

City of Tampa Recommended Annual Budget for Fiscal Year 2012



Bob Buckhorn
Mayor

OVERVIEW

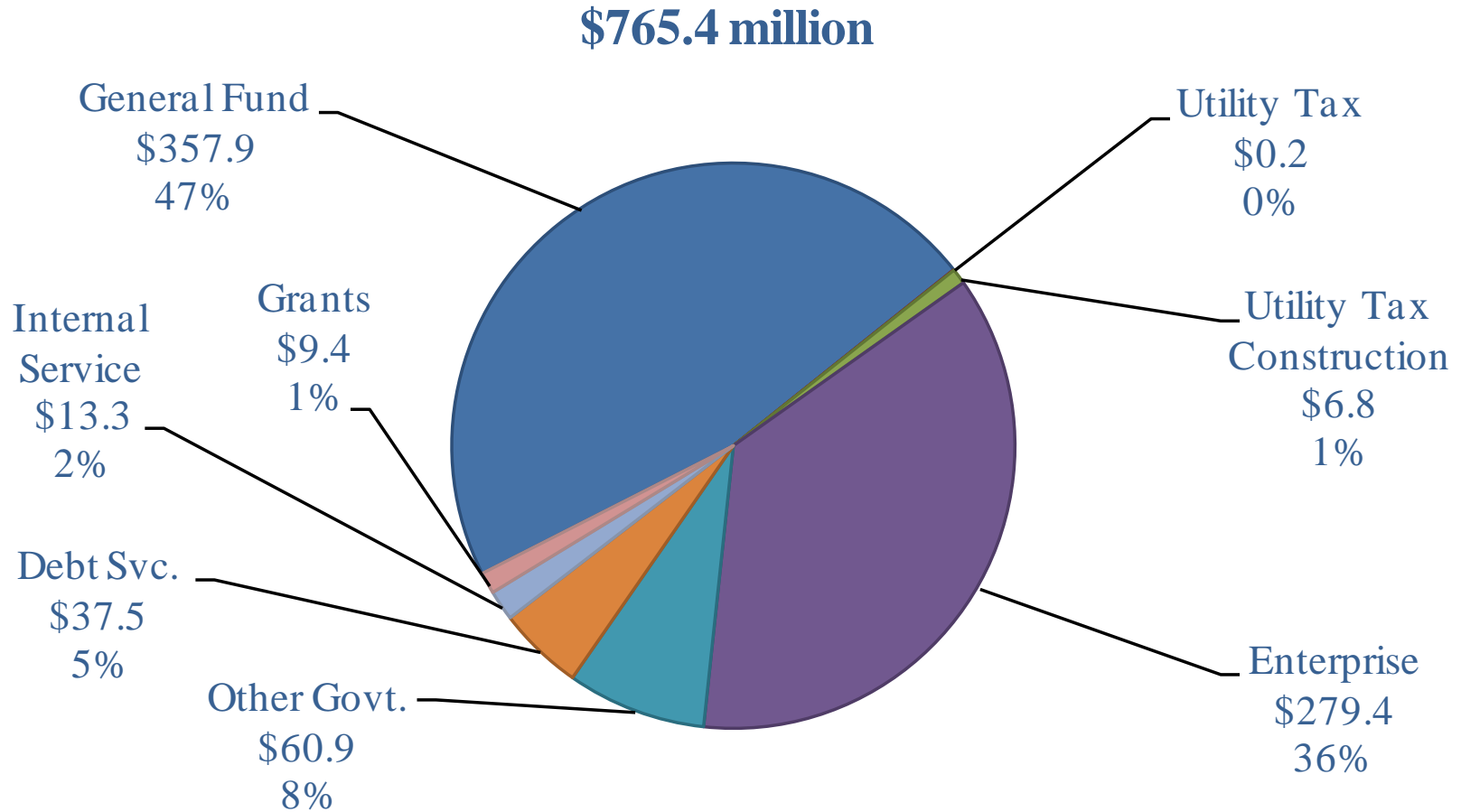
- PROPOSED FY2012 BUDGET
- WHERE WE STARTED
- STEPS TAKEN
- PROPERTY TAXES
- INVESTING IN NEIGHBORHOODS
- BOND RATINGS
- OPPORTUNITIES FOR THE FUTURE
- BUDGET CALENDAR

A \$34.7 MILLION DECREASE

The FY2012 total budget is \$765.4 million:

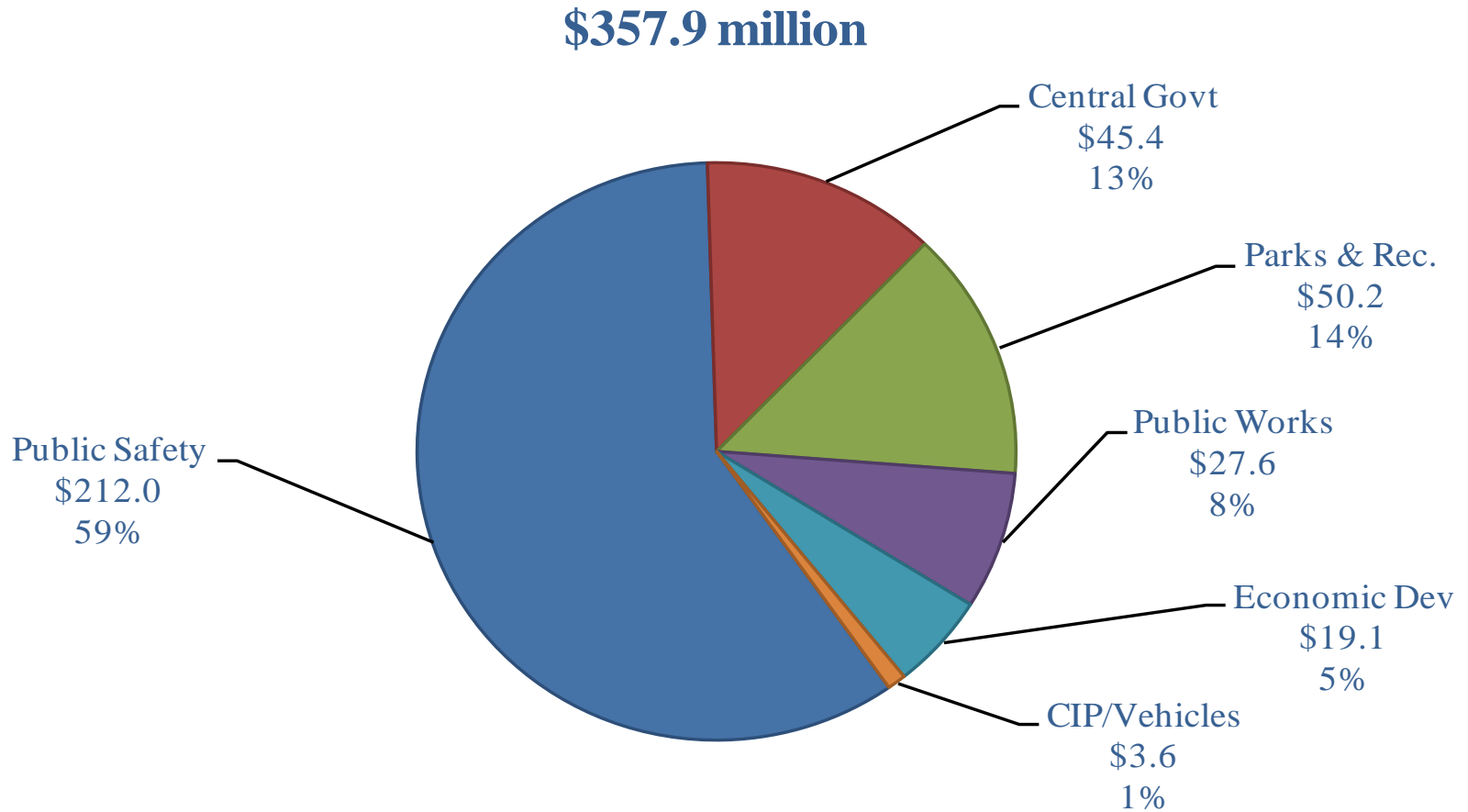
- Total budget decreases \$34.7 million from the FY2011 level of \$800.1 million
- Decreases primarily due to:
 - changes in the way the City does business
 - reduced number of capital improvement projects

PROPOSED FY2012 BUDGET ALL FUNDS



A \$34.7 million decrease from FY11

PROPOSED FY2012 BUDGET GENERAL FUND EXPENDITURES



PROPOSED FY2012 BUDGET GENERAL FUND REDUCTIONS

The General Fund Budget decreases \$4.8 million:

- Reduction in pension costs
- Reduction in departmental operating costs
 - less government
- Transfer of Right-of-Way and Construction Services divisions to Special Revenue Funds

WHERE WE STARTED – SHORTFALL GENERAL FUND/UTILITY TAX

Contributing factors for \$34.5 million shortfall (from FY10-FY11):

- Property Value Reductions (\$17 million)
- Expenditure Increases
 - Parking (\$ 6 million)
 - Pension (\$11 million)
 - Healthcare (\$ 1 million)

STEPS TAKEN BALANCED BUDGET

Steps taken to address the \$34.5 million shortfall:

- Decreased FY12 department budgets based on proposed reductions submitted including: \$ 3.0 million
 - Eliminated 21 of the 151 General Fund vacant positions (\$1.2 million)
 - Other reductions based on spending analysis (\$1.4 million)
- Certified property values were better than expected (4% reduction) \$ 1.5 million
- Implementation of intersection safety camera program \$ 2.0 million
- Raise TECO franchise fees from 4.6% to 6% \$ 7.0 million
- Step up collections for unpaid EMS and Code Enforcement liens \$ 2.0 million

STEPS TAKEN BALANCED BUDGET

(Continued)

- Continued positive trend for Tampa Convention Center \$ 2.0 million
- Utilize CIT instead of Utility Tax to fund TPD vehicles \$ 2.0 million
- Anticipated savings from FY11 \$ 9.0 million

Revised Shortfall for FY12 (\$ 6.0 million)

Fund Balance Transfer \$ 6.0 million

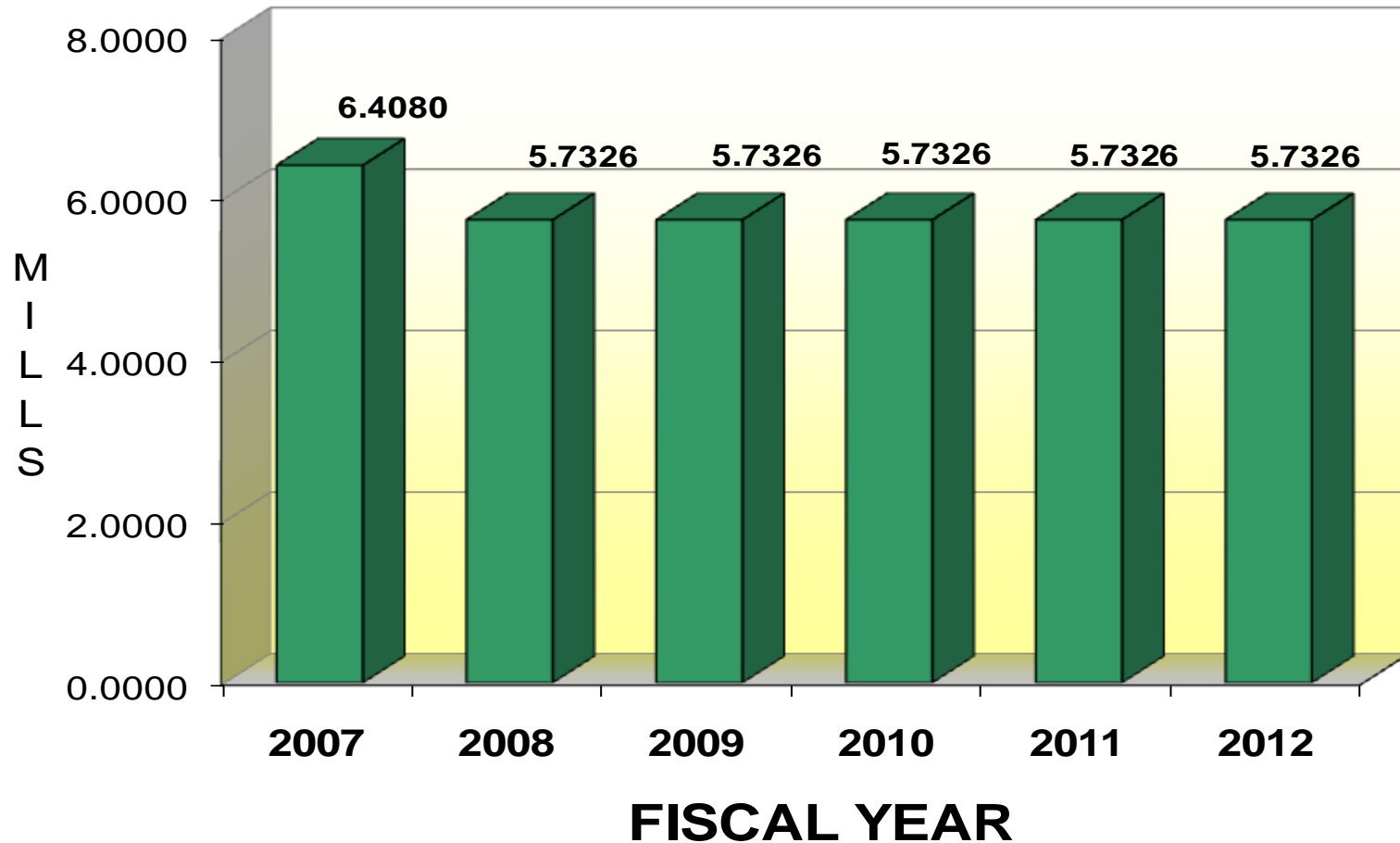
- Fund balance after transfer will be 27% (over \$102 million)

FY12 General Fund/Utility Tax Budget - Balanced -

Employee Merit/Step Raises only

- Honor existing union contracts

PROPERTY TAXES MILLAGE RATE



PROPERTY TAXES

EXAMPLE

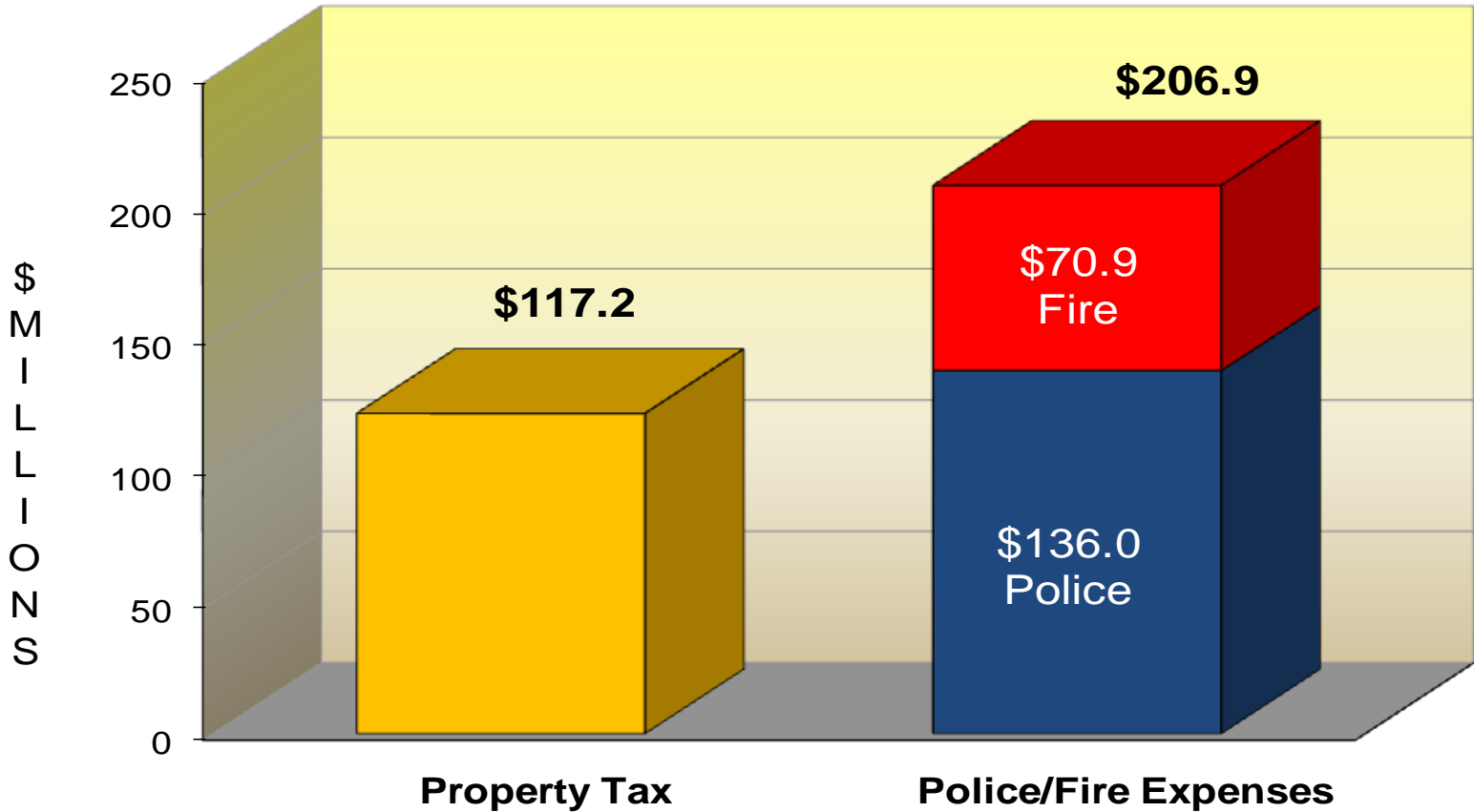
Single family average home - assessed value of \$157,000

| | FY2011 | FY2012 |
|---------------------------------------|----------------------|----------------------|
| | <u>Budget</u> | <u>Budget</u> |
| Assessed Value | \$157,000 | \$157,000 |
| Less Homestead Exemption | <u>50,000</u> | <u>50,000</u> |
| Taxable Value | 107,000 | 107,000 |
| Multiply Millage Rate (City of Tampa) | <u>5.7326</u> | <u>5.7326</u> |
| Property Tax Assessment | <u>\$ 613</u> | <u>\$ 613</u> |

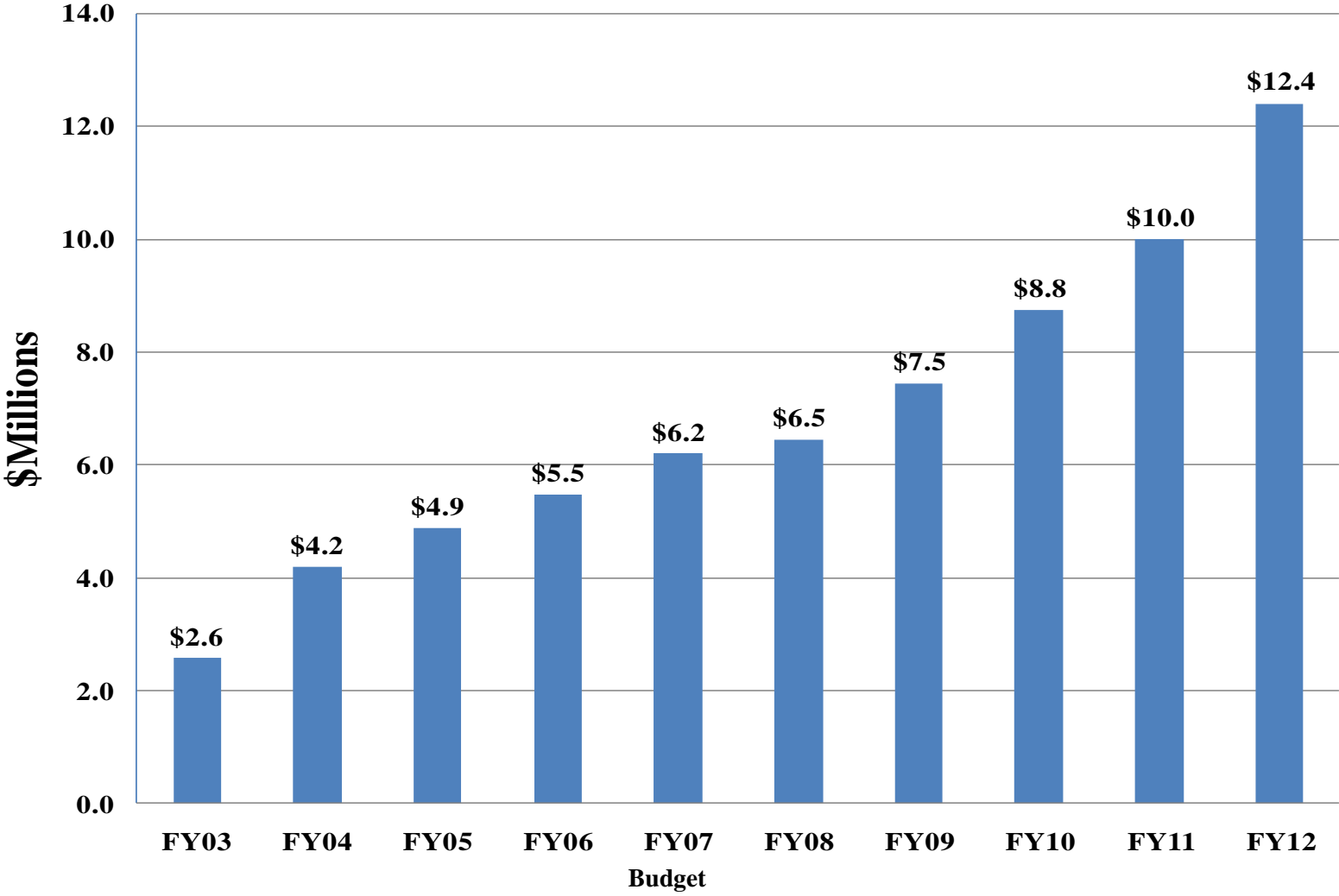
No increase for average home

PROPERTY TAXES COMPARED TO FIRE AND POLICE

General Fund



INVESTING IN NEIGHBORHOODS



INVESTING IN NEIGHBORHOODS

FY2012

| | |
|-------------------------------|----------------------|
| Aquatic Facilities | \$ 500,000 |
| Complete Streets | 750,000 |
| Neighborhood Projects | 2,000,000 |
| Perry Harvey, Sr. Park | 2,200,000 |
| Side walk Construction | 1,970,000 |
| Street Resurfacing | 5,000,000 |
| | <hr/> |
| | \$ 12,420,000 |

INVESTING IN NEIGHBORHOODS

| PROJECTS | BUDGET BOOK (Page #) |
|------------------------|-------------------------|
| Aquatic Facilities | 336 |
| Complete Streets | 348 |
| Neighborhood Projects | 337 |
| Perry Harvey, Sr. Park | 339 |
| Sidewalk Construction | 342 |
| Street Resurfacing | 342 |

BOND RATINGS

WATER / WASTEWATER

| Grade | Moody's | S&P | Fitch |
|--------------------|---------|-----|-------|
| Highest Rating | Aaa | AAA | AAA |
| High Quality | Aa1 | AA+ | AA+ |
| | Aa2 | AA | AA |
| | Aa3 | AA- | AA- |
| Upper Medium Grade | A1 | A+ | A+ |
| | A2 | A | A |
| | A3 | A- | A- |

The City has just been upgraded by Standard & Poors, reaffirmed by Moody's, and pending notification from Fitch.

POTENTIAL OPPORTUNITIES FOR FUTURE COST REDUCTIONS

- PURCHASING
- SOLID WASTE & ENVIRONMENTAL PROGRAM MANAGEMENT
- PARKING
- PARTNERSHIPS WITH OTHER MUNICIPAL AND COUNTY GOVERNMENTS

OPPORTUNITIES FOR THE FUTURE PURCHASING

JUST IN TIME (JIT) INVENTORY

- Supplies delivered as needed
- Reduction in number of bids, purchase orders, invoices and checks
- Fewer City dollars tied up in inventory
- Elimination of obsolete inventory

OPPORTUNITIES FOR THE FUTURE SOLID WASTE

- Rate Study
- Pay-As-You-Throw
 - additional fees for excess collections
- Environmental Management
- Alley Service
- Residential Recycling
- Educational
- 1 Day versus 2 Day Service
- GPS Route Management

OPPORTUNITIES FOR THE FUTURE PARKING

- Financial Advisors reviewing debt restructure options (debt paid by FY2021)
- Study of 9 Garages and 21 Surface Lots
- Reviewing financial performance of each asset
- Marketing

BUDGET CALENDAR



1st Public Hearing on Budget - September 7, 2011

2nd Public Hearing on Budget - September 21, 2011

Both meetings will be held at 5:01 p.m.
in Council Chambers

