



FY2025 Budget Presentation

Dennis Rogero

Chief Financial Officer

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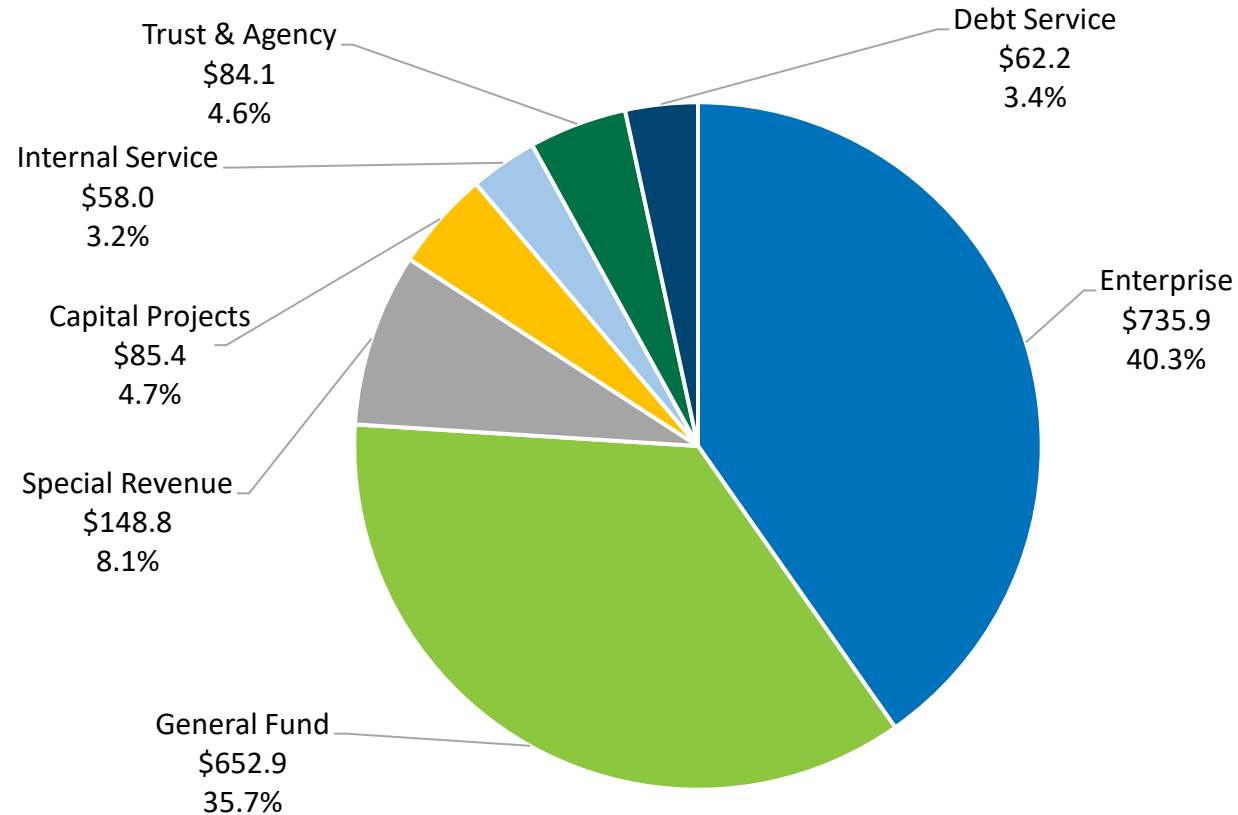
- FY2025 Recommended Operating & Capital Budget
- Capital Improvement Program
- Debt Program



FY2025 Recommended Operating & Capital Budget

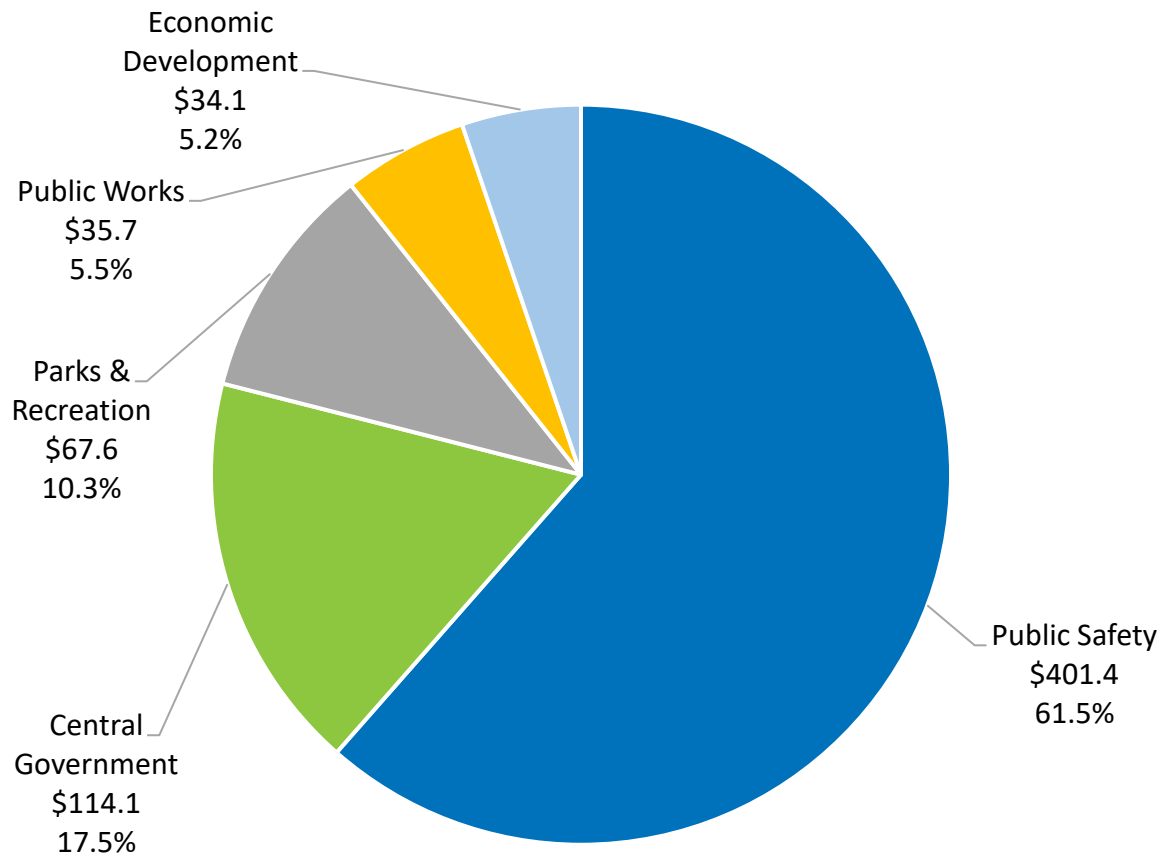
FY2025 Recommended Budget – All Funds

FY2025 Net Budget All Funds \$1,827.3 (\$Millions)

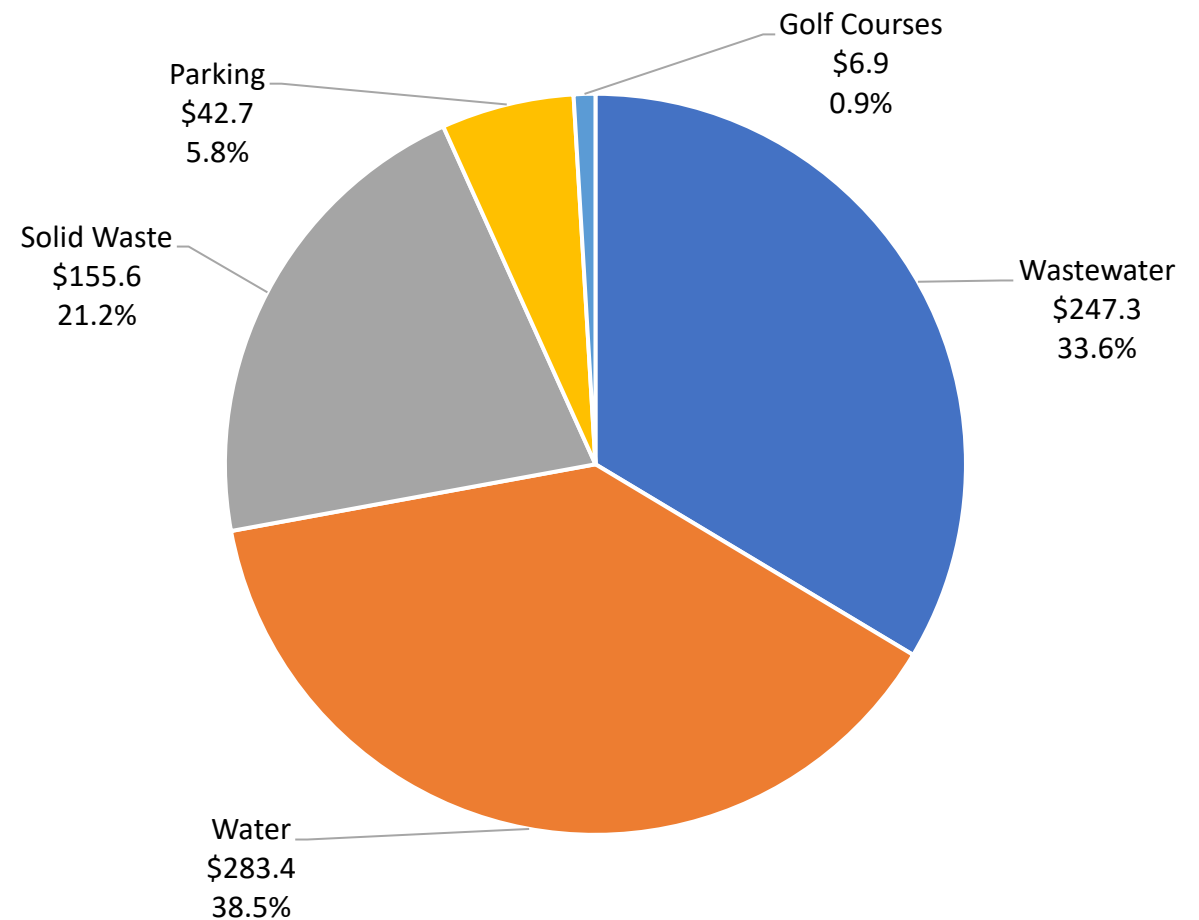


FY2025 Recommended Budget

FY2025 General Fund Expenditures \$652.9 million

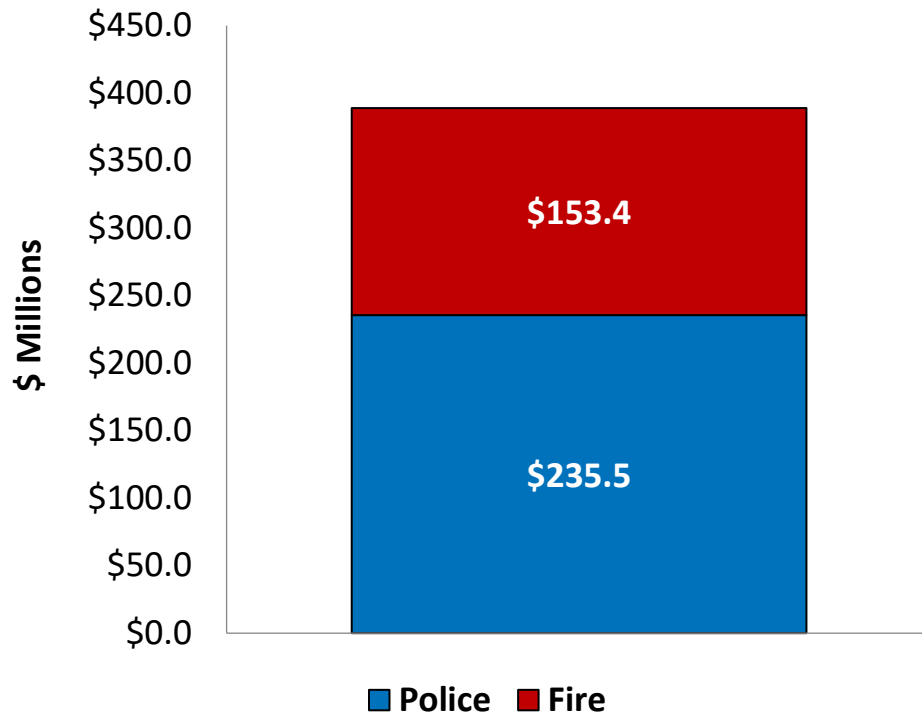


FY2025 Enterprise Fund Expenditures \$735.9 million

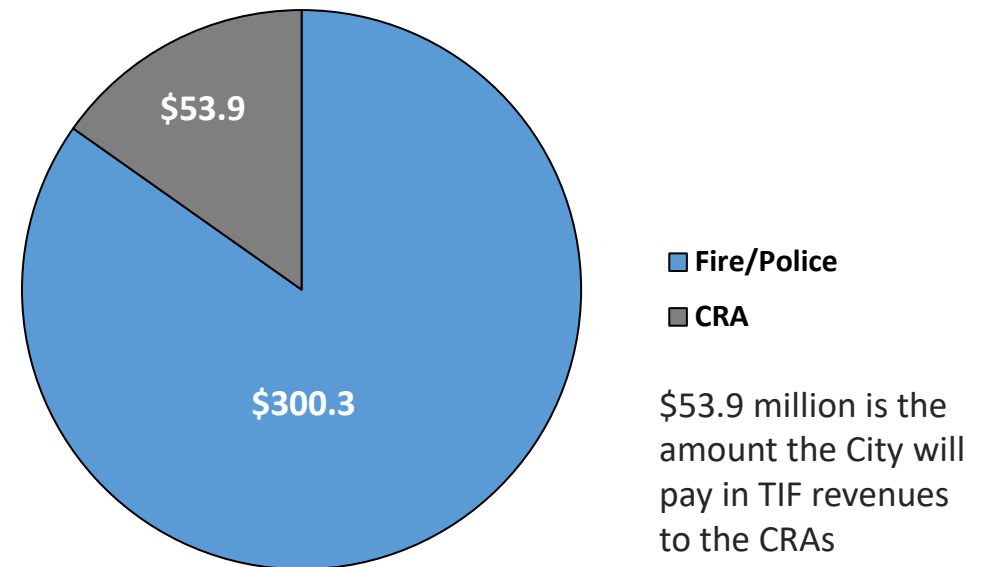


FY2025 Police, Fire, and CRA Expenditures

**Total Fire/Police Expenses
\$388.9 Million**

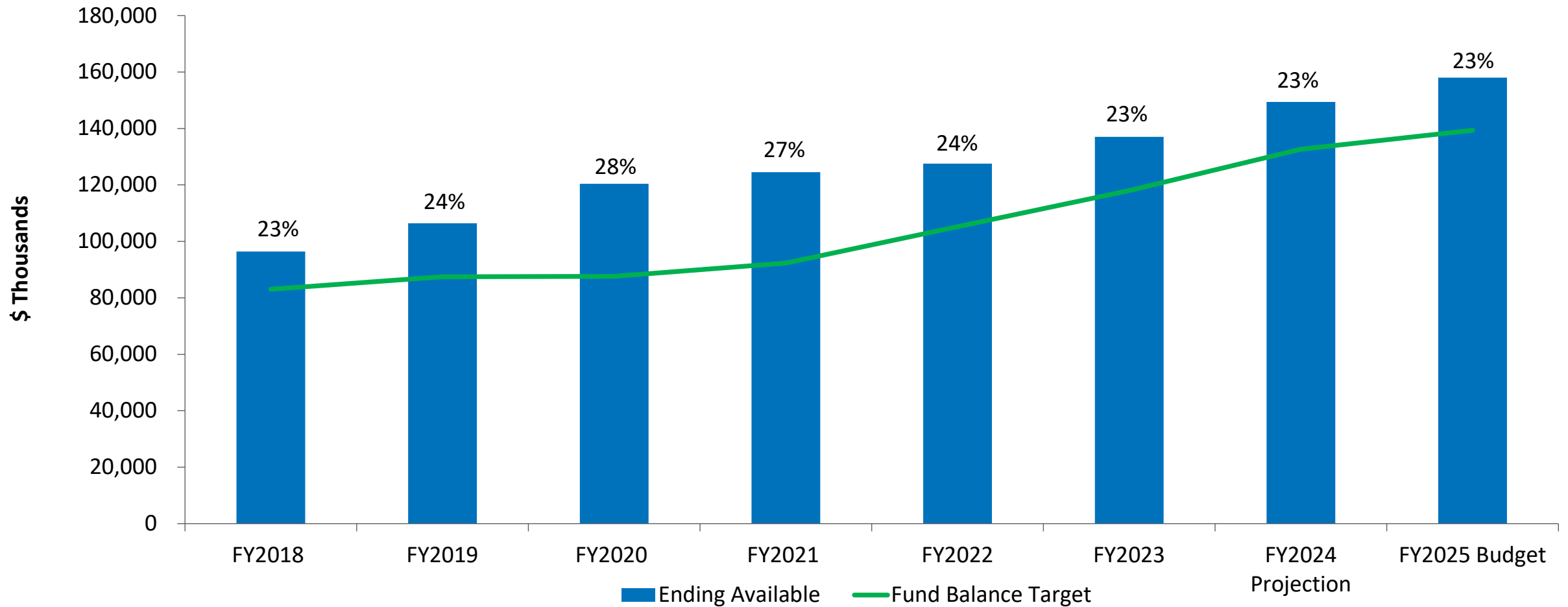


**Total Property Taxes
\$354.2 Million**



General Fund Balance

Ending Available Unassigned Fund Balance



General Fund Budget

| FY2025 Major Revenue Increases | (\$ millions) |
|--------------------------------|---------------|
| Property Taxes* | 20.3 |
| Other Taxes | 18.6 |
| Charges for Service | 3.5 |
| Miscellaneous Revenues | 15.0 |
| Total Revenue Increases | 57.4 |

*FY2025 property tax revenues were originally estimated at \$26.7 million.

General Fund Budget

| FY2025 Major Expenditure Increases | (\$ millions) |
|------------------------------------|---------------|
| Salary and Benefits | 36.5 |
| New Positions (5 FTEs) | 0.9 |
| CRA Contributions | 3.0 |
| Pay-Go Capital Project Funding | 3.0 |
| Budget Increases: | |
| Increased Costs | 10.7 |
| Increased Level of Service | 1.9 |
| New Service | 1.4 |
| Total Major Increases | 57.4 |

FY2025 Salary Adjustments

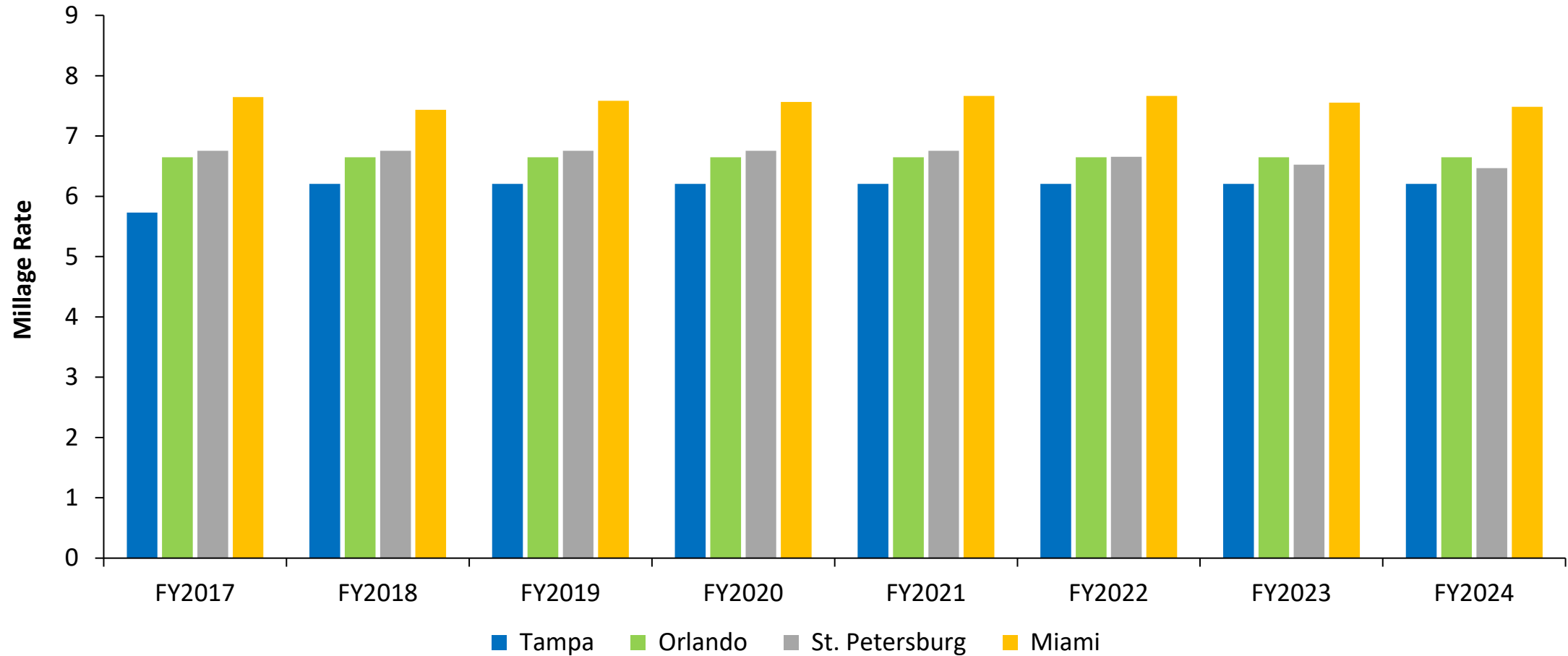
| Classifications | FY2025 Negotiated Adjustments |
|--|-------------------------------|
| Police Benevolent Association | 4.5% |
| International Association of Fire Fighters | 4.5% |
| Amalgamated Transit Union | 4.5% |
| Non-Collective Bargaining Employees | |
| Appointed Unclassified (AU) | 3.0% |
| Professionals | 3.0% |
| Supervisors | 3.0% |
| Managers | 3.0% |
| Elected Officials | 3.0% |
| Directors | Pending |
| Administrators | Pending |

City-Wide Position Summary

| | |
|----------------------------------|----------|
| | |
| FY2007 Adopted Positions | 5048 |
| FY2025 Proposed Positions | 4995 |
| Positions Reduced | (53) |
| FY2025 Positions | |
| City Attorney | 1 |
| Fleet Maintenance | 1 |
| Neighborhood & Community Affairs | 1 |
| Parks & Recreation | 3 |
| Total | 6 |

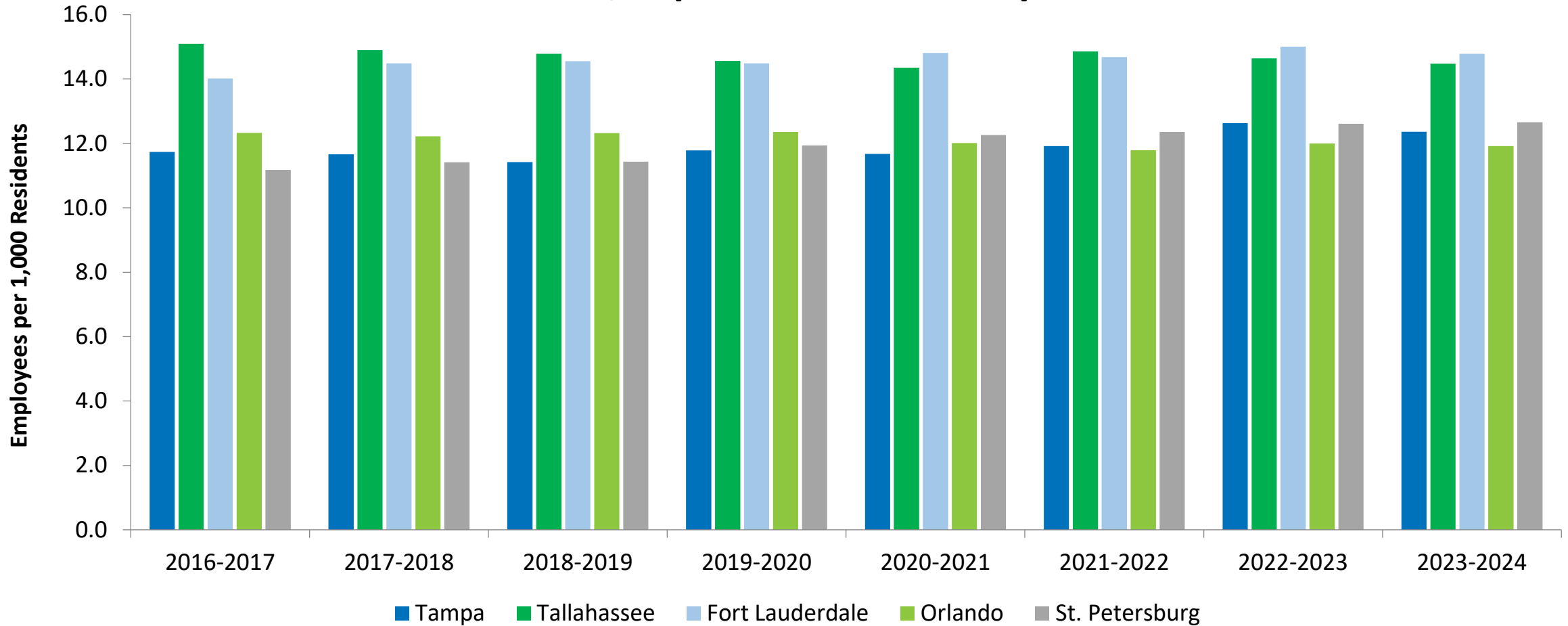
City Millage Comparisons

Millage Rate Comparison



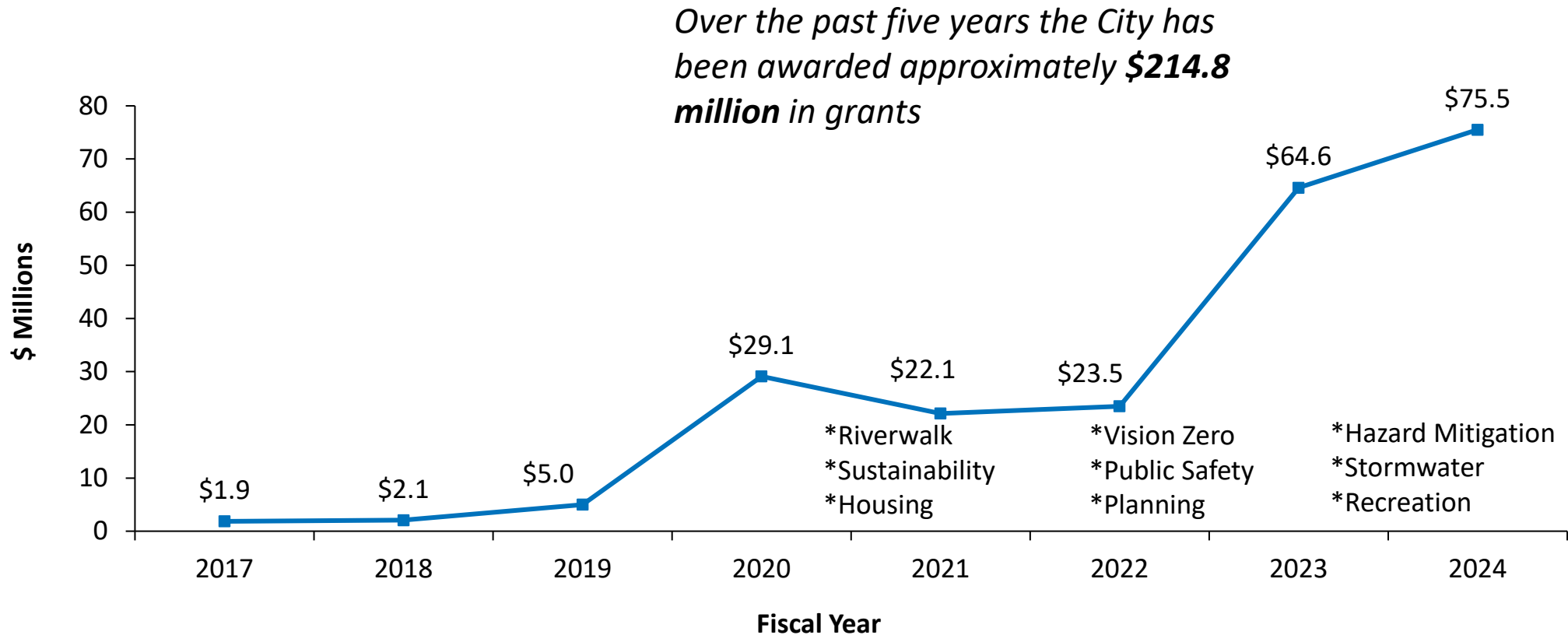
Staffing Ratio Comparison

Personnel/Population Ratio Comparison



Competitive Grant Program

Grants Awarded by Fiscal Year



Capital Improvement Program

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FY2025-FY2029 Capital Improvement Program

| | FY2025 | FY2025-FY2029 |
|--|-----------------------|-------------------------|
| Art & Cultural Affairs | \$ 10,421 | \$ 10,421 |
| Community Redevelopment Agency | 25,818,807 | 25,818,807 |
| Convention Center & Tourism | 0 | 8,730,000 |
| Facility Management | 5,475,000 | 28,942,000 |
| Fire Rescue | 400,000 | 125,655,299 |
| Infrastructure & Mobility Administration | 8,375,000 | 8,375,000 |
| Parking | 9,816,051 | 31,316,051 |
| Parks & Recreation | 7,520,132 | 28,196,132 |
| Police | 40,750,000 | 40,750,000 |
| Solid Waste | 38,476,013 | 59,876,013 |
| Stormwater | 7,310,207 | 34,810,207 |
| Technology & Innovation | 8,510,000 | 25,955,000 |
| Transportation | 13,263,507 | 60,365,457 |
| Wastewater | 114,920,927 | 458,470,927 |
| Water | 124,028,137 | 739,368,621 |
| Other Projects | 1,040,000 | 5,020,000 |
| Total | \$ 405,714,202 | \$ 1,681,659,935 |

Citywide Capital Improvement Program

Major FY2025 Projects

Comprehensive Infrastructure for Tampa's Neighborhoods: East Tampa, Forest Hills, MacFarlane Park, and Virginia Park

PIPES (Water & Wastewater)

- David L. Tippin Water Treatment Plant Improvements
- Water Mains and Distribution Line Improvements
- Howard F. Curren Advanced Wastewater Treatment Plant Master Plan
- Wastewater Fleet Facility at Port Tampa
- Wastewater Collection Projects
- Wastewater Pumping Station Improvements

Citywide Capital Improvement Program

Major FY2025 Projects

Parks & Recreation

- Athletic Field Lighting Citywide
- K-Bar Ranch Park
- Guida House Renovations
- Citywide ADA Improvements
- Various Neighborhood Parks
- Veterans Memorials Citywide

Police

- TPD Howard Avenue Annex Building

Citywide Capital Improvement Program

Major FY2025 Projects

Mobility

- Street Resurfacing
- Sidewalks Construction and Maintenance
- Vision Zero Safety Improvements Program
- Stormwater Citywide Watershed Master Plan
- South Howard Flood Relief and Streetscape
- EV Charging Stations and Infrastructure Upgrades
- Smart City Parking Guidance

Citywide Capital Improvement Program

Major FY2025 Projects

Technology & Innovation

- TFR CAD & Alerting Platforms
- Citywide Infrastructure Upgrade
- Information Technology Service Management (ITSM) Replacement
- Public Safety Communications

Solid Waste & Environmental Program Management

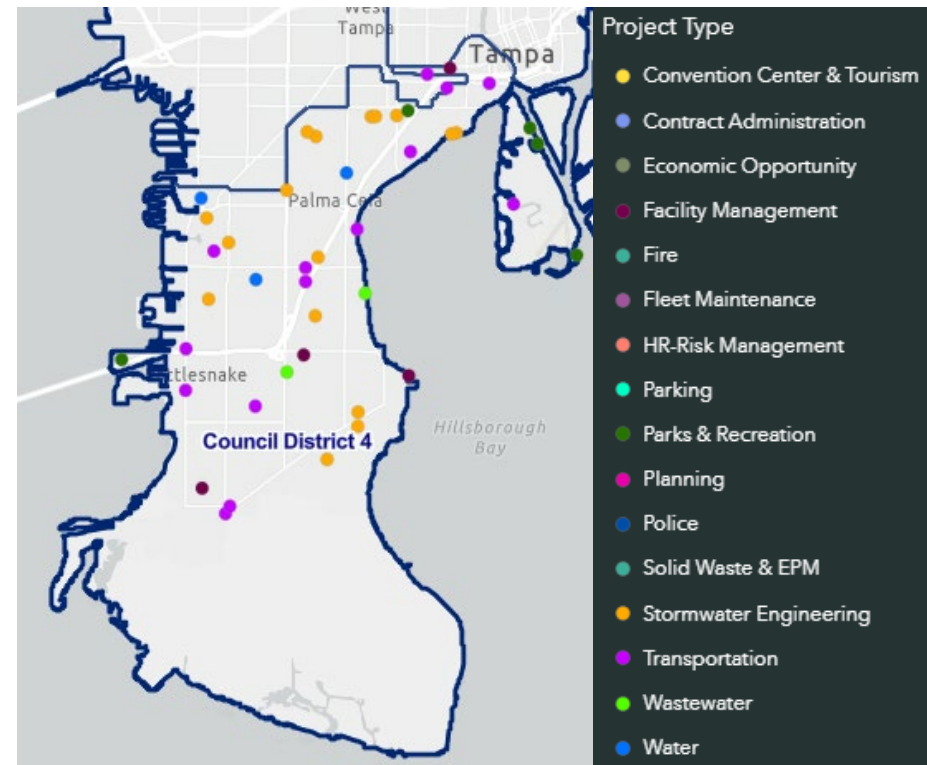
- Solid Waste Relocation to 34th Street/McKay Bay Complex
- McKay Bay Fleet Maintenance Building
- McKay Bay Waste-to-Energy Facility Improvements

District 4 Capital Improvement Program

District 4

Major ongoing projects include:

- Comprehensive Infrastructure for Tampa's Neighborhoods (Virginia Park)
- South Howard Flood Relief and Streetscape
- Stormwater Lower Peninsula Southeast Region
- Stormwater Lamb Canal Rehabilitation
- Manhattan: Vasconia Street to Obispo Street Flooding Relief
- Golfview Estates Flooding Relief
- El Prado Sidewalk from Lois Avenue to Bayshore Boulevard
- El Prado Sidewalk from Omar Avenue to Lois Avenue
- Gandy Park South and A.J. Palonis Park Improvements

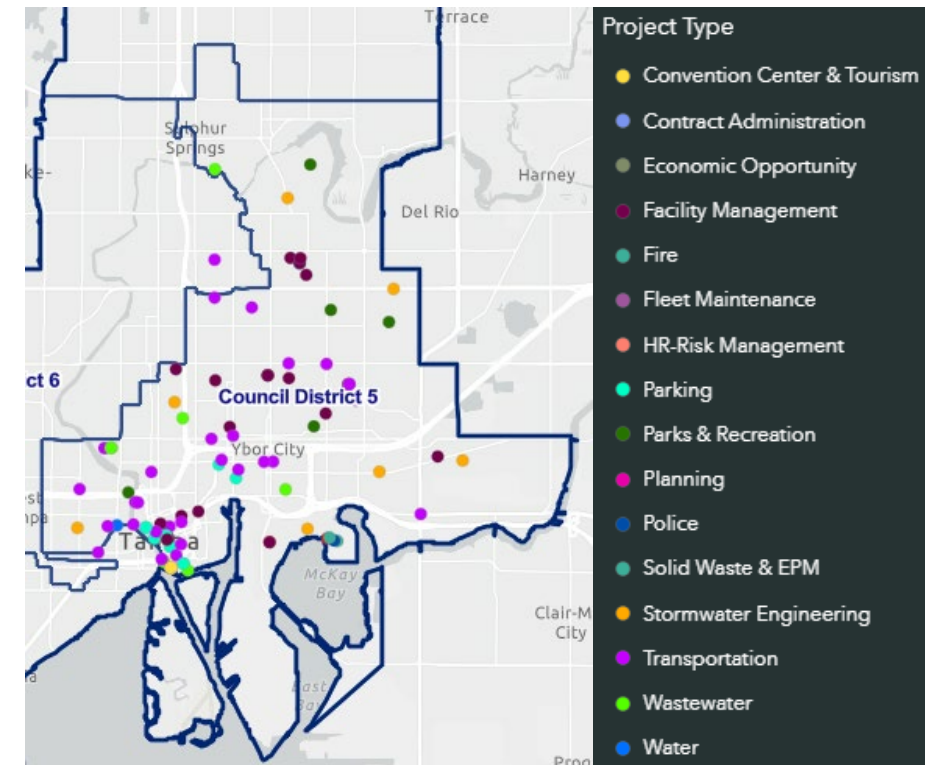


District 5 Capital Improvement Program

District 5

Major ongoing projects include:

- East Tampa Recreational Complex
- Comprehensive Infrastructure for Tampa's Neighborhoods (East Tampa)
- Tampa Multi-Modal Network and Safety Improvements – (Build Grant) (West Riverwalk)
- Fire Station No. 6 Expansion and Property Acquisition
- Public Safety Training Facilities
- Twiggs Street Complete Street
- Convention Center Upgrades

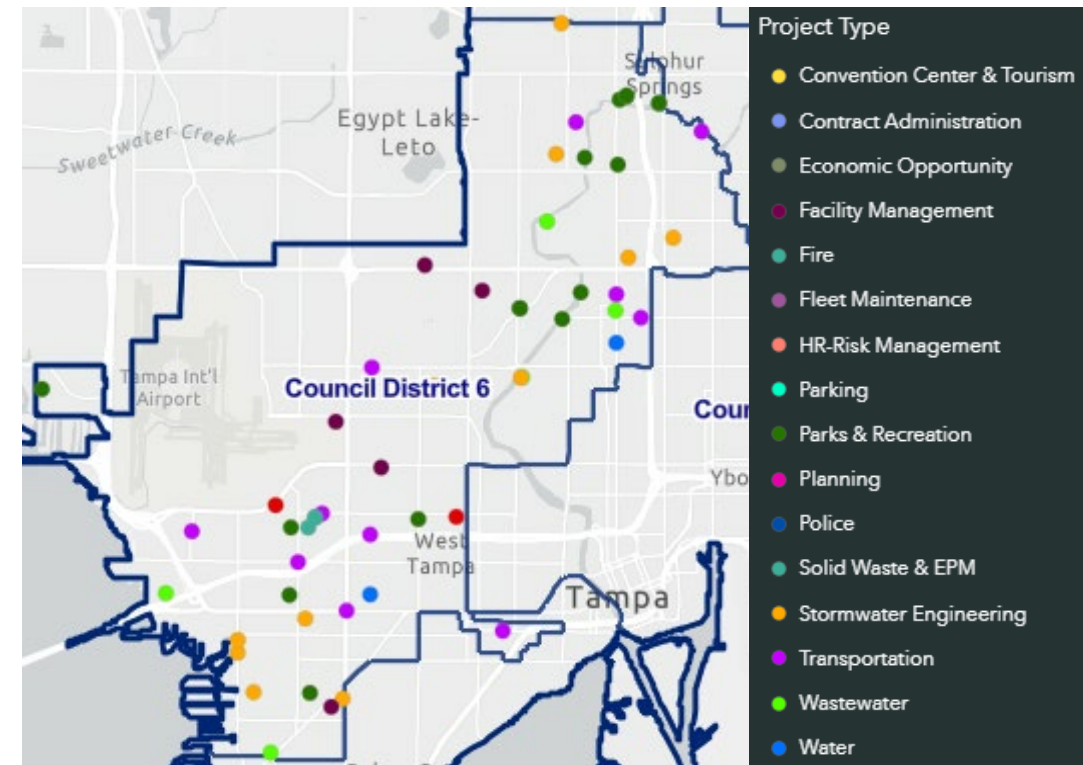


District 6 Capital Improvement Program

District 6

Major ongoing projects include:

- Comprehensive Infrastructure for Tampa's Neighborhoods (MacFarlane Park)
- Tampa Multi-Modal Network and Safety Improvements – (Build Grant) (West Riverwalk)
- TPD Howard Avenue Annex Building
- Fire Station No. 9 Renovations
- Guida House Renovations
- Sulphur Springs Park Improvements
- Sulphur Springs Pool Improvements
- Sulphur Springs Wastewater Pumping Station
- Wellswood Church

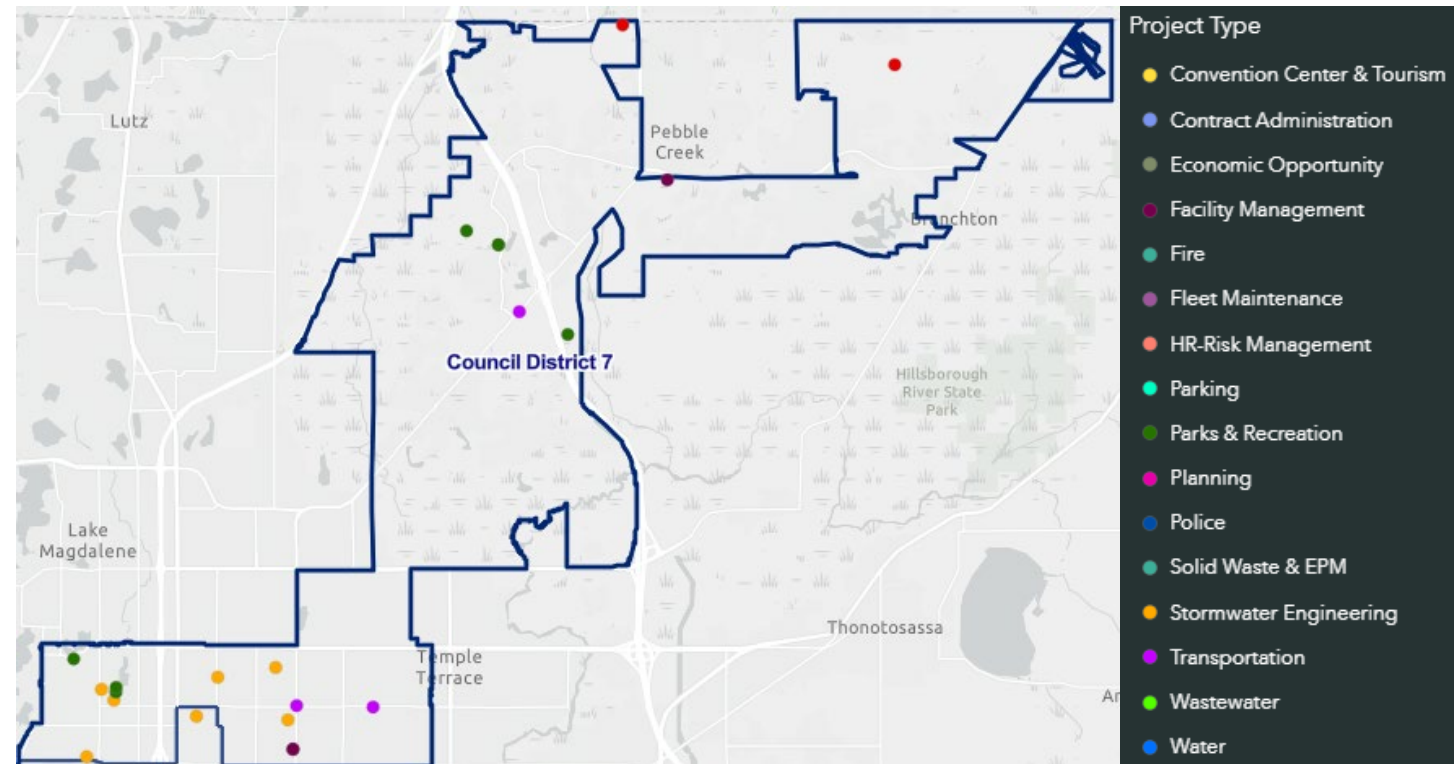


District 7 Capital Improvement Program

Major ongoing projects include:

- Comprehensive Infrastructure for Tampa's Neighborhoods (Forest Hills)
- Fire Station No. 24
- K-Bar Ranch Park
- Commerce Palms Drive and Compton Drive Traffic Signal

District 7



Debt Program

Bond Ratings

2 Credit Rating Upgrades Since 2019

| | <u>Moody's/Fitch/S&P</u> |
|------------------------------|------------------------------|
| Issuer Credit Rating | Aa1 / AA+ / AAA |
| Water and Sewer Bonds | Aaa / AAA / AAA |
| Non-Ad Valorem Revenue Bonds | Aa1 / AA / AAA |
| Stormwater Bonds | Aa2 / None / AA+ |
| Utilities Tax Revenues Bonds | Aa3 / AA+ / AA- |
| Sales Tax Revenue Bonds | Aa3 / AA / AA |

Non-Ad Valorem Debt Capacity I

- Elements used to calculate capacity
 - Revenues (historic audited revenues)
 - Required debt service coverage
 - Outstanding debt
 - Retiring of existing debt
 - Issuance of additional debt

Non-Ad Valorem Debt Capacity II

- Anti-dilution test
 - Protects existing bond holders by preventing the issuance of additional debt which the City may not afford
 - Must meet a two-prong test before issuing additional debt
 - Compliance with minimum required coverage
 - Maximum annual debt service
 - Calculated by the Financial Advisor using audited financial data
 - Existing financial market data
 - Legal test to ensure compliance

Non-Ad Valorem Anti-Dilution Test I

| 1 st Test | FY2022 | FY2023 | Average |
|--|---------------|---------------|---------------|
| Legally available Non-Ad Valorem revenues | \$331,757,977 | \$370,884,695 | \$351,321,336 |
| Maximum annual debt service (includes projected debt)* | | | \$60,426,141 |
| Minimum debt service coverage | | | 1.5x |
| Actual debt service coverage | | | 5.8x |

*Includes debt service for future debt issues

Non-Ad Valorem Anti-Dilution Test II

| 2 nd Test | FY2022 | FY2023 | Average |
|---|----------------|----------------|----------------|
| Governmental revenues | \$714,059,177 | \$873,834,385 | \$793,946,781 |
| Less | | | |
| Sales tax | (\$27,353,415) | (\$29,268,904) | (\$28,311,160) |
| Stormwater | (\$28,635,869) | (\$31,507,751) | (\$30,071,810) |
| Available governmental revenues | | | \$735,563,811 |
| | | | |
| Current maximum annual debt service | | | \$60,426,141 |
| Max percentage of revenues for debt service | | | 20% |
| Maximum annual debt service as a percentage of revenues | | | 8% |
| Maximum annual debt service: | | | |
| Available governmental revenues | | | \$735,563,811 |
| Maximum percentage of revenues for debt service | | | 20% |
| Calculated maximum allowable annual debt service | | | \$148,000,000 |

Non-Ad Valorem Debt Capacity III

- Capacity is based on:
 - Financial market conditions
 - Required debt service coverage
 - Credit rating
 - Outstanding debt:
 - Repayment of existing debt
 - Issuance of additional debt
- Calculated maximum annual debt service - \$148.0 million would support a legal debt issuance (capacity) of \$1.5 billion

Note: Issuing this amount would affect the City's credit rating

Anticipated Non-Ad Valorem Debt Program I

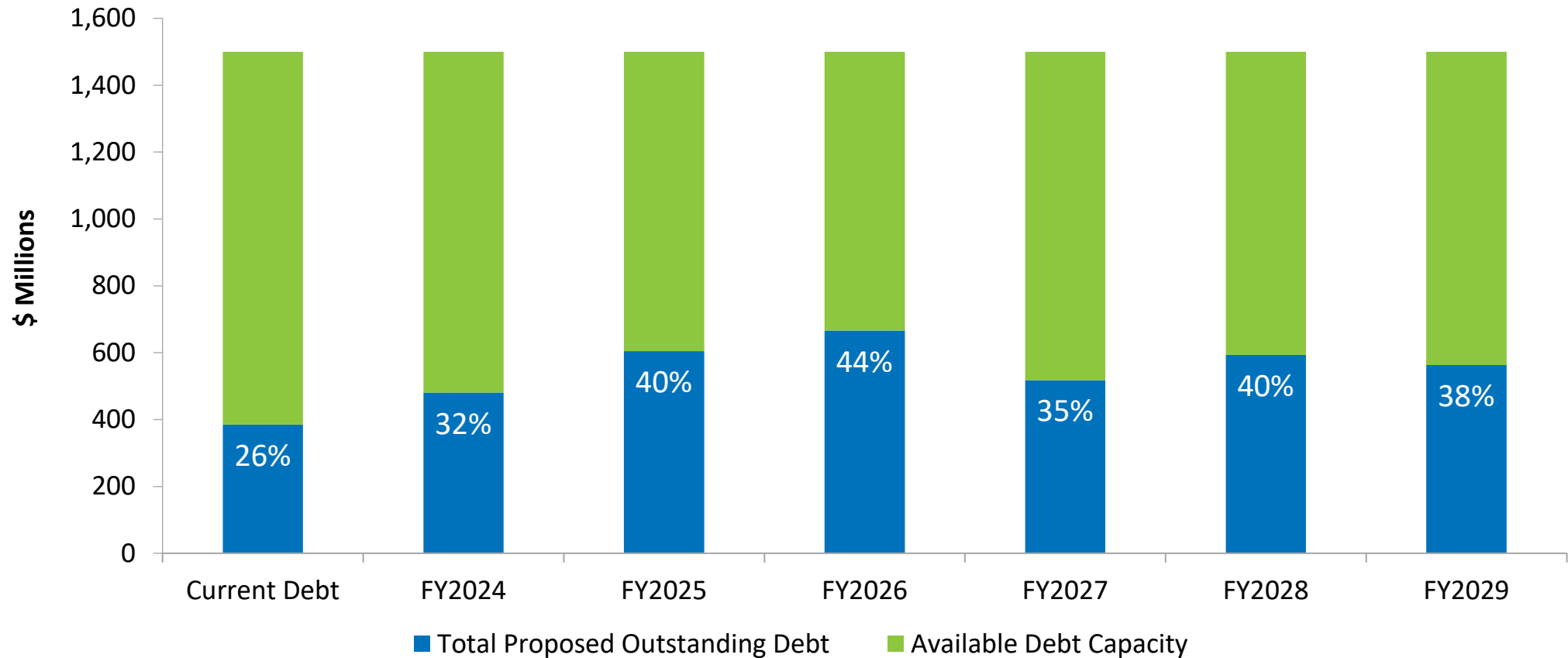
| Project/Program | FY2025 | FY2026/FY2027 | FY2028/FY2029 |
|--|--------------|---------------|---------------|
| Fire Station No. 24 | \$1,150,000 | \$20,000,000 | |
| Fire Maintenance & Supply | | \$13,900,000 | \$40,000,000 |
| Fire Station No. 6 | | \$7,800,000 | \$20,500,000 |
| Fire Station No. 9 | | | \$21,200,000 |
| Fire Station No. 10 | | | \$19,100,000 |
| Convention Center | \$4,000,000 | \$14,300,000 | |
| Hanna Ave Mobility | \$200,000 | \$1,800,000 | |
| Hanna Ave City Center | \$8,200,000 | | |
| Lower Peninsula (Parks) | \$800,000 | | |
| TPD Headquarters | \$300,000 | \$800,000 | |
| Fire Training Simulator & Skills Tower | \$1,000,000 | | |
| East Tampa Recreation Fair Oaks | \$36,500,000 | | |

Anticipated Non-Ad Valorem Debt Program II

| Project/Program | FY2025 | FY2026/FY2027 | FY2028/FY2029 |
|---|----------------------|---------------------|----------------------|
| TPD Howard Ave Annex Building | \$45,300,000 | | |
| Fleet Maintenance – 40 th Street | | \$7,700,000 | |
| Public Safety Training Facility | \$13,800,000 | | |
| Housing Program Property Acquisition | \$11,000,000 | | |
| Sulphur Springs Pool | \$1,600,000 | | |
| Guida House Renovations | | \$2,500,000 | |
| K-Bar Ranch Park | | \$7,500,000 | |
| West Riverwalk | \$26,900,000 | | |
| Safe Streets & Roads for All 2022 (Match) | | \$3,200,000 | |
| Safe Streets & Roads for All 2023 (Match) | | \$650,000 | |
| UNITE Ashley Drive (Match) | | \$1,500,000 | \$3,800,000 |
| Palmetto Beach (Match) | | \$1,000,000 | |
| RAISE Palmetto Beach (Match) | | \$6,500,000 | |
| TOTAL | \$150,750,000 | \$89,150,000 | \$104,600,000 |

Anticipated Non-Ad Valorem Debt Program III

Legal Bonding Capacity



Anticipated Non-Ad Valorem Debt Program IV

Non-Ad Valorem Credit Rating vulnerabilities

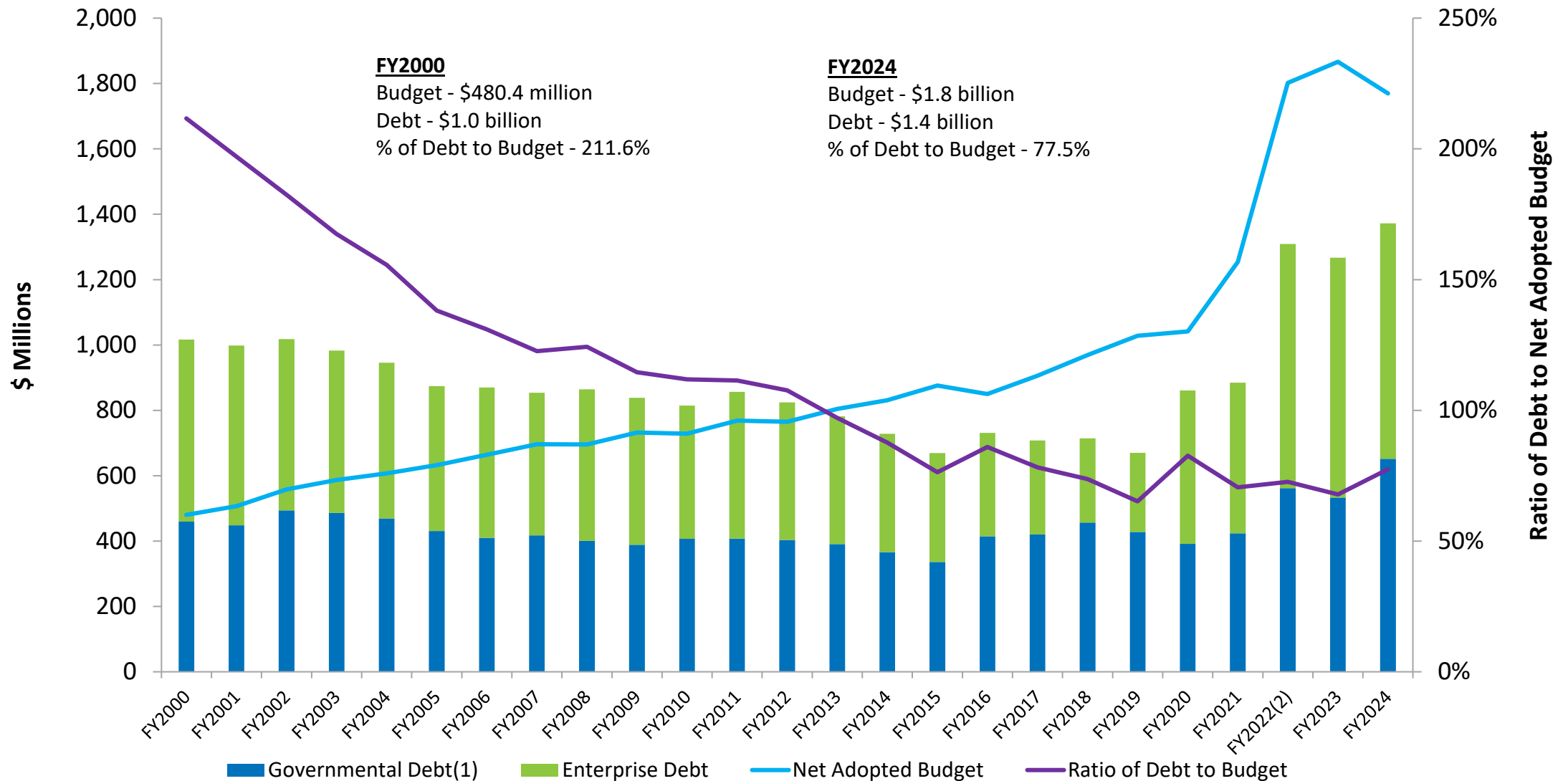
- Moody's ⁽¹⁾:
 - **“Significant increase in debt and/or pension burden”**
 - **“Material decline in fund balance and/or liquidity.”**
- S&P Global⁽²⁾: **“Although we view it as unlikely, we could lower the rating if the city reports consecutive years of structural imbalance, leading to material deterioration in budget performance, available reserves, or liquidity.”**
- Fitch⁽³⁾: **“Sustained weakening of pledged revenues or unexpected leveraging leading to reduced coverage cushion that is inconsistent with the current rating.”**

1. Moody's Investors Service – Update to Credit Opinion, November 30, 2023

2. S&P Global Ratings – Tampa, Florida; General Obligation; Miscellaneous Tax, October 24, 2023

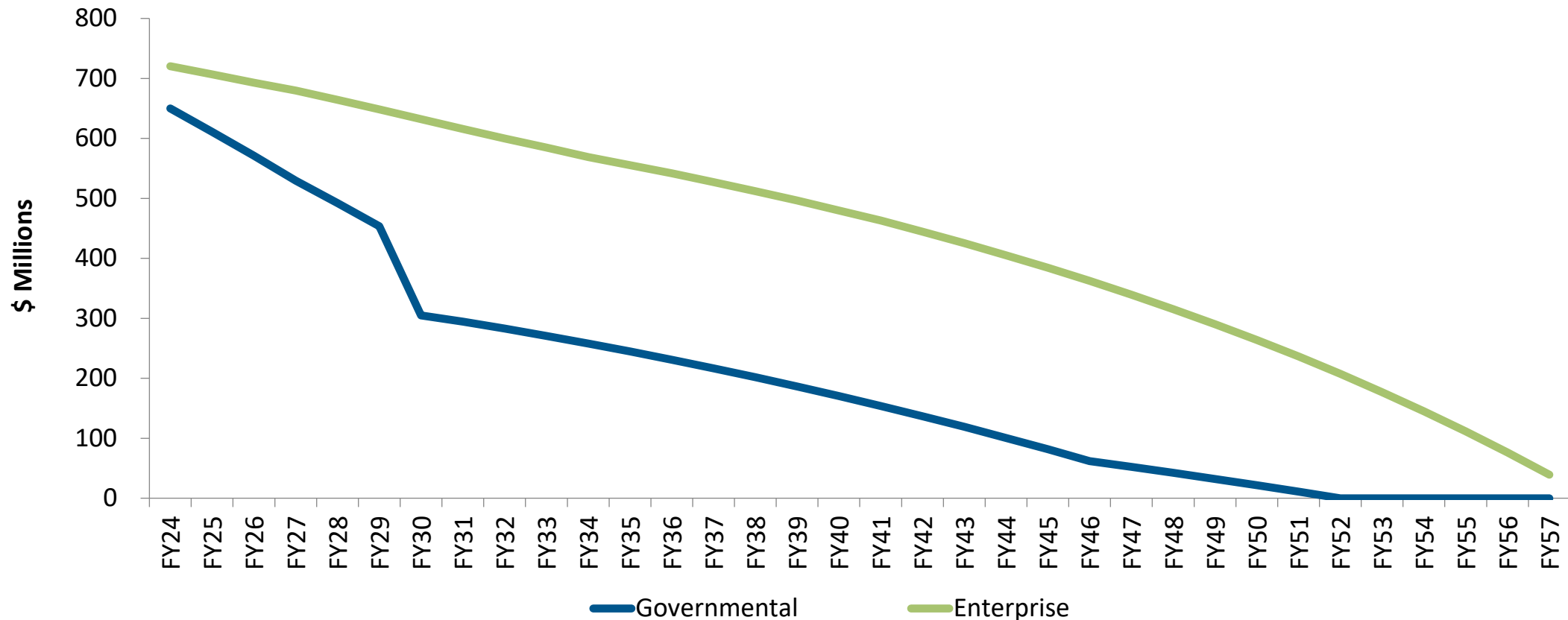
3. Fitch Ratings – Tampa, Florida Rating Action Commentary, November 3, 2023

Total City Principal by Fiscal Year



Principal Outstanding Debt Service

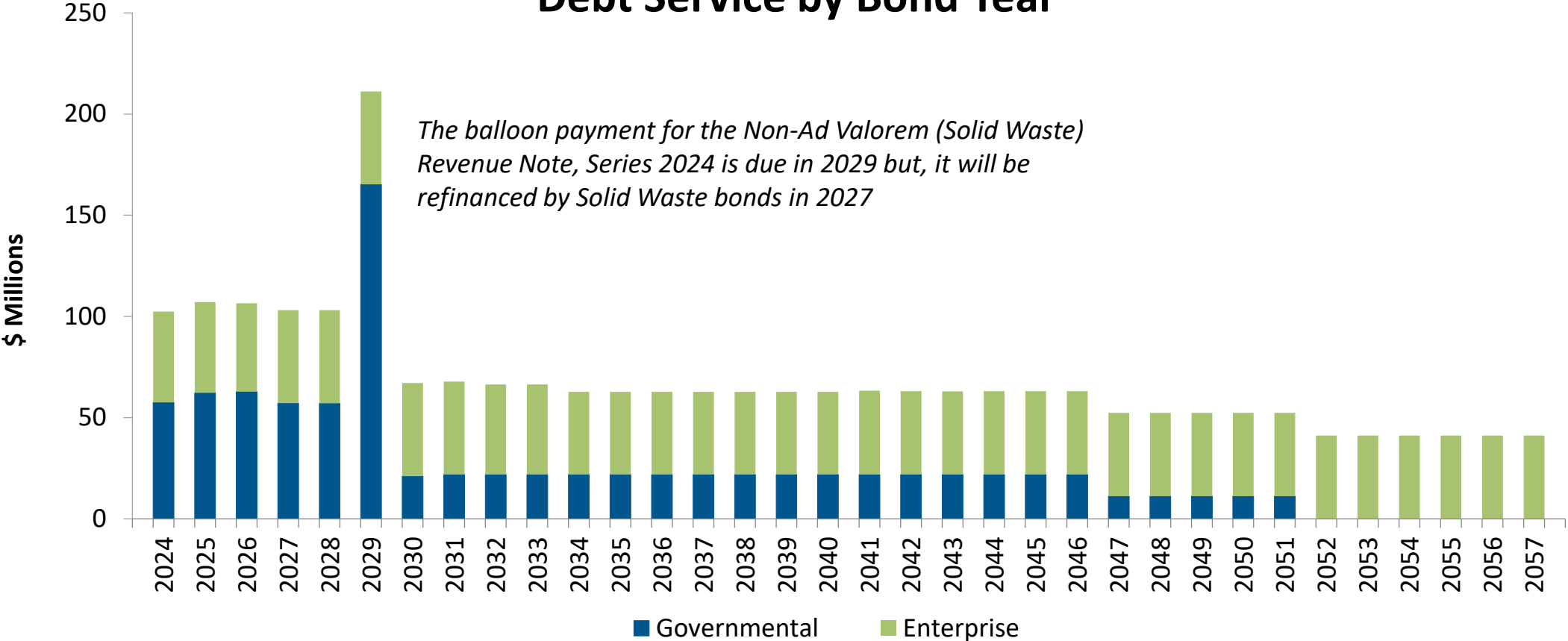
City of Tampa Principal Outstanding Debt Service



October 1st principal payment shown as outstanding.
Excludes TSA. As guarantor, the City does not make payments.

Debt Service by Bond Year

City of Tampa Debt Service by Bond Year



Excludes TSA. As guarantor, the City does not make payments.

Pro-Forma Debt Service FY2025 (1st or 2nd Quarter) Non-Ad Valorem

| | |
|----------------------------------|------------------------|
| • Project proceeds | \$150.8 million |
| • Total interest | <u>\$153.8 million</u> |
| • Total cost | \$304.6 million |
| • Annual bond payments (approx.) | \$ 10.3 million |
| • Assumed interest rate | 4.40% |
| • Term of the debt | 30 years |

Pro-Forma Debt Service FY2024 Water & Wastewater

- Water & Wastewater Debt Issuance – August/September 2024
 - Proceeds: \$302.7 million
 - Par Amount - \$272.8 million (projected)
 - Premium - \$29.9 million (projected)
 - Type: Long-Term Bonds
 - True Interest Cost – Estimated 4.2%
 - Total Interest Cost – Estimated \$544.4 million
 - Reimbursement resolution already adopted

FY2025 Programmed Debt Issuances

Solid Waste

- Solid Waste Debt Issuance – October/November 2024
 - Size: approximately \$130.0 million
 - Relocation of Solid Waste Headquarters from Spruce Street to 34th Street
 - New fleet facility
 - Type: Short-term Line of Credit expected to be refinanced to long-term revenue bonds in FY2027/FY2028
 - Reimbursement resolution already adopted

FY2025 Budget Calendar

CIP Workshop – **August 5, 2024**

Operating Workshop – **August 19, 2024**

Request City Council's adoption of a motion:

- 1st Public Hearing on Budget (*Preliminary*) – ***September 3, 2024 (Tentative)***
- 2nd Public Hearing on Budget (*Final Adoption*) – ***September 17, 2024 (Tentative)***

FY2025 Budget can be found on Tampa.gov:
<https://www.tampa.gov/budget>

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Thank You