)</u> | <u>(13,605,369)</u> | <u>(28,457,927)</u> | <u>(3,911,198)</u> |
| Cash flows from capital and related financing activities: | | | | | | |
| Acquisition and construction of capital assets | (34,806,168) | (14,284,148) | (664,374) | (3,227,130) | (52,981,820) | (27,095) |
| Interest payments on capital debt | (7,004,750) | (5,314,146) | (3,943,125) | (966) | (16,262,987) | - |
| Contributions: | | | | | | |
| Subdividers and other governments | 4,884,059 | 2,260,804 | - | 2,605,275 | 9,750,138 | 13,087 |
| Proceeds from sale of capital assets | 153,818 | 68,745 | 99,230 | 3,235,383 | 3,557,176 | (30,775) |
| Decrease in capital lease | - | - | (8) | (176,278) | (176,286) | - |
| Transfer of capital assets to other funds | - | - | - | 5,379,487 | 5,379,487 | - |
| Issuance of capital debt | 117,719,260 | 13,987,284 | - | - | 131,706,544 | - |
| Transfer to escrow agent | (95,799,908) | - | - | - | (95,799,908) | - |
| Principal paid on capital debt | (4,891,359) | (15,710,015) | (8,500,570) | - | (29,101,944) | - |
| Net cash provided (used) by capital and related financing activities | <u>(19,745,048)</u> | <u>(18,991,476)</u> | <u>(13,008,847)</u> | <u>7,815,771</u> | <u>(43,929,600)</u> | <u>(44,783)</u> |

CITY OF TAMPA, FLORIDA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | | | | | | |
|--|-----------------------|----------------------|----------------------|---------------------|-----------------------|---------------------|
| Cash flows from investing activities: | | | | | | |
| Interest earnings on investments | 859,862 | 1,453,790 | 867,482 | 63,310 | 3,244,444 | 76,826 |
| Net cash provided by investing activities | <u>859,862</u> | <u>1,453,790</u> | <u>867,482</u> | <u>63,310</u> | <u>3,244,444</u> | <u>76,826</u> |
| Net increase (decrease) in cash and cash equivalents | 28,024,378 | 23,915,022 | 330,507 | (3,516,610) | 48,753,297 | (3,033,291) |
| Beginning cash and cash equivalents | 87,894,752 | 41,689,493 | 31,688,357 | 8,398,426 | 169,671,028 | 11,171,407 |
| Ending cash and cash equivalents | <u>\$ 115,919,130</u> | <u>\$ 65,604,515</u> | <u>\$ 32,018,864</u> | <u>\$ 4,881,816</u> | <u>\$ 218,424,325</u> | <u>\$ 8,138,116</u> |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities: | | | | | | |
| Operating income (loss) | \$ 24,022,102 | \$ 21,689,450 | \$ 9,514,322 | \$ (1,165,984) | \$ 54,059,890 | \$ 467,601 |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | | | | | | |
| Depreciation | 17,034,836 | 26,230,117 | 9,118,967 | 3,486,629 | 55,870,549 | 284,109 |
| Miscellaneous receipts (expenses) | (5,148) | 323,514 | 12,037 | 8,405 | 338,808 | 14,927 |
| Changes in assets and liabilities: | | | | | | |
| (Increase) decrease in receivables--net | 8,762,615 | (210,944) | (1,514,321) | 276,647 | 7,313,997 | 109,628 |
| Decrease in inventories and other assets | (135,599) | (396,117) | - | (9,765) | (541,481) | (28,192) |
| Increase (decrease) in accounts payable | 3,999,456 | 115,241 | 22,131 | (203,167) | 3,933,661 | 51,024 |
| Decrease in retainage payable | (521,509) | - | - | - | (521,509) | - |
| Decrease in accrued liabilities | (882,736) | (536,950) | (225,013) | (153,128) | (1,797,827) | (100,618) |
| Decrease in due to other funds | (81,682) | (157,005) | (84,720) | (42,613) | (366,020) | (3,655) |
| Increase (decrease) in customer deposits and advances | 17,556 | - | (4,625) | 13,333 | 26,264 | 51,040 |
| Increase (decrease) in landfill postclosure liability | (138,067) | - | 207,880 | - | 69,813 | - |
| Decrease in unearned revenues | - | - | (489,086) | (679) | (489,765) | - |
| Total adjustments | <u>28,049,722</u> | <u>25,367,856</u> | <u>7,043,250</u> | <u>3,375,662</u> | <u>63,836,490</u> | <u>378,263</u> |
| Net cash provided by operating activities | <u>\$ 52,071,824</u> | <u>\$ 47,057,306</u> | <u>\$ 16,557,572</u> | <u>\$ 2,209,678</u> | <u>\$ 117,896,380</u> | <u>\$ 845,864</u> |
| Noncash investing, capital, and financing activities: | | | | | | |
| Contributions of capital assets from developers | \$ 2,068,964 | \$ 146,586 | \$ 205,865 | \$ 99,439 | \$ 2,520,854 | \$ 13,087 |
| Decrease in fair value of investments | \$ (1,430,560) | \$ (235,724) | \$ (663,511) | \$ (121,512) | \$ (2,451,307) | \$ (130,541) |
| Cash and cash equivalents are reported in financial statements as follows: | | | | | | |
| Cash | \$ 63,046 | \$ 210 | \$ 2,579 | \$ 170,902 | \$ 236,737 | \$ - |
| Equity in pooled cash and investments | 67,242,763 | 15,156,469 | 1,172,371 | 4,710,914 | 88,282,517 | 8,138,116 |
| Restricted cash | 30,542,251 | 29,621,420 | 10,916,775 | - | 71,080,446 | - |
| Restricted equity in pooled cash and investments | 18,071,070 | 20,826,416 | 19,927,139 | - | 58,824,625 | - |
| | <u>\$ 115,919,130</u> | <u>\$ 65,604,515</u> | <u>\$ 32,018,864</u> | <u>\$ 4,881,816</u> | <u>\$ 218,424,325</u> | <u>\$ 8,138,116</u> |

The notes to the financial statements are an integral part of this statement.

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FIDUCIARY FUNDS

Firefighters and Police Officers Pension Fund and General Employees Retirement Fund – to account for the accumulation of resources to be used for retirement annuity payments to eligible pensioners and their beneficiaries. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

Agency Funds – are funds which hold monies in an agency capacity for various government units, individuals or funds.

CITY OF TAMPA, FLORIDA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2011

| | Pension Trust Funds | Agency Funds |
|-------------------------------------|------------------------|--------------|
| ASSETS | | |
| Cash | \$ 2,792,488 | \$ 5,336,163 |
| Investments, at Fair Value: | | |
| Debt and Other Interest | | |
| Bearing Investments | 490,836,534 | - |
| Equity Securities | 1,351,781,065 | - |
| Real Estate Investments | 29,708,231 | - |
| Total Cash and Investments | 1,875,118,318 | 5,336,163 |
| Accounts Receivable, Net | 21,198 | 45 |
| Interest and Dividends Receivable | 3,903,716 | - |
| Capital Assets: | | |
| Land | 99,086 | - |
| Buildings and Improvements | 874,556 | - |
| Less Accumulated Depreciation | (377,829) | - |
| Total Capital Assets | 595,813 | - |
| TOTAL ASSETS | 1,879,639,045 | 5,336,208 |
| LIABILITIES | | |
| Accounts Payable | 8,865,192 | 239,054 |
| Deposits Held in Custody for Others | - | 5,097,154 |
| Accrued Liabilities | 3,003 | - |
| Long-Term Compensated Absences | 28,576 | - |
| TOTAL LIABILITIES | 8,896,771 | 5,336,208 |
| NET ASSETS | | |
| Held in Trust for Pension Benefits | \$ 1,870,742,274 | \$ - |

The notes to the financial statements are an integral part of this statement.

CITY OF TAMPA, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Pension Trust Funds |
|---|------------------------|
| ADDITIONS | |
| Contributions: | |
| Employer | \$ 36,340,848 |
| Employees | 13,618,868 |
| State of Florida | 5,952,176 |
| Total Contributions | 55,911,892 |
| Investment Earnings: | |
| Interest and Dividends | 45,941,138 |
| Net Decrease in the Fair Value of Investments | (17,491,079) |
| Total Investment Earnings | 28,450,059 |
| Less Investment Expense | 6,606,786 |
| Net Investment Earnings | 21,843,273 |
| Total Additions, Net | 77,755,165 |
| DEDUCTIONS | |
| Pension Benefits | 116,789,137 |
| Administrative Expenses | 1,821,314 |
| Total Deductions | 118,610,451 |
| Change in Net Assets | (40,855,286) |
| Net Assets - October 1 | 1,911,597,560 |
| Net Assets - September 30 | \$ 1,870,742,274 |

The notes to the financial statements are an integral part of this statement.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the City of Tampa (the City) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). The more significant of these accounting policies are summarized below.

A. Financial Reporting Entity

The City of Tampa is a municipal corporation that was incorporated in 1887 and is governed by an elected Mayor and seven-member Council. The City was created and is governed under the laws of Florida numbers 745 of the year 1855, and 3779 of the year 1887. The City provides traditional governmental services such as public safety, culture and recreation, and public works, as well as water and wastewater services, solid waste disposal, and various parking facilities.

This report includes all funds, departments, agencies, boards and commissions, and other organizational units that are administered by the mayor and/or controlled by or dependent upon the City Council as set forth in the City Charter. The City, a primary government, has also considered for inclusion all potential component units for which it may be financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. In GASB Statement No. 14, *The Financial Reporting Entity*, the GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization, or (2) the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.

As required by GAAP, these financial statements present the City of Tampa (the primary government) and its component units. The City has identified and included within the financial reporting entity, as its component units, legally separate organizations for which the City is financially accountable for which a significant relationship with the City exists such that exclusion would cause the City's financial statement to be misleading or incomplete.

Blended component unit: There are two component units which are legally separate from the City, but are so intertwined with the City that it is, in substance, the same as the City. They are reported as part of the City and blended into the appropriate funds, as listed below:

Community Redevelopment Agency (CRA): Was created in 1982 under part 3 of chapter 163 of the Florida Statutes and City of Tampa ordinance numbers 2119-H and 2871-H. Its sole purpose is to administer funds distributed via state law for blighted areas within the City. The CRA board is composed of the same seven members of City Council; therefore the City Council has absolute influence over the CRA board. In accordance with Florida Statute 163.387, the amount and source of revenues in to, and the amount and purpose of expenditures from the CRA fund, including the amount of debt principal and interest paid during the current year, as well as the remaining amount of indebtedness to which revenues of the fund are pledged, are detailed in the supplemental schedule. The CRA is reported as a major special revenue fund.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

City Pension Fund for Firefighters and Police Officers in the City of Tampa (Tampa Fire & Police Pension Fund): Was created by a special act of the Florida legislature and provides defined benefit pension benefits to sworn, certified members of the Tampa Police Department and the Tampa Fire Rescue Department. The pension fund is administered by a nine member Board of Trustees consisting of three firefighter members elected by active and retired firefighters, three police officer members elected by active and retired police officers, and three members of the City administration appointed by the Mayor. Pension benefits are a subject of mandatory collective bargaining, and as such, any changes to the pension fund must be collectively bargained and agreed upon between the City and both the police and fire unions, submitted to the local delegation with an actuarial impact statement, enacted by the state legislature and signed into law by the governor. As plan sponsor, the City has the obligation to maintain the actuarial soundness of the pension fund and makes quarterly pension contributions to the fund at a ratio of 1:1.34 of pension contributions made by active and participating firefighters and police officers as determined by the fund's actuary each year, which is reflected in the City's annual budget. The Tampa Fire & Police Pension Fund is a semi-autonomous entity and issues separate financial statements of the fund, which may be obtained from its administrative office located at 3001 North Boulevard, Tampa, FL 33603. The transactions are blended in the fiduciary funds.

Discretely presented component unit: This component unit is an entity which is legally separate from the City, but is financially accountable to the City, or whose relationship with the City is such that exclusion would cause the City's financial statements to be misleading or incomplete. The component unit is reported separately to emphasize that it is legally separate from the primary government and is governed by a separate board, as listed below:

The Tampa Historic Streetcar, Inc. (Streetcar): Was created as a non-profit organization and is exempt from income taxes under the provisions of Internal Revenue Service Section 501(a) as an organization described in section 501(c)(3). In 1998 an interlocal agreement was enacted between the Hillsborough Area Regional Transit Authority (HART) and the City, authorized by City of Tampa ordinance numbers 97-1595 and 98-573, specifying terms for the funding, construction, and management of a historic streetcar system. In 2001 an operator's agreement authorized by City of Tampa ordinance number 2001-045 was made between the City, HART, and the Streetcar. According to the terms of these agreements, the City appoints a voting majority of the board members of the Streetcar, must approve the annual budget, and is responsible for any deficit of the Streetcar operations.

Complete financial statements for the Tampa Historic Streetcar, Inc. may be obtained at the City's accounting office at 306 East Jackson Street, Tampa, Florida.

B. Basic Financial Statements

The basic financial statements include both citywide and fund level statements. The City, as the primary government, is reported separately from its component units. The citywide statements report on all activities of the City and its component units except those that are fiduciary in nature.

Statements for fiduciary activities, such as employee pension plans, are presented in a separate section of this report. Both the citywide and fund level statements classify primary activities of the City as either governmental activities, which are primarily supported by taxes and intergovernmental revenues, or business type activities, which are primarily supported by user fees and charges.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government financial statements include a Statement of Net Assets and a Statement of Activities. These statements report on the government as a whole, both the primary government and its component units, and provide a consolidated financial picture of the government. As part of the consolidation process, interfund activities are eliminated to avoid distorted financial results. The amounts reported as internal balances represent the residual amounts due between governmental and business-type activities. Fiduciary funds of the government are not included in the presentation since these resources are not available for general government funding purposes. The Statement of Net Assets reports all financial and capital resources of the City's governmental and business-type activities. It is presented in a net asset format (assets less liabilities equal net assets) and shown with three components: (1) amounts invested in capital assets, net of related debt; (2) restricted net assets; and (3) unrestricted net assets.

The Statement of Activities reports functional categories of programs provided by the City and demonstrates how and what degree those programs are supported by specific revenues.

Program revenues are classified into three categories: (1) charges for services; (2) operating grants and contributions; and (3) capital grants and contributions. Charges for services refer to direct recovery from customers for services rendered. Grants and contributions refer to revenues restricted for specific programs whose use may be restricted further to operational or capital items. The general revenues sections displays revenues collected that help support all functions of the government.

The fund financial statements follow and report additional and detailed information about the City's operations for major funds individually, and non-major funds in the aggregate for governmental, proprietary and fiduciary funds. A reconciliation is provided that converts the results of governmental fund accounting to the government wide presentation.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide financial statements, as well as the fund financial statements for proprietary funds and fiduciary funds, are reported using the economic resources measurement focus, and the accrual basis of accounting. Revenues are recognized in the period for which they are levied. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

Operating revenues shown for proprietary operations generally result from producing or providing goods and services such as water, wastewater and solid waste services. Operating expenses include all costs related to providing the service or product. These costs include salaries and benefits, supplies, travel, contract services, depreciation, administrative expenses, and/or other expenses directly related to the cost of services. All other revenue and expenses not meeting these definitions are reported as non-operating revenues and expenses.

All governmental fund financial statements are reported using a current financial resources measurement focus and a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period, or soon enough thereafter, to be used to pay liabilities of the current period. Within 60 days of the end of the fiscal year, except grant revenues within 12 months, and jointly assessed taxes collected through other governments, are within 90 days.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property taxes, franchise taxes, investment earnings and most charges for services are recorded as earned since they are measurable and available. Licenses and permits, fines and forfeitures, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until received.

A significant portion of the City's grants and contracts are exchange transactions. Funds from these transactions are deemed to be earned and reported as revenue when such funds have been expended towards the designated purpose and eligibility requirements have been met.

Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated sick pay and accumulated vacation pay, which are not reported until they have been paid; (2) prepaid insurance and similar items, which are reported only on the balance sheet and do not affect expenditures; and (3) principal and interest on long-term debt, which are recognized when due. Budgets for governmental funds are also prepared on the modified accrual basis.

The City charges centralized services through the general fund and internal service funds to functional activities through various charge methods. Expenses reported for functional activities include these indirect expenses, including an administrative component.

The accounting policies and the presentation of the financial report of the City have been designed to conform to GAAP as applicable to government units, in accordance with the Governmental Accounting Standards Board (GASB). The City applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued before November 30, 1989 in accounting and reporting for its proprietary operations, but has elected not to apply FASB pronouncements issued after November 30, 1989.

D. Major Governmental Funds

1. **General Fund** is the general operating fund of the City, accounting for all financial resources of the City, except those that are required legally, or by GAAP to be accounted for in other funds.
2. **Utility Tax Fund** accounts for taxes levied on public utilities. These taxes are to be used first for payment of bonded debt service requirements. A specified portion may be transferred to the general fund to be used for any lawful purpose, after that, revenues are to be used for capital improvements.
3. **Community Redevelopment Agency (CRA)** fund accounts for the proceeds of property taxes associated with increases of property values (tax increment revenues) in designated blighted areas. Monies are controlled by the CRA, a special unit of government established through state law specifically to manage the use of said monies.

E. Major Enterprise Funds

1. **Water Utility Fund** accounts for the activities of the City's water production and distribution operations. The City operates a water treatment plant and water distribution system. The post-closure cost of the Old Manhattan Landfill, where water production waste has been disposed of, is also paid from this fund.
2. **Waste Water Utility Fund** accounts for the activities of the City's wastewater collection and treatment system. The City operates a wastewater treatment facility, pumping stations, and collection systems.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. **Solid Waste System Fund** accounts for all operations of solid waste collection, disposal and recycling activities in compliance with federal standards and regulations in order to ensure public health. The City operates an electricity generating solid waste incinerator and provides collection service to City residents and businesses.

F. Internal Service Funds

1. **Fleet Management Fund** accounts for the operation of the City's fleet of police, fire and rescue vehicles, public works and public utilities trucks, and many other types of on and off road equipment.
2. **Administrative Service Fund** accounts for the operation of the City's central publication and central mail services.
3. **Utility Accounting Fund** accounts for costs related to utility billings, collections and customer service.

G. Fiduciary Funds

1. **Pension Trust Fund** accounts for the activities of the firefighters and police officers pension funds, and the general employee's retirement fund, which accumulate resources for pension benefits and disability payments to qualified retirees.
2. **Agency Funds** are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations. Agency funds are merely clearing accounts for assets held by the City as agent for individuals, private organizations, and other governments.

H. Assets, Liabilities, and Net Assets or Equity

1. **Cash, Cash Equivalents, and Investments** - The City's cash and cash equivalents include cash on hand, demand deposits, and equity in pooled cash and investments. The equity in pooled cash and investments represents a fund's share of a cash and investment pool maintained by the City for use by all funds, except the pension funds and funds with agreements that require separate bank accounts. All investments are reported at fair value. For the purpose of the statement of cash flows, the City considers cash equivalents to be highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased. Interest earned from investments purchased with pooled cash is allocated to each participating fund based on the fund's average equity balance, except that, as required by City charter, interest attributable to the utility tax special revenue fund and the utility tax capital projects fund is deposited to the general fund. As required by bond indenture provisions, interest earned on investments related to the local option gas tax debt service fund is allocated to the local option gas tax special revenue fund. Funds that incur negative equity in pooled cash and investments during the year incur a charge for interest. Funds used to account for federal and state grants have negative equity in pooled cash and investments throughout the year due to the reimbursement basis of the grant programs. The general fund absorbs charges for interest to these funds.

CITY OF TAMPA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- 2. Receivables and Payables** - Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Accounts receivable balances are shown net of the allowance for un-collectible accounts. The allowance amount in the enterprise funds is based on historical experience. In the governmental funds the allowance varies based on management estimates. Water and related wastewater charges to customers are based on actual water consumption. Consumption is determined on a monthly cycle basis. The City recognizes as revenue the estimated unbilled consumption at fiscal year-end.

- 3. Inventories and Prepaid Items** - Inventories of expendable supplies held for consumption are priced at the "first-in-first-out" method of accounting. Governmental fund type inventories are recorded using the consumption method. In the water utility fund, assets are set aside for post closure costs associated with solid waste disposal facilities as mandated by the State of Florida. These assets are classified as "landfill post closure."
- 4. Capital Assets** - Capital assets which include land, buildings and improvements, improvements other than buildings, furniture and equipment, and infrastructure (i.e., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements, and in the proprietary and fiduciary fund financial statements. Except for internally generated software, capital assets are defined by the City as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the time of donation.

For intangible assets, the City maintains a \$250,000 threshold for internally generated software related assets. The costs of normal maintenance and repairs that do not add to the fair value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized using the mid-year convention. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the City during the current fiscal year was \$32,969,100. Of this amount, \$1,898,900 was included as part of the cost of capital assets under construction in connection with construction projects in proprietary funds.

Infrastructure, buildings and improvements, improvements other than buildings, and furniture and equipment (including assets amortized under lease purchase contracts) are depreciated on a straight-line basis utilizing the mid-year convention:

| | |
|-----------------------------------|--------------|
| Infrastructure | 40 years |
| Buildings And Improvements | 40 years |
| Improvements Other Than Buildings | 40 years |
| Vehicles | 5 – 8 years |
| Office Equipment | 5 – 10 years |
| Computer Equipment | 5 years |
| Other Equipment | 5 – 10 years |
| Software | 5 – 10 years |

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. **Contributions** - Contributions in the form of cash and capital assets to the governmental activities of the City are recognized on the Statement of Activities as revenues in the period they are received. Contributions of capital assets and primarily completed infrastructure from developers are recognized at the fair value at the date of donation. All contributions are reported on the Statement of Activities as program revenues, with operating contributions reported separately from capital contributions.
6. **Interfund Activity** - Interfund activity within and among the City's three fund categories (governmental, proprietary, and fiduciary) are classified as reciprocal interfund activity and nonreciprocal interfund activity. Reciprocal interfund resource flows between funds with an expectation of repayment are reported as interfund receivables and payables.

Reciprocal interfund resource flows without an expectation of repayment within a reasonable time, are reported as transfers between funds. Interfund services provided and used are sales and purchases of goods and services between funds for a price approximating their external value, and are reported as revenues and expenditures (or expenses) in the funds.

Non-reciprocal interfund activities are flows of assets between funds without an equivalent flow of assets in return, or without a requirement for repayment, are reported as transfers in governmental funds and non-operating revenues and expenses in proprietary funds.

As a rule, the effect of interfund activity has been eliminated from government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and franchise fees, and other charges between the City's water, wastewater, solid waste, parking, and general funds, as well as cost reimbursement transactions between the enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

7. **Restricted Assets** - Assets are reported as restricted in the citywide Statement of Net Assets and the enterprise fund level statements when constraints are placed on net asset use. The constraints are either: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law or through constitutional provisions or enabling legislation.
8. **Compensated Absences** - Vacation pay is accrued when earned in the government-wide financial statements and proprietary fund financial statements, and when they have matured in the governmental fund financial statements. The portion of sick leave that is payable at retirement is accrued when vested, or for those employees for whom it is expected to vest, in the government-wide and proprietary fund financial statements and when matured in the governmental fund financial statements. City employees generally earn vacation leave and sick leave at the rate of 1.9 hours per week. Vacation leave is fully vested when earned. Sick leave is vested after the employee has 10 years of service with the City.

Accumulated vacation leave cannot exceed thirty days at the end of any year and any leave in excess of this amount is transferred to sick leave on which there is no limitation as to accumulated amounts. Fifty percent of vested unused sick leave plus any accumulated vacation leave is paid at retirement or death.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fire and police employees electing early retirement who are not 46-years-old, and have not completed 20 years of service, have the option of receiving a lump-sum refund of their pension contribution and foregoing any compensation for unused sick leave, or upon reaching the age of 46 receiving 50% of unused sick leave and a retirement benefit. Other employees electing early retirement have the option of receiving 30% of unused sick leave at retirement and pension benefits when reaching the age of 55, or receiving a lump-sum refund of their pension contribution and surrendering any unused sick leave. Upon other terminations, only accumulated vacation leave is paid.

- 9. Long-Term Obligations** - In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, and issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and are amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In proprietary funds, bond discounts, and gains or losses on bond refunding, are deferred and amortized using the straight line method, over the shorter of the life of the new debt or the old debt of the related issues, which approximates the interest method. Bond discounts and losses on bond refunding are presented as a reduction of the face amount of bonds payable. Both are recognized in the period incurred in governmental fund types.

- 10. Fund Equity** - Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

- A. Nonspendable:** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.
- B. Restricted:** Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or is imposed by law through constitutional provisions or enabling legislation (City ordinances). Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandates payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means the City can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- C. Committed:** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- D. Assigned:** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council, or a City official delegated that authority by City Charter or ordinance, or state statute.
- E. Unassigned:** Fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In the other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, an unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first, followed by assigned, and then by unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

- 11. Use of Estimates** - The preparation of financial statements in conformity with GAAP accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.
- 12. Minimum Fund Balance Policy** - The General Fund reserve target is 20% of the fund's current year budgeted appropriations. For the purpose of determining if the target has been met, the unassigned fund balance of the general fund is then compared with the annual appropriations budget.

Other major funds designated as major funds within the City's CAFR, the City has established a range of 15-20% of operating expenditures, and utilized for the purposes allowed by these various fund types. Fiduciary funds do not have fund balance targets.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Program Revenues - Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and wastewater utility funds, the solid waste system fund, the parking facilities fund, the golf courses fund, and all of the City's internal service funds are charges to customers for sales and services.

The Water and Wastewater Utility Funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses (including administrative overhead), and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTE 2 - BUDGET AND BUDGETARY DATA

The City, in accordance with its City code and state law, applies the following procedures in establishing the budgetary data reflected in the accompanying financial statements.

A. Budget Policy

An annual operating budget is prepared by the City's budget office for the General, Special Revenue, Enterprise, Capital Improvements Projects and Debt Service Funds. The Mayor submits to the City Council the proposed budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means to fund them, as well as a proposed ad-valorem millage rate. Public hearings are conducted to obtain taxpayer comments on the proposed budget and ad-valorem millage rate. Prior to October 1, the City Council legally enacts the operating budget and sets the ad-valorem millage rate by passage of an ordinance.

Budgetary control is maintained at the function or department level. Departments are permitted to transfer appropriations within a function. Transfers between functions must be approved by City Council. Expenditures may not legally exceed budgeted appropriations at the function level. Changes in the budget that exceed revenue and reserve estimates provided by the City's Chief Financial Officer must be authorized by the Mayor and approved by a majority of City Council.

CITY OF TAMPA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF PRIOR YEAR’S FUND BALANCE

For FY2011, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and Statement No. 59, "Financial Instruments Omnibus."

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be consistently applied, and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. This statement redefines special revenue funds. The implementation of this statement resulted in the reclassification of certain funds and restatement of the City's financial statements.

The objective of the GASB Statement No. 59 is to update and improve existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. The implementation of GASB Statement No. 59 did not result in any change in the City's financial statements.

A. Restatement of Prior Year Fund Balance

As a result of GASB Statement No. 54, which was required to be implemented retrospectively, the City revisited the classification of certain fund balances and determined that certain balances should be reclassified. These funds were restated in accordance with GASB 54 to correct the classification of the underlying assets in conformity with GAAP. The following effect on fund balances of the major and nonmajor funds as they were previously reported (in thousands).

| | Fund Balance/Deposits at October 1, 2010 (as previously stated) | Reclassification of Fund Balance/Deposits due to Restatement | Restated Fund Balance/Deposits at October 1, 2010 |
|--------------------------------|---|--|---|
| General Fund | \$ 119,426 | \$ 15,672 | \$ 135,098 |
| Utility Tax Fund | 55,277 | - | 55,277 |
| Community Redevelopment Agency | 19,198 | - | 19,198 |
| Nonmajor Governmental Funds | <u>158,076</u> | <u>16,300</u> | <u>174,376</u> |
| Total Governmental Funds | <u>\$ 351,977</u> | <u>\$ 31,972</u> | <u>\$ 383,949</u> |
| | | | |
| Total Agency Funds | <u>\$ 41,948</u> | <u>\$ (34,530)</u> | <u>\$ 7,418</u> |

As a result of the fund classifications, Net Assets for governmental activities increased \$32,312,965. The beginning Net Assets amount of \$908,082,000 was re-stated to \$940,394,965 as of October 1, 2010.

The increase in Net Assets was mainly attributed to the transfer of certain Trust and Agency Funds to the General, Special Revenue and Capital Improvement Funds.

There were no changes to the Internal Service Funds nor the Proprietary Funds.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 4 - FUND BALANCE

Fund balances are classified as nonspendable, restricted, committed, assigned, and/or unassigned, based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major and nonmajor governmental funds are presented below:

| | General Fund | Utility Tax Special Revenue | Community Redevelopment Agency Special Revenue | Nonmajor Governmental Funds | Total Governmental Funds |
|-----------------------------------|------------------------------|-----------------------------------|--|-----------------------------------|--------------------------------|
| Non Spendable | | | | | |
| Inventories | \$ 419,512 | \$ - | \$ - | \$ - | \$ 419,512 |
| Prepaid Items | 292,000 | - | - | - | 292,000 |
| Total Non Spendable | <u>\$ 711,512</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 711,512</u> |
| Restricted | | | | | |
| Capital Outlay | \$ - | \$ - | \$ - | \$ 96,712,821 | \$ 96,712,821 |
| Public Safety | - | - | - | 10,982,968 | 10,982,968 |
| Public Works | - | - | - | 8,323,774 | 8,323,774 |
| General Government | - | - | 14,436,377 | 3,192,932 | 17,629,309 |
| Debt Services | - | - | - | 2,439,571 | 2,439,571 |
| Economic and Physical Environment | - | - | - | 1,361,452 | 1,361,452 |
| Total Restricted | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 14,436,377</u> | <u>\$ 123,013,518</u> | <u>\$ 137,449,895</u> |
| Committed | | | | | |
| Capital Outlay | \$ - | \$ - | \$ - | \$ 26,195,712 | \$ 26,195,712 |
| Public Works | - | - | - | 5,928,271 | 5,928,271 |
| General Government | 4,202,970 | - | - | - | 4,202,970 |
| Economic and Physical Environment | - | - | - | 2,288,519 | 2,288,519 |
| Technology and Innovation | - | 28,347 | - | 8,000,000 | 8,028,347 |
| Total Committed | <u>\$ 4,202,970</u> | <u>\$ 28,347</u> | <u>\$ -</u> | <u>\$ 42,412,502</u> | <u>\$ 46,643,819</u> |
| Assigned | | | | | |
| General Government | \$ - | \$ 51,531,514 | \$ - | \$ - | \$ 51,531,514 |
| Claims and Judgments | 21,255,682 | - | - | - | 21,255,682 |
| Assigned for Contingencies | 7,655,615 | - | - | - | 7,655,615 |
| Total Assigned | <u>\$ 28,911,297</u> | <u>\$ 51,531,514</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 80,442,811</u> |
| Unassigned | | | | | |
| Total Unassigned | <u>\$ 76,209,638</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 76,209,638</u> |
| Total Fund Balances | <u>\$ 110,035,417</u> | <u>\$ 51,559,861</u> | <u>\$ 14,436,377</u> | <u>\$ 165,426,020</u> | <u>\$ 341,457,675</u> |

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 5 - PROPERTY TAXES

A. Calendar of Property Tax Events

| | |
|--------------|---|
| January 1 | Property taxes are based on assessed property value at this date as determined by the Hillsborough County Property Appraiser. |
| July 1 | Assessment roll approved by the state. |
| September 30 | Millage resolution approved by the City Council. |
| October 1 | Beginning of fiscal year for which taxes have been levied. |
| November 1 | Property taxes due and payable. |
| November 30 | Last day for 4% maximum discount. |
| April 1 | Unpaid property taxes become delinquent. |
| May 15 | Tax certificates are sold by the Hillsborough County Tax Collector. This is the first lien date on the properties. |

B. Tax Collection

Property tax collections are governed by Chapter 197, Florida Statutes. The Hillsborough County Tax Collector bills and collects all property taxes levied within the County. Discounts are allowed for early payment of 4% in November, 3% in December, 2% in January, and 1% in February. If property taxes are not paid by April 1, the County adds a 3% penalty on real estate, and 1.5% on personal property.

The Tax Collector advertises and sells tax certificates on all real property for delinquent taxes. Certificates not sold revert back to the County. The Tax Collector must receive payment before the certificates are issued. Any person owning land on which a tax certificate has been sold may redeem the land by paying the Tax Collector the face amount of the tax certificate plus interest and other costs. The owner of a tax certificate may at any time after taxes have been delinquent for two years, file an application for tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent. Tax deeds are issued to the highest bidder for the property which is sold at public auction.

The Tax Collector remits current taxes collected through four distributions to the City in the first two months of the tax year and at least distribution each month thereafter. The City recognizes property tax revenue in the period in which they are levied.

C. Tax Limitations

Florida Statutes set the maximum millage rate at 10 mills of assessed valuation for operating purposes. For the fiscal year-ended September 30, 2011, the approved operating millage was 5.7326 mills.

CITY OF TAMPA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 6 - DEPOSITS AND INVESTMENTS

A. Cash on Deposit

The City maintains a cash and investment pool that is available for use by all funds except for monies legally restricted to separate administration (i.e. pension plan custodians and deferred compensation plan administrators). The "Equity in Cash and Investments" on the City Wide Financial Statements, consists of cash and investments owned by each fund and defined as resources that can be liquidated without delay or penalty. Cash and investments held separately where contractual arrangements and bond covenants require such arrangements, are classified as "restricted assets." Investment earnings are allocated to the individual funds monthly based on the funds' weighted average daily cash balance.

**Cash and Investments
 September 30, 2011**

| | |
|----------------------------------|-------------------------------|
| Primary Government | |
| Cash and Cash Equivalents | \$ 80,139,826 |
| Investments - Primary Government | <u>549,267,013</u> |
| Primary Government Total | <u>629,406,839</u> |
| | |
| Pension and Agency Funds | |
| Cash and Cash Equivalents | |
| Pension Trust Funds | 2,792,488 |
| Agency Funds | 5,336,163 |
| Investments - Pensions | <u>1,872,325,830</u> |
| Pension and Agency Total | <u>1,880,454,481</u> |
| | |
| Total Cash and Investments | <u><u>\$2,509,861,320</u></u> |

B. Custodial Credit Risk

At September 30, 2011, the City's deposits in financial institutions totaled \$28,715,281. Monies on deposit with financial institutions in the form of demand deposit accounts, time deposit accounts and certificates of deposits are defined as public deposits. The entire City's public deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act", and covered by federal depository insurance. For amounts in excess of such federal depository insurance the Act provides that all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledging level. The pledging level may range from 50% to 125% depending upon the depository's financial condition and establishment period. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor is liable for any loss thereof. Any losses to public depositors are covered by applicable deposit insurance, sales of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

C. Investments and Investment Practices

1. **Primary Government Investments** - The City's investment guidelines are defined by City of Tampa Charter, Part A, Article VII - Finances, Section 7.10., Investment Funds. As per the policy, the Chief Financial Officer, with the consent and approval of the Mayor, is authorized to invest any funds of the City in United States Government or United States Treasury bonds, certificates, notes or bills, or may arrange interest-bearing time deposits with the depositories of the City; and the interest derived from such investments or deposits shall accrue as revenue to the general fund of the City, except in the case of special funds for which the City is required by agreement or by law to credit such special funds with interest on its invested balances. At September 30, 2011, the pooled cash, cash equivalents and investments of the primary government, exclusive of the Pension Trust Funds was fully invested in U.S. treasury securities.

D. Interest Rate Risk

Interest rate risk is the risk that as market rates change, the fair value of an investment will vary. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates. The City's policy limits the maturity of an investment to a maximum of 5 years. As of September 30, 2011, the City of Tampa was fully invested in U.S. securities whose weighted average maturity in years was 2.10.

E. Credit Risk

In compliance with the City's Investment Policy, the City minimized credit risk losses due to default of a security issuer or backer, by limiting investments to the safest types of securities, U.S. Government Agency securities, and by pre-qualifying the financial institutions with which the City does business.

F. Concentration of Credit Risk

The City's investment policy limits the amount that is permitted in a single institution to 20% of the total portfolio. No more than 5% of the City's investments are in any one issuer at year end.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

G. Pension Plan Investments

1. **Pension Plan Assets** - The City reports two pension funds in the accompanying financial statements. Each of the plans has a separate governing board of trustees, a separate investment policy, and differing investment restrictions/risks. Consequently each is disclosed separately below. Both plans are defined benefit plans. All investments at year-end were in compliance with the respective plan investment policies.

City of Tampa General Employees' Retirement Fund
Distribution by Asset Type
September 30, 2011

| <u>Investment Type</u> | <u>Credit Rating</u> | <u>Fair Value</u> | <u>Weighted Average Maturity (Years)</u> | <u>% NAV</u> |
|---|----------------------|----------------------|--|----------------|
| Asset Backed Securities | Aaa | \$ 2,990,938 | 2.77 | 0.59% |
| Convertible Preferred Stock | NR | 33,125 | 17.28 | 0.01% |
| Corporate Bond | A1 thru Baa3 | 45,898,777 | 12.67 | 9.12% |
| Federal Home Loan Mortgage Gold | Aaa | 6,942,718 | 26.16 | 1.38% |
| Federal National Mortgage Assoc. | Aaa | 2,937,175 | 25.11 | 0.58% |
| GNMA I | Aaa | 6,976,871 | 27.35 | 1.39% |
| GNMA II | Aaa | 4,497,312 | 23.98 | 0.89% |
| Government Bond | Aa3 | 341,250 | 9.96 | 0.07% |
| Preferred Stock | Baa3 – NR | 221,442 | 0.05 | 0.04% |
| Treasury Bill | P-1 | 1,500,000 | 0.04 | 0.30% |
| Treasury Note | Aaa | <u>5,968,552</u> | 5.95 | <u>1.19%</u> |
| Total Fair Value | | 78,308,160 | | 15.56% |
| Portfolio Weighted Average Maturity | | | 15.11 | |
| <u>Investments not subject to Investment Risk</u> | | | | |
| Cash and Cash Equivalents | | 17,136,058 | | 3.40% |
| Equity Securities | | 378,198,807 | | 75.14% |
| Real Estate Limited Partnerships | | <u>29,708,231</u> | | <u>5.90%</u> |
| Total Cash and Investments | | <u>\$503,351,256</u> | | <u>100.00%</u> |

*Duration of bond portfolio is 4.93 years. Market values based on trade date transaction information and accruals provided by custodian.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

City of Tampa Firefighters and Police Officers Pension Fund
Distribution by Asset Type
September 30, 2011

| | <u>Fair Value</u> | <u>Weighted Average Maturity (Years)</u> |
|--|----------------------------|--|
| Investment Type: | | |
| U.S. Treasuries | \$ 42,995,305 | .11 |
| U.S. Agencies: | | |
| Federal Farm Credit Bank | 32,974,680 | 1.72 |
| Federal Home Loan Bank | 26,495,675 | 1.93 |
| Government National: | | |
| Mortgage Association | 5,235,272 | 28.13 |
| Inflation Indexed U.S. Treasuries | 29,733,047 | 7.80 |
| Corporate Bonds | 143,787,403 | 1.06 |
| Money Market Funds | <u>15,848,487</u> | 0.00 |
| Total Fair Value | 294,069,869 | |
| Portfolio Weighted-Average Maturity | | <u>2.17</u> |
| Investments not subject to Risk Disclosures: | | |
| Equity Securities | 993,337,230 | |
| Other (Partnerships) | 79,218,963 | |
| Funds held in custody account | <u>2,141,000</u> | |
| Total Investments | <u>\$1,371,767,062</u> | |

H. Interest Rate Risk

Interest rate risk is the risk that as market rates change, the fair value of an investment will vary. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates. The City's policy limits the maturity of an investment to a maximum of 5 years.

I. Credit Risk

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating agency. The Plans' investment policy utilizes portfolio diversification in order to control this risk.

J. Concentration of Credit Risk

The investment policy of the Trust contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. There were no individual investments that represent 5% or more on plan net assets at September 30, 2011.

K. Custodial Credit Risk

This is the risk that in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments that are in the possession of an outside party. Consistent with the Plans' investment policy, the investments are held by the Plans' custodial bank and registered in the Plans' name.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

L. Foreign Currency

The City has nominal exposure to foreign currencies due to investments in non-U.S. markets implemented through our money managers' portfolios. Foreign currencies will fluctuate relative to the U.S. dollar, but it is believed that the diversification benefits outweigh potential risks. Given the limited exposure, foreign currency risk is considered minor.

Foreign Currency Exposure
September 30, 2011

| | <u>General Employee</u> | % |
|--------------------------|-------------------------|-------------|
| Total US Dollar | \$439,955,453 | 87.41 |
| Total Australian Dollar | 4,280,096 | .85 |
| Total British Pound | 8,678,185 | 1.72 |
| Total Canadian Dollar | 3,006,820 | .60 |
| Total Danish Krone | 877,255 | .17 |
| Total EURO | 20,189,121 | 4.01 |
| Total Hong Kong Dollar | 3,269,717 | .65 |
| Total Japanese Yen | 11,146,861 | 2.21 |
| Total Mexico Peso | 433,371 | .09 |
| Total New Zealand Dollar | 187,462 | .04 |
| Total Norwegian Krone | 1,154,784 | .23 |
| Total Singapore Dollar | 2,247,412 | .45 |
| Total South Korean Won | 1,410,577 | .28 |
| Total Swedish Krona | 1,714,679 | .34 |
| Total Swiss Franc | <u>4,799,463</u> | <u>.95</u> |
| Total | <u>\$ 503,351,256</u> | <u>100%</u> |

| | <u>Fire and Police</u> | % |
|---------------------------------------|------------------------|-------------|
| US Dollar | \$1,230,361,962 | 89.69 |
| ABB ADR | 10,248,000 | .75 |
| Barrick Gold Corporation | 11,429,250 | .83 |
| BASF ADR | 4,946,600 | .36 |
| Bunge Ltd. | 11,366,550 | .83 |
| BHP Billiton Ltd. | 11,294,800 | .82 |
| Bank of Nova Scotia | 14,794,250 | 1.08 |
| Canadian National Railway | 15,313,400 | 1.12 |
| Canadian National Resources | 11,561,650 | .84 |
| LM Ericsson Telephone ADR | 9,550,000 | .70 |
| Novartis AG ADS | 14,221,350 | 1.04 |
| Teck Resources Ltd. | 2,919,000 | .21 |
| Unilever NV | 10,234,250 | .75 |
| Brookfield Infrastructure Partners | 7,302,000 | .53 |
| Teekay LNG Partners LP | <u>6,224,000</u> | <u>.45</u> |
| | <u>\$1,371,767,062</u> | <u>100%</u> |

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

The Fund's investment policy permits it to invest up to 10% in foreign investments based on the Fund's total book value of all investments held. The Fund's position is 9.9% and 9.6% at September 30, 2011 and 2010, respectively.

NOTE 7 - RECEIVABLES

Receivables as of year end for the City's Governmental Funds, including the major, nonmajor and internal service funds (which are consolidated with the Governmental Funds on the Government-Wide Statement), and Business-type Funds, including the major and nonmajor funds, net of the applicable allowances for uncollectible accounts, are as follows (in thousands):

| | <u>Taxes</u> | <u>Accounts</u> | <u>Inter- govern- mental</u> | <u>Notes Receivable</u> | <u>Gross Total</u> | <u>Allowance for Uncollectibles</u> | <u>Net Total</u> |
|--------------------------------|-----------------|------------------|--------------------------------------|-----------------------------|------------------------|---|----------------------|
| Governmental Activities: | | | | | | | |
| Major Funds: | | | | | | | |
| General | \$ 2,505 | \$ 4,819 | \$ 1,591 | \$ 23 | \$ 8,938 | \$ (439) | \$ 8,499 |
| Utility Tax | 5,189 | 435 | 111 | - | 5,735 | - | 5,735 |
| Nonmajor Funds | 2,128 | - | 19,024 | - | 21,152 | - | 21,152 |
| Internal Service Funds | - | 626 | - | - | 626 | - | 626 |
| Total Governmental Activities | 9,822 | 5,880 | 20,726 | 23 | 36,451 | (439) | 36,012 |
| Business-Type Activities: | | | | | | | |
| Major Funds: | | | | | | | |
| Water Utility | - | 13,490 | 3,097 | - | 16,587 | (205) | 16,382 |
| Wastewater Utility | - | 12,947 | - | - | 12,947 | (71) | 12,876 |
| Solid Waste System | - | 9,206 | - | - | 9,206 | (58) | 9,148 |
| Nonmajor Funds | - | 215 | - | - | 215 | - | 215 |
| Total Business-Type Activities | - | 35,858 | 3,097 | - | 38,955 | (334) | 38,621 |
| Total | <u>\$ 9,822</u> | <u>\$ 41,738</u> | <u>\$ 23,823</u> | <u>\$ 23</u> | <u>\$ 75,406</u> | <u>\$ (773)</u> | <u>\$ 74,633</u> |

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of FY2011, the various components of deferred revenue reported in the governmental funds were as follows (in thousands):

| | <u>Unearned</u> |
|---|------------------|
| Pending Confiscated Cash (General Fund) | \$ 101 |
| 2011 occupational license tax receipts (Special Revenue Fund) | 8,434 |
| Grant revenues received prior to meeting grant requirements (Special Revenue Funds) | <u>5,557</u> |
| | <u>\$ 14,092</u> |

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 7 – RECEIVABLES (Continued)

Business-type funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of FY2011, the various components of deferred revenue reported in the business-type funds were as follows (in thousands):

| | <u>Unearned</u> |
|------------------------------------|-----------------|
| Parking Revenues Billed In Advance | \$ 255 |
| Golf Courses Unearned Revenue | <u>28</u> |
| | <u>\$ 283</u> |

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CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year-ended September 30, 2011 was as follows:

| | Beginning Balance 10/1/2010 | Additions | Dispositions | Ending Balance 9/30/2011 |
|--|-----------------------------------|----------------------|------------------------|--------------------------------|
| Primary Government | | | | |
| Governmental Activities: | | | | |
| Capital Assets not being Depreciated: | | | | |
| Land | \$ 193,066,992 | \$ 3,301,474 | \$ (503,685) | \$ 195,864,781 |
| Land Infrastructure. | 80,542,571 | 488,624 | (12,016) | 81,019,179 |
| Construction in Progress | 50,874,642 | 55,498,422 | (59,378,960) | 46,994,104 |
| Total Capital Assets not being Depreciated | <u>324,484,205</u> | <u>59,288,520</u> | <u>(59,894,660)</u> | <u>323,878,064</u> |
| Capital Assets being Depreciated: | | | | |
| Buildings and Improvements | 457,965,795 | 11,754,311 | (576,531) | 469,143,575 |
| Improvements other than Buildings | 167,414,877 | 21,446,087 | (10,393) | 188,850,571 |
| Furniture and Equipment | 161,833,324 | 13,093,388 | (7,945,982) | 166,980,730 |
| Infrastructure | 411,052,795 | 45,169,002 | (4,400) | 456,217,397 |
| Total Assets being Depreciated | <u>1,198,266,791</u> | <u>91,462,788</u> | <u>(8,537,306)</u> | <u>1,281,192,273</u> |
| Less Accumulated Depreciation for: | | | | |
| Buildings and Improvements | (193,772,600) | (14,292,719) | 766,552 | (207,298,767) |
| Improvements other than Buildings | (63,756,615) | (17,306,559) | (1,251,767) | (82,314,941) |
| Furniture and Equipment | (103,744,048) | (14,120,686) | 7,666,349 | (110,198,385) |
| Infrastructure | (136,651,574) | (12,572,164) | - | (149,223,738) |
| Total Accumulated Depreciation | <u>(497,924,837)</u> | <u>(58,292,126)</u> | <u>7,181,134</u> | <u>(549,035,831)</u> |
| Total Capital Assets, being Depreciated, Net | <u>700,341,954</u> | <u>33,170,662</u> | <u>(1,356,172)</u> | <u>732,156,442</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 1,024,826,159</u> | <u>\$ 92,459,182</u> | <u>\$ (61,250,832)</u> | <u>\$ 1,056,034,506</u> |

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 8 - CAPITAL ASSETS (Continued)

| | Beginning Balance <u>10/1/2010</u> | <u>Additions</u> | <u>Dispositions</u> | Ending Balance <u>9/30/2011</u> |
|--|--|----------------------|------------------------|---------------------------------------|
| Primary Government | | | | |
| Business-Type Activities: | | | | |
| Capital Assets not being Depreciated: | | | | |
| Land | \$ 35,649,572 | \$ 89,157 | \$ (4,310,086) | \$ 31,428,643 |
| Construction in Progress | <u>40,401,622</u> | <u>44,674,451</u> | <u>(48,291,741)</u> | <u>36,784,332</u> |
| Total Capital Assets not being Depreciated | <u>76,051,194</u> | <u>44,763,608</u> | <u>(52,601,827)</u> | <u>68,212,975</u> |
| Capital Assets being Depreciated: | | | | |
| Buildings | 401,261,790 | 4,690,717 | (9,100) | 405,943,407 |
| Improvements other than Buildings | 1,542,576,523 | 55,194,382 | (6,783,760) | 1,590,987,145 |
| Furniture and Equipment | <u>48,866,822</u> | <u>5,501,684</u> | <u>(1,968,041)</u> | <u>52,400,465</u> |
| Total Capital Assets being Depreciated | <u>1,992,705,136</u> | <u>65,386,783</u> | <u>(8,760,901)</u> | <u>2,049,331,017</u> |
| Less Accumulated Depreciation for: | | | | |
| Buildings | (182,199,503) | (12,022,049) | (1,321,431) | (195,542,983) |
| Improvements other than Buildings | (608,619,185) | (39,049,626) | (1,237,174) | (648,905,985) |
| Furniture and Equipment | <u>(32,229,066)</u> | <u>(4,798,875)</u> | <u>524,042</u> | <u>(36,503,899)</u> |
| Total Accumulated Depreciation | <u>(823,047,753)</u> | <u>(55,870,550)</u> | <u>(2,034,564)</u> | <u>(880,952,867)</u> |
| Total Capital Assets, being Depreciated, Net | <u>1,169,657,382</u> | <u>9,516,233</u> | <u>(10,795,465)</u> | <u>1,168,378,150</u> |
| Business-Type Activities Capital Assets, Net | <u>\$ 1,245,708,576</u> | <u>\$ 54,279,840</u> | <u>\$ (63,397,291)</u> | <u>\$ 1,236,591,125</u> |

Depreciation expense was charged to the functions of the primary government as follows:

Governmental Activities:

| | |
|--|----------------------|
| General Government | \$ 5,530,824 |
| Public Safety | 11,686,102 |
| Culture and Recreation | 26,325,246 |
| Public Works | <u>14,749,954</u> |
| Total Depreciation Expense - Governmental Activities | <u>\$ 58,292,126</u> |

CITY OF TAMPA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 8 - CAPITAL ASSETS (Continued)

Depreciation expense was charged to the business-type activities as follows:

Business-Type Activities:

| | |
|----------------------------|----------------------|
| Water Utility | \$ 17,034,836 |
| Wastewater Utility | 26,230,117 |
| Solid Waste System | 9,118,967 |
| Parking Facilities | 2,740,437 |
| Golf Courses | 746,192 |
| Total Depreciation Expense | <u>\$ 55,870,549</u> |

NOTE 9 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund balances include self-insurance payments due at year end to other funds.

The composition of interfund balances as of September 30, 2011, was as follows:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|-----------------------------------|---------------------|
| General | Insurance | \$ 977,006 |
| | Nonmajor Governmental Funds: | |
| | Stormwater | 15,665 |
| | Community Development Block Grant | 5,501 |
| | Other Grants | 2,844 |
| | Enterprise Funds: | |
| | Water Utility | 49,309 |
| | Wastewater Utility | 77,756 |
| | Solid Waste System | 38,225 |
| | Parking Facilities | 20,955 |
| | Internal Service Funds | 36,372 |
| SHIP Grant | General Fund | 2,127 |
| Parking Facilities | General Fund | 24,163 |
| | | <u>\$ 1,249,923</u> |

Advances to or from other funds: - These amounts are the result of the early defeasance in 1995 of Water and Sewer Systems Revenue Bonds, Series 1988A. The advance will be repaid in the years 2011-2016, in accordance with the original debt service schedule of the defeased bonds.

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|---------------------|---------------|
| Wastewater Utility | Water Utility | \$ 6,256,639 |

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 9 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)

Interfund transfers - The City transfers funds from special revenue funds for utility tax, guaranteed entitlement, local option gas tax, occupational licenses, and from the community investment tax capital projects fund to the corresponding debt service funds to meet debt service requirements of revenue bonds for which these revenues are pledged. The Community Redevelopment Agency transfers funds to the utility tax debt service fund as those revenues are pledged for repayment of the outstanding 1991 and 2001 Utilities Tax and Special Revenue Refunding Bonds. After debt service requirements are met, amounts are transferred to the corresponding capital projects funds for budgeted capital expenditures and to the general fund.

Additional transfers were made as follows: The transfers from the other grants nonmajor governmental fund to the general fund were a reimbursement for authorized public safety grant expenditures charged to that fund. The transfers from parking facilities to the utilities tax debt service fund represents repayment of bond principal and interest where bond proceeds were used for parking related capital projects. The transfer from the general fund to the stormwater fund was to reimburse expenditures of that fund.

The transfer from the Marina Fund to the General Fund in the amount of \$5,362,500: due to the continued operating subsidy from the General Fund, it was decided that the Marina Fund would be better classified as a general fund function. Through the budget process and with final Council approval of the FY2011 operations budget, this change was made and the Marina revenues and expenditures were recorded in the General Fund in FY2011. The net book value of the Marina Fund capital assets was transferred to the General Fixed Assets group (\$5,379,500). The transfer of assets and liabilities resulted in an operating loss of \$63,000, which was partially offset by a residual cash transfer of \$46,000.

Transfers during the year were as follows:

| <u>Transfer Out:</u> | <u>Transfer In:</u> | | | | |
|-------------------------------------|---------------------|---|------------------------------------|---------------------------------|----------------------|
| | <u>General Fund</u> | <u>Utility Tax Special Revenue Fund</u> | <u>Nonmajor Governmental Funds</u> | <u>Nonmajor Enterprise Fund</u> | <u>Total</u> |
| General Fund | \$ - | \$ 27,000 | \$ - | \$ - | \$ 27,000 |
| Utility Tax Special Revenue Fund | 36,655,109 | - | 22,027,822 | 1,900,000 | 60,582,931 |
| CRA Special Revenue Fund | 1,387,819 | - | 14,115,677 | - | 15,503,497 |
| Nonmajor Governmental Funds | 11,184,919 | - | 34,125,443 | - | 45,310,362 |
| Wastewater Utility Enterprise Fund | 6,512,000 | - | 9,000 | - | 6,521,000 |
| Water Utility Enterprise Fund | 5,103,500 | - | 10,000 | - | 5,113,500 |
| Solid Waste Utility Enterprise Fund | 4,085,700 | - | - | - | 4,085,700 |
| Nonmajor Enterprise Funds | <u>4,604,169</u> | <u>-</u> | <u>9,097,263</u> | <u>-</u> | <u>19,080,920</u> |
| | <u>\$69,533,217</u> | <u>\$ 27,000</u> | <u>\$79,385,205</u> | <u>\$1,900,000</u> | <u>\$156,224,910</u> |

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 10 - LEASES

The City leases building and office facilities under non-cancelable operating leases. Total costs for such leases were \$2,337,505 for the year ended September 30, 2011. The future minimum lease payments (MLP) for these leases are as follows (in thousands):

| <u>Year Ending September 30</u> | <u>Amount</u> |
|---------------------------------|------------------|
| 2012 | \$ 2,363 |
| 2013 | 2,417 |
| 2014 | 2,493 |
| 2015 | 2,174 |
| 2016 | 1,849 |
| 2017 - 2020 | <u>6,304</u> |
| Total | <u>\$ 17,600</u> |

The City has entered into lease agreements as lessee for financing the acquisition of Solid Waste vehicles and a building. These lease agreements qualify as capital leases for accounting purposes, and therefore are recorded at the present value of the future minimum lease payments as of the inception date (in thousands).

| Capital Leases Asset: | <u>Governmental</u> <u>Activities</u> | <u>Business-Type</u> <u>Activities</u> |
|---------------------------------|--|---|
| Buildings | \$ 2,452 | \$ - |
| Machinery and Equipment | - | 648 |
| Less: Accumulated Depreciation | <u>(684)</u> | <u>(292)</u> |
| Total | <u>\$ 1,768</u> | <u>\$ 356</u> |

The future minimum lease obligations and the net present value of these minimum lease payments (MLP) as of September 30, 2011 were as follows (in thousands):

| <u>Year Ending September 30</u> | <u>Governmental</u> <u>Activities</u> | <u>Business-Type</u> <u>Activities</u> |
|------------------------------------|--|---|
| 2012 | \$ 251 | \$ 377 |
| 2013 | 251 | 170 |
| 2014 | 251 | 83 |
| 2015 | 251 | - |
| 2016 | 251 | - |
| 2017 - 2021 | 1,255 | - |
| 2022 | <u>251</u> | <u>-</u> |
| Total MLP's | 2,761 | 630 |
| Less: Amount Representing Interest | <u>(1,248)</u> | <u>(121)</u> |
| Present Value of MLP's | <u>\$ 1,513</u> | <u>\$ 509</u> |

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 11 - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term liabilities of the City for the fiscal year ended September 30, 2011. Compensated absences are paid from the fund in which they occur.

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|--|------------------------------|------------------------------|--------------------------------|------------------------------|-----------------------------|
| Governmental Activities | | | | | |
| Bonds and Notes Payable: | | | | | |
| Revenue Bonds | \$ 399,400,000 | \$ 58,330,000 | \$ (61,885,000) | \$ 395,845,000 | \$ 19,605,000 |
| Notes | 7,720,000 | - | (240,000) | 7,480,000 | 260,000 |
| Fl. Local Govt Finance Prog.Comm. Paper | 11,255,734 | - | (11,255,734) | - | - |
| Channel District Infrastructure Loan - 2010 | 5,441,180 | - | (1,144,099) | 4,297,081 | 1,180,305 |
| Capitalized Lease | 1,608,400 | - | (95,342) | 1,513,058 | 251,000 |
| | <u>425,425,314</u> | <u>58,330,000</u> | <u>(74,620,175)</u> | <u>409,135,481</u> | <u>21,296,305</u> |
| Unamortized Premiums, Discounts and Deferred Amounts on Refunding for Bonds | <u>(43,290,559)</u> | <u>2,679,976</u> | <u>3,439,078</u> | <u>(37,171,505)</u> | <u>-</u> |
| Total Bonds and Notes Payable | 382,134,755 | 61,009,976 | (71,181,097) | 371,963,976 | 21,296,305 |
| Claims and Judgments | 51,591,056 | 6,698,813 | (9,457,166) | 48,832,703 | 11,071,600 |
| Compensated Absences | 48,745,000 | 11,335,000 | (14,122,383) | 45,957,617 | 17,267,143 |
| Deferred Lease Obligations | 547,500 | - | (194,737) | 352,763 | 194,737 |
| Contingent Liability | - | - | - | - | - |
| Subtotal before OPEB Liability | 483,018,311 | 79,043,789 | (94,955,383) | 467,106,717 | 49,829,785 |
| OPEB Liability | <u>11,681,025</u> | <u>2,078,252</u> | <u>-</u> | <u>13,759,277</u> | <u>-</u> |
| Governmental Activity Long-term Liabilities | <u>\$ 494,699,336</u> | <u>\$ 81,122,041</u> | <u>\$ (94,955,383)</u> | <u>\$ 480,865,994</u> | <u>\$ 49,829,785</u> |
| Business- Type Activities | | | | | |
| Bonds and Notes Payable: | | | | | |
| Revenue Bonds | \$ 369,709,998 | \$ 133,745,000 | \$ (108,845,000) | \$ 394,609,998 | \$ 19,805,000 |
| Notes | 37,750,937 | 752,503 | (5,506,990) | 32,996,450 | 5,706,388 |
| Fl. Local Govt Finance Prog.Comm. Paper | 43,484,266 | - | (21,696,266) | 21,788,000 | 21,788,000 |
| Capitalized Lease | 844,000 | - | (335,326) | 508,674 | 314,514 |
| | <u>451,789,201</u> | <u>134,497,503</u> | <u>(136,383,582)</u> | <u>449,903,122</u> | <u>47,613,902</u> |
| Unamortized Discounts and Deferred Amounts on Refunding for Bonds | <u>359,914</u> | <u>5,120,859</u> | <u>2,999,300</u> | <u>8,480,073</u> | <u>-</u> |
| Total Bonds, Notes Payable and Capitalized Lease | 452,149,115 | 139,618,362 | (133,384,282) | 458,383,195 | 47,613,902 |
| Compensated Absences | 8,516,000 | 3,137,364 | (3,175,023) | 8,478,341 | 49,054 |
| Tampa International Airport Reclaimed Water | 729,529 | - | (43,593) | 685,936 | 102,888 |
| Landfill Postclosure | 1,285,391 | 207,880 | (138,067) | 1,355,204 | - |
| Deferred Revenues | <u>489,050</u> | <u>-</u> | <u>(489,000)</u> | <u>50</u> | <u>50</u> |
| Subtotal before OPEB Liability | 463,169,085 | 142,963,606 | (137,229,965) | 468,902,726 | 47,765,896 |
| OPEB Liability | <u>2,868,973</u> | <u>542,073</u> | <u>-</u> | <u>3,411,046</u> | <u>-</u> |
| Business-Type Activity Long-term Liabilities | <u>\$ 466,038,058</u> | <u>\$ 143,505,679</u> | <u>\$ (137,229,965)</u> | <u>\$ 472,313,772</u> | <u>\$ 47,765,896</u> |

CITY OF TAMPA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 12 -LONG-TERM DEBT

Overview

The City of Tampa issues revenue bonds for the purpose of acquiring or constructing capital assets or to refund previously issued debt in order to take advantage of favorable interest rate conditions. Revenue bonds are secured by specific revenue streams to be used to pay debt service. The City has no general obligation debt, which is debt that is secured by ad valorem real property tax revenues.

The official statements and Council resolutions authorizing the issuance of revenue bonds contain certain restrictive covenants. The City has covenanted that, on a monthly basis, it will deposit specified amounts derived from specific revenue sources into accounts and funds established by the resolutions. The deposits into these accounts and funds are used to repay principal and interest coming due on the bonds and to provide sinking funds established for the purpose of retiring term bonds due in future years. The City believes it is in compliance with all bond covenants.

GOVERNMENTAL ACTIVITIES

| | <u>Interest Rate</u> | <u>Balance October 1, 2010</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance September 30, 2011</u> | <u>Due Within One Year</u> |
|---|--------------------------|------------------------------------|----------------------|------------------------|---------------------------------------|--------------------------------|
| Governmental Activities - | | | | | | |
| Revenue Bonds: | | | | | | |
| 2010 Sales Tax Refunding Revenue | 4.00% - 5.00% | \$ - | \$ 38,675,000 | \$ - | \$ 38,675,000 | \$ - |
| 2010A Utility Tax Revenue Bonds | 5.25% - 5.75% | - | 11,610,000 | - | 11,610,000 | - |
| 2010B Utility Tax Revenue Bonds | 6.00% - 6.25% | - | 8,045,000 | - | 8,045,000 | - |
| 2007 Occupational License Tax Refunding | 5.00% | 45,725,000 | - | - | 45,725,000 | - |
| 2006 Utility Tax Refunding | 4.00% - 5.375% | 38,300,000 | - | (3,405,000) | 34,895,000 | 3,865,000 |
| 2006 Sales Tax Revenue | 4.00% - 4.125% | 15,500,000 | - | (655,000) | 14,845,000 | 680,000 |
| 2002A Occupational License Tax Refunding Rev | 4.00% - 5.375% | 35,815,000 | - | (3,045,000) | 32,770,000 | - |
| 2002A Utilities Tax + Special Revenue Refunding | 3.55% - 5.25% | 14,320,000 | - | (35,000) | 14,285,000 | 70,000 |
| 2001 Guaranteed Entitlement Refunding Revenue | 6.00% | 1,900,000 | - | (165,000) | 1,735,000 | 180,000 |
| 2001A Sales Tax Revenue Bonds | 4.00% - 5.375% | 44,155,000 | - | (42,380,000) | 1,775,000 | 1,775,000 |
| 2001B Utilities Tax & Special Revenue Refunding | 5.00% - 5.75% | 36,525,000 | - | (70,000) | 36,455,000 | 70,000 |
| 1999A Utilities Tax Improvement | 4.75% | 2,060,000 | - | (2,060,000) | - | - |
| 1998 Utilities Tax Improvement | 4.40% | 120,000 | - | (120,000) | - | - |
| 1997 Utilities Tax Improvement | 5.00% - 5.25% | 30,075,000 | - | (240,000) | 29,835,000 | 3,000,000 |
| 1996 Utilities Tax Improvement | 6.15% - 6.22% | 95,200,000 | - | - | 95,200,000 | - |
| 1995 Tampa Sports Authority Taxable Special | 7.67% - 8.02% | 2,230,000 | - | (85,000) | 2,145,000 | - |
| 1995 Tampa Sports Authority Special Purpose | 5.75% - 6.10 % | 7,545,000 | - | (295,000) | 7,250,000 | - |
| 1991 Utilities Tax & Special Revenue Refunding | 6.75% | 29,930,000 | - | (9,330,000) | 20,600,000 | 9,965,000 |
| Total Revenue Bonds | | <u>399,400,000</u> | <u>58,330,000</u> | <u>(61,885,000)</u> | <u>395,845,000</u> | <u>19,605,000</u> |
| Notes Payable: | | | | | | |
| HUD Section 108 Loan Guarantee | 3.82% - 4.62% | 7,720,000 | - | (240,000) | 7,480,000 | 260,000 |
| 2010 Channel District Loan (D) | 3.14% | 5,441,180 | - | (1,144,099) | 4,297,081 | 1,180,305 |
| Total Notes Payable | | <u>13,161,180</u> | <u>-</u> | <u>(1,384,099)</u> | <u>11,777,081</u> | <u>1,440,305</u> |
| Commercial Paper: | | | | | | |
| 2009 Florida Association of Counties | 0.19% - 0.32% | 4,546,990 | - | (4,546,990) | - | - |
| 2010 Florida Association of Counties | 0.19% - 0.32% | 6,708,744 | - | (6,708,744) | - | - |
| Total Commercial Paper | | <u>11,255,734</u> | <u>-</u> | <u>(11,255,734)</u> | <u>-</u> | <u>-</u> |
| Total Governmental Activities | | <u>\$ 423,816,914</u> | <u>\$ 58,330,000</u> | <u>\$ (74,524,833)</u> | <u>\$ 407,622,081</u> | <u>\$ 21,045,305</u> |

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 12 - LONG-TERM DEBT (Continued)

BUSINESS-TYPE ACTIVITIES

Revenue Bonds:

| | <u>Interest Rate</u> | <u>Balance October 1, 2010</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance September 30, 2011</u> | <u>Due Within One Year</u> |
|-----------------------------------|--------------------------|------------------------------------|--------------------|----------------------|---------------------------------------|--------------------------------|
| 2011 Water & Sewer Refunding | 2.00% - 5.00% | \$ - | \$ 121,050,000 | \$ - | \$ 121,050,000 | \$ - |
| 2011 Solid Waste Refunding | 5.00% | - | 12,695,000 | - | 12,695,000 | - |
| 2010 Solid Waste Refunding | 3.00% - 5.00% | 90,740,000 | - | - | 90,740,000 | 8,185,000 |
| 2007 Water & Sewer System Revenue | 4.00% - 5.00% | 49,680,000 | - | (915,000) | 48,765,000 | 950,000 |
| 2006 Water & Sewer Revenue | 4.00% - 5.00% | 34,390,000 | - | (685,000) | 33,705,000 | 715,000 |
| 2005 Water & Sewer Refunding | 5.00% | 44,149,998 | - | (3,570,000) | 40,579,998 | 3,750,000 |
| 2003A Water & Sewer Refunding | 4.00% - 5.00% | 12,005,000 | - | (2,190,000) | 9,815,000 | 2,280,000 |
| 2002 Water & Sewer Refunding | 5.50% - 6.00% | 23,475,000 | - | (2,320,000) | 21,155,000 | 2,450,000 |
| 2002B Water & Sewer Refunding | 4.25% - 5.00% | 3,970,000 | - | (3,970,000) | - | - |
| 2001A Water & Sewer Refunding | 4.00% - 5.25% | 64,455,000 | - | (63,740,000) | 715,000 | 715,000 |
| 2001B Water & Sewer | 4.375% - 5.00% | 11,415,000 | - | (10,655,000) | 760,000 | 760,000 |
| 1999A Solid Waste Refunding | 4.55% | 5,665,000 | - | (5,665,000) | - | - |
| 1999B Solid Waste Revenue | 4.50% - 5.25% | 29,765,000 | - | (15,135,000) | 14,630,000 | - |
| Total Revenue Bonds | | <u>369,709,998</u> | <u>133,745,000</u> | <u>(108,845,000)</u> | <u>394,609,998</u> | <u>19,805,000</u> |

Notes Payable:

| | | | | | | |
|----------------------------|---------------|-------------------|----------------|--------------------|-------------------|------------------|
| State Revolving Loan # 1 | 3.05% - 3.34% | 10,163,490 | - | (831,729) | 9,331,761 | 857,922 |
| State Revolving Loan #2 | 2.43% - 3.68% | 11,668,629 | - | (2,452,963) | 9,215,666 | 2,530,857 |
| State Revolving Loan #3 | 1.34% - 3.24% | 14,407,891 | - | (2,041,421) | 12,366,470 | 2,102,313 |
| State Revolving 42 St Loan | 2.84% - 3.79% | 1,054,640 | - | (163,544) | 891,096 | 168,250 |
| State Revolving Loan #4 | 2.82% | 456,287 | - | (8,543) | 447,744 | 17,504 |
| State Revolving Loan #5 | 2.66% | - | 752,503 | (8,790) | 743,713 | 29,542 |
| Total Notes Payable | | <u>37,750,937</u> | <u>752,503</u> | <u>(5,506,990)</u> | <u>32,996,450</u> | <u>5,706,388</u> |

Commercial Paper:

| | | | | | | |
|--------------------------------------|----------------------|-------------------|----------|---------------------|-------------------|-------------------|
| 2009 Florida Association of Counties | 0.19% - 0.32% | 13,653,000 | - | (13,653,000) | - | - |
| 2010 Florida Association of Counties | 0.19% - 0.32% | 29,831,266 | - | (8,043,266) | 21,788,000 | 21,788,000 |
| Total Commercial Paper | | <u>43,484,266</u> | <u>-</u> | <u>(21,696,266)</u> | <u>21,788,000</u> | <u>21,788,000</u> |

| | | | | | | |
|---------------------------------------|--|-----------------------------|-----------------------------|-------------------------------|-----------------------------|----------------------------|
| Total Business-Type Activities | | <u>\$450,945,201</u> | <u>\$134,497,503</u> | <u>(\$136,048,256)</u> | <u>\$449,394,448</u> | <u>\$47,299,388</u> |
|---------------------------------------|--|-----------------------------|-----------------------------|-------------------------------|-----------------------------|----------------------------|

CITY OF TAMPA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 12 – LONG-TERM DEBT (Continued)

Annual Debt Service Requirements to Maturity

The annual debt service for all bonds and loans outstanding as of September 30, 2011 are as follows:

| <u>Fiscal Year</u> | <u>Governmental Principal</u> | <u>Activities Interest</u> | <u>Business-Type Principal</u> | <u>Activities Interest</u> |
|--------------------|-----------------------------------|--------------------------------|------------------------------------|--------------------------------|
| 2012 | \$21,045,305 | \$14,433,703 | \$47,299,387 | \$18,510,818 |
| 2013 | 26,052,658 | 13,053,469 | 26,752,689 | 18,115,204 |
| 2014 | 27,601,192 | 11,813,812 | 27,989,519 | 16,988,624 |
| 2015 | 28,252,926 | 10,540,628 | 27,736,101 | 15,795,664 |
| 2016 | 35,790,000 | 9,208,666 | 27,506,786 | 14,551,725 |
| 2017-2021 | 150,935,000 | 33,321,227 | 121,611,376 | 54,144,068 |
| 2022-2026 | 83,510,000 | 16,660,691 | 64,745,534 | 31,668,013 |
| 2027-2031 | 34,435,000 | 2,791,475 | 64,383,056 | 17,351,889 |
| 2032-2036 | - | - | 33,045,000 | 5,077,916 |
| 2037-2041 | - | - | <u>8,325,000</u> | <u>361,816</u> |
| Total | <u>\$407,622,081</u> | <u>\$111,823,671</u> | <u>\$449,394,448</u> | <u>\$192,565,737</u> |

The City's Covenant Bond program allows the issuance of debt which has both a stated maturity date, which is the initial maturity for a bond, and a designated maturity, which reflects the City's intended amortization to maturity. The table of debt service requirements to maturity above is prepared using designated maturities reflecting the City's intended re-amortization to maturity. At each stated maturity the City can retire the maturing amount in whole or in part, or refund the maturing bonds as a part of its annual capital borrowing into another stated maturity, variable rate debt, or fixed rate debt amortized to maturity as determined by market conditions. The table does not reflect any accelerated to maturity as determined by then market conditions.

Summary of New Debt Issuances

2010A Sales Tax Refunding: On October 6, 2010, the City issued \$38,675,000 of Sales Tax Refunding Revenue Bonds, Series 2010A to partially refund the outstanding Sales Tax Revenue Bonds, Series 2001A. Bond proceeds received were \$43,464,982, which is equal to the sum of the face amount of \$38,675,000, plus a bond premium of \$4,789,982. Of the bond proceeds, \$356,601 was used to pay the underwriter's discount and costs of issuance; \$43,108,381 was used to advance refund certain of the outstanding Series 2001A bonds and was put into an escrow account to be held for that purpose (the referenced Series 2001A bonds were subsequently called and defeased by the City on October 6, 2011). This transaction resulted in debt service payments over the next sixteen years being reduced by \$4,606,294 (net present value savings of \$3,635,262).

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 12 – LONG-TERM DEBT (Continued)

2010A and 2010B Utilities Tax Improvement Bonds: On December 14, 2010, the City issued \$11,610,000 of Utilities Tax Revenue Bonds and \$8,045,000 of Utilities Tax Revenues Bonds, Series 2010B. The series were issued as Federally Taxable Build America Bonds, and as Federally Taxable Recovery Zone Economic Development Bonds, respectively. Bond proceeds received were \$19,800,338, which is equal to the sum of the combined face amount (\$19,655,000) plus a bond premium of \$145,338. Of the bond proceeds, \$393,100 was used to pay the underwriters' discount; \$11,256,000 was used to pay a portion of the outstanding commercial paper issue obtained through the Florida Local Government Finance Commission Pooled Commercial Paper Loan Program; and \$8,151,238 was allocated to the Wastewater Department for construction of capital improvements.

2011 Solid Waste System Refunding: On February 24, 2011, the City issued, at par, \$12,965,000 of Solid Waste System Refunding Revenue Bonds, Series 2011. The proceeds were used to refund the outstanding 2019 maturity revenue bonds, Series 1999B. This issuance will reduce the City's annual debt service by approximately \$635,000 through 2019, and will have outstanding the Series 2010 bonds as well as \$27,325,000 of currently callable 5% Solid Waste bonds due in 2021.

2011 Water and Sewer System Improvement and Refunding Bonds: On September 15, 2011, the City issued \$121,050,000 of Bond proceeds received were \$132,445,743 which is equal to the sum of the face amount of \$121,050,000 plus a bond premium of \$11,395,743. Of the bond proceeds, \$1,070,147 was used to pay the underwriter's discount and costs of issuance; \$43,484,000 was used to pay off the outstanding commercial paper issuance, \$63,836,806 was used to partially refund in the current period the outstanding Water and Sewer System Refunding Revenue Bonds, Series 2001A, \$10,267,102 was used to advance refund the outstanding Water and Sewer System Refunding Revenue Bonds, Series 2001B, and \$13,787,688 was allocated to the Wastewater fund for the funding of capital improvement projects. This transaction resulted in debt service payments over the next twenty-six years being reduced by \$11,896,057 (net present value savings of \$9,151,880).

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 12 - LONG-TERM DEBT (Continued)

Pledged Revenue

The City has pledged certain revenues to repay certain bonds and notes outstanding as of September 30, 2011. The following table reports the operating revenues pledged, which may be net of operating expenses, for each debt issue; the amounts of such revenues received in the current year; the current year principal and interest paid on the debt; the approximate percentage of each revenue pledged to meet the debt obligation; the maturity date of each debt agreement; and the total pledged future revenues for each debt issuance, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2011.

| Description of <u>Issue</u> | <u>Pledged Revenue</u> | <u>Revenue Received</u> | <u>Principal and Interest Paid</u> | Estimated Percentage of Revenues <u>Pledged</u> | <u>Outstanding Principal and Interest</u> | <u>Pledged Through</u> |
|--|--|-----------------------------|--|--|---|--|
| Governmental Activities | | | | | | |
| Guaranteed Entitlement Refunding Revenue Bonds, Series 2001 | Guaranteed Entitlement Portion of State Revenue Sharing Monies Received | \$4,897,504 | \$284,100 | 5.8% | \$2,182,450 | 2018 |
| Occupational License Tax Refunding Bonds, Series 2002A and Series 2007 | Occupational License Taxes Collected and Other Related Revenue Streams | 10,382,911 | 7,161,412 | 69% | 118,041,794 | 2020 (Series 2002A); 2027 (Series 2007) |
| Sales Tax Revenue Bonds, Series 2001 and Series 2006; Sales Tax Refunding Revenue Bonds, Series 2010 | One-half Cent Local Government Infrastructure Surtax | 13,867,391 | 5,010,349 | 36% | 77,946,783 | 2026 (All Issues) |
| Tampa Sports Authority Special Purpose Bonds, Series 1995 (Guaranteed Parking Revenue); Tampa Sports Authority Taxable Special Purpose Bonds, Series 1995 (Surcharge Loan) | Parking Revenues Generated by the South Regional Parking Garage and Arena Parking | 1,445,780 | 798,181 | 55% | 15,243,036 | 2026 (Both Issues) |
| Utilities Tax & Special Revenue Refunding Bonds, Series 1991, Series 2001B | Tax Increment Revenues (Downtown Core CRA Only) | 13,520,575 | 13,520,575 | 100% | 65,860,501 | 2012 (Series 1991); 2015 (Series 2001B) |

CITY OF TAMPA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 12 - LONG-TERM DEBT (Continued)

| Description of <u>Issue</u> | <u>Pledged Revenue</u> | <u>Revenue Received</u> | <u>Principal and Interest Paid</u> | <u>Estimated Percentage of Revenues Pledged</u> | <u>Outstanding Principal and Interest</u> | <u>Pledged Through</u> |
|---|---|-----------------------------|--|---|---|--|
| Governmental Activities continued | | | | | | |
| Utilities Tax Improvement Bonds, Series 1996, Series 1997, Series 1998, Series 1999A, Series 2010A, And Series 2010B; Utilities Tax Refunding Revenue Bonds, Series 2002A and Series 2006 | Utility Service Tax Revenues, and Interest Earned on Legally Required Depository Accounts | 60,149,237 | 10,469,136 | 17% | 226,078,882 | 2011 (Series 1998, Series 1999A); 2019 (Series 1997, Series 2006); 2021 (Series 2002A); 2022 (Series 1996); 2027 (Series 2010A); 2030 (Series 2010B) |
| HUD Section 108 Loan | Community Development Block Grant Funds | 808,109 | 587,053 | 73% | 9,602,166 | 2018 |
| Channel District CRA Infrastructure Loan- 2010 Note | Tax Increment Revenues (Channel District CRA Only) | 2,608,906 | 1,306,040 | 50% | 4,571,141 | 2015 |
| Business-type Activities | | | | | | |
| Solid Waste System Revenue Bonds (McKay Bay Refuse-to-Energy Project), Series 1999B; Solid Waste System Refunding Revenue Bonds, Series 2010 and Series 2011 | Operating Revenues of the Solid Waste System | 19,285,968 | 13,806,143 | 71% | 152,784,525 | 2020 (Series 2011); 2019 (Series 2010); 2021 (Series 1999B) |

CITY OF TAMPA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 12 - LONG-TERM DEBT (Continued)

| Description of <u>Issue</u> | <u>Pledged Revenue</u> | <u>Revenue Received</u> | <u>Principal and Interest Paid</u> | Estimated Percentage of Revenues <u>Pledged</u> | <u>Outstanding Principal And Interest</u> | <u>Pledged Through</u> |
|---|---|-----------------------------|--|--|---|--|
| Business-type Activities | | | | | | |
| Water & Sewer Systems Refunding Revenue Bonds, Series 2001A, 2001B, 2002, 2003A, 2005, 2006; Water & Sewer Systems Revenue Bonds, Series 2007; Water & Sewer Systems Improvement & Refunding Revenue Bonds, Series 2011 | Operating Revenues of the Water & Wastewater System | 95,568,053 | 27,117,331 | 28% | 430,724,824 | 2029 (Series 2001A); 2021 (Series 2001B); 2017 (Series 2002); 2014 (Series 2003A); 2017 (Series 2005); 2036 (Series 2006); 2037 (Series 2007); 2030 (Series 2011) |
| State of Florida DEP Revolving Loan 42 nd St. #1, #2, #3, #4 #5 | Operating Revenues of the Water System | 68,450,722 | 6,630,186 | 10% | 36,662,839 | Loan #1 – 2020; Loan #2 – 2016 Loan #3 – 2017; Loan #4 – 2030 Loan #5 – 2031 42 nd St – 2016 |

CITY OF TAMPA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 12 - LONG-TERM DEBT (Continued)

Debt service to maturity by revenue source on the City's bonded indebtedness is as follows:

| Fiscal Year | Guaranteed Entitlement Revenues | Occupational License Tax Revenues | Sales Tax Revenues | Parking Fee Revenues | Utilities Tax Revenues | Solid Waste System Revenues | Water & Sewer System Revenues |
|----------------|---------------------------------------|---|-----------------------|-------------------------|---------------------------|-----------------------------------|-------------------------------------|
| 2012 | \$278,700 | \$7,308,609 | \$4,889,793 | \$808,596 | \$23,733,472 | \$13,525,775 | \$52,284,432 |
| 2013 | 272,750 | 7,291,638 | 4,903,156 | 989,502 | 23,794,176 | 13,881,200 | 30,986,693 |
| 2014 | 271,350 | 7,381,900 | 4,898,556 | 988,956 | 23,960,536 | 13,875,500 | 31,102,643 |
| 2015 | 269,350 | 7,454,044 | 4,884,831 | 986,539 | 23,930,112 | 13,870,300 | 29,661,465 |
| 2016 | 276,450 | 7,517,481 | 4,880,881 | 992,520 | 30,709,098 | 13,810,375 | 28,248,136 |
| 2017- 2021 | 813,850 | 32,579,747 | 24,399,856 | 4,972,943 | 114,940,888 | 69,476,500 | 106,278,944 |
| 2022- 2026 | - | 34,988,625 | 24,257,069 | 4,996,987 | 35,943,009 | 14,344,875 | 82,068,672 |
| 2027- 2031 | - | 13,519,750 | 4,832,641 | 500,993 | 14,928,092 | - | 81,734,944 |
| 2032- 2036 | - | - | - | - | - | - | 38,122,916 |
| 2037- 2041 | - | - | - | - | - | - | 8,686,817 |
| Total | <u>\$2,182,450</u> | <u>\$118,041,794</u> | <u>\$77,946,783</u> | <u>\$15,243,036</u> | <u>\$291,939,383</u> | <u>\$152,784,525</u> | <u>\$489,175,663</u> |

The remaining outstanding principal and interest due on the Channel District CRA Infrastructure Loan and the HUD Section 108 loan guaranteed by the City are excluded from the above table as both debts are being repaid with restricted revenues and neither credit vehicle constitutes a debt of the City.

NOTE 13 - CONDUIT DEBT

From time to time the City will issue conduit debt obligations to fulfill a public need or purpose. These obligations are not reported as liabilities in the accompanying basic financial statements and the City is not obligated in any manner for repayment of the bonds. As of September 30, 2011, there was an aggregate principal amount of approximately \$519,777,618. A description of each issue outstanding at year end follows:

\$2,720,000 City of Tampa, Florida Home Mortgage Revenue Bonds 1983 Series A: This obligation was issued to provide mortgage loans on single family residences for eligible borrowers in the City. The revenues received from the mortgage payments are security for the bonds.

\$137,860,000 City of Tampa, Catholic Health System East Health System Revenue Bonds, Series 1998 A-2 and A-3: The proceeds from the bonds were loaned to Catholic Health East for the construction of medical facilities in the City, for the purchase of medical equipment, and for the payment of other specific costs. The terms of the loan agreement require debt service payments to be made directly to the bond trustees. The gross revenues of the health care entities secure the loan and bonds.

\$32,060,000 City of Tampa, Florida Capital Improvement Hospital Revenue Bonds (H. Lee Moffitt Cancer Center Project) Series 1999A: The proceeds from the bonds were loaned to H. Lee Moffitt Cancer Center and Research Institute, Inc. and H. Lee Moffitt Cancer Center and Research Institute Hospital, Inc. (Obligated Group) for various capital improvement projects. The terms of the loan agreement require the debt service payments to be paid directly to the bond trustee. The gross revenues of the Obligated Group secure the loan and bonds.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 13 - CONDUIT DEBT (Continued)

\$3,260,000 of City of Tampa, Florida Education Facilities Revenue Bonds (Academy of Holy Names Projects) Series 2001: The proceeds from the bonds were loaned to Academy of Holy Names School to finance improvements to the facility. The terms of the loan agreement call for payments of principal and interest to be made directly to the bond trustee. The gross revenues of the entity secure the loan and bonds.

\$23,155,000 of City of Tampa, Florida Education Facilities Revenue Bonds (University of Tampa Project) Series 2002: The proceeds from the bonds were loaned to the University of Tampa to finance constructing and equipping a new dormitory and parking facility. The terms of the loan agreement call for payments of principal and interest to be made directly to the bond trustee. The gross revenues of the entity secure the loan and bonds.

\$19,073,500 of City of Tampa, Florida Revenue Bonds (CHF - Tampa, LLC Project for the University of Tampa), Series 2005A and 2005B: The proceeds from the bonds were loaned to the University of Tampa and were used to finance construction of a new dormitory. The terms of the loan agreement call for payments of principal and interest to be made directly to the bond trustee. The gross revenues of the University of Tampa secure the loan.

\$41,965,000 of City of Tampa, Florida Revenue Bonds (University of Tampa Project), Series 2006: The proceeds from the bonds were loaned to the University of Tampa and were used to construct a 448 bed student dormitory and the second phase of a parking structure. The terms of the loan agreement call for payments of principal and interest to be made directly to the bond trustee by the University of Tampa. The gross revenues of the University of Tampa secure the loan.

\$24,230,000 of City of Tampa, Florida Variable Rate Revenue and Revenue Refunding Bonds (Catholic Health East), Series 2010: The proceeds from the bonds were loaned to Catholic Health East to finance and refinance the constructing, relocating, acquiring and equipping certain social service facilities. The terms of the loan agreement call for payments of principal and interest to be made directly to the bond trustee by Catholic Health East. Their gross revenues secure the loan.

\$186,630,000 of City of Tampa, Florida Variable Rate Revenue and Revenue Refunding Bonds (Baycare Health System, Inc.), Series 2010: The proceeds from the bonds were loaned to Baycare Health System, Inc. to currently refund a portion of the City's outstanding Health System Revenue Bonds, Catholic Health East Issue, Series 1998A-1. The terms of the loan agreement call for payments of principal and interest to be made directly to the bond trustee by Baycare Health System, Inc. Their gross revenues secure the loan.

\$3,455,028 of City of Tampa, Florida Variable Rate Revenue and Revenue Refunding Bonds (The Academies for Educational Excellence, Inc.), Series 2010: The proceeds from the 2010 bonds were loaned to The Academies for Educational Excellence, Inc. to refund the Florida Education Facilities Revenue Bonds (Pepin Academy of Tampa, Inc. Project) Series 2002. The original 2002 Series proceeds were loaned to the Florida Education Facility and used to finance the purchase and improvement of a facility for the school. The gross revenues of the facility secure the loan and bonds.

\$6,352,008 of City of Tampa, Florida Variable Rate Revenue and Revenue Refunding Bonds (Trinity School), Series 2010: The original proceeds from the bonds were loaned to Trinity School to finance improvements to the facility. The 2010 Series was issued solely to refund the 2002 issue. The terms of the loan agreement call for payments of principal and interest to be made directly to the bond trustee by Trinity School. Their gross revenues secure the loan.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 13 - CONDUIT DEBT (Continued)

\$8,601,500 of City of Tampa, Florida Variable Rate Revenue and Revenue Refunding Bonds(Volunteers of America of Florida, Inc.), Series 2010: The proceeds from the bonds were loaned to Volunteers of America of Florida, Inc. solely to refund the Series 2007 bonds. The Series 2007 bonds were loaned to Volunteers of America of Florida, Inc. to finance and refinance the constructing, relocating, acquiring and equipping certain social service facilities. The terms of the loan agreement call for payments of principal and interest to be made directly to the bond trustee by Volunteers of America of Florida, Inc. Their gross revenues secure the loan.

\$13,675,000 of City of Tampa, Florida Variable Rate Revenue and Revenue Refunding Bonds (DACCO – Drug Abuse Comprehensive Coordinating Office, Inc.), Series 2010: The proceeds from the bonds were loaned to Drug Abuse Comprehensive Coordinating Office, Inc. (DACCO) solely to refinance the 2007 Series bonds. The original 2007 Series Bonds were loaned to Drug Abuse Comprehensive Coordinating Office, Inc. to finance the acquiring, constructing, and equipping of a facility located on Columbus Drive within the limits of the City of Tampa. The terms of the loan agreement call for payments of principal and interest to be made directly to the bond trustee by DACCO. The gross revenues of DACCO secure the loan.

\$16,740,581 City of Tampa, Florida Revenue Refunding Bonds (Tampa Preparatory School Project) Series 2010A and 2010B: The proceeds from the bonds were loaned to Tampa Preparatory School solely to refund the outstanding (Tampa Preparatory School Project), 2000 Series Bonds. The original 2000 Series Bonds were loaned to Tampa Preparatory School, Inc. to finance the construction of a new facility. The terms of the loan agreement call for payments of principal and interest to be made directly to the bondholder. The gross revenues of Tampa Preparatory Schools secure the loan.

NOTE 14 - ARBITRAGE REBATE

In accordance with the Tax Reform Act of 1986, any interest earnings on borrowed construction funds in excess of the interest costs are required to be rebated to the federal government.

There is no arbitrage rebate liability as September 30, 2011.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 15 - CONTINGENT LIABILITIES

The City has agreed to pay one-third of any operating and maintenance shortfall of the Tampa Sports Authority as defined in certain Inter-Local Agreements subject to approval of the Sports Authority's annual budgets by both the City and Hillsborough County. In prior years a total of \$12,374,000 had been paid under this agreement. In 2011 an additional amount of \$506,240 was paid, for a total of \$12,880,240 paid through September 30, 2011.

During 2011, and in prior years, the City received revenues and contributions related to grants from Federal agencies and the State of Florida. These grants are for specific purposes and are subject to review and audit by the grantor agencies. Such audits could result in requests for reimbursement for expenditures being disallowed under the grant terms. Based upon prior experience, the City's management believes any requests for reimbursement, if any, will not be significant.

During 1992, the City entered into an agreement with the Florida Aquarium, Inc. to finance the acquisition, construction, and equipping of the Florida Aquarium. The City's role was to act as a conduit to enable the Aquarium to obtain tax exempt financing. This tax exempt financing did not constitute a debt or obligation of the City and neither the full faith and credit nor any of the taxing power of the City was pledged to repay the principal or interest of the Aquarium debt. The City agreed to pay certain amounts if certain contingencies occurred in connection with the revenue bonds issued by the City as a conduit issuer. Due to attendance shortfalls at the Aquarium, it became apparent that certain contingencies would occur and that the City would have to start paying monies to assist in funding the debt service requirements. Accordingly, on October 24, 1996, the City issued \$104,230,000 of Occupational License Tax Bonds, series 1996A and B, to purchase the Aquarium and related facilities and to pay off the Revenue Bonds, series 1992 (The Florida Aquarium Project). The 1996B Bonds were refunded with the 2002 Occupational License Tax Refunding Bonds, a portion of which were refunded with the 2007 Occupational License Tax Refunding Bonds. During 2011, the City paid \$486,000 to the Aquarium to support its operations. More information on the Occupational License Tax Bond issue is contained in Note 11.

In 1989 the City entered into a small power production agreement with TECO Energy Company. Under this agreement the City received certain payments in advance from TECO for electricity produced by the City and sold to TECO. When the contract ended July 31, 2011, all remaining deferred revenues related to this agreement of \$489,000 were recognized as operating income in the Solid Waste System Statement of Revenues, Expenses and Changes in Fund Net Assets.

With the expiration of the TECO contract, the City entered into a 15-year agreement with Seminole Electric to sell the net electrical energy output generated from its facility. The contract will expire on July 31, 2026, unless extended by mutual agreement. Unlike the TECO contract, there were no advance payments from Seminole Electric. Instead, payments are remitted to the City monthly upon receipt of an invoice.

During 1998, the City entered into an agreement with Tampa Bay Water, a regional water supply authority, to finance the acquisition and construction of a regional water supply system for the area. Other parties to the agreement are the cities of St. Petersburg and New Port Richey and Hillsborough, Pasco, and Pinellas counties. The system provides storage and will supply water to reduce adverse effects of excessive withdrawals. In accordance with this agreement, the City sold its Morris Bridge Wellfield to Tampa Bay Water for \$35,431,000 of which \$32,000,000 was in cash and the remaining \$3,431,000 is in the form of annual credits to be amortized against future water purchases from Tampa Bay Water by the City. Tampa Bay Water has issued debt obligations for which each party to the agreement would be liable in the event Tampa Bay Water has insufficient assets to pay the debt obligations. The amount of any potential future liability to the City under this agreement cannot be reasonably estimated.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 15 - CONTINGENT LIABILITIES (Continued)

During 1995 the City entered into agreements with the Tampa Sports Authority to issue Tampa Sports Authority bonds to finance construction of the St. Pete Times Forum which are more fully described in Note 11. The City has agreed to pay from non-ad valorem revenues \$750,000 at a minimum and \$1,500,000 at a maximum to the Sports Authority through 2026 for the \$10,300,000 Tampa Sports Authority Special Purpose Bonds and \$250,000 for the \$2,815,000 Tampa Sports Authority Taxable Special Purpose Bonds. The payment to the Sports Authority above varies because the amount is contingent on certain parking revenues and ticket surcharge revenues. During 2011, \$505,000 was paid under this agreement.

In 1993, State regulations required the City to place a final cover on its Old Manhattan landfill site when it stopped accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The City will report an approximate expense of \$80,000 per year for the next fifteen years. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. The City is required by the State of Florida Administrative Code section 62-701.630 to maintain a trust fund to finance closure and post-closure care. The City is in compliance with these requirements, and as of September 30, 2011, a certificate of deposit (#002-0635861568 with Fifth Third Bank) was purchased to meet the \$1,147,300 potential cost. This amount is reported as restricted assets on the statements of net assets government-wide statement in the column for business-type activities and in the water utility fund in the proprietary fund statement of net assets.

In accordance with section 62-701.630 of the Florida Administrative Code, the City has recognized a potential cost of \$207,000, related to the McKay Bay Waste to Energy Facility, and it is shown as restricted asset and liability on the government-wide statement of net assets in the column for business-type activities and in the solid waste system on the proprietary fund statement of net assets.

The 1997, 1998, 1999A, and 2000A Utilities Tax Bonds are collateralized by a pledge of utility tax revenue. A portion of the proceeds from the bond issues were used for parking related capital projects. While the City is not contractually obligated to service the debt from the parking facilities fund, it has elected to make operating transfers from the parking facilities fund to the appropriate debt service fund for a portion of the debt service on the bond issues.

In connection with its efforts to redevelop and rehabilitate existing housing stock through various housing activities, the City has established a Challenge Fund Guarantee Program. Under the program the City has agreed to establish an account entitled the Community Reinvestment Challenge Fund Loan Guarantee Account. This account is funded by Federal Community Development Block Grant Funds and other public and private sources. The City has agreed to use this account to purchase certain loans made by participating financial institutions in the event of default during a period of five years from the date of origination of the loan. Pursuant to Council Resolution the aggregate amount of loans subject to this agreement may not exceed \$75 million. The City had no expenditures from the Community Reinvestment Challenge Fund Loan Guarantee Account in 2011.

NOTE 16 - RISK MANAGEMENT

The City's self-insurance programs and health insurance programs are accounted for in the General Fund. The City is a self-insured public entity and affords coverage for the risk exposures listed below:

- General and Automotive Liability
- Property Damage
- Workers' Compensation
- Excess Workers' Compensation, General Liability, & Police Liability
- Unemployment Compensation
- Group Medical
- Federal Flood Insurance
- Life Insurance
- Short Term Disability
- Long Term Disability

Exposures are limited by insurance coverage as noted. Settled general and automotive liability and workers' compensation claims have not exceeded the self-insured statutory limits in any of the past five years.

General and Automotive Liability: State statutes limit municipal liability associated with tort actions to \$100,000 per person and \$200,000 per occurrence except under certain circumstances. The limit will increase to \$200,000 per person and \$300,000 per occurrence as of October 1, 2011, and that increase applies to claims on, or after, that date. The City obtained an actuarial valuation of the outstanding claims as of September 30, 2011.

Property Damage: The City has established an account to fund the premium on the property insurance policies that cover City facilities on a blanket basis. The assigned net assets of the insurance fund would be used to fund the damages under the insurance deductibles. The City's buildings are covered through insurance coverage with a \$ 100,000 deductible; with separate deductibles for wind and flood damage (mostly percentage of loss). The City has made three claims under the City's property insurance policies in the past five years and all of these were fire losses.

Workers' Compensation: The City is self-insured for all workers' compensation benefits as defined by state statute. The funding is provided by charges to the various departments of the City based on payroll and the workers' compensation rates as defined in the state classification codes. The workers compensation rates are charged by payroll class and claims. These are reviewed annually by the Bureau of Self Insurance, Division of Workers' Compensation, Department of Insurance, State of Florida. Non-incremental claims adjustment expenses are included as part of the liability for claims. The City obtained an actuarial valuation of the outstanding claims as of September 30, 2011.

Excess Workers' Compensation, General Liability, and Police Liability: The City has an excess policy (\$5M/\$10M) with a \$500,000 self-insured retention to afford excess coverage for our workers' compensation, general liability, and police liability claims. Our actuary recommended this as a cost-saving tool to afford the City with protection from catastrophic claims.

Unemployment Compensation: Most nonprofit organizations exempt under s. 3306(C)(8) of the Internal Revenue Code regarding the Federal Unemployment Tax Act, who employ four or more workers for 20 or more weeks in a calendar year, are required to cover their employees under the Florida unemployment compensation law. A nonprofit employer may elect to reimburse the Florida Unemployment Compensation Trust Fund for the benefits that are paid to former employees on a dollar-for-dollar basis. The City of Tampa submits an Election of Nonprofit Organization Method of Payment under the Florida Unemployment Compensation Law (UCT-28) every two years as required by division rules.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 16 - RISK MANAGEMENT (Continued)

Group Medical: The City is fully insured for group medical coverage. Effective January 1, 2011, the City contracted with United Health Care for the group medical insurance plan. The plan is funded by employee contributions and by City contributions. The City contributions are allocated to the different funds of the City based on employee participation in the plan.

Federal Flood Insurance: With respect to locations partially or wholly exposed to areas of frequent flooding (less than 100-year frequency) within Special Flood Hazard Areas (SFHA), as defined by the Federal Emergency Management Agency, the City has purchased National Flood Insurance covering 59 locations. The NFIP is a federal program created by congress to mitigate future flood losses nationwide through sound, community-enforced building and zoning ordinances, and to provide access to affordable, federally-backed flood insurance protection for property owners. The NFIP is designed to provide an insurance alternative to disaster assistance to meet the escalating costs of repairing damage to buildings and their contents caused by floods.

Life Insurance: The City provides Group Term Life and Accidental Death & Dismemberment insurance to full-time employees. The amount of insurance is specified in the applicable union contract or the personnel manual for non-union employees. Special benefits for law enforcement officers and firefighters are also included. Chapter 112.19, F.S. requires payment to the beneficiary designated by the law enforcement officer in writing. This document must be signed by the officer and delivered to the employer during the officer's lifetime. The death benefit is currently \$170,615 if unlawfully and intentionally killed. This amount changes annually with firefighter and EMT adjustments posted in Ch 69A-64, F.A.C. and police adjustments posted in Ch 2A-8, F.A.C. These benefits are funded through the City of Tampa's life and accidental death and dismemberment policy with ReliaStar.

Short Term Disability: The City also provides a short-term disability program for management employees as a supplement to the extended illness leave program. The City is self-insured for these liabilities.

Long Term Disability: The City pays premium to Unum to fund long-term disability for all employees at a 30% level with a 180 day elimination period. All full-time employees automatically receive the City paid base plan that replaces 30% of income up to a maximum of \$7,000 per month. This coverage is effective on the first day of the month following six months of continuous employment. Employees may increase coverage by one level during an enrollment period. Specifically, employees may change from the 30% plan to the 50% plan, but not the 60% plan. The cost of buying-up from 30% to 50%, or from 50% to 60%, is paid by the employee through payroll deduction.

NOTE 17 - OTHER POST-EMPLOYMENT BENEFITS ("OPEB")

The City follows GASB No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*, to account for certain post-employment health care benefits provided by the City. A separate audited GAAP-basis post-employment benefit plan report is not prepared for this defined benefit plan.

CITY OF TAMPA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 17 - OTHER POST-EMPLOYMENT BENEFITS ("OPEB") (Continued)

Plan Description

The Post-employment Health Care Benefits Plan is a single-employer defined benefit plan administered by the City. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees and eligible dependents who retire from the City may continue to participate in the City's fully insured health and hospitalization plan for medical and prescription drug coverage. The City subsidizes the premium rates paid by retirees by allowing them to participate in the plans at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. Medicare eligible retirees are required to enroll in the federal Medicare program for their primary coverage as soon as they are eligible.

Funding Policy

For the post-employment health care benefits plan, contribution requirements of the City are established and may be amended through recommendations of the insurance committee and action from the Board of Trustees. The City has not advance-funded, or established a funding methodology, for the annual OPEB costs or the net OPEB obligation. As of July 1, 2010, there were 314 retirees and 135 eligible dependents receiving post-employment health care benefits. For the 2011 fiscal year, the City provided required contributions of \$2,781,223 toward annual OPEB costs, comprised of benefit payments made on behalf of retirees for claims expenses, retention costs, and net of retiree contributions totaling \$4,167,081. Required contributions are based on projected pay-as-you-go financing.

Annual OPEB Cost and Net OPEB Obligation

The following table shows the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation:

| | <u>Fiscal Year Ending</u> | |
|---|---------------------------|----------------------|
| | <u>9/30/2010</u> | <u>9/30/2011</u> |
| Normal Cost | \$ 2,985,072 | \$ 3,104,475 |
| Amortization of Unfunded Accrued Liability | 2,004,365 | 2,029,371 |
| Interest | <u>199,577</u> | <u>205,354</u> |
| Annual Required Contribution | 5,189,014 | 5,339,200 |
| Interest on Net OPEB Obligation (NOO) | 474,581 | 582,000 |
| Amortization of NOO | <u>(423,740)</u> | <u>(519,652)</u> |
| Total Expense or Annual OPEB Cost (AOC) | 5,239,855 | 5,401,548 |
| Actual Credit/(Contribution) Toward OPEB Cost | <u>(2,554,375)</u> | <u>(2,781,223)</u> |
| Increase in NOO | 2,685,480 | 2,620,325 |
| NOO Beginning of Year | <u>11,864,518</u> | <u>14,549,998</u> |
| NOO End of Year | <u>\$ 14,549,998</u> | <u>\$ 17,170,323</u> |

CITY OF TAMPA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 17 - OTHER POST-EMPLOYMENT BENEFITS ("OPEB") (Continued)

The City's historical annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation:

| <u>Fiscal Year</u> | <u>Annual OPEB Cost</u> | <u>Contribution</u> | <u>Percentage of Annual OPEB Cost Contributed</u> | <u>Net OPEB Obligation</u> |
|--------------------|-------------------------|---------------------|---|----------------------------|
| 9/30/2008 | \$7,766,871 | \$2,724,372 | 35.1% | \$ 5,042,499 |
| 9/30/2009 | \$8,236,772 | \$1,436,361 | 17.4% | \$11,864,518 |
| 9/30/2010 | \$5,239,855 | \$2,554,375 | 48.7% | \$14,549,998 |
| 9/30/2011 | \$5,401,548 | \$2,781,223 | 51.5% | \$17,170,323 |

Funded Status and Funding Progress

As of September 30, 2011, the actuarial accrued liability for benefits was \$52,032,135, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$52,032,135. The covered payroll (annual payroll for active participating employees) was \$274,542,765 for the 2011 fiscal year, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 19.0%. The schedule of funding progress for the postemployment defined benefit plan immediately follows these notes to the financial statements in the Required Supplementary Information section. This schedule presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future.

Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For the 2011 fiscal year, the City's OPEB actuarial valuation used the entry age normal cost actuarial method to estimate the unfunded actuarial liability and to determine the annual required contribution. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 4.0% rate of return on invested assets, which is the City's long-term expectation of investment returns under its investment policy. The actuarial assumptions also included a payroll growth rate of 3.5% per year, and an annual healthcare cost trend rate of 9.5% initially for the 2011 fiscal year, grading down to an ultimate rate of 5.5% for the fiscal year-ending September 30, 2017. The unfunded actuarial accrued liability and gains/losses are being amortized as a level percentage of projected payroll on a closed basis over 30 years.

NOTE 18 - EMPLOYEE RETIREMENT AND PENSION PLANS

Defined Benefit Plans

The City maintains two separate single-employer defined benefit retirement systems (General Employees, Police and Fire) covering full-time City employees which are maintained as Pension Trust Funds and reported on herein as part of the City's reporting entity.

The Florida Constitution requires local governments to make the actuarially determined contributions to their Defined Benefit plans. The Florida Division of Retirement reviews and approves each local government's actuarial report to ensure its appropriateness for funding purposes. Additionally, the state collects two locally authorized insurance premium surcharges (one for the Police Pension Plan on casualty insurance policies, and one for the Firefighter Pension Plan on certain real and personal property insurance policies within the corporate limits) which can only be distributed after the state has ascertained that the local government has met their actuarial funding requirement for the most recently completed fiscal year. These on-behalf payments received from the state are recognized as revenue and expense in the general fund, and are used to reduce the City's contribution to the Police and Fire Pensions.

Investments are reported at fair value and are managed by third party money managers. The City's independent custodian and the individual money managers price each instrument (using various third party pricing sources) and reconcile material differences. Investments that do not have an established market are reported at estimated fair value. Performance reporting, manager fees and the City's asset valuation are based on the custodian's determination of value.

General Employees Retirement Fund

Overview. The City contributes to the City of Tampa General Employees Retirement Fund, a single employer, virtually all full-time City employees (other than full-time firefighters and police officers) and former employees of the City, whose current governmental employers make contributions for those employees. The fund is administered by an independent Board of Trustees and is accounted for as a separate pension trust fund. The laws of Florida authorize the fund.

Benefits. During fiscal 1981, the fund was amended to provide social security coverage for all future employees of the City. The fund was divided into partial City pension with social security and full City pension with no social security. All employees hired on or after October 1, 1981 are automatically covered by social security and partial City pension.

Benefit eligibility requirements and benefit provisions. For employees hired before October 1, 1981 who contribute to the fund, vesting occurs at six or more years of service, and benefits are distributed at age 55. Benefit amounts are calculated based on the highest three years of salary within the last six years of employment. The member will receive a benefit amount equal to 2.0% of that average salary for each of the first 15 years of service and 2.5% for each remaining year. A maximum of 30 years of service is recognized. For employees hired on or after October 1, 1981 who contribute to social security, vesting occurs with six or more years of service (eight for elected officials), and benefits are distributed at age 62. The monthly pension is equal to 1.2% of the employee's average monthly compensation times years of service. Early retirement is permitted for those hired on or after October 1, 1981, who have at least six years of service, and have reached age 55. The accrued normal benefit is reduced 5/12% for each month by which the early retirement precedes normal retirement. Pre-and post-retirement death benefits are also provided.

NOTE 18 - EMPLOYEE RETIREMENT AND PENSION PLANS (Continued)

Deferred Retirement Option Program (DROP). Members with six or more years of credited service who have reached age 55 are eligible to participate in the Deferred Retirement Option Program (DROP) for up to seven years. During the DROP period the member makes no further contribution to the fund and accrues a benefit amount equal to what would have been the member's retirement benefit had the member retired as of the date of entry into the DROP program. Interest and administrative costs accumulate annually, whether positive or negative, during the DROP calculation period, less the cost of managing the DROP, all of which shall be determined by the Board of Trustees.

Annual DROP Option Election. Effective October 1, 2011, an additional option is available. A DROP participant has the opportunity to elect an investment option to be applied to their DROP account for the plan year entering the DROP, and for each subsequent plan year. DROP participants may elect once per year in October to have interest accumulate annually, whether positive or negative, at either (1) the fund's adjusted net investment returns; or (2) a low risk variable rate option, each as determined by the Board of Trustees on fund assets. The accumulated amount is paid in a lump sum when the member leaves active service or at the end of the DROP period.

COLA: Both DROP benefits and post-retirement benefits receive Cost of Living Adjustments (COLA) annually; employees hired before October 1, 1981, receive 2.2% and employees hired on or after October 1, 1981, receive 1.2%.

Firefighters and Police Officers Pension Fund

Overview. The City contributes to the City of Tampa Firefighters and Police Officers Pension Fund, which covers all full-time firefighters and police officers. The fund is administered by an independent Board of Trustees and is accounted for by the City as a separate pension trust fund. The laws of Florida authorize the fund.

Benefit eligibility requirements and benefit provisions: Vesting for participants in the fund occurs at 10 years of service. Participants may begin drawing monthly pension benefits at the earlier of attaining age 46 with 10 or more years of service, or 20 years of service regardless of age. In computing service allowance, creditable service shall include all service or employment of the member in Fire or Police Departments, either continuous or interrupted, provided however, that any leave of absence without pay shall not be included.

Effective October 1, 2011, credit service shall include credit for up to five years of the time spent in military service of the Armed Forces of the United States if the member is in the active employ of the City of Tampa immediately prior to such service, and leaves a permanent, full-time position as a firefighter or police officer with the City of Tampa for the purpose of voluntary or involuntary service in the Armed Forces of the United States. The fund provides both service- and non-service-related disability and pre-retirement death benefits. Effective October 1, 2004, the annual pension benefit was increased from 2.5% to 3.15% for each year of service times the employees final average compensation (highest three of the last 10 years of service), but not less than \$100 per month. The increased benefit is applicable only to plan members actively employed as firefighters or police officers on or after October 1, 2004.

Deferred Retirement Option Program (DROP). Members with at least 20 years of credited service are eligible to participate in the Deferred Retirement Option Program (DROP) for up to five years. Members entering DROP after 25 years of service are eligible to participate in the DROP for a combined total of 30 years of credited service. During the DROP period, the member accrues a benefit amount equal to what would have been the member's longevity retirement benefit had the member retired as of the date of entry into the DROP program.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 18 - EMPLOYEE RETIREMENT AND PENSION PLANS (Continued)

Annual DROP Option Election. Effective October 1, 2011, there is an additional option available for those participating in DROP. DROP participants may elect once per year in October to have interest accumulated annually, whether positive or negative, at either (1) the fund's adjusted net investment returns; or (2) a low risk variable rate option, each as determined by the Board of Trustees on fund assets. Net returns are calculated from the date payment would have been made until departure from service.

This accumulated amount, less the portion attributable to the employee's after tax pension contributions, may be either rolled over to a tax-qualified vehicle, paid in a lump sum, or some combination of the two based upon the member's request when the member leaves active service at the end of the DROP period.

13th check program. All eligible retired members and surviving spouses receive a 13th check program benefit payment. The 13th check program benefit, if any, is actuarially determined and is an equal dollar amount for all eligible retirees. One half of that amount is the benefit to eligible surviving spouses. The 13th check benefit was funded by employee contributions from the 13th check benefit's inception in October 1998 through September 30, 2001. Employee contributions to the 13th check benefit ceased September 30, 2001, and the 13th check benefit was then funded by a portion of the investment return in excess of the actuarially assumed rate of return of the fund.

Members terminating employment who are not eligible to retire are entitled to a refund of contributions they made to the fund without interest. Post-retirement benefit increases are based on the net change in the average cost of living index with a maximum determined by the actuary and a minimum not below the original benefit for the fund; these benefits are paid from a post-retirement adjustment account which had assets of \$700,985,350 at October 1, 2010.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 18 - EMPLOYEE RETIREMENT AND PENSION PLANS (Continued)

Significant accounting policies

Basis of accounting. Financial information for the two pension funds is prepared using the accrual basis of accounting. Employer and plan member contributions are recognized in the period that contributions are due. Separate audited financial statements are issued for the Firefighters and Police Officers Pension Fund pension plan. Copies of that report may be obtained from the City's accounting department offices at 306 East Jackson Street, Tampa, Florida. No separate audited financial statement is issued for the General Employees Retirement Fund.

| | <u>Firefighters and Police Officers Pension Fund</u> | <u>General Employees Retirement Fund</u> | <u>Total</u> |
|------------------------------------|--|--|------------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 176,504 | \$ 2,615,984 | \$ 2,792,488 |
| Investments, at Fair Value: | | | |
| Debt and Other Interest | | | |
| Bearing Investments | 325,165,348 | 165,671,186 | 490,836,534 |
| Equity Securities | 1,046,425,210 | 305,355,855 | 1,351,781,065 |
| Real Estate Investments | <u>-</u> | <u>29,708,231</u> | <u>29,708,231</u> |
| Total Cash and Investments | 1,371,767,062 | 503,351,256 | 1,875,118,318 |
| Accounts Receivable | 21,198 | - | 21,198 |
| Interest and Dividends Receivable | 2,682,828 | 1,220,888 | 3,903,716 |
| Capital Assets: | | | |
| Land | 99,086 | - | 99,086 |
| Buildings and Improvements | 874,556 | - | 874,556 |
| Less Accumulated Depreciation | <u>(377,829)</u> | <u>-</u> | <u>(377,829)</u> |
| Total Capital Assets | <u>595,813</u> | <u>-</u> | <u>595,813</u> |
| Total Assets | 1,375,066,901 | 504,572,144 | 1,879,639,045 |
| LIABILITIES | | | |
| Accounts Payable | 8,121,189 | 744,003 | 8,865,192 |
| Accrued Liabilities | 3,003 | - | 3,003 |
| Long-term Compensated Absences | <u>28,576</u> | <u>-</u> | <u>28,576</u> |
| Total Liabilities | <u>8,152,768</u> | <u>744,003</u> | <u>8,896,771</u> |
| NET ASSETS | | | |
| Held in Trust for Pension Benefits | <u>\$1,366,914,133</u> | <u>\$503,828,141</u> | <u>\$1,870,742,274</u> |

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 18 - EMPLOYEE RETIREMENT AND PENSION PLANS (Continued)

| | Firefighters and Police Officers <u>Pension Fund</u> | General Employees Retirement <u>Fund</u> | <u>Total</u> |
|---|---|---|------------------------|
| ADDITIONS | | | |
| Contributions: | | | |
| Employer | \$ 17,922,846 | \$ 18,418,002 | \$ 36,340,848 |
| Employees | 13,375,258 | 243,610 | 13,618,868 |
| State of Florida | <u>5,952,176</u> | <u>-</u> | <u>5,952,176</u> |
| Total Contributions | 37,250,280 | 18,661,612 | 55,911,892 |
| Investment Earnings: | | | |
| Interest and Dividends | 36,802,819 | 9,138,319 | 45,941,138 |
| Net Decrease in the Fair Value of Investments | <u>(6,386,222)</u> | <u>(11,104,857)</u> | <u>(17,491,079)</u> |
| Total Investment Earnings (Loss) | 30,416,597 | (1,966,538) | 28,450,059 |
| Less Investment Expense | <u>3,836,174</u> | <u>2,770,612</u> | <u>6,606,786</u> |
| Net Investment Earnings (Loss) | <u>26,580,423</u> | <u>(4,737,150)</u> | <u>21,843,273</u> |
| Total Additions, Net | 63,830,703 | 13,924,462 | 77,755,165 |
| DEDUCTIONS | | | |
| Pension Benefits | 77,795,968 | 38,993,169 | 116,789,137 |
| Administrative Expenses | <u>1,498,960</u> | <u>322,354</u> | <u>1,821,314</u> |
| Total Deductions | <u>79,294,928</u> | <u>39,315,523</u> | <u>118,610,451</u> |
| Change in Net Assets | (15,464,225) | (25,391,061) | (40,855,286) |
| Net Assets - Beginning | <u>1,382,378,358</u> | <u>529,219,202</u> | <u>1,911,597,560</u> |
| Net Assets - Ending | <u>\$1,366,914,133</u> | <u>\$503,828,141</u> | <u>\$1,870,742,274</u> |

Contribution Requirements and Contributions Made

General Employees Pension Plan

City policy and state statutes govern the City and employee contribution requirements for both funds. The City's contribution to the General Employees Retirement Fund is an actuarially determined periodic amount that changes gradually over time so that sufficient assets will be available to pay benefits when due. The employees' contribution rate for this fund is currently 7% of gross pay for employees hired before October 1, 1981, and no contribution for employees hired on or after October 1, 1981.

Fire and Police Pension Plan

The City's contribution to the Firefighters and Police Officers Pension Fund is an actuarially determined periodic amount that is a minimum of 134% of a portion of the employee contribution.

The employees' contribution to the fund uses a progressive scale (full scale contribution rate or FSCR) that ranges from 4% to 25% of earnings, which may be discounted by the actuary. Members who have entered the DROP program for either fund do not make contributions during their DROP participation period.

The State of Florida makes contributions from taxes on casualty insurance premiums. The State of Florida's contribution to the Firefighters' Pension Plan for the year-ended September 30, 2011 was \$5,952,000. The City recognized these on-behalf payments from the state as revenues and expenditures in the governmental fund financial statements.

CITY OF TAMPA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 18 - EMPLOYEE RETIREMENT AND PENSION PLANS (Continued)

In 2011 the City's annual pension cost and contribution for the Firefighters and Police Officers Pension Fund and the General Employees Retirement Fund were \$17,923,000 and \$18,418,000 respectively.

Funded Status and Funding Progress

The schedule of funding progress for the City's defined benefit pension plans immediately follow these notes to the financial statements in the Required Supplementary Information section. This schedule presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time. The funded status of the City's two defined benefit pension plans as of January 1, 2011 (General) and October 1, 2010 (Police and Fire), the date of the latest actuarial valuations, was as follows:

Funded Status and Funding Progress
(Dollar amounts in thousands)

| Actuarial Value of Assets <u>(a)</u> | Actuarial Accrued Liability <u>(b)</u> | Unfunded Actuarial Accrued Liability <u>(b-a)</u> | Funded Ratio <u>(a/b)</u> | Covered Payroll <u>(c)</u> | Unfunded as a % Covered Payroll <u>(b-a)/(c)</u> |
|--|---|---|------------------------------|----------------------------------|---|
| General Employees' Pension Plan (1) (2) | | | | | |
| \$567,255 | \$574,793 | \$7,538 | 98.7% | \$136,289 | 5.5% |
| Police And Firefighter Pension Plan | | | | | |
| \$719,908 | \$786,528 | \$66,619 | 91.5% | \$88,544 | 75.2% |

General Employees Retirement Fund

| <u>Year Ended September 30</u> | Annual Pension Cost <u>(APC)</u> | Percentage of APC Contributed | Net Pension Asset |
|------------------------------------|-------------------------------------|----------------------------------|----------------------|
| 2011 | \$18,482 | 99.7% | \$1,067 |
| 2010 | \$19,484 | 105.4% | \$1,133 |
| 2009 | \$12,063 | 100.6% | \$48 |

Firefighters and Police Officers Pension Fund

| <u>Year Ended September 30</u> | Annual Pension Cost <u>(APC)</u> | | Percentage of APC Contributed | Net Pension Asset |
|------------------------------------|-------------------------------------|---------|----------------------------------|----------------------|
| | City | State | | |
| 2011 | \$17,923 | \$5,952 | 100% | \$0 |
| 2010 | \$8,889 | \$6,255 | 100% | \$0 |
| 2009 | \$5,530 | \$6,394 | 100% | \$0 |

(1) This plan uses the Aggregate Actuarial Cost Method which cannot be used to prepare a schedule of funding progress because it does not separately determine actuarial accrued liabilities. In order to provide information that serves as a surrogate for the funding progress of the plan per GASB 50, the Entry Age Normal Cost Method has been used to calculate the funded status. The current year information has been restated and calculated using the Entry Age Normal Cost Method which calculates the funding progress by a ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.

(2) The General Employees Pension Fund's funded status and funding progress has been calculated after changes in benefits and/or actuarial assumptions, and/or actuarial cost methods.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 18 - EMPLOYEE RETIREMENT AND PENSION PLANS (Continued)

Two-Year Trend Information for the City's Defined Benefit Pension Plans is presented below:

General Employees' Pension Plan
Annual Pension Cost and Net Pension Obligation

| | <u>Plan Year Ended</u> | |
|---|------------------------------------|------------------|
| | <u>Revised</u> <u>9/30/2010</u> | <u>9/30/2011</u> |
| Annual Required Contribution (ARC) | | |
| 1. Normal Cost (as for State Minimum Required Contribution) | N/A | N/A |
| 2. Net Amortization Charge | N/A | N/A |
| 3. Expenses | N/A | N/A |
| 4. Minimum Required City Contribution* | \$19,489,124 | \$18,343,173 |
| 5. Change in Past Excess Contributions Account | <u>(6,603)</u> | <u>92,268</u> |
| 6. Annual Required Contribution | 19,482,521 | 18,435,441 |
| = (1) + (2) + (3) + (4) + (5) | | |
| Annual Pension Cost (APC) | | |
| 1. Annual Required Contribution | 19,482,521 | 18,435,441 |
| 2. Interest on the Net Pension Obligation (Quarterly Payment) | (1,881) | (44,466) |
| 3. Adjustment to the Annual Required Contribution** | <u>3,827</u> | <u>91,172</u> |
| 4. Annual Pension Cost | 19,484,467 | 18,482,147 |
| = (1) + (2) + (3) | | |
| Net Pension Obligation (NPO) | | |
| 1. Net Pension Obligation at end of prior year | (47,960) | (1,133,470) |
| 2. Annual Pension Cost | 19,484,467 | 18,482,147 |
| 3. Actual Employer Contribution | 20,529,000 | 18,418,002 |
| 4. Change in Net Pension Obligation = (2) – (3) | (1,044,533) | 64,145 |
| 5. Interest on (4) to end of year | (40,977) | 2,516 |
| 6. Net Pension Obligation | (1,133,470) | (1,066,809) |
| = (1) + (4) + (5) | | |
| Average Remaining Service Life of Active Members | 13.024 | 12.920 |

* Under a new state interpretation, the actual required contribution is based on a percentage of actual, not projected, Participants' Compensation Under Maximum Assumed Retirement Age.

** The net pension obligation as of the beginning of the year is amortized as a level dollar amount over the average remaining service life of active members with an adjustment for quarterly payment.

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 18 - EMPLOYEE RETIREMENT AND PENSION PLANS (Continued)

| Fiscal Year Ending | Annual Required Cost (ARC) <u>a</u> | City Contributions Made <u>b</u> | Percentage of ARC Contributed <u>b/a</u> | Annual Pension Cost (APC) <u>c</u> | Percentage of APC Contributed <u>b/c</u> | Net Pension Obligation |
|-----------------------|--|---|---|---|---|---------------------------|
| 9/30/2006 | 11,396,961 | 11,414,000 | 100.1% | 11,397,445 | 100.1% | (29,863) |
| 9/30/2007 | 15,110,329 | 15,058,000 | 99.7% | 15,111,473 | 99.6% | 25,708 |
| 9/30/2008 | 14,207,076 | 14,202,000 | 100.0% | 14,206,094 | 100.0% | 29,963 |
| 9/30/2009 | 12,064,170 | 12,138,000 | 100.6% | 12,063,019 | 100.6% | (47,960) |
| 9/30/2010 | 19,482,521 | 20,529,000 | 105.4% | 19,484,467 | 105.4% | (1,133,470) |
| 9/30/2011 | 18,435,441 | 18,418,002 | 99.9% | 18,482,147 | 99.7% | (1,066,809)* |

* The General Employees' Retirement Fund has an actuarially accrued liability in excess of assets, this amount is being amortized as a level percentage of payroll over the remaining future service of plan participants.

| Actuarial Valuation Date | (a) Actuarial Value of Assets (AVA) | (b) Actuarial Accrued Liability (AAL) | (c) Unfunded (Overfunded) AAL (UAAL) <u>b/a</u> | Funded Ratio <u>a/b</u> | (d) Covered Payroll | Unfunded (Overfunded) UAAL as % of Covered Payroll <u>c/d</u> |
|--------------------------------|---|---|--|-------------------------------|---------------------------|---|
| 10/1/2005 | \$674,834,088 | \$593,960,875 | \$(80,873,213) | 113.6% | \$88,045,153 | (91.9)% |
| 10/1/2006 | 705,453,117 | 636,973,238 | (68,479,879) | 110.8 | 87,548,852 | (78.2) |
| 10/1/2007 | 739,323,050 | 678,048,907 | (61,274,143) | 109.0 | 88,395,290 | (69.3) |
| 10/1/2008 | 701,639,041 | 705,646,085 | 4,007,044 | 99.4 | 89,131,753 | 4.5 |
| 10/1/2009 | 622,644,671 | 751,786,633 | 129,141,962 | 82.8 | 95,114,117 | 135.8 |
| 10/1/2010 | 719,908,405 | 786,527,647 | 66,619,242 | 91.5 | 88,544,208 | 75.2 |

Fiscal Year 2010 Actuarial Report (in lieu of Fiscal Year 2011) is presented for the Firefighters and Police Officers Pension Fund. This is the most current information available to date.

Deferred Compensation

The City offers its employees (including the component unit employees) two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The City's main plan is offered to all employees. The plans permit employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen non-reimbursed emergency. It is the opinion of the City's legal counsel that the City has no liability for losses under the plans, but does have the duty of due care that would be required of an ordinary prudent investor in overall program oversight. Since the City has no control over these assets, other than periodically testing the market to retain or replace the 457 third-party administrator, these assets are not reflected in the City's financial statements.

CITY OF TAMPA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

NOTE 19 - POLLUTION REMEDIATION OBLIGATIONS

In accordance with GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation*, the following provides a general description of the nature of pollution remediation activities. The Wastewater Department had a diesel fuel spill at the Treatment Plant on January 25, 2008 (FDEP Facility No. 298624817, Project No. 133621-04000000). The City officials have been working since then with the Hillsborough County Environmental Protection Commission (HCEPC) and Florida Department of Environmental Protection (FDEP) to complete a site assessment (precursor to remediation). A Pilot Test Plan to gather data for a remediation proposal was submitted to HCEPC on July 23, 2009, approved in 2010, and is ongoing. Until the pilot testing is completed and HCEPC approves of the results, the City will not receive authorization to proceed with the full remediation.

The Solid Waste Department is involved with cleanups of underground storage tanks and other materials at various locations.

The City of Tampa Risk Management Office has several structured insurance programs related to possible pollution exposure: A formal self insurance program pursuant to the authority granted by Florida Statute. The City's self insurance program operates within the limits of sovereign immunity; a Pollution Legal Liability Insurance policy which provides coverage for pollution exposure and related clean up costs; and a Storage Tank Third Party Liability Insurance policy providing coverage for third-party bodily injury and property damage due to a storage tank release. In addition, this policy provides coverage for related cleanup and defense costs. By implementing several insurance programs, the City is transferring these potential exposures to a limit of liability in a formal insurance program. The City has not recognized a liability for a pollution remediation obligation because the City is either not compelled to take action in the items described above, the work was completed before year-end, or a liability is not reasonably estimable.

NOTE 20 - LITIGATION

The City is a defendant in various litigation incidental to its routine operations. In the opinion of the City Attorney, based upon the amount of damages alleged in the various cases and facts currently known, the potential liabilities in these cases will not materially affect the City's financial statements. The City has established a general liability account within the City's general fund and has reflected its best estimates of such liabilities. Changes in the balances of claims liabilities during the past two years are as follows (in thousands):

| | Year ended <u>9/30/11</u> | Year ended <u>9/30/10</u> |
|---|------------------------------|------------------------------|
| Unpaid claims, beginning of fiscal year | \$ 51,591 | \$ 54,470 |
| Incurred claims (including IBNR's) | 6,699 | 9,186 |
| Claim Payments | <u>(9,457)</u> | <u>(12,065)</u> |
| Unpaid claims, end of fiscal year | <u>\$ 48,833</u> | <u>\$ 51,591</u> |

NOTE 21 - STATE AND FEDERAL GRANT COMMITMENTS

Grant monies received and disbursed by the City are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the City does not believe that such disallowance, if any, would have a material effect on the financial positions of the City.

NOTE 22 – RELATED PARTIES

Tampa's namesake theatre is a natural building block for the City's commitment to the regeneration of the downtown core. Downtown Tampa's economic success is related to the success of the Tampa Theatre as a cultural and economic venue. The City of Tampa, in conjunction with the Tampa Theatre Foundation, has been successful in the purchase of large portion of a 99 year land lease the Theatre committed to back in 1924.

This complex land lease involved multiple owners. Through management's efforts, a major portion of the land lease has been purchased and a permanent part of the Theatre. Only a small portion of the land lease remains in effect and is payable to three parties. The current yearly lease payment total is \$7,000 dollars. The lease term between the Theatre and these individuals is set to expire in 2023.

NOTE 23 - SUBSEQUENT EVENTS

Taxable Non-Ad Valorem Bonds – On December 15, 2011, the City issued its Taxable Non-Ad Valorem Revenue Bonds, Series 2011 in the amount of \$20,045,000. The issuance was underwritten by Morgan Keegan. The proceeds will be used to pay or reimburse the costs of certain workers compensation claims against the City for which the City successfully negotiates a one-time up-front payment to claimants. The serial debt payments will mature in 2027 and are supported by a covenant to budget and appropriate legally available non-ad valorem revenues.

Self-Insured Health Program – On January 1, 2012, the City expanded its self-insurance program to include coverage for health insurance.

Department of Environmental Protection (DEP) State Revolving Fund (SRF) Loan

On January 27, 2012, the City executed a State of Florida Drinking Water State Revolving Fund Loan Agreement with an estimated loan amount of \$20,012,600. The proceeds will be used to pay for capital projects related to the public water system. The debt service is payable from the net revenues of the water and sewer system.

Gulf Breeze Loan to Refund Occupational License Bonds – On March 1, 2012, the City closed on its loan with the City of Gulf Breeze, Florida. Gulf Breeze loaned the City \$30,090,000 through its pool program. The proceeds will be used to refund a portion of the City's outstanding Occupational License Tax Refunding Bonds, Series 2002A. The debt payments on the loan are secured by a pledge of occupational license tax levies and a covenant to budget and appropriate from legally available non-ad valorem revenues.

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TAB
Required Supplementary Information

REQUIRED

SUPPLEMENTARY

INFORMATION

CITY OF TAMPA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION (unaudited)
SCHEDULES OF FUNDING PROGRESS
(in thousands)

General Employees Retirement Fund

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) - - Entry Age (b) | Unfunded or (Assets in Excess of) AAL (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | Unfunded or (Assets in Excess of) AAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------|-------------------------------|---|---|--------------------|---------------------|--|
| 1/1/2005 | \$ 481,704 | \$ 487,292 | \$ 5,588 | 98.9 % | \$ 144,404 | 3.9 % |
| 1/1/2006 | 497,239 | 508,298 | 11,059 | 97.8 | 151,126 | 7.3 |
| 1/1/2007 | 525,100 | 536,233 | 11,133 | 97.9 | 154,575 | 7.2 |
| 1/1/2008 | 577,599 | 588,497 | 10,898 | 98.1 | 154,620 | 7.0 |
| 1/1/2009 | 508,975 | 519,502 | 10,527 | 98.0 | 151,000 | 7.0 |
| 1/1/2010 | 564,143 | 574,103 | 9,960 | 98.3 | 149,968 | 6.6 |
| 1/1/2011 | 567,255 | 574,793 | 7,538 | 98.7 | 136,289 | 5.5 |

Firefighters and Police Officers Pension Fund

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) - - Entry Age (b) | Unfunded or (Assets in Excess of) AAL (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | Unfunded or (Assets in Excess of) AAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------|-------------------------------|---|---|--------------------|---------------------|--|
| 10/1/2004 | \$ 625,631 | \$ 572,658 | \$ (52,973) | 109.3 % | \$ 78,165 | (67.8) % |
| 10/1/2005 | 674,834 | 593,961 | (80,873) | 113.6 | 88,045 | (91.9) |
| 10/1/2006 | 705,453 | 636,973 | (68,480) | 110.8 | 87,549 | (78.2) |
| 10/1/2007 | 739,323 | 678,049 | (61,274) | 109.0 | 88,395 | (69.3) |
| 10/1/2008 | 701,639 | 705,646 | 4,007 | 99.4 | 89,132 | 4.5 |
| 10/1/2009 | 622,645 | 751,787 | 129,142 | 82.8 | 95,114 | 135.8 |
| 10/1/2010 | 719,908 | 786,528 | 66,620 | 91.5 | 88,544 | 75.2 |

Other Post Employment Benefits

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) - - Entry Age (b) | Unfunded or (Assets in Excess of) AAL (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | Unfunded or (Assets in Excess of) AAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------|-------------------------------|---|---|--------------------|---------------------|--|
| 9/30/2008 | \$ - | \$ 79,950 | \$ 79,950 | 0.0 % | \$ 250,321 | 31.9 % |
| 9/30/2009 | - | 86,199 | 86,199 | 0.0 | 282,608 | 30.5 |
| 9/30/2010 | - | 54,850 | 54,850 | 0.0 | 285,000 | 19.2 |
| 9/30/2011 | - | 52,032 | 52,032 | 0.0 | 274,543 | 19.0 |

Fiscal year 2010 Actuarial Report (in lieu of Fiscal Year 2011) is presented for the Firefighters and Police Officers Pension Fund. This is the most current information available to date.

CITY OF TAMPA, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION (unaudited)
 SCHEDULES OF EMPLOYER CONTRIBUTIONS
 (in thousands)

General Employees Retirement Fund

| Year Ended Sept. 30, | Total Annual Covered Payroll | Annual Required Contribution | Employer Percentage of Payroll | Actual Employer Contribution | Actual Percentage Contributed |
|----------------------|------------------------------|------------------------------|--------------------------------|------------------------------|-------------------------------|
| 2005 | \$ 144,404 | \$ 8,216 | 5.7 % | \$ 8,281 | 100.8 % |
| 2006 | 151,127 | 11,397 | 7.5 | 11,414 | 100.1 |
| 2007 | 154,575 | 15,110 | 9.8 | 15,058 | 99.7 |
| 2008 | 154,620 | 14,207 | 9.2 | 14,202 | 100.0 |
| 2009 | 151,000 | 12,064 | 8.0 | 12,138 | 100.6 |
| 2010 | 149,968 | 20,510 | 13.7 | 20,529 | 100.1 |
| 2011 | 136,289 | 18,435 | 13.5 | 18,418 | 99.9 |

Firefighters and Police Officers Pension Fund

| Year Ended Sept. 30, | Total Annual Covered Payroll | Annual Required Contribution | | Employer Percentage of Payroll | Actual Employer Contribution | Actual Percentage Contributed | |
|----------------------|------------------------------|------------------------------|----------|--------------------------------|------------------------------|-------------------------------|-------|
| | | City | State | | | City | State |
| 2005 | \$ 88,045 | \$ 13,836 | \$ 5,603 | 22.1 % | \$ 19,439 | 100 % | 100 % |
| 2006 | 87,549 | 1,481 | 6,125 | 8.7 | 7,606 | 100 | 100 |
| 2007 | 88,395 | 2,629 | 6,687 | 10.5 | 9,315 | 100 | 100 |
| 2008 | 89,132 | 3,249 | 6,895 | 11.4 | 10,144 | 100 | 100 |
| 2009 | 95,114 | 5,530 | 6,394 | 12.5 | 11,924 | 100 | 100 |
| 2010 | 88,544 | 8,889 | 6,255 | 17.1 | 15,144 | 100 | 100 |

Fiscal year 2010 Actuarial Report (in lieu of Fiscal Year 2011) is presented for the Firefighters and Police Officers Pension Fund. This is the most current information available to date.

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES--BUDGET AND ACTUAL**

Budgets presented for governmental funds in these financial schedules have been prepared on the modified accrual basis of accounting.

Major Funds:

General Fund

Utility Tax Fund

Community Redevelopment Agency Fund

Nonmajor Funds:

Guaranteed Entitlement Fund

Local Option Gas Tax Fund

Stormwater Fund

Impact Fee Fund

Occupational License Fund

CITY OF TAMPA, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES--BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|---|--------------------|--------------------|--------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes: | | | | |
| Property | \$ 121,946,985 | \$ 121,946,985 | \$ 122,035,729 | \$ 88,744 |
| Sales | 103,992 | 103,992 | 97,796 | (6,196) |
| Local Option Resort | 1,000,000 | 1,000,000 | 987,059 | (12,941) |
| Total Taxes | <u>123,050,977</u> | <u>123,050,977</u> | <u>123,120,584</u> | <u>69,607</u> |
| Intergovernmental: | | | | |
| Federal--Public Safety | 881,085 | 881,085 | 1,498,545 | 617,460 |
| Federal--Other | 50,350 | 50,350 | 41,250 | (9,100) |
| State--Half-Cent Sales Tax | 24,782,079 | 24,782,079 | 24,294,617 | (487,462) |
| State--Revenue Sharing | 10,506,602 | 10,506,602 | 10,287,759 | (218,843) |
| State--Police and Fire Pension Contribution | - | 5,952,176 | 5,952,176 | - |
| State--Beverage Licenses | 331,447 | 331,447 | 357,924 | 26,477 |
| State--Mobile Home Licenses | 160,507 | 160,507 | 156,995 | (3,512) |
| State--Other | 1,429,887 | 1,429,887 | 1,413,745 | (16,142) |
| County--Ninth-Cent Gas Tax | 1,719,358 | 1,719,358 | 1,712,343 | (7,015) |
| County--Occupational Licenses | 131,596 | 131,596 | 128,112 | (3,484) |
| County--Public Safety | 2,188,832 | 2,299,221 | 2,292,007 | (7,214) |
| County--Transportation | 438,540 | 438,540 | 435,708 | (2,832) |
| County--Other | 11,000 | 11,000 | 18,239 | 7,239 |
| Local--Other | 127,313 | 127,313 | 144,560 | 17,247 |
| Total Intergovernmental | <u>42,758,596</u> | <u>48,821,161</u> | <u>48,733,980</u> | <u>(87,181)</u> |
| Licenses and Permits: | | | | |
| Franchise Fees | 27,555,671 | 27,555,671 | 25,898,185 | (1,657,486) |
| Occupational Licenses | (10,000) | (10,000) | (1,478) | 8,522 |
| Building Fees | 6,634,505 | 6,634,505 | 536,517 | (6,097,988) |
| Special Assessments | - | - | 2,183,590 | 2,183,590 |
| Other | 168,954 | 168,954 | 246,735 | 77,781 |
| Total Licenses and Permits | <u>34,349,130</u> | <u>34,349,130</u> | <u>28,863,549</u> | <u>(5,485,581)</u> |
| Charges for Services: | | | | |
| Public Safety | 16,910,991 | 17,310,991 | 18,214,434 | 903,443 |
| Charges to Other Funds | 121,600 | 121,600 | 347,184 | 225,584 |
| Convention Center | 7,760,000 | 7,760,000 | 10,676,406 | 2,916,406 |
| Recreation | 1,897,325 | 2,076,665 | 2,737,521 | 660,856 |
| Rental of Facilities and Concessions | 899,671 | 899,671 | 1,090,047 | 190,376 |
| Insurance | - | 2,310 | 442,532 | 440,222 |
| Other Miscellaneous Charges | 958,758 | 1,167,653 | 2,136,995 | 969,342 |
| Total Charges for Services | <u>28,548,345</u> | <u>29,338,890</u> | <u>35,645,119</u> | <u>6,306,229</u> |
| Fines and Forfeitures | <u>2,553,615</u> | <u>3,897,229</u> | <u>1,882,024</u> | <u>(2,015,205)</u> |
| Investment Earnings | <u>5,627,847</u> | <u>5,627,847</u> | <u>2,451,436</u> | <u>(3,176,411)</u> |
| Contributions and Donations | <u>855,463</u> | <u>879,463</u> | <u>607,273</u> | <u>(272,190)</u> |
| TOTAL REVENUES | <u>237,743,973</u> | <u>245,964,697</u> | <u>241,303,965</u> | <u>(4,660,732)</u> |

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|--|----------------------|----------------------|-----------------------|--|
| | Original | Final | | |
| EXPENDITURES | | | | |
| Public Safety: | | | | |
| Police | 134,889,683 | 138,879,567 | 134,786,456 | 4,093,111 |
| Fire | 65,528,172 | 70,543,683 | 70,394,594 | 149,089 |
| Public Lighting | 5,397,258 | 5,397,258 | 5,141,198 | 256,060 |
| Code Enforcement | 5,112,237 | 5,144,287 | 4,598,562 | 545,725 |
| Total Public Safety | <u>210,927,350</u> | <u>219,964,795</u> | <u>214,920,810</u> | <u>5,043,985</u> |
| Culture and Recreation: | | | | |
| Parks and Recreation | 34,215,616 | 34,394,956 | 31,714,541 | 2,680,415 |
| Marina | 508,770 | 510,405 | 442,269 | 68,136 |
| Convention | 8,932,327 | 9,540,980 | 8,981,586 | 559,394 |
| Culture | 131,107 | 131,107 | 127,094 | 4,013 |
| Total Culture and Recreation | <u>43,787,820</u> | <u>44,577,448</u> | <u>41,265,490</u> | <u>3,311,958</u> |
| Public works | <u>36,050,307</u> | <u>37,050,520</u> | <u>28,904,015</u> | <u>8,146,505</u> |
| General Government Services: | | | | |
| Human Resources | 5,185,898 | 5,226,898 | 4,909,423 | 317,475 |
| Economic Development | 1,839,652 | 2,104,841 | 4,366,463 | (2,261,622) |
| Neighborhood Services | 4,692,633 | 4,692,578 | 4,491,855 | 200,723 |
| Technology and Innovation | 17,322,902 | 17,265,182 | 16,497,902 | 767,280 |
| Cable Communications | 1,271,313 | 1,268,098 | 1,229,338 | 38,760 |
| Revenue and Finance | 7,309,050 | 7,309,050 | 7,135,719 | 173,331 |
| Legal | 4,206,623 | 4,264,343 | 4,170,257 | 94,086 |
| Purchasing | 1,546,672 | 1,546,672 | 1,535,767 | 10,905 |
| Internal Audit | 618,495 | 618,495 | 612,180 | 6,315 |
| City Clerk | 1,731,016 | 1,731,016 | 1,576,062 | 154,954 |
| Mayor | 548,517 | 578,517 | 547,773 | 30,744 |
| City Council | 1,267,961 | 1,335,911 | 1,317,475 | 18,436 |
| Other--Non Departmental | 18,442,628 | 19,393,521 | 20,359,687 | (966,166) |
| Other--Cost Allocation | (19,239,709) | (19,239,709) | (17,360,667) | (1,879,042) |
| Total General Government Services | <u>46,743,651</u> | <u>48,095,413</u> | <u>51,389,234</u> | <u>(3,293,821)</u> |
| Capital Outlay--Self Insurance | - | - | 2,310 | (2,310) |
| TOTAL EXPENDITURES | <u>337,509,128</u> | <u>349,688,176</u> | <u>336,481,859</u> | <u>13,206,317</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(99,765,155)</u> | <u>(103,723,479)</u> | <u>(95,177,894)</u> | <u>8,545,585</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Sale of Capital Assets | 811,317 | 1,055,395 | 608,908 | (446,487) |
| Transfers In: | | | | |
| Payments in Lieu of Taxes | 16,411,500 | 16,411,500 | 16,411,500 | - |
| Utility Tax | 36,655,109 | 36,655,109 | 36,655,109 | - |
| Solid Waste System | 62,853 | 62,853 | - | (62,853) |
| Guaranteed Entitlement | 284,100 | 284,100 | 294,919 | 10,819 |
| Occupational License | 10,890,000 | 10,890,000 | 10,890,000 | - |
| Community Redevelopment Agency | 1,393,958 | 1,387,819 | 1,387,819 | - |
| Other | 3,933,318 | 4,198,911 | 3,893,870 | (305,041) |
| Transfers Out: | | | | |
| Stormwater | - | (27,000) | (27,000) | - |
| Total Other Financing Sources (Uses) | <u>70,442,155</u> | <u>70,918,687</u> | <u>70,115,125</u> | <u>(803,562)</u> |
| Net Change in Fund Balance | <u>(29,323,000)</u> | <u>(32,804,792)</u> | <u>(25,062,769)</u> | <u>7,742,023</u> |
| Fund Balances - October 1 - Restated | <u>119,426,402</u> | <u>119,426,402</u> | <u>135,098,186</u> | <u>15,671,784</u> |
| Fund Balances - September 30 | <u>\$ 90,103,402</u> | <u>\$ 86,621,610</u> | <u>\$ 110,035,417</u> | <u>\$ 23,413,807</u> |

CITY OF TAMPA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES--BUDGET AND ACTUAL
MAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Utility Tax | | | | Community Redevelopment Agency | | | |
|---------------------------------------|----------------------|----------------------|----------------------|--|--------------------------------|----------------------|----------------------|--|
| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
| | Original | Final | | | Original | Final | | |
| REVENUES | | | | | | | | |
| Taxes: | | | | | | | | |
| Utility | \$ 38,896,684 | \$ 38,896,684 | \$ 36,888,618 | \$ (2,008,066) | \$ - | \$ - | \$ - | \$ - |
| Communications Services | 26,432,350 | 26,432,350 | 23,260,619 | (3,171,731) | - | - | - | - |
| Intergovernmental: | | | | | | | | |
| Local Government | - | - | - | - | 18,730,271 | 18,730,271 | 18,730,275 | 4 |
| Investment Earnings | - | 355,037 | 355,037 | - | - | - | 213,812 | 213,812 |
| TOTAL REVENUES | <u>65,329,034</u> | <u>65,684,071</u> | <u>60,504,274</u> | <u>(5,179,797)</u> | <u>18,730,271</u> | <u>18,730,271</u> | <u>18,944,087</u> | <u>213,816</u> |
| EXPENDITURES | | | | | | | | |
| Current: | | | | | | | | |
| Public Safety | 352,800 | 461,987 | 437,889 | 24,098 | - | - | - | - |
| Public Works | 100,000 | 100,000 | 100,000 | - | - | - | - | - |
| General Government Services | 4,335 | 155,015 | 211,864 | (56,849) | - | - | - | - |
| Economic and Physical Environment | - | - | - | - | 1,233,161 | 1,644,646 | 2,075,773 | (431,127) |
| Debt Service: | | | | | | | | |
| Principal | 30,000 | 30,611 | 30,610 | 1 | 1,144,098 | 1,144,098 | - | 1,144,098 |
| Interest | 49,963 | 49,963 | 49,963 | - | 161,942 | 161,942 | - | 161,942 |
| Debt Issuance Costs | 2,174 | 52,174 | 10,276 | 41,898 | - | 839 | 839 | - |
| Capital Outlay | 4,931,893 | 4,734,329 | 3,283,506 | 1,450,823 | 1,493,562 | 6,442,174 | 6,125,407 | 316,767 |
| TOTAL EXPENDITURES | <u>5,471,165</u> | <u>5,584,079</u> | <u>4,124,108</u> | <u>1,459,971</u> | <u>4,032,763</u> | <u>9,393,699</u> | <u>8,202,019</u> | <u>1,191,680</u> |
| Excess of Revenues | | | | | | | | |
| Over Expenditures | <u>59,857,869</u> | <u>60,099,992</u> | <u>56,380,166</u> | <u>(3,719,826)</u> | <u>14,697,508</u> | <u>9,336,572</u> | <u>10,742,068</u> | <u>1,405,496</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Sale of Capital Assets | - | - | 458,386 | 458,386 | - | - | - | - |
| Transfers In | 322,800 | 836,532 | 27,000 | (809,532) | 1,470,822 | 1,648,389 | - | (1,648,389) |
| Transfers Out | (59,680,669) | (60,721,562) | (60,582,931) | 138,631 | (16,168,330) | (16,430,327) | (15,503,497) | 926,830 |
| Total Other Financing Uses | <u>(59,357,869)</u> | <u>(59,885,030)</u> | <u>(60,097,545)</u> | <u>(212,515)</u> | <u>(14,697,508)</u> | <u>(14,781,938)</u> | <u>(15,503,497)</u> | <u>(721,559)</u> |
| Net Change in Fund Balances | 500,000 | 214,962 | (3,717,379) | (3,932,341) | - | (5,445,366) | (4,761,429) | 683,937 |
| Fund Balances - October 1 | 55,277,240 | 55,277,240 | 55,277,240 | - | 19,197,806 | 19,197,806 | 19,197,806 | - |
| Fund Balances - September 30 | <u>\$ 55,777,240</u> | <u>\$ 55,492,202</u> | <u>\$ 51,559,861</u> | <u>\$ (3,932,341)</u> | <u>\$ 19,197,806</u> | <u>\$ 13,752,440</u> | <u>\$ 14,436,377</u> | <u>\$ 683,937</u> |

CITY OF TAMPA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES--BUDGET AND ACTUAL
ANNUALLY-BUDGETED NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Guaranteed Entitlement | | | | Local Option Gas Tax | | | |
|--|------------------------|----------------|-------------------|---|----------------------|-------------------|-------------------|---|
| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
| | Original | Final | | | Original | Final | | |
| REVENUES | | | | | | | | |
| Local Option Gas Tax | \$ - | \$ - | \$ - | \$ - | \$ 10,590,011 | \$ 10,590,011 | \$ 10,338,295 | \$ (251,716) |
| Special Assessments | - | - | - | - | - | - | - | - |
| Intergovernmental: | | | | | | | | |
| State Government | 284,100 | 284,100 | 284,100 | - | - | - | - | - |
| Transportation Impact Fees | - | - | - | - | - | - | - | - |
| Licenses and Permits | - | - | - | - | - | - | - | - |
| Charges for Services | - | - | - | - | - | - | - | - |
| Investment Earnings | - | - | 11,158 | 11,158 | 10,000 | 10,000 | 305,870 | 295,870 |
| TOTAL REVENUES | 284,100 | 284,100 | 295,258 | 11,158 | 10,600,011 | 10,600,011 | 10,644,165 | 44,154 |
| EXPENDITURES | | | | | | | | |
| Current: | | | | | | | | |
| Public Works | - | - | - | - | - | - | 120 | (120) |
| General Government Services | - | - | - | - | 3,950,000 | 3,950,000 | - | 3,950,000 |
| Debt Service: | | | | | | | | |
| Debt Issuance Costs | - | - | 339 | (339) | - | - | - | - |
| Capital Outlay | - | - | - | - | - | - | 3,740,820 | (3,740,820) |
| TOTAL EXPENDITURES | - | - | 339 | (339) | 3,950,000 | 3,950,000 | 3,740,940 | 209,060 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 284,100 | 284,100 | 294,919 | 10,819 | 6,650,011 | 6,650,011 | 6,903,225 | 253,214 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Sale of Capital Assets | - | - | - | - | - | - | - | - |
| Transfers In | - | - | - | - | - | - | - | - |
| Transfers Out | (284,100) | (284,100) | (294,919) | (10,819) | (6,650,011) | (6,650,011) | (6,650,011) | - |
| Total Other Financing Sources (Uses) | (284,100) | (284,100) | (294,919) | (10,819) | (6,650,011) | (6,650,011) | (6,650,011) | - |
| Net Change in Fund Balances | - | - | - | - | - | - | 253,214 | 253,214 |
| Fund Balances - October 1 | - | - | - | - | 8,847,661 | 8,847,661 | 8,847,661 | - |
| Fund Balances - September 30 | \$ - | \$ - | \$ - | \$ - | \$ 8,847,661 | \$ 8,847,661 | \$ 9,100,875 | \$ 253,214 |

| Stormwater | | | | Impact Fee | | | |
|------------------|--------------|----------------|--|------------------|-------------|----------------|--|
| Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
| Original | Final | | | Original | Final | | |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6,100,000 | 6,100,000 | 6,207,287 | 107,287 | - | - | - | - |
| 183,966 | 183,966 | 1,582,463 | 1,398,497 | - | - | - | - |
| - | - | - | - | - | 728,622 | 1,006,263 | 277,641 |
| - | - | - | - | - | - | - | - |
| 1,600 | 1,600 | 87,342 | 85,742 | - | - | - | - |
| 102,000 | 102,000 | 236,073 | 134,073 | - | - | (113,141) | (113,141) |
| 6,387,566 | 6,387,566 | 8,113,165 | 1,725,599 | - | 728,622 | 893,122 | 164,500 |
| 8,864,697 | 9,309,197 | 3,422,437 | 5,886,760 | - | - | - | - |
| - | - | - | - | 10,261,078 | 10,628,339 | - | 10,628,339 |
| 64,158 | 64,158 | 19,623 | 44,535 | - | - | - | - |
| 5,485,500 | 10,287,175 | 11,302,714 | (1,015,539) | - | - | - | - |
| 14,414,355 | 19,660,530 | 14,744,774 | 4,915,756 | 10,261,078 | 10,628,339 | - | 10,628,339 |
| (8,026,789) | (13,272,964) | (6,631,609) | 6,641,355 | (10,261,078) | (9,899,717) | 893,122 | 10,792,839 |
| - | - | 167 | 167 | - | - | - | - |
| 5,549,008 | 5,549,008 | 5,549,008 | - | 10,261,078 | 10,261,078 | 9,675,103 | 585,975 |
| (48,850) | (48,850) | (9,416) | 39,434 | - | (361,360) | (361,360) | - |
| 5,500,158 | 5,500,158 | 5,539,759 | 39,601 | 10,261,078 | 9,899,718 | 9,313,743 | 585,975 |
| (2,526,631) | (7,772,806) | (1,091,850) | 6,680,956 | - | 1 | 10,206,865 | 11,378,814 |
| 12,063,895 | 12,063,895 | 12,063,895 | - | - | - | - | - |
| \$ 9,537,264 | \$ 4,291,089 | \$ 10,972,045 | \$ 6,680,956 | \$ - | \$ 1 | \$ 10,206,865 | \$ 11,378,814 |

(Continued)

CITY OF TAMPA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES--BUDGET AND ACTUAL
ANNUALLY-BUDGETED NONMAJOR SPECIAL REVENUE FUNDS
FOR THE PERIOD ENDED SEPTEMBER 30, 2011

| | Occupational License | | | Variance with Final Budget - Positive (Negative) |
|--|----------------------|---------------------|---------------------|---|
| | Budgeted Amounts | | Actual Amounts | |
| | Original | Final | | |
| REVENUES | | | | |
| Local Option Gas Tax | \$ - | \$ - | \$ - | \$ - |
| Special Assessments | - | - | - | - |
| Intergovernmental: | | | | |
| State Government | - | - | - | - |
| Transportation Impact Fees | - | - | - | - |
| Licenses and Permits | 10,000,000 | 10,000,000 | 10,382,911 | 382,911 |
| Charges for Services | - | - | - | - |
| Investment Earnings | - | - | - | - |
| TOTAL REVENUES | <u>10,000,000</u> | <u>10,000,000</u> | <u>10,382,911</u> | <u>382,911</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public Works | - | - | - | - |
| General Government Services | - | - | - | - |
| Debt Service: | | | | |
| Debt Issuance Costs | - | - | - | - |
| Capital Outlay | - | - | - | - |
| TOTAL EXPENDITURES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>10,000,000</u> | <u>10,000,000</u> | <u>10,382,911</u> | <u>382,911</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Sale of Capital Assets | - | - | - | - |
| Transfers In | - | - | - | - |
| Transfers Out | (10,890,000) | (10,890,000) | (10,890,000) | - |
| Total Other Financing Sources (Uses) | <u>(10,890,000)</u> | <u>(10,890,000)</u> | <u>(10,890,000)</u> | <u>-</u> |
| Net Change in Fund Balances | (890,000) | (890,000) | (507,089) | 382,911 |
| Fund Balances - October 1 | 873,039 | 873,039 | 873,039 | - |
| Fund Balances - September 30 | <u>\$ (16,961)</u> | <u>\$ (16,961)</u> | <u>\$ 365,950</u> | <u>\$ 382,911</u> |

TAB

Combining & Individual Fund
Statements & Schedules

CITY OF TAMPA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2011

| | <u>Special Revenue</u> | <u>Debt Service</u> | <u>Capital Projects</u> | <u>Total Nonmajor Governmental Funds</u> |
|--|------------------------|----------------------|-------------------------|--|
| ASSETS | | | | |
| Cash and Investments | \$ 64,998,421 | \$ 29,636,315 | \$ 114,574,442 | \$ 209,209,178 |
| Accounts Receivable, Net | 16,434,914 | - | 4,717,381 | 21,152,295 |
| Due from Other Funds | 2,127 | - | - | 2,127 |
| TOTAL ASSETS | \$ 81,435,462 | \$ 29,636,315 | \$ 119,291,823 | \$ 230,363,600 |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Vouchers and Accounts Payable | \$ 16,876,059 | \$ - | \$ 3,295,658 | \$ 20,171,717 |
| Deposits and Advances | 1,668,963 | - | 111,639 | 1,780,602 |
| Retainage on Contracts | 557,388 | - | 1,003,732 | 1,561,120 |
| Accrued Salaries | 211,904 | - | - | 211,904 |
| Other Accrued Liabilities | 526 | - | - | 526 |
| Accrued Interest Payable | - | 6,151,439 | - | 6,151,439 |
| Current Portion of Long-Term Debt | - | 21,045,305 | - | 21,045,305 |
| Due to Other Funds | 24,010 | - | - | 24,010 |
| Deferred Revenues | 13,990,957 | - | - | 13,990,957 |
| TOTAL LIABILITIES | 33,329,807 | 27,196,744 | 4,411,029 | 64,937,580 |
| FUND BALANCE | | | | |
| Restricted | 39,888,865 | 2,439,571 | 80,685,082 | 123,013,518 |
| Committed | 8,216,790 | - | 34,195,712 | 42,412,502 |
| TOTAL FUND BALANCES | 48,105,655 | 2,439,571 | 114,880,794 | 165,426,020 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 81,435,462 | \$ 29,636,315 | \$ 119,291,823 | \$ 230,363,600 |

CITY OF TAMPA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | <u>Special Revenue</u> | <u>Debt Service</u> | <u>Capital Projects</u> | <u>Total Nonmajor Governmental Funds</u> |
|--|------------------------|---------------------|-------------------------|--|
| REVENUES | | | | |
| TAXES: | | | | |
| Sales | \$ - | \$ - | \$ 13,769,595 | \$ 13,769,595 |
| Local Option Resort | - | 124,500 | 729,256 | 853,756 |
| Motor Fuel | 10,338,295 | - | - | 10,338,295 |
| Special Assessments | 6,207,287 | - | - | 6,207,287 |
| INTERGOVERNMENTAL: | | | | |
| Federal | 37,429,088 | - | (1,350) | 37,427,738 |
| State | 4,260,173 | - | 4,184,815 | 8,444,988 |
| Local | 22,535 | - | - | 22,535 |
| Transportation Impact Fees | 1,006,263 | - | - | 1,006,263 |
| Licenses and Permits | 15,964,721 | - | - | 15,964,721 |
| Charges for Services and User Fees | 101,413 | - | 401,911 | 503,324 |
| Fines and Forfeitures | 2,850,234 | - | - | 2,850,234 |
| Earnings on Investments | 1,194,045 | 611,685 | (270,269) | 1,535,461 |
| Contributions | 637,307 | 25,000 | 1,481,791 | 2,144,098 |
| TOTAL REVENUES | <u>80,011,361</u> | <u>761,185</u> | <u>20,295,749</u> | <u>101,068,295</u> |
| EXPENDITURES | | | | |
| CURRENT: | | | | |
| Public Safety | 4,485,266 | - | 61,405 | 4,546,671 |
| Culture and Recreation | 117,733 | - | 461,085 | 578,818 |
| Public Works | 3,966,514 | - | - | 3,966,514 |
| General Government Services | 28,528 | - | 181,962 | 210,490 |
| Economic and Physical Environment | 27,690,177 | - | - | 27,690,177 |
| DEBT SERVICE: | | | | |
| Principal Payments | 64,731 | 38,281,048 | 43,108,381 | 81,454,160 |
| Interest Payments | 105,656 | 14,231,401 | - | 14,337,057 |
| Debt Issuance Costs | 19,962 | - | 608,488 | 628,450 |
| Capital Outlay | 32,945,400 | - | 41,000,895 | 73,946,295 |
| TOTAL EXPENDITURES | <u>69,423,967</u> | <u>52,512,449</u> | <u>85,422,216</u> | <u>207,358,632</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>10,587,394</u> | <u>(51,751,264)</u> | <u>(65,126,467)</u> | <u>(106,290,337)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Debt Proceeds | - | - | 63,265,321 | 63,265,321 |
| Sale of Capital Assets | 167 | - | - | 167 |
| Transfers In | 15,462,071 | 51,193,619 | 12,729,515 | 79,385,205 |
| Transfers Out | (18,626,340) | - | (26,684,022) | (45,310,362) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(3,164,102)</u> | <u>51,193,619</u> | <u>49,310,814</u> | <u>97,340,331</u> |
| NET CHANGE IN FUND BALANCES | <u>7,423,292</u> | <u>(557,645)</u> | <u>(15,815,653)</u> | <u>(8,950,006)</u> |
| FUND BALANCES - OCTOBER 1 | <u>40,682,363</u> | <u>2,997,216</u> | <u>130,696,447</u> | <u>174,376,026</u> |
| FUND BALANCES - SEPTEMBER 30 | <u>\$ 48,105,655</u> | <u>\$ 2,439,571</u> | <u>\$ 114,880,794</u> | <u>\$ 165,426,020</u> |

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Guaranteed Entitlement Fund – used to account for the receipt and use of State guaranteed entitlement proceeds. Funds are pledged to the repayment of the 2001 Guaranteed Entitlement Refunding Revenue Bonds.

Local Option Gas Tax Fund – used to account for the City's share of taxes levied on motor fuel and special fuel sold in Hillsborough County. Funds shall be used for various transportation related capital projects.

Stormwater Fund – used to account for the receipt of ad valorem stormwater assessments. These funds along with transfers from the general fund and utility tax special revenue fund, support capital improvements and administration costs of the City's stormwater system.

Impact Fee Fund – used to account for the receipt of future development fees to pay for capital improvements in the Impact Fee Capital Project Fund.

Occupational License Fund – used to account for the receipt and use of occupational license tax proceeds. Funds are pledged to the repayment of the 2002 and 2007 Occupational License Tax Bonds.

Community Development Block Grant Fund – used to finance numerous interrelated projects within a designated geographic area. The projects are funded by the U.S. Department of Housing and Urban Development (HUD).

Other Grants Fund – used to account for various miscellaneous grants including: HUD Hope 3 Implementation Grant, Home Investment Partnerships Grant, State Social Services Block Grant, Housing Opportunities for People with AIDS, Police Intergovernmental Grants and other miscellaneous grants.

State Housing Initiatives Partnership Fund – used to account for administering the State Housing Initiatives Partnership program. Funds are distributed by the State of Florida for low income housing assistance.

Law Enforcement Trust Fund – used to account for revenues received under State Statute (932.7055(5)a) and for law enforcement purposes.

Construction Services Division Fund – used to account for the receipt and use of construction permit fees, construction service enhancement fees and Florida permit surcharge fees.

Other Special Revenues – used to account for miscellaneous special revenues utilized throughout the City.

CITY OF TAMPA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2011

| | Guaranteed Entitlement | Local Option Gas Tax | Stormwater | Impact Fee | Occupational License |
|--|-----------------------------------|---------------------------------|----------------------|----------------------|---------------------------------|
| ASSETS | | | | | |
| Cash and Investments | \$ - | \$ 8,423,279 | \$ 11,622,120 | \$ 13,329,841 | \$ 8,800,439 |
| Accounts Receivable, Net | - | 818,416 | 1,076,821 | - | - |
| Due from Other Funds | - | - | - | - | - |
| TOTAL ASSETS | \$ - | \$ 9,241,695 | \$ 12,698,941 | \$ 13,329,841 | \$ 8,800,439 |
| LIABILITIES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Vouchers and Accounts Payable | \$ - | \$ 140,820 | \$ 1,341,088 | \$ 3,122,976 | \$ - |
| Deposits and Advances | - | - | - | - | - |
| Retainage on Contracts | - | - | 232,558 | - | - |
| Accrued Salaries | - | - | 137,585 | - | - |
| Other Accrued Liabilities | - | - | - | - | - |
| Due to Other Funds | - | - | 15,665 | - | - |
| Deferred Revenues | - | - | - | - | 8,434,489 |
| TOTAL LIABILITIES | - | 140,820 | 1,726,896 | 3,122,976 | 8,434,489 |
| FUND BALANCE | | | | | |
| Restricted | - | 9,100,875 | 5,043,774 | 10,206,865 | 365,950 |
| Committed | - | - | 5,928,271 | - | - |
| TOTAL FUND BALANCES | - | 9,100,875 | 10,972,045 | 10,206,865 | 365,950 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ - | \$ 9,241,695 | \$ 12,698,941 | \$ 13,329,841 | \$ 8,800,439 |

CITY OF TAMPA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2011

| | Community Development Block Grant | Other Grants | State Housing Initiatives Partnership | Law Enforcement Trust Funds | Construction Services Division |
|--|--|----------------------|--|--|---|
| ASSETS | | | | | |
| Cash and Investments | \$ 3,613,289 | \$ - | \$ 1,852,338 | \$ 12,396,656 | \$ 1,944,612 |
| Accounts Receivable, Net | 1,149,426 | 13,390,251 | - | - | - |
| Due from Other Funds | - | - | 2,127 | - | - |
| TOTAL ASSETS | \$ 4,762,715 | \$ 13,390,251 | \$ 1,854,465 | \$ 12,396,656 | \$ 1,944,612 |
| LIABILITIES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Vouchers and Accounts Payable | \$ 1,305,335 | \$ 10,883,143 | \$ 82,697 | \$ - | \$ - |
| Deposits and Advances | - | - | - | 1,413,689 | 66,409 |
| Retainage on Contracts | 82,955 | 241,875 | - | - | - |
| Accrued Salaries | 52,619 | 21,700 | - | - | - |
| Other Accrued Liabilities | - | 526 | - | - | - |
| Due to Other Funds | 5,501 | 2,844 | - | - | - |
| Deferred Revenues | 3,316,305 | 2,240,163 | - | - | - |
| TOTAL LIABILITIES | 4,762,715 | 13,390,251 | 82,697 | 1,413,689 | 66,409 |
| FUND BALANCE | | | | | |
| Restricted | - | - | 1,361,452 | 10,982,967 | - |
| Committed | - | - | 410,316 | - | 1,878,203 |
| TOTAL FUND BALANCES | - | - | 1,771,768 | 10,982,967 | 1,878,203 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 4,762,715 | \$ 13,390,251 | \$ 1,854,465 | \$ 12,396,656 | \$ 1,944,612 |

CITY OF TAMPA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2011

| | Other Special Revenue | Total Special Revenue Funds |
|--|----------------------------------|--|
| ASSETS | | |
| Cash and Investments | \$ 3,015,847 | \$ 64,998,421 |
| Accounts Receivable, Net | - | 16,434,914 |
| Due from Other Funds | - | 2,127 |
| TOTAL ASSETS | \$ 3,015,847 | \$ 81,435,462 |
| LIABILITIES AND FUND BALANCES | | |
| LIABILITIES | | |
| Vouchers and Accounts Payable | \$ - | \$ 16,876,059 |
| Deposits and Advances | 188,865 | 1,668,963 |
| Retainage on Contracts | - | 557,388 |
| Accrued Salaries | - | 211,904 |
| Other Accrued Liabilities | - | 526 |
| Due to Other Funds | - | 24,010 |
| Deferred Revenues | - | 13,990,957 |
| TOTAL LIABILITIES | 188,865 | 33,329,807 |
| FUND BALANCE | | |
| Restricted | 2,826,982 | 39,888,865 |
| Committed | - | 8,216,790 |
| TOTAL FUND BALANCES | 2,826,982 | 48,105,655 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 3,015,847 | \$ 81,435,462 |

CITY OF TAMPA, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 SPECIAL REVENUE FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Guaranteed Entitlement | Local Option Gas Tax | Stormwater | Impact Fee | Occupational License |
|--|---------------------------|-------------------------|----------------------|----------------------|-------------------------|
| REVENUES | | | | | |
| TAXES: | | | | | |
| Motor Fuel | \$ - | \$ 10,338,295 | \$ - | \$ - | \$ - |
| Special Assessments | - | - | 6,207,287 | - | - |
| INTERGOVERNMENTAL: | | | | | |
| Federal | - | - | - | - | - |
| State | 284,100 | - | 1,582,463 | - | - |
| Local | - | - | - | - | - |
| Transportation Impact Fees | - | - | - | 1,006,263 | - |
| Licenses and Permits | - | - | - | - | 10,382,911 |
| Charges for Services and User Fees | - | - | 87,342 | - | - |
| Fines and Forfeitures | - | - | - | - | - |
| Earnings on Investments | 11,158 | 305,870 | 236,073 | (113,141) | - |
| Contributions | - | - | - | - | - |
| TOTAL REVENUES | <u>295,258</u> | <u>10,644,165</u> | <u>8,113,165</u> | <u>893,122</u> | <u>10,382,911</u> |
| EXPENDITURES | | | | | |
| CURRENT: | | | | | |
| Public Safety | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | - |
| Public Works | - | 120 | 3,422,437 | - | - |
| General Government Services | - | - | - | - | - |
| Economic and Physical Environment | - | - | - | - | - |
| DEBT SERVICE: | | | | | |
| Principal Payments | - | - | - | - | - |
| Interest Payments | - | - | - | - | - |
| Debt Issuance Costs | 339 | - | 19,623 | - | - |
| Capital Outlay | - | 3,740,820 | 11,302,714 | - | - |
| TOTAL EXPENDITURES | <u>339</u> | <u>3,740,940</u> | <u>14,744,774</u> | <u>-</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>294,919</u> | <u>6,903,225</u> | <u>(6,631,609)</u> | <u>893,122</u> | <u>10,382,911</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Sale of Capital Assets | - | - | 167 | - | - |
| Transfers In | - | - | 5,549,008 | 9,675,103 | - |
| Transfers Out | (294,919) | (6,650,011) | (9,416) | (361,360) | (10,890,000) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(294,919)</u> | <u>(6,650,011)</u> | <u>5,539,759</u> | <u>9,313,743</u> | <u>(10,890,000)</u> |
| NET CHANGE IN FUND BALANCES | <u>-</u> | <u>253,214</u> | <u>(1,091,850)</u> | <u>10,206,865</u> | <u>(507,089)</u> |
| FUND BALANCES - OCTOBER 1 | <u>-</u> | <u>8,847,661</u> | <u>12,063,895</u> | <u>-</u> | <u>873,039</u> |
| FUND BALANCES - SEPTEMBER 30 | <u>\$ -</u> | <u>\$ 9,100,875</u> | <u>\$ 10,972,045</u> | <u>\$ 10,206,865</u> | <u>\$ 365,950</u> |

CITY OF TAMPA, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 SPECIAL REVENUE FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Community Development Block Grant | Other Grants | State Housing Initiatives Partnership | Law Enforcement Trust Funds | Construction Services Division |
|--|---|-------------------|---|--------------------------------|-----------------------------------|
| REVENUES | | | | | |
| TAXES: | | | | | |
| Motor Fuel | \$ - | \$ - | \$ - | \$ - | \$ - |
| Special Assessments | - | - | - | - | - |
| INTERGOVERNMENTAL: | | | | | |
| Federal | 10,971,637 | 26,417,451 | - | - | - |
| State | - | 1,945,441 | 448,169 | - | - |
| Local | - | 22,535 | - | - | - |
| Transportation Impact Fees | - | - | - | - | - |
| Licenses and Permits | - | - | - | - | 5,581,810 |
| Charges for Services and User Fees | - | - | - | - | - |
| Fines and Forfeitures | - | - | - | 2,836,677 | 13,557 |
| Earnings on Investments | 7,906 | 331,248 | (13,119) | 314,531 | 54,150 |
| Contributions | - | 507,125 | - | - | 81,835 |
| TOTAL REVENUES | 10,979,543 | 29,223,800 | 435,050 | 3,151,208 | 5,731,352 |
| EXPENDITURES | | | | | |
| CURRENT: | | | | | |
| Public Safety | - | 2,457,750 | - | 1,922,497 | 105,019 |
| Culture and Recreation | - | - | - | - | - |
| Public Works | - | 543,957 | - | - | - |
| General Government Services | - | - | - | - | - |
| Economic and Physical Environment | 8,808,462 | 10,952,258 | 2,848,657 | - | 5,080,800 |
| DEBT SERVICE: | | | | | |
| Principal Payments | 64,731 | - | - | - | - |
| Interest Payments | 105,656 | - | - | - | - |
| Debt Issuance Costs | - | - | - | - | - |
| Capital Outlay | 1,580,060 | 15,398,795 | - | 394,406 | 417,875 |
| TOTAL EXPENDITURES | 10,558,909 | 29,352,760 | 2,848,657 | 2,316,903 | 5,603,694 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 420,634 | (128,960) | (2,413,607) | 834,305 | 127,658 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Sale of Capital Assets | - | - | - | - | - |
| Transfers In | - | 128,960 | - | - | - |
| Transfers Out | (420,634) | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | (420,634) | 128,960 | - | - | - |
| NET CHANGE IN FUND BALANCES | - | - | (2,413,607) | 834,305 | 127,658 |
| FUND BALANCES - OCTOBER 1 | - | - | 4,185,375 | 10,148,662 | 1,750,545 |
| FUND BALANCES - SEPTEMBER 30 | \$ - | \$ - | \$ 1,771,768 | \$ 10,982,967 | \$ 1,878,203 |

CITY OF TAMPA, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Other Special Revenue | Total Special Revenue Funds |
|--|--------------------------|--------------------------------|
| REVENUES | | |
| TAXES: | | |
| Motor Fuel | \$ - | \$ 10,338,295 |
| Special Assessments | - | 6,207,287 |
| INTERGOVERNMENTAL: | | |
| Federal | 40,000 | 37,429,088 |
| State | - | 4,260,173 |
| Local | - | 22,535 |
| Transportation Impact Fees | - | 1,006,263 |
| Licenses and Permits | - | 15,964,721 |
| Charges for Services and User Fees | 14,071 | 101,413 |
| Fines and Forfeitures | - | 2,850,234 |
| Earnings on Investments | 59,369 | 1,194,045 |
| Contributions | 48,347 | 637,307 |
| TOTAL REVENUES | 161,787 | 80,011,361 |
| EXPENDITURES | | |
| CURRENT: | | |
| Public Safety | - | 4,485,266 |
| Culture and Recreation | 117,733 | 117,733 |
| Public Works | - | 3,966,514 |
| General Government Services | 28,528 | 28,528 |
| Economic and Physical Environment | - | 27,690,177 |
| DEBT SERVICE: | | |
| Principal Payments | - | 64,731 |
| Interest Payments | - | 105,656 |
| Debt Issuance Costs | - | 19,962 |
| Capital Outlay | 110,730 | 32,945,400 |
| TOTAL EXPENDITURES | 256,991 | 69,423,967 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (95,204) | 10,587,394 |
| OTHER FINANCING SOURCES (USES) | | |
| Sale of Capital Assets | - | 167 |
| Transfers In | 109,000 | 15,462,071 |
| Transfers Out | - | (18,626,340) |
| TOTAL OTHER FINANCING SOURCES (USES) | 109,000 | (3,164,102) |
| NET CHANGE IN FUND BALANCES | 13,796 | 7,423,292 |
| FUND BALANCES - OCTOBER 1 | 2,813,186 | 40,682,363 |
| FUND BALANCES - SEPTEMBER 30 | \$ 2,826,982 | \$ 48,105,655 |

DEBT SERVICE FUNDS

Debt service funds are used to account for the repayment of debt incurred by the City, such as revenue bonds, state revolving loans, commercial paper and HUD Section 108 loans.

Utilities Tax Bonds Fund – used for the repayment of utility tax bonds and utility tax refunding bonds , Series 2002A, that are payable solely from the utility tax proceeds.

Guaranteed Entitlement Revenue Bonds Fund – used for the repayment of Guaranteed Entitlement Refunding Revenue Bonds , Series 2001, that are payable solely from the State guaranteed entitlement revenue sharing.

Utilities Tax and Special Revenue Bonds Fund – used for the repayment of Utilities Tax and Special Revenue Refunding Bonds, Series 1991 and 2001B, that are payable solely from utility tax proceeds and tax increment revenues.

Community Investment Tax Bonds Fund – used for the repayment of community investment tax bonds that are payable solely from the community investment tax proceeds.

Occupational License Tax Bonds Fund – used for the repayment of occupational license tax bonds, Series 2002A and 2007, that are payable solely from the occupational license tax proceeds.

Local Option Gas Tax Revenue Bonds Fund – used for the repayment of transportation revenue bonds that are payable solely from the taxes on motor fuel collected in Hillsborough County.

Hud Section 108 Loan Fund – used for the repayment of HUD Section 108 loans.

CITY OF TAMPA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUNDS
SEPTEMBER 30, 2011

| | Utilities Tax Bonds | Guaranteed Entitlement Revenue Bonds | Utilities Tax and Special Revenue Bonds | Community Investment Tax Bonds | Occupational License Tax Bonds |
|--|--------------------------------|---|--|---|---|
| ASSETS | | | | | |
| Cash and Investments | \$ 10,485,757 | \$ 455,049 | \$ 12,314,010 | \$ 3,733,132 | \$ 1,422,241 |
| TOTAL ASSETS | \$ 10,485,757 | \$ 455,049 | \$ 12,314,010 | \$ 3,733,132 | \$ 1,422,241 |
| LIABILITIES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accrued Interest Payable | \$ 2,929,357 | \$ 52,050 | \$ 717,738 | \$ 1,252,703 | \$ 1,143,125 |
| Current Portion of Long-Term Debt | 7,005,000 | 180,000 | 11,145,305 | 2,455,000 | - |
| TOTAL LIABILITIES | 9,934,357 | 232,050 | 11,863,043 | 3,707,703 | 1,143,125 |
| FUND BALANCE | | | | | |
| Restricted | 551,400 | 222,999 | 450,967 | 25,429 | 279,116 |
| TOTAL FUND BALANCES | 551,400 | 222,999 | 450,967 | 25,429 | 279,116 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 10,485,757 | \$ 455,049 | \$ 12,314,010 | \$ 3,733,132 | \$ 1,422,241 |

CITY OF TAMPA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUNDS
SEPTEMBER 30, 2011

| | Local Option Gas Tax Revenue Bonds | HUD - Section 108 Loan Proceeds | Total Debt Service Funds |
|--|---|--|-------------------------------------|
| ASSETS | | | |
| Cash and Investments | \$ 38,937 | \$ 1,187,189 | \$ 29,636,315 |
| TOTAL ASSETS | \$ 38,937 | \$ 1,187,189 | \$ 29,636,315 |
| LIABILITIES AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accrued Interest Payable | \$ - | \$ 56,466 | \$ 6,151,439 |
| Current Portion of Long-Term Debt | - | 260,000 | 21,045,305 |
| TOTAL LIABILITIES | - | 316,466 | 27,196,744 |
| FUND BALANCE | | | |
| Restricted | 38,937 | 870,723 | 2,439,571 |
| TOTAL FUND BALANCES | 38,937 | 870,723 | 2,439,571 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 38,937 | \$ 1,187,189 | \$ 29,636,315 |

CITY OF TAMPA, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 DEBT SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | <u>Utilities Tax Bonds</u> | <u>Guaranteed Entitlement Revenue Bonds</u> | <u>Utilities Tax and Special Revenue Bonds</u> | <u>Community Investment Tax Bonds</u> | <u>Occupational License Tax Bonds</u> |
|--|--------------------------------|---|--|---|---|
| REVENUES | | | | | |
| TAXES: | | | | | |
| Local Option Resort | \$ 124,500 | \$ - | \$ - | \$ - | \$ - |
| Earnings on Investments | 187,470 | - | 285,271 | 24,307 | 45,492 |
| Contributions | - | - | - | - | - |
| TOTAL REVENUES | <u>311,970</u> | <u>-</u> | <u>285,271</u> | <u>24,307</u> | <u>45,492</u> |
| EXPENDITURES | | | | | |
| DEBT SERVICE: | | | | | |
| Principal Payments | 9,975,950 | 180,000 | 11,109,098 | 2,455,000 | 3,045,000 |
| Interest Payments | 5,629,211 | 104,100 | 1,546,454 | 2,480,130 | 4,116,413 |
| TOTAL EXPENDITURES | <u>15,605,161</u> | <u>284,100</u> | <u>12,655,552</u> | <u>4,935,130</u> | <u>7,161,413</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>(15,293,191)</u> | <u>(284,100)</u> | <u>(12,370,281)</u> | <u>(4,910,823)</u> | <u>(7,115,921)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | 15,439,160 | 284,100 | 11,355,500 | 4,935,130 | 7,161,412 |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>15,439,160</u> | <u>284,100</u> | <u>11,355,500</u> | <u>4,935,130</u> | <u>7,161,412</u> |
| NET CHANGE IN FUND BALANCES | 145,969 | - | (1,014,781) | 24,307 | 45,491 |
| FUND BALANCES - OCTOBER 1 | 405,431 | 222,999 | 1,465,748 | 1,122 | 233,625 |
| FUND BALANCES - SEPTEMBER 30 | <u>\$ 551,400</u> | <u>\$ 222,999</u> | <u>\$ 450,967</u> | <u>\$ 25,429</u> | <u>\$ 279,116</u> |

CITY OF TAMPA, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Local Option Gas Tax Revenue Bonds | HUD - Section 108 Loan Proceeds | Total Debt Service Funds |
|--|--|------------------------------------|-----------------------------|
| REVENUES | | | |
| TAXES: | | | |
| Local Option Resort | \$ - | \$ - | \$ 124,500 |
| Earnings on Investments | 38,937 | 30,208 | 611,685 |
| Contributions | - | 25,000 | 25,000 |
| TOTAL REVENUES | 38,937 | 55,208 | 761,185 |
| EXPENDITURES | | | |
| DEBT SERVICE: | | | |
| Principal Payments | 11,256,000 | 260,000 | 38,281,048 |
| Interest Payments | 9,416 | 345,677 | 14,231,401 |
| TOTAL EXPENDITURES | 11,265,416 | 605,677 | 52,512,449 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (11,226,479) | (550,469) | (51,751,264) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | 11,265,416 | 752,901 | 51,193,619 |
| TOTAL OTHER FINANCING SOURCES (USES) | 11,265,416 | 752,901 | 51,193,619 |
| NET CHANGE IN FUND BALANCES | 38,937 | 202,432 | (557,645) |
| FUND BALANCES - OCTOBER 1 | - | 668,291 | 2,997,216 |
| FUND BALANCES - SEPTEMBER 30 | \$ 38,937 | \$ 870,723 | \$ 2,439,571 |

CAPITAL PROJECTS FUNDS

Capital Projects Funds – used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Local Option Gas Tax Capital Projects Fund – used to account for the cost of various transportation capital improvement projects, some of which are as follows: public transportation operations and maintenance, roadway and right-of-way maintenance, equipment, drainage and street lighting.

Utility Tax Capital Projects Fund – used to account for the portion of utility tax revenues appropriated for capital improvements, including parks and recreation centers, drainage, and playgrounds. Capital project expenditures have been financed with transfers from the Utility Tax Special Revenue Fund and Utilities Tax Refunding Bonds.

Impact Fees Capital Projects Fund – used to account for the cost of capital improvements, including but not limited to: construction of new through lanes, turn lanes, bridges, drainage facilities, traffic signalization, curbs, medians, shoulders and transit facilities. Financing will be provided by an impact fee assessed at the time of issuance of certificates of occupancy.

Utility Tax Bond Projects Fund – used to account for the cost of a police headquarters, other district office facilities, and various vehicles, equipment, recreation facilities and other capital projects.

Community Investment Tax Capital Projects Fund – used to account for the receipt of community investment tax revenues and the cost of appropriated capital expenditures, some of which include: police and fire vehicle acquisitions, road and drainage improvements, and park improvements.

Community Investment Tax Bond Projects Fund – used to account for the receipt of community investment tax bond revenues and the cost of appropriated capital expenditures, some of which include: Museum/Cultural Arts District, Lowry Park Zoo Expansion, Fort Brooke Park development, roadway and improvements to recreation centers.

Parks Capital Improvements Fund – used to account for the cost of various parks and recreation improvements.

Other Capital Improvements Projects Fund – used to account for the cost of various capital improvement projects, some of which are as follow: public transportation operations and maintenance, equipment, drainage and street lighting.

CITY OF TAMPA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS
SEPTEMBER 30, 2011

| | Local Option Gas Tax Capital Projects | Utility Tax Capital Projects | Transportation Impact Fees Capital Projects | Impact Fees Capital Projects |
|--|--|---|--|---|
| ASSETS | | | | |
| Cash and Investments | \$ 16,092,635 | \$ 32,230,509 | \$ 3,104,201 | \$ 22,505,804 |
| Accounts Receivable, Net | 3,343,546 | 63,904 | - | - |
| TOTAL ASSETS | \$ 19,436,181 | \$ 32,294,413 | \$ 3,104,201 | \$ 22,505,804 |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Vouchers and Accounts Payable | \$ 1,215,948 | \$ 383,521 | \$ 4,996 | \$ 747,947 |
| Deposits and Advances | - | - | - | - |
| Retainage on Contracts | 432,201 | 74,575 | - | 339,331 |
| TOTAL LIABILITIES | 1,648,149 | 458,096 | 4,996 | 1,087,278 |
| FUND BALANCE | | | | |
| Restricted | 12,479,224 | 25,051,020 | 2,633,058 | 10,598,618 |
| Committed | 5,308,808 | 6,785,297 | 466,147 | 10,819,908 |
| TOTAL FUND BALANCES | 17,788,032 | 31,836,317 | 3,099,205 | 21,418,526 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 19,436,181 | \$ 32,294,413 | \$ 3,104,201 | \$ 22,505,804 |

CITY OF TAMPA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS
SEPTEMBER 30, 2011

| | Utility Tax Bond Projects | Community Investment Tax Capital Projects | Community Investment Tax Bond Projects | Park Capital Improvements |
|--|--------------------------------------|--|---|--------------------------------------|
| ASSETS | | | | |
| Cash and Investments | \$ 8,301,940 | \$ 26,125,147 | \$ 4,368,064 | \$ 1,358,718 |
| Accounts Receivable, Net | - | 1,309,931 | - | - |
| TOTAL ASSETS | \$ 8,301,940 | \$ 27,435,078 | \$ 4,368,064 | \$ 1,358,718 |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Vouchers and Accounts Payable | \$ 136,974 | \$ 615,296 | \$ 190,976 | \$ - |
| Deposits and Advances | - | - | - | 111,639 |
| Retainage on Contracts | 16,919 | 23,597 | 117,109 | - |
| TOTAL LIABILITIES | 153,893 | 638,893 | 308,085 | 111,639 |
| FUND BALANCE | | | | |
| Restricted | 3,432,141 | 21,232,656 | 3,523,862 | 1,247,079 |
| Committed | 4,715,906 | 5,563,529 | 536,117 | - |
| TOTAL FUND BALANCES | 8,148,047 | 26,796,185 | 4,059,979 | 1,247,079 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 8,301,940 | \$ 27,435,078 | \$ 4,368,064 | \$ 1,358,718 |

CITY OF TAMPA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS
SEPTEMBER 30, 2011

| | Other Capital Improvement Projects | Total Capital Projects Funds |
|--|---|---|
| ASSETS | | |
| Cash and Investments | \$ 487,424 | \$ 114,574,442 |
| Accounts Receivable, Net | - | 4,717,381 |
| TOTAL ASSETS | \$ 487,424 | \$ 119,291,823 |
| LIABILITIES AND FUND BALANCES | | |
| LIABILITIES | | |
| Vouchers and Accounts Payable | \$ - | \$ 3,295,658 |
| Deposits and Advances | - | 111,639 |
| Retainage on Contracts | - | 1,003,732 |
| TOTAL LIABILITIES | - | 4,411,029 |
| FUND BALANCE | | |
| Restricted | 487,424 | 80,685,082 |
| Committed | - | 34,195,712 |
| TOTAL FUND BALANCES | 487,424 | 114,880,794 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 487,424 | \$ 119,291,823 |

CITY OF TAMPA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | <u>Local Option Gas Tax Capital Projects</u> | <u>Utility Tax Capital Projects</u> | <u>Transportation Impact Fees Capital Projects</u> | <u>Impact Fees Capital Projects</u> |
|--|--|---|--|---|
| REVENUES | | | | |
| TAXES: | | | | |
| Sales | \$ - | \$ - | \$ - | \$ - |
| Local Option Resort | - | 729,256 | - | - |
| INTERGOVERNMENTAL: | | | | |
| Federal | (1,350) | - | - | - |
| State | 3,674,727 | 510,088 | - | - |
| Charges for Services and User Fees | - | 307,887 | - | - |
| Earnings on Investments | (48,031) | (48,928) | 52,075 | (610,814) |
| Contributions | 227,061 | 1,138,329 | - | - |
| TOTAL REVENUES | <u>3,852,407</u> | <u>2,636,632</u> | <u>52,075</u> | <u>(610,814)</u> |
| EXPENDITURES | | | | |
| CURRENT: | | | | |
| Public Safety | - | 61,405 | - | - |
| Culture and Recreation | - | 461,085 | - | - |
| General Government Services | - | - | - | - |
| DEBT SERVICE: | | | | |
| Principal Payments | - | - | - | - |
| Debt Issuance Costs | - | - | - | - |
| Capital Outlay | 10,502,408 | 6,318,524 | 298,817 | 5,565,631 |
| TOTAL EXPENDITURES | <u>10,502,408</u> | <u>6,841,014</u> | <u>298,817</u> | <u>5,565,631</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>(6,650,001)</u> | <u>(4,204,382)</u> | <u>(246,742)</u> | <u>(6,176,445)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Debt Proceeds | - | - | - | - |
| Transfers In | 6,754,252 | 5,119,316 | - | 361,360 |
| Transfers Out | (233,201) | (584,587) | - | (9,675,103) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>6,521,051</u> | <u>4,534,729</u> | <u>-</u> | <u>(9,313,743)</u> |
| NET CHANGE IN FUND BALANCES | <u>(128,950)</u> | <u>330,347</u> | <u>(246,742)</u> | <u>(15,490,188)</u> |
| FUND BALANCES - OCTOBER 1 | <u>17,916,982</u> | <u>31,505,970</u> | <u>3,345,947</u> | <u>36,908,714</u> |
| FUND BALANCES - SEPTEMBER 30 | <u>\$ 17,788,032</u> | <u>\$ 31,836,317</u> | <u>\$ 3,099,205</u> | <u>\$ 21,418,526</u> |

CITY OF TAMPA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Utility Tax Bond Projects | Community Investment Tax Capital Projects | Community Investment Tax Bond Projects | Park Capital Improvements |
|--|------------------------------|---|--|------------------------------|
| REVENUES | | | | |
| TAXES: | | | | |
| Sales | \$ - | \$ 13,769,595 | \$ - | \$ - |
| Local Option Resort | - | - | - | - |
| INTERGOVERNMENTAL: | | | | |
| Federal | - | - | - | - |
| State | - | - | - | - |
| Charges for Services and User Fees | - | - | - | - |
| Earnings on Investments | 333,643 | 134,632 | (121,878) | 22,461 |
| Contributions | - | - | - | 116,401 |
| TOTAL REVENUES | 333,643 | 13,904,227 | (121,878) | 138,862 |
| EXPENDITURES | | | | |
| CURRENT: | | | | |
| Public Safety | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| General Government Services | - | 45,266 | 136,696 | - |
| DEBT SERVICE: | | | | |
| Principal Payments | - | - | 43,108,381 | - |
| Debt Issuance Costs | 393,100 | 639 | 214,749 | - |
| Capital Outlay | 336,835 | 12,314,005 | 5,067,846 | 90,000 |
| TOTAL EXPENDITURES | 729,935 | 12,359,910 | 48,527,672 | 90,000 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (396,292) | 1,544,317 | (48,649,550) | 48,862 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Debt Proceeds | 19,800,339 | - | 43,464,982 | - |
| Transfers In | - | - | - | 494,587 |
| Transfers Out | (11,256,000) | (4,935,131) | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | 8,544,339 | (4,935,131) | 43,464,982 | 494,587 |
| NET CHANGE IN FUND BALANCES | 8,148,047 | (3,390,814) | (5,184,568) | 543,449 |
| FUND BALANCES - OCTOBER 1 | - | 30,186,999 | 9,244,547 | 703,630 |
| FUND BALANCES - SEPTEMBER 30 | \$ 8,148,047 | \$ 26,796,185 | \$ 4,059,979 | \$ 1,247,079 |

CITY OF TAMPA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Other Capital Improvement Projects | Total Capital Projects Funds |
|--|---|---|
| REVENUES | | |
| TAXES: | | |
| Sales | \$ - | \$ 13,769,595 |
| Local Option Resort | - | 729,256 |
| INTERGOVERNMENTAL: | | |
| Federal | - | (1,350) |
| State | - | 4,184,815 |
| Charges for Services and User Fees | 94,024 | 401,911 |
| Earnings on Investments | 16,571 | (270,269) |
| Contributions | - | 1,481,791 |
| TOTAL REVENUES | 110,595 | 20,295,749 |
| EXPENDITURES | | |
| CURRENT: | | |
| Public Safety | - | 61,405 |
| Culture and Recreation | - | 461,085 |
| General Government Services | - | 181,962 |
| DEBT SERVICE: | | |
| Principal Payments | - | 43,108,381 |
| Debt Issuance Costs | - | 608,488 |
| Capital Outlay | 506,829 | 41,000,895 |
| TOTAL EXPENDITURES | 506,829 | 85,422,216 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (396,234) | (65,126,467) |
| OTHER FINANCING SOURCES (USES) | | |
| Debt Proceeds | - | 63,265,321 |
| Transfers In | - | 12,729,515 |
| Transfers Out | - | (26,684,022) |
| TOTAL OTHER FINANCING SOURCES (USES) | - | 49,310,814 |
| NET CHANGE IN FUND BALANCES | (396,234) | (15,815,653) |
| FUND BALANCES - OCTOBER 1 | 883,658 | 130,696,447 |
| FUND BALANCES - SEPTEMBER 30 | \$ 487,424 | \$ 114,880,794 |

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NONMAJOR ENTERPRISE FUNDS

Parking Fund – accounts for the operations of city owned parking garages, lots, and meters.

Marina Fund – accounts for the operations of the Davis Island Seaplane Basin and its surrounding environment. During FY 2011, this fund was transferred to the General Fund.

Golf Courses Fund – accounts for the operations of the operations of the Babe Zaharias, Rogers Park and Rocky Point golf courses.

CITY OF TAMPA, FLORIDA
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2011

| | <u>Business-type Activities-Enterprise Funds</u> | | | |
|---|--|---------------|---------------------|--|
| | <u>Parking Facilities</u> | <u>Marina</u> | <u>Golf Courses</u> | <u>Total Nonmajor Enterprise Funds</u> |
| ASSETS | | | | |
| CURRENT ASSETS: | | | | |
| Cash and Investments | \$ 4,760,401 | \$ - | \$ 121,415 | \$ 4,881,816 |
| Accounts Receivable, Net | 174,769 | - | 40,560 | 215,329 |
| Due from Other Funds | 24,163 | - | - | 24,163 |
| Inventories | - | - | 70,934 | 70,934 |
| Prepaid Expenses and Deposits | - | - | 11,749 | 11,749 |
| TOTAL CURRENT ASSETS | <u>4,959,333</u> | <u>-</u> | <u>244,658</u> | <u>5,203,991</u> |
| NONCURRENT ASSETS: | | | | |
| CAPITAL ASSETS: | | | | |
| Land and Land Rights | 21,393,290 | - | 924,663 | 22,317,953 |
| Buildings | 93,668,585 | - | 5,046,952 | 98,715,537 |
| Improvements | 8,298,649 | - | 6,292,237 | 14,590,886 |
| Machinery and Equipment | 2,602,450 | - | 2,081,436 | 4,683,886 |
| Construction in Progress | 193,330 | - | - | 193,330 |
| Less Accumulated Depreciation | (42,882,577) | - | (7,472,181) | (50,354,758) |
| TOTAL CAPITAL ASSETS | <u>83,273,727</u> | <u>-</u> | <u>6,873,107</u> | <u>90,146,834</u> |
| TOTAL NONCURRENT ASSETS | <u>83,273,727</u> | <u>-</u> | <u>6,873,107</u> | <u>90,146,834</u> |
| TOTAL ASSETS | <u>\$ 88,233,060</u> | <u>\$ -</u> | <u>\$ 7,117,765</u> | <u>\$ 95,350,825</u> |
| LIABILITIES | | | | |
| CURRENT LIABILITIES: | | | | |
| Vouchers and Accounts Payable | \$ 138,921 | \$ - | \$ 99,433 | \$ 238,354 |
| Accrued Salaries | 150,360 | - | - | 150,360 |
| Due to Other Funds | 20,955 | - | - | 20,955 |
| Current Portion of Capital Lease | - | - | 148,514 | 148,514 |
| Customer Deposits | 98,260 | - | - | 98,260 |
| Deferred Revenue | 255,073 | - | 27,639 | 282,712 |
| TOTAL CURRENT LIABILITIES | <u>663,569</u> | <u>-</u> | <u>275,586</u> | <u>939,155</u> |
| LONG TERM LIABILITIES: | | | | |
| Long-Term Compensated Absences | 651,096 | - | - | 651,096 |
| Other Post Employment Benefits | 444,501 | - | - | 444,501 |
| Long-Term Capital lease | - | - | 194,160 | 194,160 |
| TOTAL LONG TERM LIABILITIES: | <u>1,095,597</u> | <u>-</u> | <u>194,160</u> | <u>1,289,757</u> |
| TOTAL LIABILITIES | <u>1,759,166</u> | <u>-</u> | <u>469,746</u> | <u>2,228,912</u> |
| NET ASSETS | | | | |
| Invested in Capital Assets, Net of Related Debt | 83,273,728 | - | 6,530,433 | 89,804,161 |
| Unrestricted | 3,200,166 | - | 117,586 | 3,317,752 |
| TOTAL NET ASSETS | <u>\$ 86,473,894</u> | <u>\$ -</u> | <u>\$ 6,648,019</u> | <u>\$ 93,121,913</u> |

CITY OF TAMPA, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET ASSETS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | <u>Parking Facilities</u> | <u>Marina</u> | <u>Golf Courses</u> | <u>Total Nonmajor Enterprise Funds</u> |
|---|---------------------------|--------------------|---------------------|--|
| OPERATING REVENUES | | | | |
| CHARGES FOR SERVICES: | | | | |
| Parking Charges and Fees | \$ 13,274,819 | \$ - | \$ - | \$ 13,274,819 |
| Golf Course Charges | - | - | 3,072,143 | 3,072,143 |
| Other Revenues | 22,865 | - | - | 22,865 |
| TOTAL OPERATING REVENUES | <u>13,297,684</u> | <u>-</u> | <u>3,072,143</u> | <u>16,369,827</u> |
| OPERATING EXPENSES | | | | |
| Personal Services and Benefits | 5,829,637 | - | 1,182,132 | 7,011,769 |
| Supplies and Materials | 128,174 | - | 147,292 | 275,466 |
| Contract Services | 1,838,100 | - | 1,540,457 | 3,378,557 |
| Other Services and Charges | 2,804,761 | - | 578,629 | 3,383,390 |
| Depreciation | 2,740,437 | - | 746,192 | 3,486,629 |
| TOTAL OPERATING EXPENSES | <u>13,341,109</u> | <u>-</u> | <u>4,194,702</u> | <u>17,535,811</u> |
| OPERATING INCOME (LOSS) | <u>(43,425)</u> | <u>-</u> | <u>(1,122,559)</u> | <u>(1,165,984)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Miscellaneous | 8,405 | - | - | 8,405 |
| Intergovernmental Expenses | (335,610) | - | - | (335,610) |
| Earnings on Investments | 62,906 | - | 404 | 63,310 |
| Interest Expense | (958) | - | (8) | (966) |
| Gain (Loss) on Disposition of Capital Assets | (982,593) | - | (2,404) | (984,997) |
| TOTAL NONOPERATING REVENUES (EXPENSES) | <u>(1,247,850)</u> | <u>-</u> | <u>(2,008)</u> | <u>(1,249,858)</u> |
| INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS | <u>(1,291,275)</u> | <u>-</u> | <u>(1,124,567)</u> | <u>(2,415,842)</u> |
| TRANSFERS AND CONTRIBUTIONS | | | | |
| Contributions from Citizens and Developers | 146,328 | - | 2,558,394 | 2,704,722 |
| Transfers In | 1,900,000 | - | - | 1,900,000 |
| Pilot and Piloff | (710,300) | - | - | (710,300) |
| Transfers Out | (9,097,263) | (5,362,197) | - | (14,459,460) |
| TOTAL TRANSFERS AND CONTRIBUTIONS | <u>(7,761,235)</u> | <u>(5,362,197)</u> | <u>2,558,394</u> | <u>(10,565,038)</u> |
| CHANGE IN NET ASSETS | <u>(9,052,510)</u> | <u>(5,362,197)</u> | <u>1,433,827</u> | <u>(12,980,880)</u> |
| NET ASSETS - OCTOBER 1 | <u>95,526,404</u> | <u>5,362,197</u> | <u>5,214,192</u> | <u>106,102,793</u> |
| NET ASSETS - SEPTEMBER 30 | <u>\$ 86,473,894</u> | <u>\$ -</u> | <u>\$ 6,648,019</u> | <u>\$ 93,121,913</u> |

CITY OF TAMPA, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NON MAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Parking Facilities | Marina | Golf Courses | Total Non Major Enterprise Funds |
|---|-----------------------|--------------------|---------------------|-------------------------------------|
| Cash flows from operating activities: | | | | |
| Receipts from customers and users | \$ 13,163,400 | \$ (27,824) | \$ 3,234,871 | \$ 16,370,447 |
| Receipts from interfund services provided | 190,157 | - | - | 190,157 |
| Payments to suppliers | (2,905,099) | (33,861) | (2,459,826) | (5,398,786) |
| Payments to employees | (5,953,601) | (29,247) | (1,182,132) | (7,164,980) |
| Payments for interfund services used | (2,122,634) | (459) | 495 | (2,122,598) |
| Other receipts | 335,009 | 429 | - | 335,438 |
| Net cash provided (used) by operating activities | <u>2,707,232</u> | <u>(90,962)</u> | <u>(406,592)</u> | <u>2,209,678</u> |
| Cash flows from noncapital financing activities: | | | | |
| Cash received from other funds | 1,900,000 | - | - | 1,900,000 |
| Transfer to other funds | (9,807,563) | (5,362,196) | - | (15,169,759) |
| Operating grants paid out | (335,610) | - | - | (335,610) |
| Net cash provided (used) by noncapital financing activities | <u>(8,243,173)</u> | <u>(5,362,196)</u> | <u>-</u> | <u>(13,605,369)</u> |
| Cash flows from capital and related financing activities: | | | | |
| Acquisition and construction of capital assets | (1,459,602) | - | (1,767,528) | (3,227,130) |
| Interest payments on debt | (958) | - | (8) | (966) |
| Contributions: | | | | |
| Subdividers and others | 146,320 | - | 2,458,955 | 2,605,275 |
| Proceeds (loss) from sale of capital assets | 3,237,787 | - | (2,404) | 3,235,383 |
| Transfer of capital assets to other funds | - | 5,379,487 | - | 5,379,487 |
| Capital lease | - | - | (176,278) | (176,278) |
| Net cash provided by capital and related financing activities | <u>1,923,547</u> | <u>5,379,487</u> | <u>512,737</u> | <u>7,815,771</u> |
| Cash flows from investing activities: | | | | |
| Interest earnings on investments | 62,906 | - | 404 | 63,310 |
| Net cash provided by investing activities | <u>62,906</u> | <u>-</u> | <u>404</u> | <u>63,310</u> |
| Net increase (decrease) in cash and cash equivalents | (3,549,488) | (73,671) | 106,549 | (3,516,610) |
| Beginning cash and cash equivalents | 8,309,889 | 73,671 | 14,866 | 8,398,426 |
| Ending cash and cash equivalents | <u>\$ 4,760,401</u> | <u>\$ -</u> | <u>\$ 121,415</u> | <u>\$ 4,881,816</u> |
| Reconciliation of operating loss to net cash provided (used) by operating activities: | | | | |
| Operating loss | \$ (43,425) | \$ - | \$ (1,122,559) | \$ (1,165,984) |
| Adjustments to reconcile operating loss to net cash used by operating activities: | | | | |
| Depreciation | 2,740,437 | - | 746,192 | 3,486,629 |
| Miscellaneous receipts | 8,405 | - | - | 8,405 |
| Changes in assets and liabilities: | | | | |
| Decrease in receivables--net | 113,240 | - | 163,407 | 276,647 |
| Increase in inventory and other assets | - | - | (9,765) | (9,765) |
| Increase (decrease) in accounts payable | 14,051 | - | (183,683) | (169,632) |
| Decrease in accrued liabilities | (123,961) | (29,167) | - | (153,128) |
| Increase (decrease) in due to other funds | (42,672) | (436) | 495 | (42,613) |
| Increase (decrease) in customer deposits and advances | 41,157 | (27,824) | - | 13,333 |
| (Decrease) in unearned revenues | - | - | (679) | (679) |
| Total Adjustments | <u>2,750,657</u> | <u>(57,427)</u> | <u>715,967</u> | <u>3,409,197</u> |
| Net cash provided (used) by operating activities | <u>\$ 2,707,232</u> | <u>\$ (57,427)</u> | <u>\$ (406,592)</u> | <u>\$ 2,243,213</u> |
| Noncash investing, capital, and financing activities: | | | | |
| Contributions of capital assets | \$ 8 | \$ - | \$ 99,439 | \$ 99,447 |
| Unrealized gain (loss) from investing activities | 121,512 | - | - | 121,512 |
| Cash and cash equivalents are reported in the financial statements as follows: | | | | |
| Cash | \$ 49,487 | \$ - | \$ 121,415 | \$ 170,902 |
| Equity in pooled cash and investments | 4,710,914 | - | - | 4,710,914 |
| | <u>\$ 4,760,401</u> | <u>\$ -</u> | <u>\$ 121,415</u> | <u>\$ 4,881,816</u> |

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INTERNAL SERVICE FUNDS

Internal Service Funds – account for the financing of goods and services provided by one City department to other city departments on a cost-reimbursement basis. Descriptions of individual funds in this category are presented below.

The Fleet Management Fund – accounts for the operation of the city's fleet of police cars, fire and rescue vehicles, public works and public utilities trucks, and many other types of on and off-road equipment.

The Administrative Services Fund – accounts for the operation of the City's central publication and central mail services.

The Utility Accounting Fund – accounts for costs related to utility billings, collections and administration.

CITY OF TAMPA, FLORIDA
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2011

| | <u>Fleet Maintenance</u> | <u>Administrative Services</u> | <u>Utility Accounting</u> | <u>Total Internal Service Funds</u> |
|---|--------------------------|------------------------------------|---------------------------|---|
| ASSETS | | | | |
| CURRENT ASSETS: | | | | |
| Cash and Investments | \$ 3,489,624 | \$ 166,033 | \$ 4,482,459 | \$ 8,138,116 |
| Accounts Receivable, Net | - | - | 626,256 | 626,256 |
| Inventories | 263,246 | - | - | 263,246 |
| TOTAL CURRENT ASSETS | <u>3,752,870</u> | <u>166,033</u> | <u>5,108,715</u> | <u>9,027,618</u> |
| CAPITAL ASSETS: | | | | |
| Land and Land Rights | 1,310 | - | - | 1,310 |
| Buildings | 2,986,420 | - | 29,943 | 3,016,363 |
| Improvements | 1,760,247 | - | - | 1,760,247 |
| Machinery and Equipment | 1,487,952 | 79,759 | 527,212 | 2,094,923 |
| Less Accumulated Depreciation | <u>(4,515,288)</u> | <u>(46,700)</u> | <u>(412,435)</u> | <u>(4,974,423)</u> |
| TOTAL CAPITAL ASSETS | <u>1,720,641</u> | <u>33,059</u> | <u>144,720</u> | <u>1,898,420</u> |
| TOTAL ASSETS | <u>\$ 5,473,511</u> | <u>\$ 199,092</u> | <u>\$ 5,253,435</u> | <u>\$ 10,926,038</u> |
| LIABILITIES | | | | |
| CURRENT LIABILITIES: | | | | |
| Vouchers and Accounts Payable | \$ 306,030 | \$ - | \$ 41,306 | \$ 347,336 |
| Accrued Salaries | 140,790 | 7,340 | 136,285 | 284,415 |
| Due to Other Funds | 20,352 | 357 | 15,663 | 36,372 |
| Customer Advances | - | - | 1,458,421 | 1,458,421 |
| Customer Deposits | - | 4 | 2,698,860 | 2,698,864 |
| TOTAL CURRENT LIABILITIES | <u>467,172</u> | <u>7,701</u> | <u>4,350,535</u> | <u>4,825,408</u> |
| NONCURRENT LIABILITIES: | | | | |
| Long-Term Compensated Absences | 562,797 | 10,920 | 316,665 | 890,382 |
| TOTAL NONCURRENT LIABILITIES | <u>562,797</u> | <u>10,920</u> | <u>316,665</u> | <u>890,382</u> |
| TOTAL LIABILITIES | <u>1,029,969</u> | <u>18,621</u> | <u>4,667,200</u> | <u>5,715,790</u> |
| NET ASSETS | | | | |
| Invested in Capital Assets, Net of Related Debt | 1,720,641 | 33,059 | 144,720 | 1,898,420 |
| Unrestricted | <u>2,722,900</u> | <u>147,412</u> | <u>441,516</u> | <u>3,311,828</u> |
| TOTAL NET ASSETS | <u>\$ 4,443,541</u> | <u>\$ 180,471</u> | <u>\$ 586,236</u> | <u>\$ 5,210,248</u> |

CITY OF TAMPA, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Fleet Maintenance | Administrative Services | Utility Accounting | Total Internal Service Funds |
|---|---------------------|----------------------------|--------------------|---------------------------------|
| OPERATING REVENUES | | | | |
| CHARGES FOR SERVICES: | | | | |
| Charges for Services | \$ 131,665 | \$ - | \$ - | \$ 131,665 |
| Internal Services Billings | 14,997,574 | 445,207 | 8,029,658 | 23,472,439 |
| TOTAL OPERATING REVENUES | 15,129,239 | 445,207 | 8,029,658 | 23,604,104 |
| OPERATING EXPENSES | | | | |
| Personal Services and Benefits | 4,377,083 | 74,363 | 3,957,341 | 8,408,787 |
| Supplies and Materials | 7,481,827 | 1,734 | 48,357 | 7,531,918 |
| Contract Services | 52,452 | 5,701 | 1,272,055 | 1,330,208 |
| Other Services and Charges | 2,650,145 | 311,245 | 2,620,092 | 5,581,482 |
| Depreciation | 242,001 | 6,277 | 35,830 | 284,108 |
| TOTAL OPERATING EXPENSES | 14,803,508 | 399,320 | 7,933,675 | 23,136,503 |
| OPERATING INCOME (LOSS) | 325,731 | 45,887 | 95,983 | 467,601 |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Miscellaneous | 9,311 | - | 5,616 | 14,927 |
| Earnings on Investments | (60,847) | 2,639 | 135,033 | 76,825 |
| Gain (Loss) on Disposition of Capital Assets | (88,980) | - | (39,633) | (128,613) |
| TOTAL NONOPERATING REVENUES (EXPENSES) | (140,516) | 2,639 | 101,016 | (36,861) |
| INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS | 185,215 | 48,526 | 196,999 | 430,740 |
| TRANSFERS | | | | |
| Contributions from Citizens and Developers | 13,087 | - | - | 13,087 |
| Transfers Out | (3,911,161) | - | - | (3,911,161) |
| TOTAL TRANSFERS AND CONTRIBUTIONS | (3,898,074) | - | - | (3,898,074) |
| CHANGE IN NET ASSETS | (3,712,859) | 48,526 | 196,999 | (3,467,334) |
| NET ASSETS - OCTOBER 1 | 8,156,400 | 131,945 | 389,237 | 8,677,582 |
| NET ASSETS - SEPTEMBER 30 | \$ 4,443,541 | \$ 180,471 | \$ 586,236 | \$ 5,210,248 |

CITY OF TAMPA, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Fleet Maintenance | Administrative Services | Utility Accounting | Total Internal Service Funds |
|---|----------------------|----------------------------|-----------------------|---------------------------------|
| Cash Flows from Operating Activities: | | | | |
| Receipts from Customers and Users | \$ 10,208 | \$ - | \$ 2,952,424 | \$ 2,962,632 |
| Receipts from Interfund Services Provided | 14,997,574 | 445,207 | 4,973,984 | 20,416,765 |
| Payments to Suppliers | (8,857,212) | (283,079) | (2,056,824) | (11,197,115) |
| Payments to Employees | (4,473,811) | (75,018) | (3,960,578) | (8,509,407) |
| Payments for Interfund Services Used | (1,127,016) | (37,874) | (1,680,031) | (2,844,921) |
| Other Receipts | 12,294 | - | 5,616 | 17,910 |
| Net Cash Provided (Used) by Operating Activities | <u>562,037</u> | <u>49,236</u> | <u>234,591</u> | <u>845,864</u> |
| Cash Flows from Capital and Related Financing Activities: | | | | |
| (Acquisition) Disposal of Capital Assets | (54,804) | - | 27,709 | (27,095) |
| Transfer to Other Funds | (3,911,198) | - | - | (3,911,198) |
| Capital Contributions | 13,087 | - | - | 13,087 |
| Gain (loss) from Sale of Capital Assets | 8,858 | - | (39,633) | (30,775) |
| Net Cash Used by Capital and Related Financing Activities | <u>(3,944,057)</u> | <u>-</u> | <u>(11,924)</u> | <u>(3,955,981)</u> |
| Cash Flows from Investing Activities: | | | | |
| Earnings (Loss) on Investments | (60,846) | 2,639 | 135,033 | 76,826 |
| Net Cash Provided (Used) by Investing Activities | <u>(60,846)</u> | <u>2,639</u> | <u>135,033</u> | <u>76,826</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | (3,442,866) | 51,875 | 357,700 | (3,033,291) |
| Beginning Cash and Cash Equivalents | 6,932,490 | 114,158 | 4,124,759 | 11,171,407 |
| Ending Cash and Cash Equivalents | <u>\$ 3,489,624</u> | <u>\$ 166,033</u> | <u>\$ 4,482,459</u> | <u>\$ 8,138,116</u> |
| Reconciliation of Operating Income to Net Cash Provided by Operating Activities: | | | | |
| Operating Income | \$ 325,731 | \$ 45,887 | \$ 95,983 | \$ 467,601 |
| Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities: | | | | |
| Depreciation | 242,002 | 6,277 | 35,830 | 284,109 |
| Miscellaneous Receipts | 9,311 | - | 5,616 | 14,927 |
| Changes in Assets and Liabilities: | | | | |
| Decrease in Receivables--Net | 9,653 | - | 99,975 | 109,628 |
| Increase in Inventories | (28,192) | - | - | (28,192) |
| Increase (decrease) in Accounts Payable | 102,808 | (1,995) | (49,789) | 51,024 |
| Decrease in Accrued Liabilities | (96,727) | (655) | (3,236) | (100,618) |
| Decrease in Due to Other Funds | (2,549) | (278) | (828) | (3,655) |
| Increase in Customer Deposits and Advances | - | - | 51,040 | 51,040 |
| | <u>236,306</u> | <u>3,349</u> | <u>138,608</u> | <u>378,263</u> |
| Net cash Provided by Operating Activities | <u>\$ 562,037</u> | <u>\$ 49,236</u> | <u>\$ 234,591</u> | <u>\$ 845,864</u> |
| Noncash Investing, Capital, and Financing Activities: | | | | |
| Contributions of Capital Assets from Other Funds | \$ 13,087 | \$ - | \$ - | \$ 13,087 |
| Unrealized Gain (Loss) from Investing Activities | (149,653) | - | 19,112 | (130,541) |
| Cash and Cash Equivalents are Reported in Financial Statements as follows: | | | | |
| Equity in Pooled Cash and Investments | <u>\$ 3,489,624</u> | <u>\$ 166,033</u> | <u>\$ 4,482,459</u> | <u>\$ 8,138,116</u> |

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FIDUCIARY FUNDS

Firefighters and Police Officers Pension Fund and General Employees Retirement Fund – to account for the accumulation of resources to be used for retirement annuity payments to eligible pensioners and their beneficiaries. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

Agency Funds – are funds which hold monies in an agency capacity for various government units, individuals or funds.

CITY OF TAMPA, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
PENSION TRUST FUNDS
SEPTEMBER 30, 2011

| | Firefighters and Police Officers Pension Fund | General Employees Retirement Fund | Total Pension Trust Funds |
|------------------------------------|--|--|------------------------------------|
| ASSETS | | | |
| Cash | \$ 176,504 | \$ 2,615,984 | \$ 2,792,488 |
| Investments, at Fair Value: | | | |
| Debt and Other Interest | | | |
| Bearing Investments | 325,165,348 | 165,671,186 | 490,836,534 |
| Equity Securities | 1,046,425,210 | 305,355,855 | 1,351,781,065 |
| Real Estate Investments | - | 29,708,231 | 29,708,231 |
| Total Cash and Investments | <u>1,371,767,062</u> | <u>503,351,256</u> | <u>1,875,118,318</u> |
| Accounts Receivable, Net | <u>21,198</u> | <u>-</u> | <u>21,198</u> |
| Interest and Dividends Receivable | <u>2,682,828</u> | <u>1,220,888</u> | <u>3,903,716</u> |
| Capital Assets: | | | |
| Land | 99,086 | - | 99,086 |
| Buildings and Improvements | 874,556 | - | 874,556 |
| Less Accumulated Depreciation | <u>(377,829)</u> | <u>-</u> | <u>(377,829)</u> |
| Total Capital Assets | <u>595,813</u> | <u>-</u> | <u>595,813</u> |
| TOTAL ASSETS | <u><u>1,375,066,901</u></u> | <u><u>504,572,144</u></u> | <u><u>1,879,639,045</u></u> |
| LIABILITIES | | | |
| Accounts Payable | 8,121,189 | 744,003 | 8,865,192 |
| Accrued Liabilities | 3,003 | - | 3,003 |
| Long-term Compensated Absences | <u>28,576</u> | <u>-</u> | <u>28,576</u> |
| TOTAL LIABILITIES | <u><u>8,152,768</u></u> | <u><u>744,003</u></u> | <u><u>8,896,771</u></u> |
| NET ASSETS | | | |
| Held in Trust for Pension Benefits | <u><u>\$ 1,366,914,133</u></u> | <u><u>\$ 503,828,141</u></u> | <u><u>\$ 1,870,742,274</u></u> |

CITY OF TAMPA, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Firefighters and Police Officers Pension Fund | General Employees Retirement Fund | Total Pension Trust Funds |
|---|--|--|------------------------------------|
| ADDITIONS | | | |
| Contributions: | | | |
| Employer | \$ 17,922,846 | \$ 18,418,002 | \$ 36,340,848 |
| Employees | 13,375,258 | 243,610 | 13,618,868 |
| State of Florida | 5,952,176 | - | 5,952,176 |
| Total Contributions | <u>37,250,280</u> | <u>18,661,612</u> | <u>55,911,892</u> |
| Investment Earnings: | | | |
| Interest and Dividends | 36,802,819 | 9,138,319 | 45,941,138 |
| Net Decrease in the Fair Value of Investments | (6,386,222) | (11,104,857) | (17,491,079) |
| Total Investment Earnings (Loss) | <u>30,416,597</u> | <u>(1,966,538)</u> | <u>28,450,059</u> |
| Less Investment Expense | 3,836,174 | 2,770,612 | 6,606,786 |
| Net Investment Earnings (Loss) | <u>26,580,423</u> | <u>(4,737,150)</u> | <u>21,843,273</u> |
| Total Additions, Net | <u>63,830,703</u> | <u>13,924,462</u> | <u>77,755,165</u> |
| DEDUCTIONS | | | |
| Pension Benefits | 77,795,968 | 38,993,169 | 116,789,137 |
| Administrative Expenses | 1,498,960 | 322,354 | 1,821,314 |
| Total Deductions | <u>79,294,928</u> | <u>39,315,523</u> | <u>118,610,451</u> |
| Change in Net Assets | <u>(15,464,225)</u> | <u>(25,391,061)</u> | <u>(40,855,286)</u> |
| Net Assets - October 1 | 1,382,378,358 | 529,219,202 | 1,911,597,560 |
| Net assets - September 30 | <u>\$ 1,366,914,133</u> | <u>\$ 503,828,141</u> | <u>\$ 1,870,742,274</u> |

City of Tampa, Florida
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
OTHER AGENCY FUNDS
SEPTEMBER 30, 2011

| | Rehabilitation Loans Fund | Other Agency Funds | Total |
|-------------------------------------|---------------------------------|--------------------------|------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ - | \$ 5,336,163 | \$ 5,336,163 |
| Accounts Receivable, Net | - | 45 | 45 |
| TOTAL ASSETS | - | 5,336,208 | 5,336,208 |
| LIABILITIES | | | |
| Accounts Payable | - | 239,054 | 239,054 |
| Deposits Held in Custody for Others | - | 5,097,154 | 5,097,154 |
| TOTAL LIABILITIES | - | 5,336,208 | 5,336,208 |
| NET ASSETS | \$ - | \$ - | \$ - |

CITY OF TAMPA, FLORIDA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
REHABILITATION LOANS AGENCY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Balance October 1, 2010 | Additions | Deductions | Balance September 30, 2011 |
|-------------------------------------|-------------------------------|-------------|----------------------|----------------------------------|
| ASSETS | | | | |
| Notes Receivable, Net | \$ 20,424,918 | \$ - | \$ 20,424,918 | \$ - |
| TOTAL ASSETS | <u>\$ 20,424,918</u> | <u>\$ -</u> | <u>\$ 20,424,918</u> | <u>\$ -</u> |
| LIABILITIES | | | | |
| Deposits Held in Custody for Others | \$ 20,424,918 | \$ - | \$ 20,424,918 | \$ - |
| TOTAL LIABILITIES | <u>\$ 20,424,918</u> | <u>\$ -</u> | <u>\$ 20,424,918</u> | <u>\$ -</u> |

CITY OF TAMPA, FLORIDA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
OTHER AGENCY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

| | Balance October 1, 2010 | Additions | Deductions | Balance September 30, 2011 |
|--|-------------------------------|---------------------|----------------------|----------------------------------|
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 8,776,247 | \$ 7,885,159 | \$ 11,325,243 | \$ 5,336,163 |
| Accounts Receivable, Net | 45 | 326 | 326 | 45 |
| TOTAL ASSETS | <u>\$ 8,776,292</u> | <u>\$ 7,885,485</u> | <u>\$ 11,325,569</u> | <u>\$ 5,336,208</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ 1,358,303 | \$ 292,785 | \$ 1,412,034 | \$ 239,054 |
| Deposits Held in Custody for Others, Restated per Note 3 | 7,417,989 | 7,712,501 | 10,033,336 | 5,097,154 |
| TOTAL LIABILITIES | <u>\$ 8,776,292</u> | <u>\$ 8,005,286</u> | <u>\$ 11,445,370</u> | <u>\$ 5,336,208</u> |

TAB

Community Redevelopment Agency

Tax Increment Financing

CITY OF TAMPA, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
COMMUNITY REDEVELOPMENT AGENCY - TAX INCREMENT FINANCING
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011 (in thousands)

| | Ybor | Downtown | | East Tampa | Drew Park | Channel District | Ybor II | Tampa Heights Riverfront | Central Park | CRA Total |
|---|--------------|--------------|---------------|--------------|------------|------------------|------------|--------------------------|--------------|---------------|
| | | Core | Non Core | | | | | | | |
| REVENUES | | | | | | | | | | |
| Tax Increment Revenues: | | | | | | | | | | |
| Hillsborough County | \$ 470 | \$ 1,063 | \$ 4,998 | \$ 397 | \$ 296 | \$ 1,284 | \$ 98 | \$ 44 | \$ 2 | \$ 8,652 |
| City of Tampa | 671 | 1,062 | 4,990 | 396 | 296 | 1,282 | 98 | 54 | 2 | 8,851 |
| Hillsborough Transit Authority | - | - | 408 | - | - | - | - | - | - | 408 |
| Children's Board of Hillsborough County | - | 93 | 435 | - | - | - | - | - | - | 528 |
| Tampa Port Authority | 22 | 35 | 165 | 13 | 10 | 43 | 3 | 2 | - | 293 |
| Investment Earnings | - | 49 | 115 | 49 | - | (1) | - | - | - | 212 |
| TOTAL REVENUES | 1,163 | 2,302 | 11,111 | 855 | 602 | 2,608 | 199 | 100 | 4 | 18,944 |
| EXPENDITURES | | | | | | | | | | |
| Current: | | | | | | | | | | |
| City Staff | 327 | - | 121 | 516 | 173 | 117 | 53 | 77 | 4 | 1,388 |
| Contractual Services and Supplies | 727 | 130 | 151 | 458 | 18 | 293 | 299 | - | - | 2,076 |
| Debt Service: | | | | | | | | | | |
| Principal and Interest | 332 | 2,680 | 10,840 | - | - | - | - | - | - | 13,852 |
| Capital Outlay: | | | | | | | | | | |
| Land | - | - | - | 389 | - | - | - | - | - | 389 |
| Improvements Other Than Buildings | - | 17 | - | 1,876 | 123 | 3,616 | 78 | - | - | 5,710 |
| Park and Landscaping Improvements | 3 | - | - | - | - | - | - | - | - | 3 |
| Furniture and Equipment | - | - | - | 22 | 3 | - | - | - | - | 25 |
| TOTAL EXPENDITURES | 1,389 | 2,827 | 11,112 | 3,261 | 317 | 4,026 | 430 | 77 | 4 | 23,443 |
| Excess of Revenues Over Expenditures | (226) | (525) | (1) | (2,406) | 285 | (1,418) | (231) | 23 | - | (4,499) |
| OTHER FINANCING USES | | | | | | | | | | |
| Transfer to Capital Projects Fund | - | - | - | - | - | - | - | (263) | - | (263) |
| Net Change in Fund Balances | (226) | (525) | (1) | (2,406) | 285 | (1,418) | (231) | (240) | - | (4,762) |
| Beginning Fund Balances | 409 | 852 | (2) | 10,379 | 2,404 | 4,178 | 657 | 322 | (1) | 19,198 |
| Ending Fund Balances (Deficit) | \$ 183 | \$ 327 | \$ (3) | \$ 7,973 | \$ 2,689 | \$ 2,760 | \$ 426 | \$ 82 | \$ (1) | \$ 14,436 |
| Outstanding Encumbrances | \$ 74 | \$ 8 | \$ - | \$ 622 | \$ 54 | \$ 541 | \$ 82 | \$ - | \$ - | \$ 1,381 |

Note: The remaining principal outstanding on the City of Tampa 1991 Utility Tax and Special Revenue Refunding Bonds and the 2001B Utilities Tax and Special Refunding Bonds, to which tax increment revenues of this fund are pledged is \$57,055,000 as of September 30, 2011. During 2010, the Community Development Agency entered into a loan agreement for \$6 million to finance project costs in the Channel District. The principal outstanding, secured by tax increment revenues, is \$4,297,081 as of September 30, 2011.

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TAB

Statistical Section

Statistical Section

This part of the City of Tampa's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

| <u>Contents</u> | <u>Page</u> |
|--|-------------|
| Financial Trends | 145 |
| These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time. | |
| Revenue Capacity | 151 |
| These schedules contain information to help the reader assess the city's most significant local revenue source, the property tax. | |
| Demographic and Economic Information | 159 |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place | |
| Operating Information | 162 |
| These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs. | |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The city implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

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CITY OF TAMPA, FLORIDA
NET ASSETS BY COMPONENT
LAST SIX FISCAL YEARS
(accrual basis of accounting)
(in thousands)

| | Fiscal Year | | | | | |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Governmental Activities | | | | | | |
| Invested in capital assets, net of related debt | \$ 450,512 | \$ 544,741 | \$ 595,132 | \$ 666,602 | \$ 694,672 | \$ 736,432 |
| Restricted | 56,821 | 48,135 | 52,689 | 49,656 | 57,513 | 37,505 |
| Unrestricted | 132,707 | 129,756 | 148,969 | 154,069 | 155,897 | 171,315 |
| Total Governmental Activities Net Assets | <u>\$ 640,040</u> | <u>\$ 722,632</u> | <u>\$ 796,790</u> | <u>\$ 870,327</u> | <u>\$ 908,082</u> | <u>\$ 945,252</u> |
| Business-Type Activities | | | | | | |
| Invested in capital assets, net of related debt | \$ 746,974 | \$ 781,822 | \$ 802,140 | \$ 820,656 | \$ 833,505 | 814,767 |
| Restricted | 75,860 | 77,121 | 78,862 | 39,799 | 40,588 | 107,450 |
| Unrestricted | 117,182 | 114,362 | 107,416 | 119,750 | 121,005 | 93,155 |
| Total Business-Type Activities Net Assets | <u>\$ 940,016</u> | <u>\$ 973,305</u> | <u>\$ 988,418</u> | <u>\$ 980,205</u> | <u>\$ 995,098</u> | <u>1,015,372</u> |
| Primary Government | | | | | | |
| Invested in Capital Assets, Net of Related Debt | \$ 1,197,486 | \$ 1,326,563 | \$ 1,397,272 | \$ 1,487,258 | \$ 1,528,177 | \$ 1,551,199 |
| Restricted | 132,681 | 125,256 | 131,551 | 89,455 | 98,101 | 144,956 |
| Unrestricted | 249,889 | 244,118 | 256,385 | 273,819 | 276,902 | 264,470 |
| Total Primary Government Activities Net Assets | <u>\$ 1,580,056</u> | <u>\$ 1,695,937</u> | <u>\$ 1,785,208</u> | <u>\$ 1,850,532</u> | <u>\$ 1,903,180</u> | <u>\$ 1,960,625</u> |

Unaudited - see accompanying independent auditors' report

As a result of GASB Statement No. 44, *Economic Conditions Reporting: The Statistical Section*, we began gathering economic data in 2006. Information for fiscal years prior to 2006 is not available.

CITY OF TAMPA, FLORIDA
CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS
(accrual basis of accounting)
(in thousands)

| Expenses | Fiscal Year | | | | | |
|---|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Governmental Activities: | | | | | | |
| General Government | \$ 50,245 | \$ 71,178 | \$ 61,259 | \$ 68,237 | \$ 65,109 | \$ 58,285 |
| Public Safety | 193,782 | 206,326 | 213,648 | 222,204 | 221,798 | 230,035 |
| Public Works | 52,112 | 50,506 | 59,278 | 58,587 | 54,125 | 47,513 |
| Economic Environment | 14,731 | 22,511 | 19,932 | 17,067 | 20,518 | 29,671 |
| Culture and Recreation | 57,755 | 62,798 | 56,336 | 54,445 | 55,283 | 67,883 |
| Interest on Long-Term Debt | 17,947 | 24,404 | 20,800 | 19,704 | 19,356 | 14,387 |
| Total Governmental Activities Expenses | <u>386,572</u> | <u>437,723</u> | <u>431,253</u> | <u>440,244</u> | <u>436,189</u> | <u>447,774</u> |
| Business-Type Activities: | | | | | | |
| Water Utility | 51,404 | 61,128 | 70,657 | 82,856 | 67,294 | 72,156 |
| Wastewater Utility | 71,569 | 78,125 | 83,866 | 82,968 | 83,089 | 81,736 |
| Solid Waste System | 62,626 | 63,596 | 67,081 | 66,870 | 66,144 | 63,218 |
| Parking Facilities | 14,300 | 14,719 | 15,302 | 14,288 | 13,917 | 14,660 |
| Marina | 539 | 697 | 615 | 572 | 583 | - ² |
| Golf Courses | 4,741 | 4,945 | 4,871 | 4,573 | 4,506 | 4,197 |
| Total Business-Type Activities Expenses | <u>205,179</u> | <u>223,210</u> | <u>242,392</u> | <u>252,127</u> | <u>235,533</u> | <u>235,967</u> |
| Total Primary Government Expenses | <u>\$ 591,751</u> | <u>\$ 660,933</u> | <u>\$ 673,645</u> | <u>\$ 692,371</u> | <u>\$ 671,722</u> | <u>\$ 683,741</u> |
| Program Revenues | | | | | | |
| Governmental Activities: | | | | | | |
| Charges for Services: | | | | | | |
| General Government | \$ 38,595 | \$ 42,407 | \$ 38,985 | \$ 39,692 | \$ 41,811 | \$ 40,363 |
| Public Safety | 19,397 | 20,503 | 19,759 | 20,379 | 19,880 | 22,354 |
| Public Works | 8,736 | 6,256 | 7,007 | 6,883 | 6,431 | 6,629 |
| Economic Environment | - | - | - | - | - | - |
| Culture and Recreation | 7,875 | 11,315 | 11,391 | 10,114 | 11,192 | 14,130 |
| Operating Grants and Contributions | 60,092 | 67,267 | 75,880 | 74,429 | 70,064 | 68,623 |
| Capital Grants and Contributions | 83,805 ¹ | 51,976 | 38,237 | 54,785 | 35,823 | 30,564 |
| Total Governmental Activities Program Revenues | <u>218,500</u> | <u>199,724</u> | <u>191,259</u> | <u>206,282</u> | <u>185,201</u> | <u>182,663</u> |
| Business-Type Activities: | | | | | | |
| Charges for Services: | | | | | | |
| Water Utility | 68,364 | 69,830 | 71,607 | 73,839 | 74,642 | 89,082 |
| Wastewater Utility | 80,019 | 82,657 | 80,750 | 77,462 | 91,036 | 98,546 |
| Solid Waste System | 68,616 | 70,743 | 71,097 | 69,357 | 64,954 | 67,251 |
| Parking Facilities | 15,639 | 14,682 | 14,294 | 12,531 | 12,466 | 13,306 |
| Marina | 656 | 758 | 699 | 540 | 571 | - ² |
| Golf Courses | 4,092 | 4,050 | 3,823 | 3,280 | 2,850 | 3,072 |
| Operating Grants and Contributions | 248 | 580 | 100 | 108 | - | - |
| Capital Grants and Contributions | 12,545 | 18,014 | 18,857 | 13,027 | 13,274 | 10,962 |
| Total Business-Type Activities Program Revenues | <u>250,179</u> | <u>261,314</u> | <u>261,227</u> | <u>250,144</u> | <u>259,793</u> | <u>282,219</u> |
| Total Primary Government Program Revenues | <u>\$ 468,679</u> | <u>\$ 461,038</u> | <u>\$ 452,486</u> | <u>\$ 456,426</u> | <u>\$ 444,994</u> | <u>\$ 464,882</u> |

| | | | | | | |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Net (Expense) Revenue: | | | | | | |
| Governmental Activities | \$ (168,072) | \$ (237,999) | \$ (239,994) | \$ (233,962) | \$ (250,988) | \$ (265,111) |
| Business-Type Activities | 45,000 | 38,104 | 18,835 | (1,983) | 24,260 | 46,252 |
| Total Primary Government Net Expense | <u>\$ (123,072)</u> | <u>\$ (199,895)</u> | <u>\$ (221,159)</u> | <u>\$ (235,945)</u> | <u>\$ (226,728)</u> | <u>\$ (218,859)</u> |

General Revenues and Other Changes in Net Assets

Governmental Activities:

Taxes

| | | | | | | |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Property Taxes | \$ 141,022 | \$ 166,238 | \$ 163,637 | \$ 159,987 | \$ 139,391 | \$ 122,036 |
| Local Option Resort Tax | 2,166 | 2,166 | 1,619 | 1,898 | 1,919 | 1,841 |
| Communications Services Tax | 28,243 | 27,590 | 27,959 | 29,923 | 26,579 | 23,261 |
| Sales Taxes | 49,420 | 45,611 | 41,810 | 37,144 | 36,768 | 40,345 |
| Utility Taxes | 29,662 | 29,312 | 31,062 | 33,110 | 37,611 | 36,888 |
| Motor Fuel Taxes | 11,352 | 13,008 | 12,318 | 12,129 | 12,221 | 12,051 |
| Unrestricted Investment Earnings | 9,389 | 17,378 | 17,821 | 16,118 | 16,068 | 4,556 |
| Gain on Disposal of Capital Assets | - | 1,867 | - | - | - | - |
| Transfers | 17,233 | 17,421 | 17,926 | 17,190 | 18,186 | 28,990 |
| Total Governmental Activities | <u>288,487</u> | <u>320,591</u> | <u>314,152</u> | <u>307,499</u> | <u>288,743</u> | <u>269,968</u> |

Business-Type Activities:

| | | | | | | |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Unrestricted Investment Earnings | 7,714 | 12,553 | 14,076 | 10,779 | 8,770 | 2,918 |
| Gain on Disposal of Capital Assets | 357 | 53 | 128 | 181 | 48 | 94 |
| Transfers | (17,270) | (17,421) | (17,926) | (17,190) | (18,185) | (28,990) |
| Total Business-Type Activities | <u>(9,199)</u> | <u>(4,815)</u> | <u>(3,722)</u> | <u>(6,230)</u> | <u>(9,367)</u> | <u>(25,978)</u> |
| Total Primary Government | <u>\$ 279,288</u> | <u>\$ 315,776</u> | <u>\$ 310,430</u> | <u>\$ 301,269</u> | <u>\$ 279,376</u> | <u>\$ 243,990</u> |

Change in Net Assets

| | | | | | | |
|--------------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|
| Governmental Activities | \$ 120,415 | \$ 82,592 | \$ 74,158 | \$ 73,537 | \$ 37,755 | \$ 4,857 |
| Business-Type Activities | 35,801 | 33,289 | 15,113 | (8,213) | 14,893 | 20,274 |
| Total Primary Government | <u>\$ 156,216</u> | <u>\$ 115,881</u> | <u>\$ 89,271</u> | <u>\$ 65,324</u> | <u>\$ 52,648</u> | <u>\$ 25,131</u> |

¹ The increase from the prior period was due to increased transportation impact fee revenues

² In FY2011, the Marina operations were transferred to the General Fund

Unaudited - see accompanying independent auditors' report

As a result of GASB Statement No. 44, *Economic Conditions Reporting: The Statistical Section*, we began gathering economic data in 2006. Information for fiscal years prior to 2006 is not available.

CITY OF TAMPA, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(in thousands)

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|-------------------|-------------------|---------------------|-------------------|------------------------|-------------------|------------------------|-------------------|-------------------|-------------------|
| General Fund | | | | | | | | | | |
| Reserved | \$ 7,472 | \$ 8,510 | \$ 9,418 | \$ 9,104 | \$ 10,046 | \$ 8,912 | \$ 8,693 | \$ 6,350 | \$ 3,919 | \$ - |
| Non-Spendable (4) | - | - | - | - | - | - | - | - | - | 711 |
| Restricted (4) | - | - | - | - | - | - | - | - | - | - |
| Committed (4) | - | - | - | - | - | - | - | - | - | 4,203 |
| Assigned (4) | - | - | - | - | - | - | - | - | - | 28,911 |
| Unassigned (4) | 62,904 | 64,120 | 50,541 ¹ | 52,560 | 73,338 | 88,890 | 101,869 | 115,255 | 115,507 | 76,210 |
| Total General Fund | \$ 70,376 | \$ 72,630 | \$ 59,959 | \$ 61,664 | \$ 83,384 | \$ 97,802 | \$ 110,562 | \$ 121,605 | \$ 119,426 | \$ 110,035 |
| Utility Tax Special Revenue Fund | | | | | | | | | | |
| Reserved | \$ 3,392 | \$ 2,487 | \$ 4,069 | \$ 3,599 | \$ 3,371 | \$ 6,141 | \$ 3,407 | \$ 4,207 | \$ 343 | \$ - |
| Non-Spendable (4) | - | - | - | - | - | - | - | - | - | - |
| Restricted (4) | - | - | - | - | - | - | - | - | - | 51,532 |
| Committed (4) | - | - | - | - | - | - | - | - | - | 28 |
| Assigned (4) | - | - | - | - | - | - | - | - | - | - |
| Unassigned (4) | 24,068 | 21,767 | 18,443 | 18,910 | 20,038 | 33,828 | 43,186 | 44,123 | 54,934 | - |
| Total Utility Tax Special Revenue Fund | \$ 27,460 | \$ 24,254 | \$ 22,512 | \$ 22,509 | \$ 23,409 | \$ 39,969 | \$ 46,593 | \$ 48,330 | \$ 55,277 | \$ 51,560 |
| Community Redevelopment Agency | | | | | | | | | | |
| Special Revenue Fund | | | | | | | | | | |
| Reserved | \$ - | \$ - | \$ - | \$ 1,676 | \$ 1,698 | \$ 2,156 | \$ 3,467 | \$ 2,127 | \$ 5,440 | \$ - |
| Non-Spendable (4) | - | - | - | - | - | - | - | - | - | - |
| Restricted (4) | - | - | - | - | - | - | - | - | - | 14,436 |
| Committed (4) | - | - | - | - | - | - | - | - | - | - |
| Assigned (4) | - | - | - | - | - | - | - | - | - | - |
| Unassigned (4) | 111 | 148 | 182 | 1,250 | 2,870 | 7,572 | 10,735 | 16,433 | 13,758 | - |
| Total Community Redevelopment Agency | \$ 111 | \$ 148 | \$ 182 | \$ 2,926 | \$ 4,568 | \$ 9,728 | \$ 14,202 | \$ 18,560 | \$ 19,198 | \$ 14,436 |
| All other Governmental Funds | | | | | | | | | | |
| Reserved | \$ 62,497 | \$ 40,513 | \$ 41,991 | \$ 36,208 | \$ 69,204 ² | \$ 40,062 | \$ 65,694 ³ | \$ 41,351 | \$ 30,621 | \$ - |
| Non-Spendable (4) | - | - | - | - | - | - | - | - | - | - |
| Restricted (4) | - | - | - | - | - | - | - | - | - | 123,014 |
| Committed (4) | - | - | - | - | - | - | - | - | - | 42,413 |
| Assigned (4) | - | - | - | - | - | - | - | - | - | - |
| Unassigned (4) | - | - | - | - | - | - | - | - | - | - |
| Unassigned, Reported in: | | | | | | | | | | |
| Special Revenue Funds | 12,152 | 12,115 | 12,081 | 9,337 | 13,637 | 12,557 | 12,561 | 7,149 | 20,609 | - |
| Debt Service Funds | (34) | (169) | (175) | (175) | (179) | (476) | (82) | - | - | - |
| Capital Projects Funds | 70,766 | 79,541 | 75,473 | 72,541 | 83,851 | 126,376 | 96,970 | 107,976 | 106,848 | - |
| Total all Other Governmental Funds | \$ 145,381 | \$ 132,000 | \$ 129,370 | \$ 117,911 | \$ 166,513 | \$ 178,519 | \$ 175,143 | \$ 156,476 | \$ 158,078 | \$ 165,427 |

¹ The decrease from the prior period was due to increased expenditures for hurricane clean up costs and aid to private organizations.

² The increase from the prior period was due to increased encumbrances in the local option gas tax construction fund.

³ The increase from the prior period was due to increased encumbrances in the utility tax capital projects fund.

⁴ Categories added to comply with GASB 54

Unaudited - see accompanying independent auditors' report

CITY OF TAMPA, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENT FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(in thousands)

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Revenues | | | | | | | | | | |
| Taxes | \$ 182,986 | \$ 189,300 | \$ 196,757 | \$ 210,775 | \$ 228,879 | \$ 253,775 | \$ 249,856 | \$ 248,644 | \$ 229,409 | \$ 208,232 |
| Special Assessments | - | - | 1,969 | 2,041 | 6,095 | 6,124 | 6,104 | 6,148 | 6,204 | 6,207 |
| Intergovernmental | 78,637 | 86,504 | 85,579 | 113,658 | 119,249 | 135,184 | 125,408 | 132,317 | 115,480 | 113,361 |
| Transportation Impact Fees | 1,550 | 3,016 | 5,526 | 1,705 | 39,743 | 8,707 | 5,857 | 5,331 | 2,862 | 1,006 |
| Licenses and Permits | 34,320 | 35,837 | 37,073 | 40,372 | 43,177 | 43,366 | 44,099 | 45,258 | 45,235 | 44,828 |
| Charges for Services | 23,583 | 25,495 | 23,764 | 24,300 | 26,115 | 33,657 | 28,638 | 27,715 | 29,915 | 36,148 |
| Fines and Forfeitures | 2,977 | 5,054 | 6,247 | 5,145 | 4,983 | 4,350 | 3,790 | 3,460 | 3,719 | 4,732 |
| Investment Earnings | 11,047 | 9,982 | 4,076 | 3,171 | 9,389 | 17,378 | 17,821 | 16,118 | 16,068 | 4,556 |
| Contributions and Donations | 4,414 | 3,520 | 2,852 | 2,397 | 3,697 | 3,763 | 5,581 | 8,965 | 6,793 | 2,751 |
| Miscellaneous | - | - | - | - | - | - | - | - | - | - |
| TOTAL REVENUES | 339,514 | 358,708 | 363,843 | 403,564 | 481,327 | 506,304 | 487,154 | 493,956 | 455,685 | 421,821 |
| Expenditures | | | | | | | | | | |
| Public Safety | 142,574 | 156,459 | 170,338 | 184,561 | 184,307 | 195,932 | 201,143 | 208,872 | 210,118 | 219,905 |
| Culture and Recreation | 35,049 | 36,570 | 42,360 | 44,880 | 47,061 | 51,163 | 43,562 | 40,780 | 40,497 | 41,844 |
| Public Works | 32,838 | 39,615 | 40,480 | 38,311 | 42,492 | 40,169 | 47,566 | 45,155 | 40,024 | 32,970 |
| General Government Services | 29,807 | 33,103 | 42,845 | 37,648 | 41,957 | 49,329 | 51,873 | 54,855 | 55,423 | 51,812 |
| Economic and Physical Environment | 14,971 | 9,236 | 12,381 | 14,724 | 14,802 | 22,587 | 20,012 | 17,152 | 20,608 | 29,766 |
| Miscellaneous | - | - | - | - | - | - | - | - | - | - |
| Debt Service: | | | | | | | | | | |
| Principal | 16,115 | 17,760 | 21,089 | 20,574 | 22,505 | 25,514 | 20,524 | 16,245 | 26,559 | 81,485 |
| Interest | 20,592 | 20,647 | 20,715 | 18,821 | 17,728 | 17,402 | 16,926 | 15,617 | 15,039 | 14,387 |
| Other Charges | 2,197 | 635 | - | - | - | 1,358 | 29 | 6 | 6 | 640 |
| Capital Outlay | 77,229 | 77,020 | 49,480 | 61,475 | 64,014 | 103,365 | 87,048 | 121,366 | 72,442 | 83,358 |
| TOTAL EXPENDITURES | 371,372 | 391,045 | 399,688 | 420,994 | 434,866 | 506,819 | 488,683 | 520,048 | 480,716 | 556,167 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (31,858) | (32,337) | (35,845) | (17,430) | 46,461 | (515) | (1,529) | (26,092) | (25,031) | (134,346) |

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|--|------------------|--------------------|--------------------|---------------|------------------|------------------|------------------|-------------------|-----------------|--------------------|
| Other Financing Sources (Uses) | | | | | | | | | | |
| Payment to Refunded Bond Escrow Agent | (119,520) | (4,430) | - | (20,151) | - | (89,147) | (8,170) | - | - | - |
| Debt Proceeds | 173,020 | 4,455 | - | - | - | 108,820 | 8,170 | 4,547 | 12,709 | 63,265 |
| Premium on Bonds Issued | 3,928 | - | - | - | - | 5,968 | - | - | - | - |
| Discount on Bonds Issued | (74) | - | - | - | - | - | - | - | - | - |
| Sale of Capital Assets | 2,218 | 5,036 | 1,538 | 1,933 | 1,818 | 5,597 | 4,085 | 2,826 | 1,144 | 1,068 |
| Capital Leases | 198 | - | - | - | 1,033 | - | - | - | - | - |
| Transfers In | 101,263 | 117,420 | 121,358 | 147,884 | 114,717 | 101,057 | 117,107 | 133,668 | 127,771 | 148,945 |
| Transfers Out | (87,571) | (104,603) | (104,962) | (111,865) | (97,484) | (83,636) | (99,181) | (116,478) | (109,585) | (121,424) |
| Total Other Financing Sources (Uses) | <u>73,462</u> | <u>17,878</u> | <u>17,934</u> | <u>17,801</u> | <u>20,084</u> | <u>48,659</u> | <u>22,011</u> | <u>24,563</u> | <u>32,039</u> | <u>91,854</u> |
| Net Change in Fund Balances | <u>\$ 41,604</u> | <u>\$ (14,459)</u> | <u>\$ (17,911)</u> | <u>\$ 371</u> | <u>\$ 66,545</u> | <u>\$ 48,144</u> | <u>\$ 20,482</u> | <u>\$ (1,529)</u> | <u>\$ 7,008</u> | <u>\$ (42,492)</u> |
| Debt Service as a Percentage of Noncapital Expenditures | <u>13.2%</u> | <u>12.4%</u> | <u>11.9%</u> | <u>11.0%</u> | <u>10.8%</u> | <u>11.0%</u> | <u>9.3%</u> | <u>8.0%</u> | <u>10.2%</u> | <u>20.4%</u> |

Unaudited - see accompanying independent auditors' report

CITY OF TAMPA, FLORIDA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(in thousands)

| Fiscal Year | Property Tax | Community Investment Tax | Miscellaneous Sales Taxes | Local Option Resort Tax | Motor Fuel Tax | Utility Tax | Communications Services Tax | Total |
|----------------|-----------------|--------------------------------|---------------------------------|-------------------------------|-------------------|----------------|-----------------------------------|------------|
| 2002 | \$ 97,714 | \$ 12,393 | \$ 110 | \$ 1,611 | \$ 10,495 | \$ 28,827 | \$ 31,836 | \$ 182,986 |
| 2003 | 105,197 | 12,716 | 64 | 1,841 | 10,773 | 29,308 | 29,401 | 189,300 |
| 2004 | 113,378 | 13,245 | 65 | 1,713 | 10,895 | 29,700 | 27,761 | 196,757 |
| 2005 | 123,492 | 15,094 | 51 | 1,916 | 11,318 | 30,395 | 28,509 | 210,775 |
| 2006 | 141,022 | 16,368 | 66 | 2,166 | 11,352 | 29,662 | 28,243 | 228,879 |
| 2007 | 166,238 | 17,232 | 84 | 2,166 | 11,153 | 29,312 | 27,590 | 253,775 |
| 2008 | 163,637 | 14,919 | 98 | 1,619 | 10,562 | 31,062 | 27,959 | 249,856 |
| 2009 | 159,987 | 13,220 | 104 | 1,898 | 10,402 | 33,110 | 29,923 | 248,644 |
| 2010 | 139,391 | 13,315 | 109 | 1,919 | 10,485 | 37,611 | 26,579 | 229,409 |
| 2011 | 122,036 | 13,769 | 98 | 1,841 | 10,338 | 36,889 | 23,261 | 208,232 |

Unaudited - see accompanying independent auditors' report

CITY OF TAMPA, FLORIDA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(in thousands)

| Fiscal Year | Tax Roll Year | Real Property (1) | | | Personal and Other Property (1) | | | Total | | | Direct Tax Rate | Assessed Value as a Percentage of Estimated Actual Value |
|-------------|---------------|-------------------|--------------|-------------------------|---------------------------------|------------|-------------------------|---------------|--------------|-------------------------|-----------------|--|
| | | Taxable Value | Exemptions | Estimated Actual Value* | Taxable Value | Exemptions | Estimated Actual Value* | Taxable Value | Exemptions | Estimated Actual Value* | | |
| 2002 | 2001 | \$ 13,205,192 | \$ 7,149,328 | \$ 20,354,520 | \$ 2,539,243 | \$ 929,062 | \$ 3,468,305 | \$ 15,744,435 | \$ 8,078,390 | \$ 23,822,825 | 6.54 | 66.1 % |
| 2003 | 2002 | 14,314,298 | 8,140,466 | 22,454,764 | 2,433,836 | 938,473 | 3,372,309 | 16,748,134 | 9,078,939 | 25,827,073 | 6.54 | 64.8 |
| 2004 | 2003 | 15,575,133 | 8,863,604 | 24,438,737 | 2,424,907 | 842,662 | 3,267,569 | 18,000,040 | 9,706,266 | 27,706,306 | 6.54 | 65.0 |
| 2005 | 2004 | 17,010,546 | 10,096,810 | 27,107,356 | 2,463,420 | 983,924 | 3,447,344 | 19,473,966 | 11,080,734 | 30,554,700 | 6.54 | 63.7 |
| 2006 | 2005 | 19,794,047 | 12,039,615 | 31,833,662 | 2,508,328 | 1,239,510 | 3,747,838 | 22,302,375 | 13,279,125 | 35,581,500 | 6.54 | 62.7 |
| 2007 | 2006 | 24,219,249 | 14,854,408 | 39,073,657 | 2,571,751 | 1,136,674 | 3,708,425 | 26,791,000 | 15,991,082 | 42,782,082 | 6.408 | 62.6 |
| 2008 | 2007 | 26,836,867 | 14,414,435 | 41,251,302 | 2,612,228 | 1,126,177 | 3,738,405 | 29,449,095 | 15,540,612 | 44,989,707 | 5.733 | 65.5 |
| 2009 | 2008 | 26,347,813 | 14,265,998 | 40,613,811 | 2,569,793 | 1,451,505 | 4,021,298 | 28,917,606 | 15,717,503 | 44,635,109 | 5.733 | 64.8 |
| 2010 | 2009 | 22,850,234 | 11,122,370 | 33,972,604 | 2,581,493 | 1,458,079 | 4,039,572 | 25,431,727 | 12,580,449 | 38,012,176 | 5.733 | 66.9 |
| 2011 | 2010 | 19,835,790 | 7,624,833 | 27,460,623 | 2,382,004 | 1,692,014 | 4,074,018 | 22,217,794 | 9,316,847 | 31,534,641 | 5.733 | 70.5 |

* Per State of Florida Statutes, property is assessed at "just value" which should approximate actual value.

Data Source:

(1) Property Appraiser, Hillsborough County.

Unaudited - see accompanying independent auditors' report

CITY OF TAMPA, FLORIDA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(in mills)

| Fiscal Year | Tax Roll Year | City of Tampa | Overlapping Rates | | | Total Direct & Overlapping Rates |
|-------------|---------------|---------------|---------------------|-------------------------------------|--------------------------------|----------------------------------|
| | | | Hillsborough County | Hillsborough County School District | Hillsborough Transit Authority | |
| 2002 | 2001 | 6.54 | 8.691 | 8.586 | 0.50 | 24.317 |
| 2003 | 2002 | 6.54 | 8.734 | 8.595 | 0.50 | 24.369 |
| 2004 | 2003 | 6.54 | 8.504 | 8.480 | 0.50 | 24.024 |
| 2005 | 2004 | 6.54 | 8.454 | 8.361 | 0.50 | 23.855 |
| 2006 | 2005 | 6.54 | 8.192 | 7.937 | 0.50 | 23.169 |
| 2007 | 2006 | 6.408 | 7.729 | 7.823 | 0.50 | 22.460 |
| 2008 | 2007 | 5.733 | 6.853 | 7.523 | 0.45 | 20.559 |
| 2009 | 2008 | 5.733 | 6.886 | 7.777 | 0.47 | 20.866 |
| 2010 | 2009 | 5.733 | 6.882 | 7.692 | 0.47 | 20.777 |
| 2011 | 2010 | 5.733 | 6.868 | 7.592 | 0.47 | 20.661 |

Data Source:
Property Appraiser, Hillsborough County.

Unaudited - see accompanying independent auditors' report

CITY OF TAMPA, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(in thousands)

| Taxpayer | 2011* | | | 2002 | | |
|--|------------------|------|----------------------------------|------------------|------|----------------------------------|
| | Taxes Levied | Rank | Percentage of Total Taxes Levied | Taxes Levied | Rank | Percentage of Total Taxes Levied |
| Tampa Electric Company | \$ 34,683 | 1 | 2.24 % | \$ 30,394 | 1 | 2.50 % |
| Verizon Communications Inc | 17,657 | 2 | 1.14 | 26,675 | 2 | 2.20 |
| Hillsborough County Aviation Authority | 9,855 | 3 | 0.64 | 9,208 | 3 | 0.80 |
| Camden Operating LP | 6,459 | 4 | 0.42 | 4,524 | 6 | 0.40 |
| Liberty Property | 5,539 | 5 | 0.36 | - | - | - |
| Post Apartment Homes LP | 4,607 | 6 | 0.30 | 4,220 | 7 | 0.40 |
| Highwoods/Florida Holding LP | 4,288 | 7 | 0.28 | - | - | - |
| Mosaic Company | 4,275 | 8 | 0.28 | - | - | - |
| Wal-Mart | 4,156 | 9 | 0.27 | 3,122 | 10 | 0.30 |
| Brighthouse Networks | 3,771 | 10 | 0.24 | - | - | - |
| Tampa Sports Authority | - | - | - | 7,313 | 4 | 0.60 |
| Busch Entertainment | - | - | - | - | - | - |
| AT & T Communications | - | - | - | - | - | - |
| IMC-Agrico Company | - | - | - | 3,461 | 9 | 0.30 |
| Cargill Fertilizer, Inc. | - | - | - | 3,727 | 8 | 0.30 |
| Highlands Properties Incorporated | - | - | - | 7,266 | 5 | 0.60 |
| | <u>\$ 95,290</u> | | <u>6.17 %</u> | <u>\$ 99,910</u> | | <u>8.40 %</u> |

*Note: Data presented is for Hillsborough County as of 2010
Source: Office of the Tax Collector, Hillsborough County.

Unaudited - see accompanying independent auditors' report

CITY OF TAMPA, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(in thousands)

| Fiscal Year | Tax Roll Year | Total Tax Levy (1) | Current Tax Collections | Percent of Levy Collected | Delinquent Tax Collections | Total Tax Collections | Total Collections as Percent of Current Levy | Outstanding Delinquent Taxes (1) | Outstanding Delinquent Taxes as Percent of Current Levy |
|-------------|---------------|--------------------|-------------------------|---------------------------|----------------------------|-----------------------|--|----------------------------------|---|
| 2002 | 2001 | \$ 103,302 | \$ 97,540 | 94.42 % | \$ 174 | \$ 97,714 | 94.59 % | \$ 2,742 | 2.65 % |
| 2003 | 2002 | 110,651 | 104,626 | 94.55 | 571 | 105,197 | 95.07 | 3,462 | 3.13 |
| 2004 | 2003 | 118,584 | 112,770 | 95.10 | 608 | 113,378 | 95.61 | 3,751 | 3.16 |
| 2005 | 2004 | 128,555 | 122,638 | 95.40 | 854 | 123,492 | 96.06 | 955 | 0.74 |
| 2006 | 2005 | 146,471 | 140,530 | 95.94 | 492 | 141,022 | 96.28 | 912 | 0.62 |
| 2007 | 2006 | 172,490 | 165,953 | 96.21 | 150 | 166,103 | 96.30 | 727 | 0.42 |
| 2008 | 2007 | 169,640 | 162,558 | 95.83 | 1,079 | 163,637 | 96.46 | 793 | 0.47 |
| 2009 | 2008 | 166,527 | 159,361 | 95.70 | 626 | 159,987 | 96.07 | 1,616 | 0.97 |
| 2010 | 2009 | 145,920 | 138,843 | 95.15 | 548 | 139,391 | 95.53 | 2,602 | 1.78 |
| 2011 | 2010 | 127,877 | 120,756 | 94.43 | 1,280 | 122,036 | 95.43 | 4,111 | 3.21 |

Data Source:

(1) Office of Tax Collector, Hillsborough County.

Unaudited - see accompanying independent auditors' report

CITY OF TAMPA, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(in thousands, except per capita income)

| Fiscal Year | Governmental Activities | | | Business-type Activities | | | Total Primary Government | Percentage of Personal Income | Per Capita Income (1) |
|-------------|-------------------------|----------------------|----------------|--------------------------|----------------------|----------------|--------------------------|-------------------------------|-----------------------|
| | Revenue-backed Bonds | HUD Section 108 Loan | Capital Leases | Revenue-backed Bonds | State Revolving Loan | Capital Leases | | | |
| 2002 | \$ 483,798 | \$ 10,470 | \$ 2,452 | \$ 448,562 | \$ 75,310 | \$ - | \$ 1,020,592 | 10.99 % | \$ 29,602 |
| 2003 | 475,768 | 10,445 | 2,304 | 425,284 | 71,386 | - | 985,187 | 10.30 | 29,748 |
| 2004 | 459,358 | 10,260 | 2,161 | 408,939 | 66,947 | 89 | 947,754 | 9.15 | 31,671 |
| 2005 | 420,634 | 10,060 | 2,010 | 381,137 | 62,372 | 86 | 876,299 | 8.03 | 33,034 |
| 2006 | 399,899 | 9,850 | 2,697 | 402,617 | 57,657 | 44 | 872,764 | 7.44 | 35,079 |
| 2007 | 409,418 | 8,370 | 2,242 | 383,574 | 52,796 | 152 | 856,552 | 6.84 | 36,616 |
| 2008 | 392,561 | 8,170 | 1,783 | 416,167 | 47,786 | 162 | 866,629 | 6.76 | 37,778 |
| 2009 | 380,675 | 7,950 | 1,698 | 407,486 | 42,619 | 590 | 841,018 | 6.51 | 38,075 |
| 2010 | 399,400 | 7,720 | 1,609 | 369,710 | 37,750 | 438 | 816,627 | unavailable | N/A |
| 2011 | 395,845 | 7,480 | 1,513 | 394,610 | 32,996 | 509 | 832,953 | unavailable | N/A |

Data Source:

(1) Bureau of Economic Analysis: Regional Economic Information System.

Unaudited - see accompanying independent auditors' report

CITY OF TAMPA, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2011
(in thousands)

| | Net Debt Outstanding | Percentage of Debt Applicable to City of Tampa | Share of Debt |
|----------------------------------|-------------------------|--|------------------|
| City of Tampa | \$ - * | - % | \$ - |
| Hillsborough County | 72,065 (1) | 34.32 | 24,736 |
| Hillsborough County School Board | - (2) | | - |
| Total Overlapping Debt | | | \$ 24,736 |

* The City of Tampa has no bonded debt supported by property taxes; all bonds are tied to specific revenue sources.

Data Sources:

- (1) Clerk of Circuit Court, Hillsborough County. Supported by 0.0604 mill levy.
- (2) School Board of Hillsborough County. Supported by 0.0000 mill levy.

Unaudited - see accompanying independent auditors' report

CITY OF TAMPA, FLORIDA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(in thousands)

| | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Debt limit (1) | \$ 2,361,665 | \$ 2,512,220 | \$ 2,700,006 | \$ 2,921,095 | \$ 3,345,356 | \$ 4,018,650 | \$ 4,417,364 | \$ 4,337,641 | \$ 3,814,759 | \$ 3,332,669 |
| Total debt applicable to limit | <u>-</u> |
| Legal debt margin | <u>\$ 2,361,665</u> | <u>\$ 2,512,220</u> | <u>\$ 2,700,006</u> | <u>\$ 2,921,095</u> | <u>\$ 3,345,356</u> | <u>\$ 4,018,650</u> | <u>\$ 4,417,364</u> | <u>\$ 4,337,641</u> | <u>\$ 3,814,759</u> | <u>\$ 3,332,669</u> |

(1) According to City ordinance, the City's total outstanding general obligation debt should not exceed 15 percent of total assessed property value as determined by the Hillsborough County Property Appraiser

Unaudited - see accompanying independent auditors' report

CITY OF TAMPA, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

| Calendar Year | Population (1) | Personal Income (in thousands) (2)** | Per Capita Income (2)** | School Enrollment (3)** | Unemployment Percentage (2)** | Median Age (4)** |
|---------------|----------------|--------------------------------------|-------------------------|-------------------------|-------------------------------|------------------|
| 2001 | 309,104 | \$ 29,572,107 | \$ 28,784 | 163,034 | 3.6 % | 35.1 |
| 2002 | 313,611 | 31,150,902 | 29,602 | 168,107 | 4.4 | 35.7 |
| 2003 | 321,490 | 31,932,807 | 29,748 | 180,416 | 4.1 | 35.4 |
| 2004 | 327,220 | 34,848,801 | 31,671 | 187,694 | 4.4 | 35.9 |
| 2005 | 330,220 | 37,379,401 | 33,034 | 192,720 | 3.5 | 35.9 |
| 2006 | 334,550 | 40,757,703 | 35,079 | 192,962 | 3.3 | 36.3 |
| 2007 | 342,060 | 42,859,565 | 36,616 | 192,496 | 4.0 | 36.5 |
| 2008 | 349,250 | 44,582,561 | 37,778 | 191,711 | 6.3 | 37.1 |
| 2009 | 350,210 | 45,511,155 | 38,075 | 193,403 | 10.7 | 35.6 |
| 2010 | 353,840 | N/A | N/A | 195,013 | 11.8 | 36.1 |

** Data presented is for Hillsborough County.

Data Sources:

- (1) 2000-U.S. Census; all other years-Hillsborough County City-County Planning Commission.
- (2) My Florida - Labor Market Statistics: Local Area Unemployment Statistics (LAUS); Per Capita Income and Personal Income derived from Bureau of Economic Analysis: Regional Economic Information System.
- (3) Hillsborough County Planning Commission
- (4) US Census Bureau Fact Finder

Unaudited - see accompanying independent auditors' report

CITY OF TAMPA, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

| Employer | 2011 | | | 2002 | | |
|------------------------------------|-----------|------|-------------------------------------|-----------|------|-------------------------------------|
| | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| Hillsborough County School Board | 29,603 | 1 | 4.87 % | 25,487 | 1 | 4.67 % |
| Verizon Communications Corporation | | | | 14,000 | 2 | 2.56 |
| University of South Florida | | | | 11,607 | 3 | 2.13 |
| MacDill Air Force Base | 15,485 | 2 | 2.55 | | | |
| Hillsborough County Government | 10,034 | 3 | 1.65 | 10,886 | 4 | 1.99 |
| Tampa International Airport | 8,060 | 4 | 1.33 | 7,760 | 5 | 1.42 |
| University of South Florida | 8,353 | 5 | 1.38 | | | |
| MacDill Air Force Base | | | | 5,645 | 6 | 1.03 |
| Publix Food Centers | 5,823 | 6 | 0.96 | | | |
| Saint Joseph's Hospital | 4,437 | 7 | 0.73 | 5,242 | 7 | 0.96 |
| Busch Entertainment | 3,926 | 8 | 0.65 | | | |
| Sweet Bay Supermarkets | 2,811 | 9 | 0.46 | | | |
| TECO Energy, Inc. | 2,481 | 10 | 0.41 | | | |
| City of Tampa | | | | 4,500 | 8 | 0.82 |
| Publix Food Centers | | | | 4,342 | 9 | 0.80 |
| US Postal Service | | | | 3,947 | 10 | 0.72 |
| | 91,013 | | 14.98 % | 93,416 | | 17.11 % |

Source: Hillsborough County City-County Planning Commission except data for City of Tampa which is from city department of administrative services

Unaudited - see accompanying independent auditors' report

CITY OF TAMPA, FLORIDA
FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION
LAST SIX FISCAL YEARS

| Function | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
|-------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| General Government | 373 | 374 | 355 | 379 | 404 | 408 |
| Public Safety | | | | | | |
| Police | | | | | | |
| Officers | 980 | 984 | 984 | 1,081 | 952 | 943 |
| Civilians | 359 | 337 | 317 | 264 | 279 | 291 |
| Fire | | | | | | |
| Firefighters | 572 | 585 | 585 | 580 | 618 | 611 |
| Civilians | 68 | 49 | 45 | 52 | 42 | 35 |
| Code Enforcement | 57 | 56 | 62 | 56 | 50 | 49 |
| Public Works | 556 | 553 | 525 | 474 | 434 | 425 |
| Economic Environment | 17 | 17 | 17 | 17 | 14 | 12 |
| Culture and Recreation | 677 | 550 | 575 | 633 | 511 | 560 |
| Water Utility | 247 | 239 | 240 | 248 | 274 | 279 |
| Wastewater Utility | 328 | 314 | 312 | 324 | 295 | 294 |
| Solid Waste System | 213 | 211 | 218 | 213 | 205 | 205 |
| Parking Facilities | 138 | 130 | 121 | 114 | 112 | 109 |
| Marina | 3 | 1 | 3 | 3 | 3 | 5 |
| Utility Accounting | 67 | 69 | 69 | 68 | - | - |
| Administrative Services | 5 | 5 | 2 | 2 | 1 | 3 |
| Fleet Maintenance | 60 | 64 | 51 | 47 | 52 | 49 |
| Total | <u>4,720</u> | <u>4,538</u> | <u>4,481</u> | <u>4,555</u> | <u>4,246</u> | <u>4,278</u> |

Utility Accounting was merged with Water Utility in 2010

Unaudited - see accompanying independent auditors' report

As a result of GASB Statement No. 44, *Economic Conditions Reporting: The Statistical Section*, we began gathering economic data in 2006. Information for fiscal years prior to 2006 is not available.

CITY OF TAMPA, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST SIX YEARS

| Function | Fiscal Year | | | | | |
|--|-------------|---------|---------|---------|---------|---------|
| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Public Safety | | | | | | |
| Police | | | | | | |
| Physical Arrests | 58,708 | 61,215 | 56,728 | 55,115 | 48,290 | 42,394 |
| Calls Answered | 572,248 | 564,951 | 609,471 | 615,340 | 641,201 | 662,050 |
| Fire | | | | | | |
| Calls Answered | 66,083 | 66,577 | 50,174 | 66,912 | 66,822 | 64,759 |
| Inspections | 9,006 | 11,346 | 16,639 | 16,611 | 19,160 | 5,574 |
| Code Enforcement | | | | | | |
| Inspections | 96,433 | 95,657 | 95,533 | 72,590 | 75,127 | 73,000 |
| Public Works | | | | | | |
| Street Resurfacing (miles) | 62 | 56 | 33 | 88 | 57 | 59 |
| Curb Miles Swept | 29,000 | 25,000 | 28,000 | 29,511 | 26,250 | 26,500 |
| Potholes Repaired | 12,897 | 12,252 | 11,380 | 11,244 | 12,903 | 15,540 |
| Culture and Recreation | | | | | | |
| Convention Center Attendance/Day | 825 | 1,014 | 1,107 | 945 | 596 | 815 |
| Recreation Center Admissions | 30,290 | 30,330 | 30,500 | 30,400 | 192,117 | 212,186 |
| Museum Admissions/Day | 175 | 122 | - | - | - | - |
| Water Utility | | | | | | |
| New Connections | 2,380 | 1,050 | 633 | 17 | 26 | 254 |
| Hillsborough River Water use Permit (millions of gallons) | 85 | 85 | 82 | 82 | 82 | 82 |
| Average Daily Consumption used (millions of gallons) | 72 | 71 | 69 | 63 | 59 | 62 |
| Wastewater Utility | | | | | | |
| Average Daily Treatment (millions of gallons) | 58 | 57 | 58 | 54 | 55 | 56 |
| Solid Waste System | | | | | | |
| Refuse Collected (tons/day) | 1,162 | 1,215 | 1,156 | 1,158 | 1,187 | 1,152 |
| Recyclables Collected (tons/day) | 111 | 119 | 110 | 108 | 169 | 180 |
| Parking Facilities | | | | | | |
| Hourly Customers/Day | 8,690 | 8,068 | 3,477 | 3,263 | 3,655 | 2,893 |
| Citations Issued | 101,801 | 87,338 | 94,401 | 94,451 | 79,418 | 80,550 |
| Marina | | | | | | |
| Slips Rented Per Day | 117 | 124 | 93 | 91 | 85 | 73 |

Sources: Various city departments

Note: Indicators are not available for the general government and economic environment functions.

The City owns the Museum building and provides a grant for partial operational support. The Museum is responsible for all operational policies and procedures, funding for the collection, exhibitions, and staffing.

Unaudited - see accompanying independent auditors' report

As a result of GASB Statement No. 44, *Economic Conditions Reporting: The Statistical Section*, we began gathering economic data in 2006. Information for fiscal years prior to 2006 is not available.

CITY OF TAMPA, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST SIX YEARS

| Function | Fiscal Year | | | | | |
|---|-------------|--------|--------|--------|--------|--------|
| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Public Safety | | | | | | |
| Police | | | | | | |
| Vehicle Patrol Units | 780 | 782 | 782 | 782 | 771 | 771 |
| Airplanes and Helicopters | 7 | 5 | 5 | 5 | 4 | 4 |
| Boats | 5 | 5 | 5 | 5 | 5 | 5 |
| Fire | | | | | | |
| Stations | 21 | 21 | 21 | 21 | 21 | 21 |
| Public Works | | | | | | |
| Streets (miles) | 1,684 | 1,708 | 1,709 | 1,709 | 1,709 | 1,711 |
| Streetlights | 29,375 | 37,997 | 38,635 | 38,635 | 38,635 | 38,635 |
| Traffic Signals | 583 | 571 | 571 | 572 | 572 | 572 |
| Culture and Recreation | | | | | | |
| Parks Acreage | 2,286 | 3,544 | 3,544 | 3,544 | 3,544 | 3,547 |
| Parks | 165 | 178 | 178 | 178 | 178 | 179 |
| Athletic Fields and Playgrounds | 201 | 201 | 197 | 197 | 199 | 240 |
| Swimming Pools | 14 | 14 | 13 | 13 | 13 | 13 |
| Community Centers | 26 | 26 | 27 | 27 | 27 | 27 |
| Water Utility | | | | | | |
| Water Mains (miles) | 2,318 | 2,135 | 2,177 | 2,177 | 2,250 | 2,225 |
| Fire Hydrants | 12,715 | 12,809 | 13,158 | 13,281 | 13,377 | 13,500 |
| Maximum Daily Capacity (millions of gallons) | 160 | 160 | 160 | 160 | 160 | 160 |
| Wastewater Utility | | | | | | |
| Wastewater Mains (miles) | 1,836 | 1,836 | 1,836 | 1,836 | 1,890 | 1,890 |
| Pumping Stations | 223 | 229 | 229 | 229 | 222 | 222 |
| Maximum Daily Capacity (millions of gallons) | 96 | 96 | 96 | 96 | 96 | 96 |
| Solid Waste System | | | | | | |
| Collection Trucks | 136 | 139 | 140 | 151 | 148 | 121 |
| Parking Facilities | | | | | | |
| Garage Spaces | 9,261 | 9,261 | 9,092 | 9,088 | 9,368 | 9,638 |
| Signage Control Spaces | 1,463 | 841 | 1,043 | 1,043 | 1,043 | 491 |
| On-Street Metered Spaces | 2,465 | 2,803 | 1,601 | 1,601 | 1,425 | 1,606 |
| Off-Street Non-Garage Spaces | 2,212 | 2,056 | 1,977 | 2,177 | 2,177 | 2,004 |
| Marina | | | | | | |
| Boat Slips | 118 | 124 | 124 | 124 | 119 | 119 |
| Golf Courses | | | | | | |
| Number of Courses | 3 | 3 | 3 | 3 | 3 | 3 |

Sources: Various city departments. Fiscal year 2010 from Budget department.

Note: Indicators are not available for the general government function

Unaudited - see accompanying independent auditors' report

As a result of GASB Statement No. 44, *Economic Conditions Reporting: The Statistical Section*, we began gathering economic data in 2006. Information for fiscal years prior to 2006 is not available.

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TAB

Continuing Disclosure Section

Continuing Disclosure Section

This part of the City of Tampa's comprehensive annual financial report presents detailed information in accordance with continuing disclosure requirements applicable to the various bond issuances.

| <u>Contents</u> | <u>Page</u> |
|---|-------------|
| Guaranteed Entitlement Refunding Bonds | |
| Historical Debt Service Coverage | 167 |
| Sales and Use Tax Revenues | 168 |
| Receipts and Coverage of Guaranteed Entitlements | 169 |
| State Revenue Sharing Receipts | 170 |
| Sales Tax Bonds | |
| Historical Community Investment Tax Collections and Distributions | 171 |
| Distribution Percentage of Net Surtax | 172 |
| State Sales Tax Collections in Hillsborough County | 173 |
| Historical Coverage of Debt Service by Community Investment Tax (Sales Tax) | 174 |
| Utilities Tax Bonds | |
| Historical Coverage of Debt Service by Utilities Tax Revenues | 175 |
| Tax Increment Revenues – Downtown and Downtown Core Areas | 177 |
| Historical Utilities Services Tax Receipts by Category | 178 |
| Occupational License Bonds | |
| Historical Occupational License Revenues and Debt Service Coverage | 179 |
| Historical Non-Ad Valorem Revenues | 180 |
| Water and Sewer System Bonds | |
| Historical Coverage of Debt Service by Water and Sewer Systems Revenues | 182 |
| Solid Waste System Bonds | |
| Historical Coverage of Debt Service by Solid Waste System Revenues | 183 |
| Historical Collection of User Charges-Solid Waste Fund | 187 |
| History of Rates and Charges for the Department | 191 |
| McKay Bay Waste-to-Energy Facility Operations Summary | 192 |

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

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CITY OF TAMPA, FLORIDA
HISTORICAL DEBT SERVICE COVERAGE OF
GUARANTEED ENTITLEMENT REFUNDING REVENUE BONDS
LAST TEN FISCAL YEARS

| | Available State Revenue Sharing for Debt Service | | | | | | | | | |
|--|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Net Revenues Available for Debt Service† | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 |
| Bond Debt Service | \$ 5,051,899 | \$ 4,826,100 | \$ 4,827,200 | \$ 4,831,300 | \$ 4,822,500 | \$ 4,830,800 | \$ 4,819,400 | \$ 283,600 | \$ 279,000 | \$ 284,100 |
| Bond Debt Service Coverage | 0.97x | 1.02x | 1.02x | 1.02x | 1.02x | 1.02x | 1.02x | 17.27x | 17.56x | 17.24x |

† Net Revenues Available for Debt Service are equal to Guaranteed Entitlement payments received, which in turn are equal to the annual debt service payments due.

Notes: The presentation and historical data have been modified from financial statement disclosures in previous years in order to comport with the presentation and reporting found in the Official Statements of the related bond issuances.

Source: Revenues were extracted from the City's General Purpose Financial Statements.

CITY OF TAMPA, FLORIDA
HISTORICAL DEBT SERVICE COVERAGE OF
GUARANTEED ENTITLEMENT REFUNDING REVENUE BONDS
LAST TEN FISCAL YEARS

State of Florida
Sales and Use Tax Available Revenues

| Ended June 30, | Sales & Use Tax Collections |
|-------------------|--------------------------------|
| 2002 | \$ 15,452,677,320 |
| 2003 | 16,222,664,484 |
| 2004 | 17,655,515,490 |
| 2005 | 19,844,486,337 |
| 2006 | 21,795,739,695 |
| 2007 | 21,748,908,130 |
| 2008 | 20,569,094,342 |
| 2009 | 18,446,085,352 |
| 2010 | 17,851,726,033 |
| 2011 | 18,589,577,548 |

Source: Florida Department of Revenue, Office of Tax Research

CITY OF TAMPA, FLORIDA
HISTORICAL DEBT SERVICE COVERAGE OF
GUARANTEED ENTITLEMENT REFUNDING REVENUE BONDS
LAST TEN FISCAL YEARS

State of Florida
Revenue Sharing Trust Fund for Municipalities
Receipts and Coverage of Guaranteed Entitlements

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|-------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Sales and Use Tax‡ | \$ 145,896,115 | \$ 147,517,049 | \$ 151,462,709 | \$ 234,068,559 | \$ 253,216,128 | \$ 253,216,128 | \$ 240,467,686 | \$ 215,543,021 | \$ 207,888,538 | \$ 217,216,599 |
| Motor Fuel Tax | 80,474,387 | 82,184,764 | 84,519,288 | 92,375,629 | 94,054,299 | 93,497,331 | 90,580,061 | 86,592,431 | 85,886,475 | 86,074,835 |
| Special Fuel/Motor and Fuel Use Tax | 1,060,517 | 953,804 | 1,135,259 | 1,240,339 | 1,155,667 | 965,633 | 808,795 | 798,834 | 664,266 | 593,678 |
| Total Receipts | <u>\$ 227,431,019</u> | <u>\$ 230,655,617</u> | <u>\$ 237,117,256</u> | <u>\$ 327,684,527</u> | <u>\$ 348,426,094</u> | <u>\$ 347,679,092</u> | <u>\$ 331,856,542</u> | <u>\$ 302,934,286</u> | <u>\$ 294,439,279</u> | <u>\$ 303,885,112</u> |
| Guaranteed Entitlement | | | | | | | | | | |
| for All Florida Municipalities | \$ 112,304,159 | \$ 117,046,851 | 113,749,426 | \$ 117,644,655 | \$ 121,827,097 | \$ 124,699,266 | \$ 124,697,122 | \$ 124,697,122 | \$ 124,697,122 | \$ 124,697,122 |
| Coverage | 2.03x | 1.97x | 2.08x | 2.79x | 2.89x | 2.79x | 2.66x | 2.43x | 2.36x | 2.44x |

‡Cigarette Tax revenues were replaced effective as of July 1, 2000 with Sales and Use Tax proceeds

Source: Department of Revenue

CITY OF TAMPA, FLORIDA
 HISTORICAL DEBT SERVICE COVERAGE OF
 GUARANTEED ENTITLEMENT REFUNDING REVENUE BONDS
 LAST TEN FISCAL YEARS

State Revenue Sharing Receipts

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|--------------------------------------|---------------------|---------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Guaranteed Entitlement†† | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 | \$ 4,897,504 |
| Other State Revenue Sharing | 3,915,118 | 3,883,382 | 4,360,828 | 8,268,444 | 8,510,812 | 8,327,382 | 7,318,466 | 5,654,304 | 5,634,699 | 5,674,354 |
| Total State Revenue Sharing Receipts | <u>\$ 8,812,622</u> | <u>\$ 8,780,886</u> | <u>\$ 9,258,332</u> | <u>\$ 13,165,948</u> | <u>\$ 13,408,316</u> | <u>\$ 13,224,886</u> | <u>\$ 12,215,970</u> | <u>\$ 10,551,808</u> | <u>\$ 10,532,203</u> | <u>\$ 10,571,858</u> |

†† Guaranteed Entitlement refunding bonds are secured by only Guaranteed Entitlement payments;
 other State Revenue Sharing payments received do not secure the Guaranteed Entitlement refunding bonds.

Source: City of Tampa, Revenue and Finance Department

CITY OF TAMPA, FLORIDA
HISTORICAL COMMUNITY INVESTMENT TAX
COLLECTIONS AND DISTRIBUTIONS
LAST TEN FISCAL YEARS

| Fiscal Year | School Board | Tampa Sports Authority | Hillsborough County | City of Tampa | Temple Terrace | Plant City | Total |
|-------------|---------------|------------------------|---------------------|---------------|----------------|--------------|---------------|
| 2010-11 | \$ 22,889,866 | \$ 9,381,238 | \$ 43,203,428 | \$ 13,760,828 | \$ 972,329 | \$ 1,351,775 | \$ 91,559,464 |
| 2009-10 | 22,018,439 | 9,570,000 | 41,194,742 | 13,076,351 | 920,711 | 1,293,514 | 88,073,757 |
| 2008-09 | 20,772,238 | 9,686,119 | 38,404,544 | 13,188,666 | 873,668 | 1,205,241 | 84,130,476 |
| 2007-08 | 24,676,933 | 10,490,415 | 46,276,695 | 14,904,725 | 1,031,111 | 1,466,905 | 98,846,784 |
| 2006-07 | 24,541,662 | 10,314,000 | 45,913,127 | 16,101,603 | 1,006,645 | 1,481,477 | 99,358,514 |
| 2005-06 | 26,781,612 | 12,064,000 | 49,332,904 | 16,230,355 | 1,106,150 | 1,611,428 | 107,126,449 |
| 2004-05 | 24,757,873 | 9,564,000 | 46,590,927 | 15,497,954 | 1,067,709 | 1,553,031 | 99,031,494 |
| 2003-04 | 21,608,477 | 9,577,000 | 39,729,147 | 13,248,574 | 922,649 | 1,348,062 | 86,433,908 |
| 2002-03 | 20,632,902 | 9,540,000 | 37,473,125 | 12,717,929 | 874,390 | 1,293,260 | 82,531,607 |
| 2001-02 | 19,971,460 | 9,540,000 | 35,932,045 | 12,356,836 | 861,402 | 1,244,097 | 79,905,840 |

Source: Hillsborough County, Finance Department

CITY OF TAMPA, FLORIDA
HISTORICAL COMMUNITY INVESTMENT TAX
COLLECTIONS AND DISTRIBUTIONS
LAST TEN FISCAL YEARS

Distribution Percentage of Net Surtax

| Fiscal Year | | City of Tampa | | Hillsborough County | | Temple Terrace | | Plant City | | Total |
|-------------|---|---------------|---|---------------------|---|----------------|---|------------|---|--------|
| 2010-11 | % | 23.21 | % | 72.87 | % | 1.64 | % | 2.28 | % | 100.00 |
| 2009-10 | | 23.15 | | 72.93 | | 1.63 | | 2.29 | | 100.00 |
| 2008-09 | | 24.57 | | 71.55 | | 1.63 | | 2.25 | | 100.00 |
| 2007-08 | | 23.41 | | 72.67 | | 1.62 | | 2.30 | | 100.00 |
| 2006-07 | | 24.96 | | 71.18 | | 1.56 | | 2.30 | | 100.00 |
| 2005-06 | | 24.12 | | 71.92 | | 1.61 | | 2.35 | | 100.00 |
| 2004-05 | | 23.95 | | 72.00 | | 1.65 | | 2.40 | | 100.00 |
| 2003-04 | | 23.98 | | 71.91 | | 1.67 | | 2.44 | | 100.00 |
| 2002-03 | | 24.29 | | 71.57 | | 1.67 | | 2.47 | | 100.00 |
| 2001-02 | | 24.52 | | 71.30 | | 1.71 | | 2.47 | | 100.00 |

Source: Hillsborough County Board of County Commissioners, Department of Business and Support Services.

CITY OF TAMPA, FLORIDA
HISTORICAL COMMUNITY INVESTMENT TAX
COLLECTIONS AND DISTRIBUTIONS
LAST TEN FISCAL YEARS

State Sales Tax Collections in Hillsborough County

| Year* | State Sales Tax Collected | Increase (Decrease) | % |
|-------|------------------------------|------------------------|---|
| 2011 | \$ 1,128,618,974 | 4.30 | |
| 2010 | 1,082,220,518 | (4.60) | |
| 2009 | 1,134,106,531 | (17.80) | |
| 2008 | 1,379,220,188 | (7.40) | |
| 2007 | 1,489,352,417 | (0.70) | |
| 2006 | 1,500,203,126 | 11.70 | |
| 2005 | 1,343,381,143 | 19.60 | |
| 2004 | 1,122,964,036 | 5.30 | |
| 2003 | 1,066,745,557 | 0.30 | |
| 2002 | 1,063,180,087 | (2.10) | |

*The State's fiscal year ends on June 30. Yearly data shown represents collections for the 12 month period ending June 30.

Source: Revenues were extracted from the City's General Purpose Financial Statements

CITY OF TAMPA, FLORIDA
HISTORICAL COMMUNITY INVESTMENT TAX
COLLECTIONS AND DISTRIBUTIONS
LAST TEN FISCAL YEARS

Debt Service Coverage
Fiscal Year Ending September 30,

| | 2002 † | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Community Investment Tax Receipts † | \$ 13,252,424 | \$ 12,717,930 | \$ 13,248,573 | \$ 15,497,954 | \$ 16,230,354 | \$ 16,101,603 | \$ 14,904,725 | \$ 13,188,666 | \$ 13,076,351 | \$ 13,760,828 |
| Bond Debt Service ‡ | \$ 3,958,438 | \$ 3,961,838 | \$ 3,958,775 | \$ 3,959,650 | \$ 3,961,150 | \$ 4,960,363 | \$ 5,237,869 | \$ 5,239,769 | \$ 5,236,844 | \$ 4,935,130 |
| Bond Debt Service Coverage | 3.35x | 3.22x | 3.35x | 3.92x | 4.1x | 3.25x | 2.85x | 2.52x | 2.5x | 2.79x |

† Fiscal 2002 receipts upwardly revised to capture revenues collected after period end.

† Equal to Net Revenues Available for Debt Service

‡ For the purposes of the debt service coverage calculation, debt service requirements are shown on a "cash basis" with payments due on October 1st recorded in the prior fiscal year (the "Bond Year" as defined in the Bond Resolution), since these payments are sent to the paying agent in advance of the due date.

Notes: The presentation and historical data have been modified from financial statement disclosures in previous years in order to comport with the presentation and reporting found in the Official Statements of the related bond issuances.

Source: Operating Revenues, Other Revenues, and Operating Expenses were extracted from the City's General Purpose Financial Statements.

CITY OF TAMPA, FLORIDA
HISTORICAL COVERAGE OF DEBT SERVICE
BY UTILITIES TAX REVENUES
LAST TEN FISCAL YEARS

| | For the Fiscal Years Ended September 30, | | | | | | | | | |
|--|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Utilities Services Tax Collections | \$ 56,429,000 | \$ 58,709,000 | \$ 57,460,572 | \$ 58,903,758 | \$ 57,905,000 | \$ 56,901,608 | \$ 59,020,895 | \$ 63,018,702 | \$ 64,190,616 | \$ 60,149,237 |
| 1991 Bond Debt Service | 7,904,400 | 2,020,275 | 2,020,275 | 2,020,275 | 2,020,275 | 2,020,275 | 2,020,275 | 2,020,275 | 11,350,275 | 11,355,500 |
| 2001 Bond Debt Service | 3,118,200 | 9,213,200 | 9,332,500 | 9,332,700 | 9,324,200 | 9,331,100 | 9,326,000 | 9,328,000 | - | - |
| 2001B Bond Debt Service | 2,115,575 | 2,115,575 | 2,160,575 | 2,168,325 | 2,165,575 | 2,167,825 | 2,164,825 | 2,166,825 | 2,168,575 | 2,165,075 |
| Combined 1991, 2001 and 2001B Bonds Debt Service† | 13,138,175 | 13,349,050 | 13,513,350 | 13,521,300 | 13,510,050 | 13,519,200 | 13,511,100 | 13,515,100 | 13,518,850 | 13,520,575 |
| Less: Tax Increment Revenues | 9,116,323 | 9,645,207 | 8,580,429 | 11,014,000 | 11,323,000 | 13,519,200 | 13,511,100 | 13,515,100 | 13,518,850 | 13,248,541 |
| Net 1991, 2001 and 2001B Bonds Debt Service Payable from Utilities Service Tax† (1) | \$ 4,021,852 | \$ 3,703,843 | \$ 4,932,921 | \$ 2,507,300 | \$ 2,187,050 | \$ - | \$ - | \$ - | \$ - | \$ 272,034 |
| Senior Lien Utilities Tax Bonds Debt Service Coverage | 14.04x | 15.86x | 11.65x | 23.5x | 26.48x | N/A | N/A | N/A | N/A | N/A |
| Net Utilities Services Tax Available After Payment of Senior Lien Utilities Tax Bonds | \$ 52,407,148 | \$ 55,005,157 | \$ 52,527,651 | \$ 56,396,458 | \$ 55,717,950 | \$ 56,901,608 | \$ 59,020,895 | \$ 63,018,702 | \$ 64,190,616 | \$ 59,877,203 |
| 1990 Bonds Debt Service (2) | \$ 1,225,000 | \$ 610,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1996 Bonds Debt Service (2) (3) | - | - | - | - | - | - | - | - | - | - |
| 1997 Bonds Debt Service (2) | 1,305,625 | 1,305,425 | 1,294,625 | 652,982 | 486,500 | 551,460 | 588,290 | 572,950 | 572,600 | 3,320,000 |
| 1998 Bonds Debt Service (2) | 1,266,963 | 1,265,965 | 1,274,165 | 810,861 | 1,278,100 | 859,655 | 491,265 | 166,945 | 125,280 | - |
| 1999A Bonds Debt Service (2) | 2,767,786 | 3,372,586 | 3,371,786 | 2,689,572 | 2,610,138 | 1,403,300 | 1,398,425 | 1,405,100 | 2,157,850 | - |
| 2000A Bonds Debt Service (2) | 788,886 | 1,183,464 | 1,177,014 | 701,328 | 608,024 | 210,544 | 447,500 | 357,000 | - | - |
| 2002A Bonds Debt Service (2) | 411,199 | 800,597 | 799,758 | 753,353 | 767,653 | 771,153 | 769,333 | 767,318 | 735,140 | 768,898 |
| 2003A Bonds Debt Service (2) | - | - | 1,140,695 | 1,144,425 | 1,245,729 | 1,258,479 | - | - | - | - |
| 2006 Bonds Debt Service (2) | - | - | - | - | - | 1,414,113 | 1,761,525 | 1,761,525 | 2,541,525 | 5,889,225 |
| 2010A Bonds Debt Service‡ (2) | - | - | - | - | - | - | - | - | - | 331,379 |
| 2010B Bonds Debt Service‡ (2) | - | - | - | - | - | - | - | - | - | 215,846 |
| Combined 1996, 1997, 1998, 1999A, 2000, 2002A, 2003A, 2006, 2010A, and 2010B Bonds Debt Service† | 7,765,459 | 8,538,037 | 9,058,043 | 6,752,521 | 6,996,144 | 6,468,704 | 5,456,338 | 5,030,838 | 6,132,395 | 10,525,348 |
| Less: Sinking Fund Receipts (4) | 1,566,000 | 1,567,000 | 1,566,000 | 1,567,000 | 1,566,000 | - | - | - | - | - |

CITY OF TAMPA, FLORIDA
HISTORICAL COVERAGE OF DEBT SERVICE (continued)
BY UTILITIES TAX REVENUES
LAST TEN FISCAL YEARS

| | For the Fiscal Years Ended September 30, | | | | | | | | | |
|---|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Net 1996, 1997, 1998, 1999A, 2000, 2002A, 2003A, 2006, 2010A, and 2010B Debt Service Payable from Utilities Services Tax† | 6,199,459 | 6,971,037 | 7,492,043 | 5,185,521 | 5,430,144 | 6,468,704 | 5,456,338 | 5,030,838 | 6,132,395 | 10,525,348 |
| Junior Lien Utilities Tax Bonds Debt Service Coverage | 8.46x | 7.9x | 7.02x | 10.88x | 10.27x | 8.69x | 10.82x | 12.53x | 10.47x | 5.69x |

Notes: The presentation and historical data have been modified from financial statement disclosures in previous years in order to comport with the presentation and reporting found in the Official Statements of the related bond issuances.

† For the purposes of the debt service coverage calculation, debt service requirements are shown on a "cash basis" with payments due on October 1st recorded in the prior fiscal year (the "Bond Year" as defined in the Bond Resolution), since these payments are sent to the paying agent in advance of the due date.

(1) The principal and interest on the senior lien bonds is first payable from tax increment revenues. In fiscal 2011, interest earned on tax increment revenues was used to pay the shortfall between annual debt service and tax increment revenues received.

(2) Junior lien bonds.

(3) The 1996 bonds are capital appreciation bonds and begin to mature April 1, 2016.

‡ The Series 2010A bonds and Series 2010B bonds were issued as taxable Build America Bonds and Recovery Zone Economic Development bonds, respectively, and as such are eligible for interest expense rebates offered by the US Department of the Treasury. For purposes of the annual debt service calculations shown in this schedule, the impact of the interest subsidies is excluded. If included, debt service would be lower than what is currently shown.

(4) Paid from U.S. Treasury Notes stripped coupons and Resolution Trust stripped coupons which have been refunded and have matured.

Source: City of Tampa, Revenue and Finance Department's Financial Statements

CITY OF TAMPA, FLORIDA
HISTORICAL COVERAGE OF DEBT SERVICE BY UTILITIES TAX REVENUES
LAST TEN FISCAL YEARS

Downtown Non-Core Community Redevelopment Area

| Fiscal Year | Redevelopment Area Valuation | Incremental Area Valuation Above Frozen Tax Base | Total Millage | Tax Increment Revenues |
|----------------|------------------------------------|--|------------------|---------------------------|
| 2011 | \$ 1,010,940,242 | \$ 916,338,447 | 12.6315 | \$ 10,995,993 |
| 2010 | 1,175,066,187 | 1,080,464,392 | 12.6356 | 12,969,700 |
| 2009 | 1,379,231,706 | 1,284,629,911 | 12.6381 | 15,423,517 |
| 2008 | 1,290,637,610 | 1,196,035,815 | 12.5883 | 14,303,255 |
| 2007 | 1,048,102,962 | 953,501,167 | 14.1480 | 12,815,628 |
| 2006 | 812,926,636 | 718,324,841 | 14.7247 | 10,048,262 |
| 2005 | 811,577,790 | 716,975,995 | 14.9747 | 10,199,675 |
| 2004 | 753,080,313 | 658,478,518 | 15.0167 | 9,363,766 |
| 2003 | 710,625,157 | 616,023,362 | 15.0272 | 8,794,251 |
| 2002 | 646,963,248 | 552,361,453 | 15.1809 | 7,966,077 |

Historical Tax Increment Revenues

| Fiscal Year | Redevelopment Area Valuation | Incremental Area Valuation Above Frozen Tax Base | Total Millage | Tax Increment Revenues |
|----------------|------------------------------------|--|------------------|---------------------------|
| 2011 | \$ 554,427,400 | \$ 194,939,150 | 12.1633 | \$ 2,252,548 |
| 2010 | 590,267,899 | 230,779,649 | 12.1674 | 2,667,589 |
| 2009 | 682,045,266 | 322,557,016 | 12.1715 | 3,729,703 |
| 2008 | 581,371,815 | 221,883,565 | 12.1388 | 2,558,730 |
| 2007 | 534,835,002 | 175,346,752 | 13.6480 | 2,273,476 |
| 2006 | 453,831,299 | 94,343,049 | 14.2247 | 1,274,901 |
| 2005 | 421,004,068 | 61,515,818 | 14.4747 | 845,902 |
| 2004 | 425,883,485 | 66,395,235 | 14.5167 | 915,648 |
| 2003 | 415,914,737 | 56,426,487 | 14.5272 | 778,733 |
| 2002 | 423,489,149 | 64,000,899 | 14.6809 | 892,611 |

Notes: The presentation and historical data have been modified from financial statement disclosures in previous years in order to comport with the presentation and reporting found in the Official Statements of the related bond issuances.

Source: Hillsborough County Property Appraiser

CITY OF TAMPA, FLORIDA
HISTORICAL COVERAGE OF DEBT SERVICE
BY UTILITIES TAX REVENUES
LAST TEN FISCAL YEARS

Historical Utilities Services Tax Receipts by Category

| Fiscal Year | Electric | Telecommunications/ | | | Total |
|-------------|---------------|---------------------|--------------|--------------|---------------|
| | | Telephone | Gas | Water | |
| 2011 | \$ 30,995,558 | \$ 23,260,619 | \$ 1,206,759 | \$ 4,686,301 | \$ 60,149,237 |
| 2010 | 32,569,274 | 26,579,339 | 1,212,043 | 3,816,552 | 64,177,208 |
| 2009 | 28,282,581 | 29,922,932 | 1,097,420 | 3,729,478 | 63,032,411 |
| 2008 | 26,302,572 | 27,959,050 | 1,104,891 | 3,654,382 | 59,020,895 |
| 2007 | 24,752,937 | 27,589,932 | 1,154,649 | 3,404,090 | 56,901,608 |
| 2006 | 25,207,232 | 28,242,685 | 1,070,784 | 3,384,344 | 57,905,045 |
| 2005 | 26,441,509 | 28,508,995 | 964,146 | 2,989,108 | 58,903,758 |
| 2004 | 25,775,207 | 27,760,924 | 917,205 | 2,970,624 | 57,423,960 |
| 2003 | 25,878,415 | 29,401,172 | 868,005 | 2,561,909 | 58,709,501 |
| 2002 | 25,147,303 | 32,062,550 | 735,520 | 2,712,608 | 60,657,981 |

Note: The presentation and historical data have been modified from financial statement disclosures in previous years in order to comport with the presentation and reporting found in the Official Statements of the related bond issuances.

Source: City of Tampa, Revenue and Finance Department's Financial Statements.

CITY OF TAMPA, FLORIDA
 HISTORICAL OCCUPATIONAL LICENSE REVENUES AND DEBT SERVICE COVERAGE
 LAST TEN FISCAL YEARS

| | Historical Debt Service Coverage | | | | | | | | | |
|-----------------------------------|--|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | For the Fiscal Years Ended September 30, | | | | | | | | | |
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Occupational License Tax Revenues | \$ 9,453,020 | \$ 9,289,274 | \$ 9,291,845 | \$ 9,977,528 | \$ 10,259,600 | \$ 10,458,370 | \$ 10,839,862 | \$ 10,835,792 | \$ 10,533,000 | \$ 10,382,911 |
| Bond Debt Service | | | | | | | | | | |
| 2002A Bonds | \$ - | \$ 2,461,860 | \$ 4,346,788 | \$ 4,655,236 | \$ 4,671,152 | \$ 4,783,026 | \$ 4,789,369 | \$ 4,788,850 | \$ 4,888,063 | \$ 4,875,413 |
| 2002B and 2002C Bonds | - | 516,000 | 515,000 | 1,033,000 | 1,454,000 | 1,041,000 | - | - | - | - |
| 2007 Bonds | - | - | - | - | - | 1,124,000 | 2,286,000 | 2,286,000 | 2,286,000 | 2,286,000 |
| Bond Debt Service Coverage | N/A | 3.12x | 1.91x | 1.75x | 1.68x | 1.51x | 1.53x | 1.53x | 1.47x | 1.45x |

Note: The presentation and historical data have been modified from financial statement disclosures in previous years in order to comport with the presentation and reporting found in the Official Statements of the related bond issuances.

Source: Revenues were extracted from the City's General Purpose Financial Statements.

CITY OF TAMPA, FLORIDA
OCCUPATIONAL LICENSE TAX REFUNDING BONDS
HISTORICAL NON-AD VALOREM REVENUES

| | For the Fiscal Year Ended September 30, | | | | | | | | | | |
|--|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | |
| Non-Ad Valorem Revenues: | | | | | | | | | | | |
| Taxes: | | | | | | | | | | | |
| Sales | \$ 12,503,000 | \$ 12,780,000 | \$ 13,310,000 | \$ 15,145,000 | \$ 16,434,000 | \$ 17,316,000 | \$ 15,017,000 | \$ 13,324,000 | \$ 13,424,000 | \$ 13,867,391 | |
| Local Option Resort | 1,611,062 | 1,841,396 | 1,713,000 | 1,916,000 | 2,166,000 | 2,166,000 | 1,618,899 | 1,897,777 | 1,919,000 | 1,840,815 | |
| Utility | 28,826,903 | 29,308,000 | 29,700,000 | 30,395,000 | 29,662,360 | 29,311,676 | 31,061,845 | 33,110,000 | 37,611,000 | 36,888,618 | |
| Communications Services | 31,836,000 | 29,401,172 | 27,760,924 | 28,508,995 | 28,242,685 | 27,589,932 | 27,959,050 | 29,922,932 | 26,579,000 | 23,260,619 | |
| General Fund Intergovernmental: | | | | | | | | | | | |
| Federal | 640,981 | 896,000 | 8,728,313 | 2,934,246 | (381,331) | 410,000 | 375,124 | 399,105 | 2,064,000 | 1,539,795 | |
| State‡ | 30,181,644 | 30,722,033 | 33,204,344 | 44,718,045 | 47,029,488 | 45,781,551 | 42,477,000 | 42,225,323 | 41,618,200 | 42,463,216 | |
| Local | 3,827,341 | 4,146,019 | 4,810,000 | 4,518,945 | 5,452,418 | 5,044,240 | 4,558,000 | 4,632,692 | 4,647,000 | 4,730,969 | |
| Guaranteed Entitlement Special Revenue | | | | | | | | | | | |
| Fund State Revenue‡ | 4,897,504 | 4,897,504 | 4,898,000 | 4,898,000 | 4,897,504 | 4,897,504 | 4,897,504 | 284,000 | 279,000 | 4,897,504 | |
| Licenses and Permits | 34,320,093 | 35,837,386 | 37,072,496 | 40,372,000 | 43,178,111 | 43,366,000 | 44,098,873 | 45,258,067 | 45,235,000 | 44,511,869 | |
| Charges for Services | 23,853,000 | 25,495,000 | 23,764,000 | 24,300,000 | 26,113,180 | 33,657,733 | 28,638,238 | 27,715,000 | 29,915,032 | 36,148,443 | |
| Fines and Forfeitures | 2,976,643 | 5,054,000 | 6,152,000 | 5,145,146 | 4,982,981 | 4,350,424 | 3,790,449 | 3,490,000 | 3,719,000 | 4,732,258 | |
| Investment Earnings | 11,047,258 | 9,982,000 | 4,076,000 | 3,170,808 | 9,389,480 | 17,378,000 | 17,821,000 | 16,118,000 | 15,229,000 | 4,555,746 | |
| Contributions & Donations | 4,414,000 | 3,520,000 | 2,852,000 | 2,397,159 | 3,696,912 | 3,763,000 | 5,581,000 | 8,965,000 | 6,793,000 | 3,067,772 | |
| Total Non-Ad Valorem Revenues | \$ 190,935,429 | \$ 193,880,510 | \$ 198,041,077 | \$ 208,419,344 | \$ 220,863,788 | \$ 235,032,060 | \$ 227,893,982 | \$ 227,341,896 | \$ 229,032,232 | \$ 222,505,015 | |
| Less Legally Mandated Expenses: | | | | | | | | | | | |
| Public Safety — General Fund | \$ 140,058,067 | \$ 155,211,000 | \$ 169,307,147 | \$ 182,545,081 | \$ 181,644,081 | \$ 193,744,684 | \$ 198,066,447 | \$ 208,871,831 | \$ 206,485,738 | \$ 205,181,050 | |
| General Government Services — General Fund | 26,009,624 | 30,436,000 | 39,981,000 | 34,486,641 | 38,554,644 | 46,778,439 | 49,342,500 | 54,855,414 | 54,796,068 | 51,389,234 | |
| Debt Service Fund Principal: | | | | | | | | | | | |
| Utility Tax Bonds | 3,235,000 | 9,910,000 | 10,950,000 | 9,680,000 | 10,885,000 | 11,475,000 | 10,715,000 | 10,900,000 | 3,305,000 | 9,975,950 | |
| Guaranteed Entitlement Revenue Bonds | 3,130,000 | 3,315,000 | 3,515,000 | 3,730,000 | 3,945,000 | 4,190,000 | 4,430,000 | 160,000 | 165,000 | 180,000 | |
| Utilities Tax Special Revenue Bonds | 5,525,000 | - | - | - | - | - | - | - | 9,330,000 | 11,109,098 | |
| Debt Service Fund Interest: | | | | | | | | | | | |
| Utility Tax Bonds | 9,964,227 | 9,990,248 | 9,601,118 | 8,579,004 | 7,575,500 | 6,492,718 | 6,226,704 | 5,625,663 | 4,995,970 | 5,629,210 | |
| Guaranteed Entitlement Revenue Bonds | 1,698,900 | 1,511,100 | 1,312,200 | 1,101,300 | 877,500 | 640,800 | 389,400 | 123,600 | 114,000 | 104,100 | |
| Utilities Tax Special Revenue Bonds | 2,379,400 | 2,020,275 | 2,020,275 | 2,020,275 | 2,020,275 | 2,020,275 | 2,020,275 | 2,020,275 | 2,020,275 | 1,546,454 | |
| Non-Debt Service Current Expenses: | | | | | | | | | | | |
| Utilities Tax Special Revenue Fund | - | - | - | 853,096 | 853,206 | - | - | - | - | 10,276 | |
| Guaranteed Entitlement Special Revenue Fund | - | - | - | 3,634 | - | 973 | - | - | - | 339 | |
| Occupational License Tax Special Revenue Fund | 2,525 | - | 3,967 | 3,992 | 3,992 | - | 3,339 | - | - | - | |
| Utility Tax Capital Projects Fund Capital Expenses | 7,662,319 | 5,180,835 | 8,639,000 | 6,493,410 | 7,072,794 | 21,969,710 | 13,347,307 | 19,194,189 | 9,374,331 | 6,318,524 | |
| Total Expenses | \$ 199,665,062 | \$ 217,574,458 | \$ 245,329,707 | \$ 249,496,433 | \$ 253,431,992 | \$ 287,312,599 | \$ 284,540,972 | \$ 301,750,972 | \$ 290,586,382 | \$ 291,444,235 | |

CITY OF TAMPA, FLORIDA
OCCUPATIONAL LICENSE TAX REFUNDING BONDS (continued)
HISTORICAL NON-AD VALOREM REVENUES

| | For the Fiscal Year Ended September 30, | | | | | | | | | |
|-----------------------------------|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Less: Property Tax Revenue | (97,714,267) | (105,197,347) | (113,378,000) | (123,492,288) | (141,022,026) | (166,238,000) | (163,637,000) | (159,986,639) | (139,390,890) | (122,035,729) |
| Net Expenses | 101,950,795 | 112,377,111 | 131,951,707 | 126,004,145 | 112,409,966 | 121,074,599 | 120,903,972 | 141,764,333 | 151,195,492 | 169,408,506 |
| Available Non-Ad Valorem Revenues | 88,984,634 | 81,503,399 | 66,089,370 | 82,415,199 | 108,453,822 | 113,957,461 | 106,990,010 | 85,577,563 | 77,836,740 | 53,096,509 |

† Other Tax receipts were combined with Sales Tax receipts in prior reporting periods.

‡ As part of the State Municipal Revenue Sharing Program, the City of Tampa receives \$4,897,504 annually in Guaranteed Entitlement revenues (Section 218.21(7), Florida Statutes)

for the life of the Program so long as sufficient revenues are available in the Revenue Sharing Trust Fund for Municipalities. In fiscal 2009 and fiscal 2010, the City classified Guaranteed Entitlement revenues, net of annual debt service, as Intergovernmental Revenues received from the State.

Note: The presentation and historical data have been modified from financial statement disclosures in previous years in order to comport with the presentation and reporting found in the Official Statements of the related bond issuances.

Source: Operating Revenues, Other Revenues and Operating Expenses were extracted from the City's General Purpose Financial Statements.

CITY OF TAMPA, FLORIDA
HISTORICAL COVERAGE OF DEBT SERVICE
BY WATER AND SEWER SYSTEMS REVENUES
LAST TEN FISCAL YEARS

For the Fiscal Years Ended September 30,

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Operating Revenues | \$ 118,192,000 | \$ 113,244,000 | \$ 130,898,770 | \$ 132,172,000 | \$ 148,152,000 | \$ 151,852,000 | \$ 152,119,000 | \$ 150,117,666 | \$ 160,922,056 | \$ 186,235,808 |
| Other Revenues | 8,173,000 | 8,256,000 | 6,776,000 | 9,689,000 | 12,286,000 | 19,769,000 | 15,413,000 | 16,016,000 | 13,872,000 | 5,878,356 |
| Total Revenues | 126,365,000 | 121,500,000 | 137,674,770 | 141,861,000 | 160,438,000 | 171,621,000 | 167,532,000 | 166,133,666 | 174,794,056 | 192,114,164 |
| Operating Expenses | | | | | | | | | | |
| Salaries and Employee Benefits | 32,150,404 | 34,242,863 | 38,268,944 | 37,600,749 | 40,449,000 | 43,270,402 | 43,998,224 | 44,920,589 | 45,387,505 | 38,959,974 |
| Supplies and Materials | 14,083,000 | 14,266,432 | 13,976,532 | 16,517,000 | 17,751,724 | 21,269,755 | 23,722,885 | 24,525,000 | 20,406,086 | 19,809,255 |
| Contract Services | 2,006,000 | 2,928,029 | 2,614,078 | 2,955,017 | 7,442,000 | 12,351,020 | 10,007,228 | 17,346,000 | 5,310,821 | 8,319,810 |
| Other Services and Charges | 11,551,000 | 10,500,762 | 16,401,114 | 15,807,000 | 13,043,000 | 19,014,740 | 28,352,946 | 28,096,051 | 26,721,000 | 31,243,767 |
| Total Current Expenses | 59,790,404 | 61,938,086 | 71,260,668 | 72,879,766 | 78,685,724 | 95,905,917 | 106,081,283 | 114,887,640 | 97,825,412 | 98,332,806 |
| Net Revenues | 66,574,596 | 59,561,914 | 66,414,102 | 68,981,234 | 81,752,276 | 75,715,083 | 61,450,717 | 51,246,026 | 76,968,644 | 93,781,358 |
| Available Sewer Capacity Fees | 4,549,000 | 5,233,077 | 5,183,521 | 6,217,823 | 6,278,405 | 4,333,042 | 4,307,605 | 1,402,303 | 1,307,116 | 1,786,697 |
| Net Revenues Available for Debt Service | \$ 71,123,596 | \$ 64,794,991 | \$ 71,597,623 | \$ 75,199,057 | \$ 88,030,681 | \$ 80,048,125 | \$ 65,758,322 | \$ 52,648,329 | \$ 78,275,760 | \$ 95,568,055 |
| Bond Debt Service | \$ 25,470,000 | \$ 20,359,102 | \$ 23,134,875 | \$ 20,781,902 | \$ 23,564,705 | \$ 25,407,469 | \$ 28,074,391 | \$ 27,118,182 | \$ 27,113,082 | \$ 27,117,331 |
| Bond Debt Service Coverage | 2.79x | 3.18x | 3.09x | 3.62x | 3.74x | 3.15x | 2.34x | 1.94x | 2.89x | 3.52x |
| Net Revenues Available for | | | | | | | | | | |
| State Loan Agreements | \$ 45,653,596 | \$ 44,435,889 | \$ 48,462,748 | \$ 54,417,155 | \$ 64,465,976 | \$ 54,640,656 | \$ 37,683,931 | \$ 25,530,147 | \$ 51,162,678 | \$ 68,450,724 |
| State Loan Agreements Debt Service | \$ 6,881,000 | \$ 6,880,539 | \$ 6,590,539 | \$ 6,590,539 | \$ 6,590,539 | \$ 6,590,539 | \$ 6,590,539 | \$ 6,590,539 | \$ 6,590,539 | \$ 6,645,405 |
| State Loan Debt Service Coverage | 6.63x | 6.74x | 7.35x | 6.99x | 9.78x | 8.29x | 5.72x | 3.87x | 7.76x | 10.30x |

Note: The presentation and historical data have been modified from financial statement disclosures in previous years in order to comport with the presentation and reporting found in the Official Statements of the related bond issuances.

Source: Operating Revenues, Other Revenues, and Operating Expenses were extracted from the City's General Purpose Financial Statements.

CITY OF TAMPA
HISTORICAL COVERAGE OF DEBT SERVICE
BY SOLID WASTE SYSTEM REVENUES
LAST TEN FISCAL YEARS

For the Fiscal Years Ended September 30,

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Operating Revenues | \$ 55,632,554 | \$ 57,369,864 | \$ 64,079,469 | \$ 64,941,367 | \$ 68,600,704 | \$ 70,740,938 | \$ 71,095,001 | \$ 69,343,545 | \$ 64,947,980 | \$ 67,238,973 |
| Other Revenues | 1,085,205 | 1,168,805 | 1,118,873 | 997,533 | 1,569,655 | 1,942,330 | 2,078,866 | 3,522,265 | 3,745,483 (1) | 652,679 |
| Total Revenues | <u>56,717,759</u> | <u>58,538,669</u> | <u>65,198,342</u> | <u>65,938,900</u> | <u>70,170,359</u> | <u>72,683,268</u> | <u>73,173,867</u> | <u>72,865,810</u> | <u>68,693,463</u> | <u>67,891,652</u> |
| Operating Expenses | | | | | | | | | | |
| Salaries and Employee Benefits | 8,418,693 | 9,050,969 | 10,617,485 | 10,631,673 | 11,927,349 | 13,320,613 | 13,767,759 | 14,289,433 | 14,380,397 | 13,548,134 |
| Supplies and Materials | 441,405 | 615,105 | 322,009 | 1,096,334 | 1,237,192 | 863,378 | 1,330,159 | 1,306,855 | 1,210,356 | 449,393 |
| Contract Services | 19,119,335 | 17,839,800 | 18,365,503 | 19,032,115 | 17,903,572 | 18,077,151 | 18,971,156 | 19,801,088 | 21,386,864 | 19,524,128 |
| Other Services and Charges | 10,983,837 | 10,826,662 | 12,580,555 | 12,990,486 | 14,776,787 | 14,648,123 | 16,728,200 | 15,797,977 | 15,338,755 | 15,084,029 |
| Total Operating Expenses | <u>38,963,270</u> | <u>38,332,536</u> | <u>41,885,552</u> | <u>43,750,608</u> | <u>45,844,900</u> | <u>46,909,265</u> | <u>50,797,274</u> | <u>51,195,353</u> | <u>52,316,372</u> | <u>48,605,684</u> |
| Net Revenues Available for Debt Service | <u>\$ 17,754,489</u> | <u>\$ 20,206,133</u> | <u>\$ 23,312,790</u> | <u>\$ 22,188,292</u> | <u>\$ 24,325,459</u> | <u>\$ 25,774,003</u> | <u>\$ 22,376,593</u> | <u>\$ 21,670,457</u> | <u>\$ 16,377,091</u> | <u>\$ 19,285,968</u> |
| Bond Debt Service† | <u>14,696,158</u> | <u>14,776,000</u> | <u>14,696,693</u> | <u>14,698,293</u> | <u>14,698,103</u> | <u>14,694,983</u> | <u>14,697,748</u> | <u>14,698,455</u> | <u>14,677,245</u> | <u>14,058,280</u> |
| Bond Debt Service Coverage | 1.21x | 1.37x | 1.59x | 1.51x | 1.66x | 1.76x | 1.53x | 1.48x | 1.12x | 1.38x |

† For the purposes of the debt service coverage calculation, debt service requirements are shown on a "cash basis" with payments due on October 1st recorded in the prior fiscal year (the "Bond Year" as defined in the Bond Resolution), since these payments are sent to the paying agent in advance of the due date.

(1) For coverage calculation, 10% of the annual bond service requirement is shown as transferred from General Reserves.

Note: The presentation and historical data have been modified from financial statement disclosures in previous years in order to comport with the presentation and reporting found in the Official Statements of the related bond issuances.

Source: Operating Revenues, Other Revenues, and Operating Expenses were extracted from the City's General Purpose Financial Statements.

CITY OF TAMPA, FLORIDA
HISTORICAL COVERAGE OF DEBT SERVICE
BY SOLID WASTE SYSTEM REVENUES
LAST TEN FISCAL YEARS

Historical Collection of User Charges -- Solid Waste Fund

| Fiscal Year | Amount Billed | Bad Debt Expense | Percentage Collected |
|----------------|------------------|---------------------|-------------------------|
| 2011 | \$ 53,609,453 | \$ 612,075 | 98.86 % |
| 2010 | 51,813,017 | 660,597 | 98.72 |
| 2009 | 53,935,444 | 797,247 | 98.52 |
| 2008 | 54,903,470 | 710,665 | 98.71 |
| 2007 | 55,444,411 | 517,012 | 99.07 |
| 2006 | 54,310,611 | 526,679 | 99.03 |
| 2005 | 51,801,161 | 513,783 | 99.01 |
| 2004 | 50,721,968 | 433,904 | 99.14 |
| 2003 | 44,485,053 | 423,424 | 99.05 |
| 2002 | 44,382,941 | 411,707 | 99.07 |

Historical Rates and Charges for the Solid Waste Department

| Fiscal Year | Residential (Per Month) | Commercial (Per Cubic Yard) | McKay Bay Tipping Fee (Per Ton) |
|----------------|----------------------------|--------------------------------|---------------------------------------|
| 2011 | \$ 25.25 | \$ 8.75 | \$ 71.00 |
| 2010 | 25.25 | 8.75 | 71.00 |
| 2009 | 25.25 | 8.75 | 71.00 |
| 2008 | 25.25 | 8.75 | 71.00 |
| 2007 | 25.25 | 8.75 | 71.00 |
| 2006 | 25.25 | 8.75 | 71.00 |
| 2005 | 24.50 | 8.50 | 71.00 |
| 2004 | 24.50 | 8.50 | 71.00 |
| 2003 | 21.25 | 7.40 | 71.00 |
| 2002 | 21.25 | 7.40 | 71.00 |

Source: City of Tampa Revenue and Finance Department

CITY OF TAMPA, FLORIDA
HISTORICAL COVERAGE OF DEBT SERVICE
BY SOLID WASTE SYSTEM REVENUES
LAST TEN FISCAL YEARS

McKay Bay Waste-To-Energy Facility Operations Summary

| Fiscal Year | Waste Processed (Tons) | Recovered | | | Average Net Facility Availability | Electric Output (MW) | Net kWh per ton | Electric Revenue |
|-------------|------------------------|--------------------|----------------------|-------|-----------------------------------|----------------------|-----------------|------------------|
| | | Ash Residue (Tons) | Ferrous Metal (Tons) | | | | | |
| 2011 | 295,986 | 75,121 | 7,801 | 94.54 | 16.91 | 500.39 | \$ 8,200,402 | |
| 2010 | 290,392 | 72,131 | 8,160 | 96.00 | 16.00 | 477.00 | 7,828,312 | |
| 2009 | 304,064 | 79,965 | 6,847 | 95.60 | 17.01 | 489.90 | 8,339,695 | |
| 2008 | 318,225 | 84,422 | 8,342 | 95.60 | 18.34 | 506.16 | 9,465,409 | |
| 2007 | 321,747 | 88,189 | 5,975 | 96.00 | 18.52 | 504.24 | 8,985,026 | |
| 2006 | 326,874 | 91,596 | 6,712 | 96.00 | 18.67 | 500.49 | 7,302,704 | |
| 2005 | 329,291 | 91,827 | 6,918 | 95.00 | 18.70 | 502.98 | 7,372,499 | |
| 2004 | 329,351 | 92,232 | 7,487 | 95.00 | 17.70 | 470.00 | 6,866,161 | |
| 2003 | 336,794 | 94,389 | 8,770 | 95.40 | 17.55 | 452.00 | 6,414,497 | |
| 2002 | 322,129 | 93,740 | 10,045 | 94.70 | 17.16 | 462.00 | 5,569,127 | |

Note: The presentation and historical data have been modified from financial statement disclosures in previous years in order to comport with the presentation and reporting found in the Official Statements of the related bond issuances.

Source: City of Tampa Solid Waste and Environmental Program Management Department.

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TAB

Single Audit Section

REPORT OF INDEPENDENT AUDITORS ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Mayor and Members of City Council
City of Tampa, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Tampa, Florida, (the "City") as of and for the year ended September 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Tampa Historic Streetcar (a discretely presented component unit) and the Fire and Police Pension Fund. Those financial statements were audited by other auditors whose reports thereon has been furnished to us, and our opinions, insofar as they relate to the amounts included for the component unit and the pension fund as indicated above, are based solely on the report of the other auditors. Our audit and the audits performed by others were conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

The City's management is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described below, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described below as a material weakness (11-1).

Finding 11-1 -- Material Weakness

Financial Statement Close Process

Condition: The City has not fully developed effective and efficient period end financial statement close procedures which enable the accurate preparation of the financial statements and related disclosures contained in the CAFR. Specifically we identified the following accounts that required additional documentation or adjustments:

- Accruals for Liabilities
- Revenues and Receivables
- Deferred Revenues
- Inventory
- Fund Balance

Criteria: The period end financial statement close procedures are the processes, in which the results of all of the various transactions are summarized, reviewed, consolidated, edited, and prepared in a timely and efficient manner into the financial reports. This process begins with the preparation of the trial balance, accumulating and posting journal entries, and ends with the preparation of the year-end financial statements and related disclosures. Adequate procedures should be implemented in order to facilitate the timely preparation of accurate and complete year-end financial statements and disclosures in accordance with generally accepted accounting principles.

Effect: The financial statements as originally drafted were in some cases materially misstated.

Cause: The City has not fully completed implementation of all the necessary policies and procedures that should be included in the year-end financial reporting process to ensure complete and accurate year-end financial statements.

Recommendation: The City should review its current procedures related to the financial statement close process and determine the appropriateness of those processes for preventing and detecting misstatements and for preparing reliable, timely and accurate financial statements. The City should consider utilizing tools such as year-end entry checklists, GAAP disclosure checklists, mechanical checks of draft financial reports for accuracy, etc. to enhance and strengthen its existing procedures.

Management's Response: We concur with the findings and recommendations. We will review and continue to modify policies and procedures related to the same in order to improve financial statement reporting.

A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described below as significant deficiencies (11-2 and 11-3).

Finding 11-2 – Significant Deficiency

Internal Control Policies and Procedures

Condition: During our assessment and testing of the City's internal control procedures we identified certain areas where deficiencies were noted and upon which enhancements could be made to the design and operation of the control structure to ensure it is working as it was intended. During our audit procedures, we observed the following:

- Reports on internal controls of service providers (SSAE 16) are not reviewed.
- Invoices not containing signatures authorizing review for payment.
- Various Other Liability accounts were not reconciled as of fiscal year-end.
- Undocumented supervisory review of reports for uncollectible accounts.
- Signed denial letters were not maintained in their file for general and automotive liability claims.
- Undocumented process for reviewing transactions with Related Parties.
- Procedures were not in place within the fixed asset subsidiary to prevent assets held for sale from being depreciated.

Criteria: The period end financial statement close procedures are the processes, in which the results of all of the various transactions are summarized, reviewed, consolidated, edited, and prepared in a timely and efficient manner into the financial reports. This process begins with the preparation of the trial balance, accumulating and posting journal entries, and ends with the preparation of the year-end financial statements and related disclosures. Adequate procedures should be implemented in order to facilitate the timely preparation of accurate and complete year-end financial statements and disclosures in accordance with generally accepted accounting principles.

Effect: Without proper internal controls in place, financial statements are subject to the risk of material misstatements.

Cause: The City has not fully implemented all of the necessary policies and procedures that should be included in the year-end financial reporting process to ensure complete and accurate year-end financial statements.

Recommendation: The City should review its current procedures related to the financial statement close process and determine the appropriateness of those processes for preventing and detecting misstatements and for preparing reliable, timely and accurate financial statements. The City should consider utilizing tools such as year-end entry checklists, GAAP disclosure checklists, mechanical checks of draft financial reports for accuracy, etc. to enhance and strengthen its existing procedures.

Management's Response: We concur with the findings and recommendations. We will review and continue to modify policies and procedures related to the same in order to improve internal controls.

Finding 11-3 – Significant Deficiency

Out of City Limits Water and Sewer Surcharges Exceed Statutory Maximums.

Condition: Due to rounding irregularities, the City charged customers outside the city limits for water and sewer slightly above the 25% state statute requirement.

Criteria: The surcharge on utility fees charged to customers outside the city limits exceeded the 25 percent threshold outlined by an average of 0.2%.

Effect: If the calculations of rates are not reviewed to ensure they are within the percentage threshold the City could be out of compliance with state statutes.

Cause: The calculation was not reviewed for compliance.

Recommendation: The City should implement controls and procedures to review the calculation of all utility rates to ensure they are within state statutes.

Management's

Response: We concur with the findings and recommendations. We will review and continue to modify policies and procedures related to the same in order to improve compliance with laws and rules.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described above in finding 11-3.

We noted certain other matters that we have reported to management of the City in a separate letter date March 13, 2012.

The City's responses to the findings identified in our audit are described above. We did not audit the City's responses and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Honorable Mayor, City Council, the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.



Crowe Horwath LLP

Tampa, Florida
March 13, 2012



**MOORE STEPHENS
LOVELACE, P.A.**
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL
PROGRAM AND MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

Honorable Mayor and
Members of the City Council
City of Tampa, Florida

Compliance

We have audited the compliance of the City of Tampa, Florida (the "City"), with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") Circular A-133 *Compliance Supplement* and the requirements described in the Department of Financial Services State Projects Compliance Supplement that could have a direct and material effect on each of its major federal programs and major state projects for the year ended September 30, 2011. The City's major federal programs and major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Auditor General. Those standards, OMB Circular A-133, and Chapter 10.550, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or major state project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended September 30, 2011.

The Honorable Mayor and
Members of the City Council
City of Tampa, Florida

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program or major state project in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards and State Financial Assistance

The financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2011, were audited by other auditors and they have issued their report thereon dated March 13, 2012. Their audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole, and they issued unqualified opinions thereon.

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purpose of additional analysis, as required by OMB Circular A-133, and Chapter 10.550, Rules of the Auditor General, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

The Honorable Mayor and
Members of the City Council
City of Tampa, Florida

This report is intended solely for the information and use of the Mayor, City Council, management, and specific legislative or regulatory bodies and is not intended to be, and should not be, used by anyone other than these specified parties.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 13, 2012

City of Tampa, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the fiscal year ended September 30, 2011

| FEDERAL GRANTS FUNDING SOURCE AND GRANT PROGRAM | CFDA Number | Grant/Contract Number | Expenditures |
|--|------------------------|----------------------------------|---------------------|
| DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT: | | | |
| Housing Counseling Assistance Program: | 14.169 | | |
| Housing Counseling Grant FY10 | | HC09-0421-099&0423-020 | \$ 17,343 |
| Housing Counseling Grant FY11 | | HC100-0426-0001&0421-013 | 19,258 |
| Total Program | | | <u>36,601</u> |
| Community Development Block Grants/Entitlement Grants: | 14.218 | | |
| Community Development Block Grant(CDBG) #34 - FY09/PY08 | | B-08-MC-12-0020 | 265,602 |
| Community Development Block Grant(CDBG) #35 - FY10/PY09 | | B-09-MC-12-0020 | 586,509 |
| Community Development Block Grant(CDBG) #36 - FY11/PY10 | | B-10-MC-12-0020 | 3,684,709 |
| Neighborhood Stabilization Program (NSP-1) | | B-08-MN-12-0029 | 4,293,179 |
| Neighborhood Stabilization Program (NSP-3) | | B-11-MN-12-0029 | 19,217 |
| Sub-Total Program | | | <u>8,849,216</u> |
| Community Development Block Grant ARRA | 14.253 | | |
| Entitlement Grants (CDBG-R) (Recovery Act Funded): | ARRA | B-09-MY-12-0020 | 611,172 |
| Sub-Total Program | | | <u>611,172</u> |
| Total Program | | | <u>9,460,388</u> |
| Emergency Shelter Grants Program: | 14.231 | | |
| Emergency Shelter Grants Program FY11 | | S-10-MC-12-0011 | 164,774 |
| Total Program | | | <u>164,774</u> |
| HOME Investment Partnerships Program: | 14.239 | | |
| Home Investment Partnerships Grant-08 | | M-07-MC-12-0222 | 17,493 |
| Home Investment Partnerships Grant-09 | | M-08-MC-12-0222 | 839,512 |
| Home Investment Partnerships Grant-10 | | M-09-MC-12-0222 | 394,105 |
| Home Investment Partnerships Grant-11 | | M-10-MC-12-0222 | 60,515 |
| Total Program | | | <u>1,311,625</u> |
| Housing Opportunities for Persons with AIDS: | 14.241 | | |
| Housing Opportunities For People With Aids Grant(HOPWA) - 09 | | F-LH-08-F003 | 23,772 |
| Housing Opportunities For People With Aids Grant(HOPWA) - 10 | | F-LH-09-F003 | 46,250 |
| Housing Opportunities For People With Aids Grant(HOPWA) - 11 | | F-LH-10-F003 | 3,394,603 |
| Total Program | | | <u>3,464,625</u> |
| Economic Development Initiative-Special Project, Neighborhood Initiative and Miscellaneous Grants: | 14.251 | | |
| EDI-Special Project - Downtown Riverwalk Project | | B-08-SP-FL-0157 | 39,099 |
| Total Program | | | <u>39,099</u> |
| Neighborhood Stabilization Program (Recovery Act Funded): | 14.256 | | |
| Passed through the Housing Authority of The City of Tampa (THA): | ARRA | | |
| Neighborhood Stabilization Program (NSP-2) | | B-09-CN-FL-0022 | 5,629,235 |
| Total Program | | | <u>5,629,235</u> |

City of Tampa, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)
For the fiscal year ended September 30, 2011

| FEDERAL GRANTS FUNDING SOURCE AND GRANT PROGRAM | CFDA Number | Grant/Contract Number | Expenditures |
|---|------------------------|----------------------------------|--------------------------|
| DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (continued): | | | |
| Homelessness Prevention and Rapid | 14.257 | | |
| Re-Housing Program (HPRP) (Recovery Act Funded): | ARRA | S-09-MY-12-0011 | 669,261 |
| Total Program | | | <u>669,261</u> |
| Fair Housing Assistance Program State and Local: | 14.401 | | |
| Fair Housing Assistance Program FY11 | | FF-204K104019 | 57,607 |
| Total Program | | | <u>57,607</u> |
| Community Challenge Planning Grant Program: | 14.704 | | |
| Community Challenge Planning Grant | | CCPFL000-10 | 629 |
| Total Program | | | <u>629</u> |
| Total Department of Housing and Urban Development | | | <u><u>20,833,844</u></u> |
| DEPARTMENT OF THE INTERIOR: | | | |
| Fish and Wildlife Service: | | | |
| Sport Fish Restoration Program: Boat Access Program: | 15.605 | | |
| Passed through the Florida Fish and Wildlife Conservation Commission: | | | |
| Ballast Point Park Boat Ramp | | FWC Contract # 09022 | 293,555 |
| Total Program | | | <u>293,555</u> |
| Total Department of The Interior | | | <u><u>293,555</u></u> |
| DEPARTMENT OF JUSTICE: | | | |
| Law Enforcement Trust Fund-Federal | 16.UNKNOWN | N/A | 3,911 |
| Total Program | | | <u>3,911</u> |
| HIDTA-High Intensity Drug Trafficking Areas-10 | 95.001 | G10CF0004A | 85,029 |
| HIDTA-High Intensity Drug Trafficking Areas-11 | | G11CF0004A | 120,377 |
| Total Program | | | <u>205,406</u> |
| Passed through Drug Abuse Comprehensive Coordinating Office | | | |
| Community Capacity Development Office: | 16.595 | | |
| The Weed and Seed Program | | | |
| WEED-DACCO/East Tampa II 2010 | | 2010-WS-QX-0118 | 29,812 |
| Total Program | | | <u>29,812</u> |
| Community Prosecution and Project Safe Neighborhoods: | 16.609 | | |
| Project Safe Neighborhood (PSN)-Anti-Gang Project | | 2007-S6AG-HILL-4-P9-003 | 40,537 |
| Total Program | | | <u>40,537</u> |

City of Tampa, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)
For the fiscal year ended September 30, 2011

| FEDERAL GRANTS FUNDING SOURCE AND GRANT PROGRAM | CFDA Number | Grant/Contract Number | Expenditures |
|---|------------------------|----------------------------------|-------------------------|
| DEPARTMENT OF JUSTICE (continued): | | | |
| Edward Byrne Memorial Justice Assistance Grant Program: | 16.738 | | |
| Bureau of Justice Assistance Grant-2008 | | 2008-DJ-BX-0563 | 1,557 |
| Bureau of Justice Assistance Grant-2009 | | 2009-DJ-BX-1400 | 107,432 |
| Bureau of Justice Assistance Grant-2010 | | 2010-DJ-BX-1064 | 39,566 |
| Sub-Total Program | | | <u>148,555</u> |
| Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories: | 16.803 | | |
| Job Retention | ARRA | 2010-ARRC-HILL-8-W7-327 | 300,107 |
| Sub-Total Program | | | <u>300,107</u> |
| Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants To Units Of Local Government: | 16.804 | | |
| Crime Reduction through Technology and Initiatives | ARRA | 2009-SB-B9-3188 | 241,978 |
| Sub-Total Program | | | <u>241,978</u> |
| Total Program | | | <u>690,640</u> |
| Recovery Act - Edward Byrne Memorial Competitive Grant Program: | 16.808 | | |
| Community Anti-Gang Expansion and Enhancement (CAGEE) | ARRA | 2009-SC-B9-0068 | 146,083 |
| Total Program | | | <u>146,083</u> |
| Total Department of Justice | | | <u><u>1,116,389</u></u> |
| DEPARTMENT OF TRANSPORTATION: | | | |
| Highway Planning and Construction: | 20.205 | | |
| Passed through Florida Department of Transportation: | | | |
| 22nd Street Enhancement Project-23rd Ave to Lake Ave | | 416746-1-38/58-01 | 49,226 |
| 40th Street-Hanlon Street to Yukon-Segment C-CONSTR | | 257809-3-58-01 | 1,236,186 |
| 40th Street-Hanlon Street to Yukon-Segment C-ROW | | 257809-3-48-01 | 2,447 |
| 40th Street-Hillsborough to Hanna-Segment A-CONSTR | | 257809-1-58-01 | 1,843,343 |
| 40th Street-Hillsborough to Hanna-Segment A-ROW | | 257809-1-48-01 | 27,781 |
| Bayshore Boulevard Bicycle Path | | 413092-1-38/58-01 | 1,223,251 |
| Cross Creek Boulevard Phase 2 Design (w. Cory Lake Blvd. To Morris Bridge Rd) | | 420625-1-38-01/90/AQ367 | 302,716 |
| Downtown Riverwalk Pedestrian Underpass (Segment 10 - under Brorein St. Bridge) | | 257805 4 58/A8 01 | 567,654 |
| I-4 Selmon Expressway North of 7th Ave | | 258415-2-56-01 | 34,639 |
| I-4 Selmon Expressway South of 7th Ave | | 258415-1-56-01 | 53,877 |
| Oak Grove Elementary School Sidewalk Safety Project | | 423803-1-58-01 | 4,714 |
| Sheehy Elementary School Sidewalk Safety Project | | 423805-1-58-01 | 7,229 |
| South Tampa Greenway Friendship Trail-Manhattan Ave from Tyson Ave to Interbay Boulevard | | 408592-1-38/58-01 | 91,021 |
| SR60 Kennedy Blvd-Memorial/Woodlynne & Drawbridge/Channelside | | 420771-1-38/58-01 | 706,886 |
| SR60 Kennedy Blvd-S Brevard/West of Kennedy Bridge | | 406189-2-38/58-02 | 26,786 |
| SR60 Kennedy Blvd-Woodlyn/S. Brevard | | 255803-2-38/58-01 | 125,595 |
| Total Program | | | <u>6,303,351</u> |
| Total Department of Transportation | | | <u><u>6,303,351</u></u> |

City of Tampa, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)
For the fiscal year ended September 30, 2011

| FEDERAL GRANTS FUNDING SOURCE AND GRANT PROGRAM | CFDA Number | Grant/Contract Number | Expenditures |
|---|------------------------|----------------------------------|---------------------|
| ENVIRONMENTAL PROTECTION AGENCY: | | | |
| Community-Wide Brownfields Assessment Grant for Hazardous Substances and Petroleum Products Project (ARRA) | 66.818 ARRA | 2B-95427709-0 | 253,730 |
| Total Program | | | 253,730 |
| Total Environmental Protection Agency | | | 253,730 |
| DEPARTMENT OF ENERGY: | | | |
| Energy Efficiency and Conservation Block Grant Program EECBG (ARRA) | 81.128 ARRA | DE-EE0000781 | 2,515,744 |
| Total Program | | | 2,515,744 |
| Total Department of Energy | | | 2,515,744 |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES: | | | |
| National Bioterrorism Hospital Preparedness Program: | 93.889 | | |
| Medical Reserve Corp 2008 | | Contract # FAB08 | 5,100 |
| Medical Reserve Corp 2009 | | Contract # COBKV | 19,863 |
| Medical Reserve Corp 2011 | | Renewal Contract# COPC4 | 3,538 |
| Total Program | | | 28,501 |
| Total Department of Health and Human Services | | | 28,501 |
| DEPARTMENT OF HOMELAND SECURITY: | | | |
| Federal Emergency Management Agency (FEMA) | | | |
| Assistance to Firefighters Grant: | 97.044 | | |
| Self-Contained Breathing Apparatus (SCBA) | | EMW-2009-FO-03345 | 943,064 |
| Staffing for Adequate Fire and Emergency Response (SAFER) | | EMW-2008-FF-01107 | 1,194,737 |
| Total Program | | | 2,137,801 |
| Homeland Security Grant Program: | 97.067 | | |
| Passed through Florida Department of Community Affairs: | | | |
| Urban Area Security Initiative (UASI) 2007 | | 08-DS-62-08-39-02-353 | 192,373 |
| Urban Area Security Initiative (UASI) 2008 | | 09-DS-48-08-39-02-414 | 1,900,097 |
| Urban Area Security Initiative (UASI) 2009 | | 10-DS-41-08-39-02-363 | 7,146,511 |
| Urban Area Security Initiative (UASI) 2010 | | 11-DS-A1-08-39-02-418 | 266,637 |
| Sub-Total Program | | | 9,505,618 |
| Passed through Florida Department of Financial Services: | | | |
| State Homeland Security Grant Program 2007-2010 | | 08-DS-60-13-00-16-373 | 21,217 |
| State Homeland Security Grant Program 2008-2009 | | 09-DS-51-13-00-16-409 | 8,321 |
| Sub-Total Program | | | 29,538 |

City of Tampa, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)
For the fiscal year ended September 30, 2011

| FEDERAL GRANTS FUNDING SOURCE AND GRANT PROGRAM | CFDA Number | Grant/Contract Number | Expenditures |
|--|------------------------|----------------------------------|----------------------|
| DEPARTMENT OF HOMELAND SECURITY (continued): | | | |
| Passed through Florida Department of Health: | | | |
| Metropolitan Medical Response System (2006) 2005 | | Contract #COBKH | (6,323) |
| Metropolitan Medical Response System (2007) 2006 | | 11-DS-9A-08-39-02-438 | 12,156 |
| Metropolitan Medical Response System (2008) 2007 | | 09-DS-65-08-39-02-004 | 68,098 |
| Metropolitan Medical Response System (2009) 2008 | | 09-DS-44-08-39-02-429 | 152,297 |
| Metropolitan Medical Response System (2009A) 2009 | | 11-DS-36-08-39-20-301 | 69,484 |
| Sub-Total Program | | | 295,712 |
| Passed through Florida Division of Emergency Management: | | | |
| State Homeland Security Grant Program 2009 | | 10-DS-39-08-39-01-311 | 610 |
| State Homeland Security Grant Program 2010 | | 11-DS-92-08-39-01-336 | 76,969 |
| Sub-Total Program | | | 77,579 |
| Total Program | | | 9,908,447 |
| Buffer Zone Protection Program (BZPP): | | | |
| | 97.078 | | |
| Buffer Zone Protection Grant 2007 | | 2009-BZPP-HILL-2-V4-008 | 600 |
| Buffer Zone Protection Grant 2008 | | 2011-BZPP-HILL-3-C2-005 | 66,179 |
| Total Program | | | 66,779 |
| Assistance to Firefighters Grant (ARRA): | | | |
| | 97.115 | | |
| Fire Station Construction #22 | ARRA | EMW-2009-FC-03237R | 464,240 |
| Total Program | | | 464,240 |
| Total Department of Homeland Security | | | 12,577,267 |
| Total Expenditures of Federal Awards | | | \$ 43,922,381 |

City of Tampa, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)
For the fiscal year ended September 30, 2011

| STATE GRANTS FUNDING SOURCE AND GRANT PROGRAM | CSFA Number | Grant/Contract Number | Expenditures |
|--|------------------------|----------------------------------|-----------------------------|
| EXECUTIVE OFFICE OF THE GOVERNOR: | | | |
| Local Economic Development Initiatives: | 31.027 | | |
| OTTED-Tampa Riverwalk Project | | Agreement #OT08-10 | 20,455 |
| Total Program | | | <u>20,455</u> |
| Military Base Protection: | 31.044 | | |
| OTTED-Land Acquisition for Encroachment Protection & Environmental Buffer Project | | Contract # DIG-07-05 | 460,000 |
| Total Program | | | <u>460,000</u> |
| Total Executive Office of the Governor | | | <u><u>480,455</u></u> |
| FLORIDA HOUSING FINANCE CORPORATION: | | | |
| State Housing Initiatives Partnership Program: | 52.901 | | |
| State Housing Initiative Program (SHIP) FY08 | | S.420.9073 | 1,486,936 |
| State Housing Initiative Program (SHIP) FY09 | | S.420.9073 | 1,223,204 |
| State Housing Initiative Program (SHIP) FY10 | | S.420.9073 | 74,976 |
| State Housing Initiative Program (SHIP) FY11/12 | | S.420.9073 | 89,151 |
| Total Program | | | <u>2,874,267</u> |
| Total Florida Housing Finance Corporation | | | <u><u>2,874,267</u></u> |
| FLORIDA DEPARTMENT OF TRANSPORTATION: | | | |
| Florida Highway Beautification Council (FHBC) Grants: | 55.003 | | |
| Highway Beautification Projects | | 425945-2-58-01 | 129,211 |
| Landscape Beautification Projects | | 424542-1-58-01 | 38,118 |
| Total Program | | | <u>167,329</u> |
| Total Florida Department of Transportation | | | <u><u>167,329</u></u> |
| FLORIDA DEPARTMENT OF HEALTH: | | | |
| County Grant Awards: | 64.005 | | |
| Passed through Hillsborough County: | | | |
| EMS Grant FY08 | | C0329 | 57,287 |
| Total Program | | | <u>57,287</u> |
| Total Florida Department of Health | | | <u><u>57,287</u></u> |
| Total Expenditures of State Financial Assistance | | | <u><u>\$ 3,579,338</u></u> |
| TOTAL EXPENDITURES OF FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE | | | <u><u>\$ 47,501,719</u></u> |

CITY OF TAMPA, FLORIDA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Year Ended September 30, 2011

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance included herein represents the Federal and State-initiated grant activity of the City of Tampa, Florida (the “City”), recorded by the City during the fiscal year ended September 30, 2011 and, accordingly, does not include a full year’s financial activity for grants awarded or terminated on dates not coinciding with the City’s fiscal year.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; Chapter 69I-5, *Schedule of Expenditures of State Financial Assistance*, Rules of the Department of Financial Services; and Chapter 10.550, Rules of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements of City of Tampa, Florida.

Basis of Accounting

The expenditures in the accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance are presented using the modified accrual basis of accounting, except for the proprietary funds, which are presented on the accrual basis. The modified accrual basis recognizes expenditures in the period the associated liability is incurred, if measurable, while under the accrual basis, expenditures are recognized when incurred.

NOTE 3 – CONTINGENCIES

Grant monies received and disbursed by the City are for specific purposes and are subject to review by grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the City does not believe that such disallowances, if any, would have a material effect on the financial position of the City. Management is not aware of any material questioned or disallowed costs as a result of grant audits in process or completed; however, the possible disallowance by the governmental agency of any item charged to a program cannot be determined at this time.

CITY OF TAMPA, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended September 30, 2011

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued:

Unqualified Opinion

Internal control over financial reporting:

- Material weakness(es) identified? X Yes No
- Significant deficiency(ies) identified? X Yes None reported

Noncompliance material to financial statements noted? Yes X No

Federal Awards and State Financial Assistance

Internal control over major programs and major projects:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified? Yes X None reported

Type of report issued on compliance for major federal programs and major state projects:

Unqualified Opinion

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133 and Chapter 10.557, Rules of the Auditor General? Yes X No

Identification of Major Federal Programs and State Projects:

| <u>CFDA Numbers</u> | <u>Name of Federal Programs</u> |
|------------------------|--|
| 14.241 | Housing Opportunities for Persons with AIDS |
| 14.256 | ARRA – Neighborhood Stabilization Program (Recovery Act Funded) |
| 16.738, 16.803, 16.804 | JAG Program Cluster |
| 66.818 | ARRA – Community-Wide Brownfields Assessment Grant for Hazardous Substances and Petroleum Products Project |
| 81.128 | ARRA – Energy Efficiency and Conservation Block Grant Program |
| 97.067 | Homeland Security Grant Program |
| 97.115 | ARRA – Assistance to Firefighters Grant |

CITY OF TAMPA, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

Year Ended September 30, 2011

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS (CONTINUED)

Identification of Major Federal Programs and State Projects: (Continued)

| <u>CSFA Numbers</u> | <u>Name of State Projects</u> |
|----------------------------|---|
| 31.044 | Military Base Protection |
| 52.901 | State Housing Initiatives Partnership Program |

| | |
|---|--------------------|
| Dollar threshold used to distinguish between Type A and Type B programs: Federal | <u>\$1,317,671</u> |
| State | <u>\$ 300,000</u> |

Auditee qualified as low-risk auditee? Yes X No

SECTION II - FINANCIAL STATEMENT FINDINGS

The financial statements of the City as of and for the year ended September 30, 2011, were audited by other auditors and they have issued their report thereon dated March 13, 2012. Their audit noted material weaknesses and significant deficiencies which can be found within their Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters.

**SECTION III - FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FINDINGS
AND QUESTIONED COSTS SECTION**

None Reported.

SECTION IV - PRIOR-YEAR AUDIT FINDINGS

The financial statements of the City as of and for the year ended September 30, 2011, were audited by other auditors and they have issued their report thereon dated March 13, 2012. Prior year financial statement findings were either resolved or have been carried forward into the current year. The status of these findings can be found within their Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters. There were no prior year audit findings related to federal awards and state financial assistance.

Honorable Mayor and Members of City Council
City of Tampa, Florida

In planning and performing our audit of the financial statements of The City of Tampa, Florida (“City”) as of and for the year ended September 30, 2011 in accordance with auditing standards generally accepted in the United States of America, we considered the City’s internal control over financial reporting (“internal control”) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain matters that we are required to or wish to communicate to you. Matters communicated in this letter are classified based on Statement on Auditing Standards No. 115, *Communicating Internal Control Related Matters Identified in an Audit* as follows.

- Best Practice – A matter which you may find of interest.
- Deficiency – A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis.
- Significant Deficiency – A significant deficiency is a deficiency, or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.
- Material Weakness – A material weakness is a deficiency, or combination of significant deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented or detected and corrected on a timely basis.

We have included in this letter all of the single audit findings as well as any additional items defined as “best practices” and “deficiencies”.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have issued our Report of Independent Auditors on Internal Control over Financial Reporting and Compliance and Other Matters, Report of Independent Auditors on Compliance and Internal Control over Compliance Applicable to each Major Federal Program and State Project, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 13, 2011, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which govern the conduct of local government entity audits performed in the State of Florida and, unless otherwise required to be reported in the report on compliance and internal controls or schedule of findings and questioned costs, this letter is required to include the following information, which is not included in the aforementioned auditor's report or schedule:

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report except as noted below under the heading Comments on Prior Year.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined the City complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we have noted our findings and recommendations under the heading Comments in the Current Year.
- Section 10.554(1)(i)5., Rules of the Auditor General, requires, based on professional judgment, the reporting of the following matters that are inconsequential to the financial statements, considering both quantitative and qualitative factors: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred, and would have an immaterial effect on the financial statement; and (2) improper expenditures or illegal acts that would have an immaterial effect on the financial statements; and (3) control deficiencies that are not significant deficiencies, including, but not limited to: (a) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (b) failures to properly record financial transaction; and (c) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. In connection with our audit, we have noted our findings under the heading Comments in the Current Year.
- Section 10.554(1)(i)6., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed. The City was established by the Constitution of the State of Florida, Article VIII, Section 2. Additional legal authority was provided by Florida law numbers 745 and 3779 of the years 1855 and 1887, respectively. The Community Redevelopment Agency component unit was created in 1982 under *Florida Statutes*, Chapter 163, Part III and the City of Tampa ordinances 2119-H and 2871-H. The Tampa Historic Streetcar, Inc., a discretely presented component unit, was incorporated November 20, 1998, as a Florida nonprofit corporation defined in the Internal Revenue Code 501(c)3.
- Section 10.554(1)(i)7.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

- Section 10.554(1)(i)7.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the City for the fiscal year ended September 30, 2009 that will be filed with the Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the year ended September 30, 2011. In connection with our audit, we determined that these two reports were in agreement.
- Section 10.554(1)(i)7.c. and 10.556(7), Rules of the Auditor General, require that we apply financial condition assessment procedures. In connection with our audit, we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

| <u>COMMENTS ON PRIOR YEAR</u> | <u>Level</u> | <u>Status</u> |
|---|---------------------|-----------------------|
| Financial Statement Close Process | Material Weakness | Partially Implemented |
| Capital Assets Accounting | Material Weakness | Implemented |
| Participant Data for Pension and Other Post-Employment Benefits | Deficiency | Implemented |
| Self-Insurance General Claims Liability Accrual | Deficiency | Partially Implemented |
| Inventory | Deficiency | See 11-1 |

COMMENTS IN THE CURRENT YEAR

| <u>PENSION DATE OF RETIREMENT ERROR AND MISSING FILE</u> | | <u>Deficiency</u> |
|---|---|--------------------------|
| Observation: | During testing of pension payments out of the general employee pension fund, we noted 1 pension payment that was calculated using an incorrect date of retirement. The pensioner elected retirement to commence on May 1st, 2011 on the Application for Early Retirement; however, the pension was calculated using a retirement date of April 2, 2011 thereby increasing the early retirement penalty incurred by the pensioner which has improperly decreased the pensioner's monthly benefit. Additionally, during testing of census data, there was one pensioner out of 33 tested whose file could not be located. | |
| Recommendation: | Pension calculations should be calculated based on correct data. Should a pensioner defer retirement, the correct date of retirement must be used so early retirement penalties may be properly calculated. | |
| Management's Response: | We concur with the finding and recommendation. We will review and modify policies and procedures accordingly. | |

| SUBRECIPIENT MONITORING | | Deficiency |
|--------------------------------|--|-------------------|
| Observation: | The City has a policy requiring an annual subrecipient monitoring schedule be prepared. Included in that policy is a requirement to perform a risk-analysis. During our testing, we noted no formal evidence that this risk analysis was performed. However, it did appear that monitoring procedures had occurred. Additionally, we noted that follow-up on subrecipient findings had not occurred in some instances. | |
| Recommendation: | We recommend that the City formally document its subrecipient risk analysis in accordance with their policy. In addition, we recommend that follow up be performed on all subrecipient findings. | |
| Management's Response: | We concur with the finding and recommendation. We will review and modify policies and procedures accordingly. | |

| SUBRECIPIENT INCOME ELIGIBILITY VERIFICATION | | Deficiency |
|---|--|-------------------|
| Observation: | We noted instances of insufficient documentation of testing of eligibility requirements. Additionally, we noted instances where income relating to eligibility requirements was not adequately verified by management. However, we noted no exceptions for the income verifications based on this oversight. | |
| Recommendation: | We recommend that the City verify income regularly and maintain proper documentation relating to these eligibility requirements on a consistent basis. | |
| Management's Response: | We concur with the finding and recommendation. We will review and modify policies and procedures accordingly. | |

| REVIEW OF SHIP INSPECTION REPORTS | | Deficiency |
|--|--|-------------------|
| Observation: | We noted inconsistencies in the review of SHIP inspection reports. Some reports had signatures indicating a second program individual had reviewed the inspection report while others did not. | |
| Recommendation: | We recommend that all inspection reports have proper documentation (i.e. initials) of the secondary review of the reports. | |
| Management's Response: | We concur with the finding and recommendation. We will review and modify policies and procedures accordingly. | |

Honorable Mayor and City Commissioners
City of Tampa, Florida

Management's written responses to the matters identified in our audit have not been subjected to the auditing procedures applied in the audit of financial statements and, accordingly, we express no opinion on those responses.

We have discussed the above comments and recommendations with the City as required by the Rules of the Auditor General. This management letter is intended solely for the information of the City and management, and the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

We would like to take this opportunity to thank the City for the many courtesies and cooperation extended to our representatives during the course of our audit.


Crowe Horwath LLP

Tampa, Florida
March 13, 2012

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TAB

Tampa Historic Streetcar



Tampa Historic Streetcar, Inc.
P.O. Box 2389
Tampa, FL 33601

Tampa Historic Streetcar, Inc.

(A Component Unit of the City of Tampa)

Basic Financial Statements and Other Reports
As of and for the Year Ended
September 30, 2011

(With Reports of Independent Auditor)

SYSTEM SPONSORS:

| | | |
|---|-------------------------------------|--------------------------|
| Tampa Electric Company | Time Warner | SunTrust Bank |
| Household Finance | VIGO Importing Company, Inc. | The Tampa Tribune |
| Tampa Port Authority | Tampa Design Interiors | |
| Tampa & Ybor City Street Railway Society | | |
| Tampa Bay Federal Credit Union | | |

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)

Basic Financial Statements and Other Reports

As of and for the Year Ended September 30, 2011

Contents

| | |
|---|----|
| Independent Auditor’s Report | 1 |
| Management’s Discussion and Analysis | 3 |
| Basic Financial Statements: | |
| Statement of Net Assets | 7 |
| Statement of Revenues, Expenses, and Changes in Net Assets | 8 |
| Statement of Cash Flows | 9 |
| Notes to Basic Financial Statements | 10 |
| Other Reports: | |
| Independent Auditor’s Management Letter | 15 |
| Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> | 18 |



**MOORE STEPHENS
LOVELACE, P.A.**
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Tampa Historic Streetcar, Inc.

We have audited the accompanying basic financial statements of the Tampa Historic Streetcar, Inc. (the "Streetcar"), a component unit of the City of Tampa, as of and for the year ended September 30, 2011, which collectively comprise the Streetcar's basic financial statements, as listed in the table of contents. These basic financial statements are the responsibility of the management of the Streetcar. Our responsibility is to express our opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Streetcar as of September 30, 2011, and the respective changes in financial position and cash flows thereof and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2012, on our consideration of the Streetcar's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Board of Trustees
Tampa Historic Streetcar, Inc.

INDEPENDENT AUDITOR'S REPORT
(Concluded)

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
February 13, 2012

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)

Management's Discussion and Analysis
(Unaudited)

September 30, 2011

This discussion and analysis of the Tampa Historic Streetcar, Inc.'s (the Streetcar) financial performance provides an overview of the financial activities for the fiscal year ended September 30, 2011. Please review in conjunction with the audited financial statements, which begin on page 7.

Required Financial Statements

The financial statements of the Streetcar report information about the Streetcar using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The statement of net assets includes all of the Streetcar's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to the Streetcar's creditors (liabilities). The assets and liabilities are presented in a classified format, which distinguishes between current and long-term assets and liabilities. It also provides the basis for assessing the liquidity and financial flexibility of the Streetcar. All of the current year's revenues and expenses are accounted for in the statement of revenues, expenses and changes in net assets. This statement measures the success of the Streetcar's operations over the past year and can be used to determine whether the Streetcar has successfully recovered all its costs through its activities, as well as its profitability and credit worthiness. The final required financial statement is the statement of cash flows. The primary purpose of this statement is to provide information about the Streetcar's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments and net changes in cash resulting from operating, investing and financing activities and provides answers to such questions as, "Where did cash come from? What was cash used for? What was the change in the cash balance during the reporting period?"

Financial Analysis of the Streetcar

Our analysis of the Streetcar begins with the statement of net assets. One of the most important questions asked about the Streetcar's finances is, "Is the Streetcar as a whole better off or worse off as a result of the year's activities?" The statement of net assets and the statement of revenues, expenses and changes in net assets report information about the Streetcar's activities in a way that will help answer this question. These two statements report the net assets of the Streetcar and the changes in net assets. You can think of the Streetcar's net assets - the difference between assets and liabilities - as one way to measure financial health or financial position. Over time, increases or decreases in the Streetcar's net assets are one indicator of whether its financial health is improving or deteriorating. However, you will also need to consider other non-financial factors such as changes in economic conditions, the tourism industry, surrounding area population growth, regulation and new or changed government legislation.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)

Management's Discussion and Analysis (continued)
(Unaudited)

September 30, 2011

Net Assets

To begin our analysis, a summary of the Streetcar's statement of net assets is presented in Table A-1.

TABLE A-I
Summary Statements of Net Assets

| | <u>2011</u> | <u>2010</u> | <u>Dollar Change</u> | <u>Percent Change</u> |
|------------------------|------------------|-------------------|--------------------------|---------------------------|
| Current assets | \$ 205,564 | \$ 719,703 | (\$514,139) | (71.4)% |
| Current liabilities | 162,330 | 182,847 | (20,517) | (11.2)% |
| Net asset unrestricted | <u>\$ 43,234</u> | <u>\$ 536,856</u> | <u>(\$493,622)</u> | <u>(91.9)%</u> |

Total net assets continued to decrease by \$493,622 to a net asset total of \$43,234. Operations realized a \$1,860,762 loss and non-operating activities netted revenues of \$1,367,140. These results followed the same trend as in 2010, when net assets decreased by \$584,921 to a net asset total of \$536,856.

Net assets "unrestricted" are \$43,234. Consistent with prior year and with public transportation trends, operating expenses exceeded operating revenues, and this trend is budgeted to continue in FY 2012, when the City of Tampa (the City) will be required to contribute \$79,428 from the Endowment Fund.

Capital Assets

The Streetcar does not own any capital assets. All of the capital assets used in the Streetcar operation are owned either by Hillsborough Area Regional Transit Authority (HART) or the City of Tampa (City).

Debt Administration

The Streetcar has no non-current liabilities.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)

Management's Discussion and Analysis (continued)
(Unaudited)

September 30, 2011

TABLE A-2
Condensed Statement of Revenues, Expenses, and Changes in Net Assets

| | 2011 | 2010 |
|------------------------|--------------|-------------|
| Operating revenues | \$ 635,364 | \$ 637,915 |
| Operating expenses | 2,496,126 | 2,493,505 |
| Operating loss | (1,860,762) | (1,855,590) |
| Non-operating revenues | 1,367,140 | 1,270,669 |
| Change in net assets | (493,622) | (584,921) |
| Beginning net assets | 536,856 | 1,121,777 |
| Ending net assets | \$ 43,234 | \$ 536,856 |

Operating Revenues

Ridership and related farebox revenues reflect the Streetcar's customer base in fiscal 2011. The average fare paid was \$1.62, which translates to 366,808 riders in 2011. During fiscal 2010, the average fare paid was \$1.40, which translated to 407,011 riders. Operating revenues also include an additional \$2,000 collected from the leasing of cars for special events and \$13,451 for amortization of naming rights to revenue during 2011. During fiscal 2010, operating revenues included an additional \$23,577 collected from the leasing of cars for special events and \$28,451 for amortization of naming rights. Lower ridership in 2011 is a direct result of fewer special events in Downtown Tampa. Naming rights payments received in prior years, which will be recognized as revenue in future periods, total \$86,520.

Operating Expenses

The Streetcar's most significant operating expense is reimbursement to HART for the cost of operating the Streetcar system. HART currently has 24 full time employees dedicated to operating the system. Expenses incurred to HART totaled \$2,036,233 in 2011 as compared to \$2,004,749 in fiscal 2010. Other significant expenses during 2011 and 2010 were \$405,446 and \$406,403, respectively, for insurance related to the CSX railroad crossing.

Non-Operating Revenues

In 2009, the Board transferred its endowment funds to the City to invest in the City's pooled cash account. Investment earnings in 2011 were \$11,159, as opposed to \$30,000 in 2010. The decrease is attributed to a lower cash balance resulting from the continued operating loss.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)

Management's Discussion and Analysis (continued)
(Unaudited)

September 30, 2011

Non ad valorem tax assessments decreased from \$503,475 in 2010 to \$455,981 in 2011 as a result of lower property values. They were offset by incremental tax revenue received by the Streetcar from the City's Community Redevelopment Agency, which increased from \$300,000 in the prior year to \$450,000 in the current year, resulting in total non ad valorem assessments revenue of \$905,981 in 2011 compared to \$803,000 in 2010.

Local government revenue consists of a \$200,000 State Block Operating Assistance grant passed through HART, \$100,000 in Federal Transit Authority grant funds passed through HART, \$150,000 from the Tampa Port Authority, and the \$450,000 contribution from the City Community Redevelopment Agency mentioned above.

Fiscal 2012 Outlook

Ridership is budgeted to increase slightly in 2012 over that experienced in 2011. The fare in 2012 will continue at \$2.50 which was increased from \$2.00 beginning October 1, 2008. Operating expenses are budgeted to decrease slightly in 2012. In addition, the Streetcar is anticipating the receipt of \$750,000 in grants and contributions as follows: \$200,000 State Block Operating Assistance Grant passed through HART, \$100,000 in Federal Transit Authority grant funds passed through HART, and \$450,000 from the City Community Redevelopment Agency.

Consistent with the Operating Agreement, the City is responsible for any operating deficit of the Streetcar.

Requests for Information

This financial report is designed to provide a general overview of the Tampa Historic Streetcar, Inc.'s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Chief Accountant, City of Tampa, 306 E. Jackson St., 8N, Tampa, FL 33602.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Statement of Net Assets
September 30, 2011

ASSETS

Current assets:

| | |
|---------------------------|----------------|
| Cash and cash equivalents | \$ 160,039 |
| Prepays and other assets | <u>45,525</u> |
| Total assets | <u>205,564</u> |

LIABILITIES

Current liabilities:

| | |
|-------------------|----------------|
| Accounts payable | 75,810 |
| Unearned revenue | <u>86,520</u> |
| Total liabilities | <u>162,330</u> |

NET ASSETS

| | |
|------------------|------------------|
| Unrestricted | <u>43,234</u> |
| Total net assets | <u>\$ 43,234</u> |

The notes to the financial statements are an integral part of this statement.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Statement of Revenues, Expenses, and
Changes in Net Assets
For the fiscal year ended September 30, 2011

| | |
|--------------------------------------|-------------------------|
| Operating revenues: | |
| Charges for sales and services | <u>\$ 635,364</u> |
| Operating expenses: | |
| Contract services | 2,477,502 |
| Other services and charges | <u>18,624</u> |
| Total operating expenses | <u>2,496,126</u> |
| Operating loss | <u>(1,860,762)</u> |
| Nonoperating revenues: | |
| Interest income | 11,159 |
| Non ad valorem assessments | 905,981 |
| Local government | <u>450,000</u> |
| Total nonoperating revenues | <u>1,367,140</u> |
| Change in net assets | <u>(493,622)</u> |
| Total net assets - beginning of year | <u>536,856</u> |
| Total net assets - ending of year | <u><u>\$ 43,234</u></u> |

The notes to the financial statements are an integral part of this statement.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Statement of Cash Flows
For the fiscal year ended September 30, 2011

| | |
|---|-----------------------|
| Cash flows from operating activities: | |
| Receipts from customers and users | \$ 622,613 |
| Payments to suppliers | <u>(2,502,790)</u> |
| Net cash used by operating activities | <u>(1,880,177)</u> |
| | |
| Cash flows from noncapital financing activities: | |
| Non ad valorem assessments received | 905,981 |
| Nonoperating grants received | <u>450,000</u> |
| Net cash provided by noncapital financing activities | <u>1,355,981</u> |
| | |
| Cash flows from investing activities: | |
| Interest on investments | <u>11,159</u> |
| Net cash provided by investing activities | <u>11,159</u> |
| | |
| Net decrease in cash and cash equivalents | (513,037) |
| | |
| Beginning cash and cash equivalents | <u>673,076</u> |
| Ending cash and cash equivalents | <u>\$ 160,039</u> |
| | |
| Reconciliation of operating loss to net cash used by operating activities: | |
| Operating loss | <u>\$ (1,860,762)</u> |
| | |
| Adjustments to reconcile operating loss to net cash used by operating activities: | |
| Changes in assets and liabilities: | |
| Decrease in prepaids and other assets | 401 |
| Decrease in accounts receivable | 700 |
| Decrease in accounts payable | (7,065) |
| Decrease in unearned revenues | <u>(13,451)</u> |
| Total adjustments | <u>(19,415)</u> |
| Net cash used by operating activities | <u>\$ (1,880,177)</u> |

The notes to the financial statements are an integral part of this statement.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)

Notes to Financial Statements

September 30, 2011

1. Organization

Tampa Historic Streetcar, Inc. (the Streetcar) was incorporated November 20, 1998, in the State of Florida, as a not-for-profit organization. The City of Tampa (the City) completed construction of an electric streetcar rail line and in conjunction with the Hillsborough Area Regional Transit Authority (HART) and the Streetcar, signed an Operation Agreement in April 2002. It was renewed on October 1, 2011 for a period of five (5) years. Operation of the Streetcar began in October 2002. The Operation Agreement defines the rights and obligations of the City, HART, and the Streetcar. Under the Operation Agreement, after the City has approved the Streetcar's annual budget, the City is responsible for reimbursing the Streetcar for any deficiency of revenues and support received over expenses incurred, if the expenses were included in the annual budget approved by the City. During the year ended September 30, 2011 the City made no contributions to fund the Streetcar operations. The City approved the Streetcar's annual plan for the year ending September 30, 2011.

The Streetcar is reported as a discretely presented component unit in the City's basic financial statements. As such, the Streetcar's financial statements are presented in accordance with the provisions of the Governmental Accounting Standards Board (GASB) as an enterprise fund, as they are considered a special purpose government engaged solely in business-type activities.

The Streetcar's mission is to provide a 2.7 mile light rail transportation system from the Tampa Convention Center through the Channelside district to Ybor City, thereby reducing traffic congestion and encouraging economic development in the area.

2. Significant Accounting Policies

Basis of Accounting

The financial statements of the Streetcar are accounted for using *the flow of economic resources measurement focus*, and the accrual basis of accounting is used, whereby revenues are recognized when earned and expenses are recognized when incurred. The accounting and reporting policies of the Streetcar conform to the accounting rules prescribed by GASB. The Streetcar has elected under GASB Statement No. 20, Paragraph 7, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to apply all applicable Financial Accounting Standards Board (FASB) Statements and Interpretations issued after November 30, 1989.

The Streetcar follows the provisions of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis -for State and Local Governments* (Statement 34), GASB Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis -for State and Local Governments: Omnibus* (Statement 37), and GASB Statement No. 38, *Certain Financial Statement Note Disclosures* (Statement 38). Statement 34 establishes standards for external financial reporting for all state and local governmental entities, which includes a statement of net assets, a statement of changes in net assets and a statement of cash flows. In the statement of revenues, expenses, and changes in net assets, revenues and expenses are distinguished between operating and non-operating items. Operating revenues and expenses generally result from providing services in connection with the Streetcar's ongoing operations. Operating expenses include the costs of providing services, including operation and maintenance. All revenues and expenses not meeting

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)

Notes to Financial Statements (continued)

September 30, 2011

this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the Streetcar's policy to use restricted resources first, then unrestricted resources as they are needed. Statement 34 also requires the classification of net assets into three components – invested in capital assets, net of related debt; restricted; and unrestricted. The Streetcar has no capital assets, restricted net assets, or debt. The relevant classifications are defined as follows:

Invested in capital assets, net of related debt - This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of investment in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds. The Streetcar has no capital assets or related debt and therefore, no net assets invested in capital assets, net of related debt.

Restricted -This component of net assets consists of constraints placed on net asset use through external factors imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments. The Streetcar has no restricted net assets.

Unrestricted net assets - This component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Cash and Cash Equivalents

Cash and cash equivalents represent cash held in the City's pooled cash account and are considered available for immediate usage. For purposes of the statement of cash flows, the Streetcar considers all highly liquid debt instruments with original maturities of three months or less, if any, to be cash equivalents.

Capital Assets

The Streetcar owns no capital assets; all capital assets used in the Streetcar operations are owned either by the City or HART.

Contributions and Grants

Unrestricted contributions are recognized within unrestricted net assets at fair value when received. Grant revenues are recognized when all eligibility requirements have been met.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)

Notes to Financial Statements (continued)

September 30, 2011

Tax Status

The Streetcar has received a favorable determination letter from the Internal Revenue Service, and is exempt from federal income taxes under Internal Revenue Code (IRC) Section 501 (a) as an organization described in Section 501(c)(3).

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Investments

By agreement, the Streetcar transferred its funds to the City to invest in the City's pooled cash account. The custodial agreement between the Streetcar and the City allows the relationship to be canceled on thirty (30) days notice, so while the Streetcar participates in the City's pooled cash account, the funds are considered liquid and have therefore been classified as cash and cash equivalents on the financial statements.

As of September 30, 2011, the Streetcar's portion of the City's pooled cash was as follows:

| <u>Investment Type</u> | <u>Amount</u> | <u>Weighted-Average Maturity</u> |
|--|-------------------|--------------------------------------|
| U.S. Treasuries | \$ 160,039 | 2.10 years |
| Investments not subject to risk disclosures: | 0 | |
| Cash and cash equivalents | | N/A |
| Total investments | <u>\$ 160,039</u> | |

All investments are reported at fair value.

Interest earned from investments purchased with pooled cash is allocated to the Streetcar based on the Streetcar's average equity balance. Total interest earned for the year ending September 30, 2011 was \$11,159.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)

Notes to Financial Statements (continued)

September 30, 2011

Interest Rate Risk

The City's investment policy limits investment maturities to a maximum of five years with no limits on amounts with respect to maturity. The weighted average maturity of the City's investment portfolio at year end was 3.10 years. As a result the Streetcar is exposed to risk of fair value losses arising from increasing interest rates.

Credit Risk

The City's investment policy limits investments to United States Treasury securities and certificates of deposits provided by qualified public depositories.

Concentration of Credit Risk

The City's investment policy limits the amount that is permitted in a single institution to 20 percent of the total portfolio.

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that, in the event of a bank failure, the Streetcar's deposits will not be returned to it. The City's investment policy requires that time deposit investments be made only with banking institutions that are members of the State of Florida collateral pool. Florida Statutes authorize, and the State administers, a collateral pool that ensures no loss of public funds.

4. Prepaid and other assets

Prepaid items balances consist of \$45,525 in insurance premiums.

5. Assets used in the Streetcar Operations

The City has \$21,414,710 recorded for the value of assets related to the installation of the Streetcar line. HART has \$52,897,482 recorded for its investment in Streetcar assets.

6. Accounts Payable and Accrued Expenses

Accounts payable in the amount of \$75,811 consisting of \$75,291 due to HART based on the operation agreement, and the balance of \$520 for legal services.

7. Deferred Revenue

Deferred revenue represents \$86,520 received in advance on various naming right agreements which are recognized over a period of 10 to 30 years depending on the terms of the agreements. Revenue is recognized in the statement of revenues, expenses and changes in net assets over the life of the agreement as a component of charges for sales and services.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)

Notes to Financial Statements (continued)

September 30, 2011

8. Lease Revenue

Operating revenues include \$2,000 collected from the leasing of cars to third parties for special events. The arrangements associated with these leases are designed for a short term (i.e., one to two days) and are typically paid in full at the lease commencement date. Any amounts paid prior to the lease commencement date are reflected as liabilities. As of September 30, 2011, no liabilities related to these leasing arrangements existed.

9. Risk Management

Liabilities of the Streetcar are reported when it is probable that a loss has occurred and the amount of the loss can be estimated. The Streetcar has purchased five commercial insurance policies which provide \$100,000,000 of general liability coverage for CSX should an accident occur at the location where the streetcar line and the CSX line intersect.

10. Related Party Disclosures

The Streetcar has a five (5) year operating agreement with HART that expired on September 30, 2011. It was renewed on October 1, 2011 for another five year term.

The amount of the contract represents approximately 82% of the Streetcar's expenses, however only 33% of the Streetcar's Board of Trustees is appointed by HART. The Streetcar Board of Trustees consists of six City appointees and three HART appointees. In accordance with the terms of the Operating Agreement, the City is responsible for any operating deficit of the Streetcar.



**MOORE STEPHENS
LOVELACE, P.A.**
CERTIFIED PUBLIC ACCOUNTANTS

February 13, 2012

To the Board of Trustees
Tampa Historic Streetcar, Inc.
Tampa, Florida

We have audited the basic financial statements of the Tampa Historic Streetcar, Inc. (the "Streetcar"), a component unit of the City of Tampa as of and for the year ended September 30, 2011, and have issued our report thereon, dated February 13, 2012. The basic financial statements include the Statement of Net Assets; Statement of Revenues, Expenses, and Changes in Net Assets; Statement of Cash Flows; and Notes to the Financial Statements. Professional standards require that we provide you with the following information related to our audit.

**OUR RESPONSIBILITY UNDER U.S. GENERALLY ACCEPTED AUDITING STANDARDS AND
GOVERNMENT AUDITING STANDARDS**

As stated in our engagement letter dated August 31, 2011 our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the Streetcar. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Streetcar's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

PLANNED SCOPE AND TIMING OF THE AUDIT

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter dated August 31, 2011.

SIGNIFICANT AUDIT FINDINGS

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Streetcar are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2011. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The significant estimate affecting the Streetcar's financial statements is accounts payable.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The following disclosures are considered significant: Note 3 – Investments; Note 9 – Risk Management; and Note 10 – Related Party Disclosures.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

We encountered no significant difficulties in dealing with management in performing and completing our audit.

CORRECTED AND UNCORRECTED MISSTATEMENTS

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no corrected (made) or uncorrected (not made) journal entries noted during the performance of our audit.

DISAGREEMENTS WITH MANAGEMENT

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

MANAGEMENT REPRESENTATIONS

We have requested certain representations from management that are included in the management representation letter dated February 13, 2012.

MANAGEMENT CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

To the Board of Trustees
Tampa Historic Streetcar, Inc.
February 13, 2012
Page 3

OTHER AUDIT FINDINGS OR ISSUES

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. We wish to bring two findings to your attention, which came to light during the course of our audit:

Internal Audit Report on the Streetcar

There was an internal audit on the Streetcar completed by the City of Tampa Internal Audit Department but not released to the public as of the date of our audit report that disclosed several findings. We recommend that management review this report and address all findings based upon an appropriate cost-benefit analysis.

City of Tampa Internal Control Report

During the fiscal year 2011 City of Tampa audit, the City's external auditors are expected to have findings related to internal controls over financial accounting and reporting. Because the City of Tampa is responsible for the accounting and reporting of the Streetcar, we recommended that management review the City of Tampa's audit reports and consider those findings, along with our audit reports on the Streetcar.

This information is intended solely for the use of the Board of Trustees and management of the Streetcar, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.



**MOORE STEPHENS
LOVELACE, P.A.**
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

The Board of Trustees
Tampa Historic Streetcar, Inc.

We have audited the basic financial statements of the Tampa Historic Streetcar, Inc. (the "Streetcar") as of and for the year ended September 30, 2011, and have issued our report thereon dated February 13, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the Streetcar is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Streetcar's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements but not for the purpose of expressing an opinion on the effectiveness of the Streetcar's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Streetcar's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

The Board of Trustees
Tampa Historic Streetcar, Inc.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Streetcar's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to the Streetcar's management, in a separate letter dated February 13, 2012.

This report is intended solely for the information and use of management, the Board of Trustees, others within the entity, federal and state awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
February 13, 2012