

City of Sarasota, Florida

Overview of Five Year Projections

General Overview of Five Year Projections

This section includes five-year projections for all operating type funds. Although five-year projections are prepared for Special Revenue Funds, Debt Service Funds and Internal Service Funds, they are not included in this document. These funds are not included due to several factors. Special Revenue Funds are not included, as they are merely the appropriation of the applicable revenue source for capital purposes. Debt Service Funds are not included, as they are funded by either ad valorem taxes or special assessments, which are adjusted up or down to match the required debt service payments. Internal Service Funds are not included as any projected cost increases of the Internal Service Funds are passed on to and, as such, factored into the five year projections of the operating funds.

The funds included in this section are the General Fund and Enterprise Funds.

Overview By Specific Fund

General Fund - The five-year projection for the General Fund assumes that expenditure increases will only be moderate and additional services will be minimal over the five-year period. Due to an expected downturn in the economy, projected increases in medical insurance, and slower increases in revenues over the five-year period, balancing the budgets for future years will involve additional measures.

Water and Sewer Utility - A water and sewer rate increase of 2 percent is required to fund the 2002-03 fiscal year operating budget while providing the funding for all capital improvements for the next several years without the necessity to issue bonds, as in past years. Additional rate increases of 2 percent per year in 2003-04 through 2006-07 will likely be necessary to continue avoiding the issuance of bonds to finance capital requirements.

Bobby Jones Golf Complex - Assuming average weather conditions and flexibility in establishing busy season rates, substantial rate increases over the next five years should not be necessary. Each year rate increases approximating 2 to 3 percent may be necessary to cover higher costs of operation and to continue the established level of funding for capital improvements.

City of Sarasota, Florida

Overview of Five Year Projections (Continued)

Van Wezel Performing Arts Hall - The Van Wezel was closed for renovation from April 1, 1999 through August 2000. This shortened the programs for two fiscal years, thereby necessitating a General Fund Subsidy for 1998-99 and the use of the accumulated fund balance to offset the projected loss during 1999-00. The loss for 1999-00 created a negative fund balance of \$526,306 at September 30, 2000. Additionally, a loss of \$969,820 was incurred for 2000-01. Based upon a review by Van Wezel staff of similar facilities around the country that are either owned or subsidized by a local government, performing arts halls are not self-supporting operations. Although recent results have not indicated that operating on a profitable or break-even basis is a possibility, new management brings excitement and entrepreneurial ingenuity to Van Wezel, which could reverse the negative trends of recent years. Accordingly, subsidies from the General Fund of between \$642,024 and \$181,631 per year have been projected over the five-year period.

Solid Waste Management – Based upon the favorable impact on operations of the 3.17 percent increase in collection fees approved for 2000-01, rate increases for 2001-02 and 2002-03 were not necessary. Landfill tipping fee rates did not increase for 2001-02 or 2002-03, however they will likely increase somewhat from 2003-04 through 2006-07. In order to cover the projected higher costs of operation, solid waste collection rates most likely will rise by approximately 2 percent per year. If actual tipping fee rate increases for 2004 through 2007 are substantially different from those projected, the hike in solid waste collection rates may be larger.

Municipal Auditoriums – Commencing with the 2002-03 fiscal year, this operation includes the activity of the auditorium at Payne Park. Previously, the Payne Park auditorium as part of the operations of the Sarasota Mobile Home Park, which was closed during the 2001-02 fiscal year in accordance with the City's long term plan to close the park. Historically, the Municipal Auditoriums has received approximately \$50,000 to \$70,000 as an annual subsidy from the General Fund. It is anticipated that subsidies at this level will be necessary in future years, to maintain a break-even operation.

Sarasota Sports Complex - For the 2002-03 fiscal year, the Sports Complex is projected to require an operating subsidy of \$327,057 from the General Fund. In order to maintain a break-even operation, this subsidy probably will increase to approximately \$400,000 by 2006-07.

Parking Management - Revenues from parking fees and fines are expected to increase sufficiently to cover increases in operating costs due to inflation and capital requirements.

City of Sarasota, Florida

General Fund

	2002 - 03 Budget	2003 - 04 Projected	2004 - 05 Projected	2005 - 06 Projected	2006 - 07 Projected
<u>REVENUES</u>					
TAXES	\$25,409,790	\$26,126,987	\$27,006,439	\$27,883,466	\$28,768,575
LICENSES AND PERMITS	1,867,794	1,886,609	1,901,314	1,957,681	2,016,305
INTERGOVERNMENTAL	5,734,642	5,833,015	5,989,798	6,150,987	6,316,708
FINES AND FORFEITS	665,590	678,938	672,574	686,496	700,712
CHARGES FOR SERVICES	1,031,411	1,044,014	1,030,469	1,039,572	1,048,933
MISCELLANEOUS	1,971,648	2,124,587	1,833,790	1,867,191	1,901,440
INTERFUND TRANSFERS	1,011,909	1,400,904	1,430,953	1,441,354	1,452,119
COST ALLOCATION	3,905,496	3,980,496	4,055,496	4,130,496	4,205,496
TOTAL REVENUES	<u>41,598,280</u>	<u>43,075,550</u>	<u>43,920,832</u>	<u>45,157,243</u>	<u>46,410,287</u>
<u>EXPENDITURES</u>					
GENERAL GOVERNMENT	11,956,943	12,443,644	12,777,951	13,222,290	13,779,959
PUBLIC SAFETY	22,569,996	23,247,096	23,944,509	24,662,844	25,702,729
PHYSICAL ENVIRONMENT	2,264,745	2,332,687	2,402,668	2,474,748	2,548,990
TRANSPORTATION	3,635,433	3,744,496	3,856,831	3,972,536	4,091,712
SUBSIDIES	1,426,938	1,326,938	1,147,151	1,009,562	566,488
TOTAL EXPENDITURES	<u>41,854,055</u>	<u>43,094,861</u>	<u>44,129,110</u>	<u>45,341,980</u>	<u>46,689,878</u>
EXCESS (DEFICIENCY)	(255,775)	(19,311)	(208,278)	(184,737)	(279,591)
BEGINNING FUND BALANCE					
GENERAL FUND	<u>6,942,925</u>	<u>6,687,150</u>	<u>6,667,839</u>	<u>6,459,561</u>	<u>6,274,824</u>
ENDING FUND BALANCE	<u>\$6,687,150</u>	<u>\$6,667,839</u>	<u>\$6,459,561</u>	<u>\$6,274,824</u>	<u>\$5,995,234</u>
Millage Rate	2.6917 m	2.6917 m	2.6917 m	2.6917 m	2.6917 m
Percent of Increase over Prior Year	7.99%	0.00%	0.00%	0.00%	0.00%

Water and Sewer Utility

	2002 - 03 Budget	2003-04 Projected	2004-05 Projected	2005 - 06 Projected	2006 - 07 Projected
<u>REVENUES</u>					
Sale of Water	\$10,675,000	\$10,889,000	\$11,107,000	\$11,334,000	\$11,581,000
Sewer Collection	13,540,000	13,811,000	14,087,000	14,372,000	14,666,000
Sarasota County Interconne	0	312,344	416,460	424,790	433,290
Interest	150,000	200,000	250,000	270,000	290,000
Miscellaneous	201,190	220,000	230,000	240,000	245,000
Total Revenues	24,566,190	25,432,344	26,090,460	26,640,790	27,215,290
<u>EXPENDITURES</u>					
Water System	6,534,487	6,714,185	6,932,396	7,157,699	7,390,324
Sewer System	6,311,141	6,484,697	6,695,450	6,913,052	7,137,726
Collection Costs	1,325,178	1,362,283	1,406,557	1,451,567	1,498,743
<i>Transfers:</i>					
RR&I Fund	3,748,475	3,750,000	3,800,000	3,850,000	3,900,000
Debt Service	7,050,218	7,028,933	7,027,510	7,037,765	7,055,075
SRF Debt service	228,142	228,000	228,000	228,000	228,000
General Reserve	(631,451)	(135,754)	547	2,707	5,422
Total Expenditures	24,566,190	25,432,344	26,090,460	26,640,790	27,215,290
EXCESS (DEFICIENCY)	\$0	\$0	\$0	\$0	\$0
Rate Increase	2.00%	2.00%	2.00%	2.00%	2.00%

Bobby Jones Golf Complex

	2002 - 03 Budget	2003 - 04 Projected	2004 - 05 Projected	2005 - 06 Projected	2006 - 07 Projected
<u>REVENUES</u>					
Green Fees	\$1,020,000	\$1,050,600	\$1,082,118	\$1,114,582	\$1,148,019
Cart Rental	996,000	1,025,880	1,056,656	1,088,356	1,121,007
Annual Green Fees	275,000	275,000	275,000	275,000	275,000
Restaurant Lease	9,000	9,000	9,000	9,000	9,000
Pro Shop	118,000	129,800	142,780	157,058	172,764
Range Fees	37,162	37,534	37,909	38,288	38,671
Utilities	17,500	17,675	17,852	18,031	18,211
Equipment Rental	20,000	20,000	20,000	20,000	20,000
Investment Income	23,000	25,000	25,000	25,000	25,000
Other Fees	28,500	29,925	31,421	32,992	34,642
Total Revenues	2,544,162	2,620,414	2,697,736	2,778,307	2,862,314
<u>EXPENDITURES</u>					
Personnel	527,819	542,598	557,791	573,409	589,464
Operating	1,738,602	1,799,453	1,853,437	1,918,307	1,975,856
Merchandise for Resale	99,500	102,983	106,587	110,318	114,179
Capital Improvement Fund	174,000	175,000	175,000	175,000	175,000
Total Expenditures	2,539,921	2,620,034	2,692,815	2,777,034	2,854,499
Net Profit (Loss)	4,241	380	4,921	1,273	7,815
Beginning Balance	390,582	394,823	395,203	400,124	401,397
Ending Balance	\$394,823	\$395,203	\$400,124	\$401,397	\$409,212
Proposed Green Fee Increase	0.00%	2.00%	3.00%	3.00%	3.00%
Proposed Cart Rental Fee Increas	\$0.00	\$0.50	\$0.50	\$0.50	\$0.50

Van Wezel Performing Arts Hall

	2002 - 03 Budget	2003 - 04 Projected	2004 - 05 Projected	2005 - 06 Projected	2006 - 07 Projected
<u>REVENUES</u>					
Ticket sales	\$5,530,000	\$5,806,500	\$6,096,825	\$6,401,666	\$6,721,749
Ticket surcharge - operations	235,000	250,000	275,000	295,000	310,000
Building rental	264,000	263,350	276,518	290,344	304,861
Technical service fees	25,000	28,000	30,000	35,000	40,000
Bar/food revenue	163,500	168,405	173,457	178,661	184,021
Culture recreation grant	440,000	450,000	450,000	450,000	450,000
Postage & handling charges	134,000	138,020	144,921	152,167	159,775
Concessions	18,000	18,540	19,467	20,440	21,462
Miscellaneous	141,000	145,230	152,492	160,117	168,123
Investment Income	65,000	66,950	70,298	73,813	77,504
General Fund Subsidy	642,024	642,024	462,294	324,705	181,631
Total Revenues	<u>7,657,524</u>	<u>7,977,019</u>	<u>8,151,272</u>	<u>8,381,913</u>	<u>8,619,126</u>
<u>EXPENDITURES</u>					
Personnel	1,476,571	1,520,868	1,566,494	1,613,489	1,661,894
Operating	2,632,564	2,711,541	2,779,330	2,848,813	2,920,033
Performance Fees	3,587,000	3,694,610	3,805,448	3,919,611	4,037,199
Capital	48,000	50,000	0	0	0
Total Expenditures	<u>7,744,135</u>	<u>7,977,019</u>	<u>8,151,272</u>	<u>8,381,913</u>	<u>8,619,126</u>
Net Profit (Loss)	(\$86,611)	\$0	\$0	\$0	\$0
Beginning Balance	<u>\$390,304</u>	<u>\$303,693</u>	<u>\$303,693</u>	<u>\$303,693</u>	<u>\$303,693</u>
Ending Balance	<u><u>\$303,693</u></u>	<u><u>\$303,693</u></u>	<u><u>\$303,693</u></u>	<u><u>\$303,693</u></u>	<u><u>\$303,693</u></u>

Solid Waste Collection

	2002 - 03 Budget	2003 - 04 Projected	2004 - 05 Projected	2005 - 06 Projected	2006 - 07 Projected
<u>REVENUES</u>					
Refuse Fees	\$9,200,000	\$9,402,400	\$9,609,253	\$9,820,657	\$10,036,711
Investment Income	50,000	50,000	55,000	60,000	65,000
Other	8,100	9,000	9,000	9,000	9,000
Total Revenues	<u>9,258,100</u>	<u>9,461,400</u>	<u>9,673,253</u>	<u>9,889,657</u>	<u>10,110,711</u>
<u>EXPENDITURES</u>					
Personnel	1,395,940	1,437,818	1,480,953	1,525,382	1,571,143
Operating	7,118,546	7,332,102	7,552,065	7,755,971	7,988,650
Capital	738,250	680,000	640,000	600,000	550,000
Total Expenditures	<u>9,252,736</u>	<u>9,449,920</u>	<u>9,673,018</u>	<u>9,881,353</u>	<u>10,109,793</u>
Net Profit (Loss)	5,364	11,480	235	8,304	918
Beginning Balance	<u>1,679,320</u>	<u>1,684,684</u>	<u>1,696,164</u>	<u>1,696,399</u>	<u>1,704,703</u>
Ending Balance	<u><u>\$1,684,684</u></u>	<u><u>\$1,696,164</u></u>	<u><u>\$1,696,399</u></u>	<u><u>\$1,704,703</u></u>	<u><u>\$1,705,621</u></u>
Proposed Collection Fee Increase	0.00%	2.00%	2.00%	2.00%	2.00%

Sarasota Municipal Auditoriums

	2002 - 03 Budget	2003 - 04 Projected	2004 - 05 Projected	2005 - 06 Projected	2006 - 07 Projected
<u>REVENUES</u>					
Rentals	\$162,247	\$173,604	\$185,756	\$198,759	\$206,458
Sponsored events	132,550	136,527	140,275	138,789	142,953
Miscellaneous	8,886	9,153	9,428	9,711	10,002
General Fund Subsidy	57,857	57,857	57,857	57,857	57,857
Total Revenues	361,540	377,141	393,316	405,116	417,270
<u>EXPENDITURES</u>					
Personnel	198,662	204,622	210,761	217,084	223,597
Operating	172,076	177,238	182,555	188,032	193,673
Capital	0	0	0	0	0
Total Expenditures	370,738	381,860	393,316	405,116	417,270
Net Profit (Loss)	(9,198)	(4,719)	0	0	0
Beginning Balance	66,731	57,533	52,814	52,814	52,814
Ending Balance	\$57,533	\$52,814	\$52,814	\$52,814	\$52,814

Sarasota Sports Complex

	2002 - 03 Budget	2003 - 04 Projected	2004 - 05 Projected	2005 - 06 Projected	2006 - 07 Projected
<u>REVENUES</u>					
Ticket sales	\$174,500	\$177,990	\$181,550	\$185,181	\$188,885
Parking	55,000	56,100	57,222	58,366	59,533
Concessions	66,000	67,320	69,340	71,420	73,563
Utilities & Lighting	100,000	102,000	104,040	106,121	108,243
Other	126,200	128,724	131,298	133,924	136,602
Grants	5,000	5,000	5,000	5,000	5,000
General Fund Subsidy	327,057	327,057	327,000	327,000	327,000
Merchandise Sales	33,000	35,000	40,000	42,000	45,000
Sponsor/Contributions	39,000	40,000	40,000	40,000	40,000
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Total Revenues	925,757	939,191	955,450	969,012	983,826
<u>EXPENDITURES</u>					
Personnel	205,370	211,531	217,877	224,413	231,145
Operating	727,346	749,166	786,624	806,290	826,447
Capital	3,680	3,500	3,500	3,500	3,500
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Total Expenditures	936,396	964,197	1,008,001	1,034,203	1,061,092
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Net Profit (Loss)	(10,639)	(25,006)	(52,551)	(65,191)	(77,266)
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Beginning Balance	66,489	55,850	30,844	(21,707)	(86,898)
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Ending Balance	\$55,850	\$30,844	(\$21,707)	(\$86,898)	(\$164,164)
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Parking Management Division

	2002 - 03 Budget	2003 - 04 Projected	2004 - 05 Projected	2005 - 06 Projected	2006 - 07 Projected
<u>REVENUES</u>					
Parking Violations	\$250,000	\$252,500	\$255,025	\$257,575	\$260,151
Meter Collections	30,000	30,300	30,603	30,909	31,218
Parking Permits	162,000	163,620	165,256	166,909	168,578
Building Rent	1,300	1,300	1,300	1,300	1,300
Interest	20,000	20,000	20,000	20,000	20,000
Total Revenues	<u>463,300</u>	<u>467,720</u>	<u>472,184</u>	<u>476,693</u>	<u>481,247</u>
<u>EXPENDITURES</u>					
Personnel	266,201	274,187	282,413	290,885	299,612
Operating	130,958	136,196	141,644	147,310	153,202
Capital	18,000	25,000	25,000	25,000	25,000
Total Expenditures	<u>415,159</u>	<u>435,383</u>	<u>449,057</u>	<u>463,195</u>	<u>477,814</u>
Net Profit (Loss)	48,141	32,337	23,127	13,498	3,433
Beginning Balance	<u>642,040</u>	<u>690,181</u>	<u>722,518</u>	<u>745,645</u>	<u>759,143</u>
Ending Balance	<u><u>\$690,181</u></u>	<u><u>\$722,518</u></u>	<u><u>\$745,645</u></u>	<u><u>\$759,143</u></u>	<u><u>\$762,576</u></u>