

# 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 primarily the appropriation of the applicable revenue source for specified 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 may be difficult to add over the five-year period. Ad valorem tax revenues are being projected at a level millage rate multiplied by a taxable property value that is projected to decrease by approximately 5% for 2010-11, an additional 1% decrease for 2011-12, and then taxable values increasing by 3% for fiscal years 2012-13, and 2013-14. The uncertainty of future ad valorem tax reform coupled with a lingering economic downturn, is forcing municipalities to shift to fees and other revenue sources to fund government services or to reduce/eliminate lower priority services. Balancing future budgets is shaping up to be a difficult challenge due to projected increases in medical insurance, continued funding of higher than normal pension contributions, decreases in taxable property values and smaller increases in other revenues during the five-year period,. Budget balancing techniques will be required, including the utilization of fund balance, the institution of additional revenue sources, consolidation/elimination of services, implementation of job-sharing, and expenditure cutbacks. The projected expenditures for fiscal years 2010-11 through 2013-14 assumes a 3% inflation adjustment per year for all expenses including salaries and benefits.

**Water and Sewer Utility** - A water and sewer rate increase of 4 percent was adopted to fund the 2009-10 fiscal year operating budget and debt service. Rate increases of 5% in 2010-11, and a 4% rate increase in fiscal years 2011-12 though fiscal year 2013-14, will likely be necessary to balance revenues and expenditures, and to provide for required capital improvements and debt service.

**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. Rate increases approximating 3% per year in fiscal years 2009-10 through 2013-14 may be necessary to cover higher costs of operation and to continue the established level of funding for capital improvements.

**Van Wezel Performing Arts Hall** - Covering the increased costs required to bring quality performances to the community will be the challenge for the Van Wezel Performing Arts Hall over the next five years. The subsidy required from the General Fund for fiscal years 2009-10 and 2010-11 is estimated at \$595,000 and is projected to be reduced to \$550,000 through fiscal years 2011-12 through 2013-14. This is a significant subsidy decrease from the \$740,000 budgeted in fiscal year 2008-09.

**Solid Waste Management** - In order to cover the projected higher costs of operation, solid waste collection rates are projected to rise approximately 3 percent per year during the fiscal years 2010-11 through 2013-14. If actual land fill tipping fee rate increases for fiscal years 2011 through 2014 are substantially different from those projected, the increase in solid waste collection rates may need to be higher.

**Municipal Auditoriums** - This operation includes the activity of the auditorium at Payne Park and the Municipal Auditorium located on the North Tamiami Trail. Historically, the Municipal Auditoriums have received approximately \$50,000 to \$95,000 as an annual subsidy from the General Fund. These subsidies have been reduced significantly due to aggressive marketing of the Municipal Auditorium and the initiation of various cost saving measures. It is anticipated that as long as revenues are not adversely affected by the economy, subsidies may not be needed to maintain a small fund balance.

**Parking Management** - The five-year projections indicate that this operation is seriously being affected by the reductions of public parking areas and the inability to market parking permits in the downtown area. These projections will change in the event of additional paid off-street parking and additional paid on-street parking; both of which are being discussed by the Commission and the Downtown merchants.

## City of Sarasota, Florida General Fund

	2009-10 Budget	2010-11 Projected	2011-12 Projected	2012-13 Projected	2013-14 Projected
<b><u>REVENUES</u></b>					
TAXES	\$29,446,743	\$30,033,079	\$30,946,507	\$32,393,482	\$33,265,161
LICENSES AND PERMITS	5,822,497	6,255,691	6,374,969	6,496,635	6,620,737
INTERGOVERNMENTAL	6,957,611	6,803,155	6,806,329	6,333,035	6,504,302
CHARGES FOR SERVICES	1,351,252	1,443,450	1,476,990	1,533,413	1,622,093
CHARGES TO OTHER FUNDS	4,337,067	4,337,000	4,467,100	4,601,100	4,739,100
FINES AND FORFEITS	403,320	425,300	447,300	452,300	457,300
INVESTMENT EARNINGS	985,000	1,290,000	1,415,000	1,540,000	1,590,000
MISCELLANEOUS	1,192,009	1,193,079	1,185,045	1,198,887	1,215,967
OTHER FINANCING SOURCES	3,678,032	3,830,830	3,999,572	4,168,833	4,349,949
<b>TOTAL REVENUES</b>	<b>54,173,531</b>	<b>55,611,584</b>	<b>57,118,812</b>	<b>58,717,686</b>	<b>60,364,609</b>
<b><u>EXPENDITURES</u></b>					
GENERAL GOVERNMENT	16,868,015	17,372,653	17,892,427	18,427,793	18,979,218
PUBLIC SAFETY	29,544,465	30,332,315	31,143,800	31,979,629	32,840,533
PHYSICAL ENVIRONMENT	3,076,162	3,168,447	3,263,500	3,361,405	3,462,247
TRANSPORTATION	3,674,904	3,785,151	3,898,706	4,015,667	4,136,137
CULTURE AND RECREATION	346,092	358,018	370,379	383,192	396,474
TRANSFERS/SUBSIDIES	663,893	595,000	550,000	550,000	550,000
<b>TOTAL EXPENDITURES</b>	<b>54,173,531</b>	<b>55,611,584</b>	<b>57,118,812</b>	<b>58,717,686</b>	<b>60,364,609</b>
EXCESS (DEFICIENCY)	0	0	0	0	0
BEGINNING UNRESTRICTED FUND BALANCE	\$10,450,598	10,450,599	10,450,599	10,450,599	10,450,599
ENDING UNRESTRICTED FUND BALANCE	\$ 10,450,599	\$ 10,450,599	\$ 10,450,599	\$ 10,450,599	\$ 10,450,599
REVENUE STABILIZATION FUND	\$ 2,937,500	\$ 2,937,500	\$ 2,937,500	\$ 2,937,500	\$ 2,937,500
Millage Rate	2.7771 m	2.8791 m	2.9233 m	3.0294 m	3.0710 m
Percent of Increase over Prior Year	0.00%	3.67%	1.54%	3.63%	1.37%

## Water and Sewer Utility

	<b>2009 - 10 Budget</b>	<b>2010 - 11 Projected</b>	<b>2011 - 12 Projected</b>	<b>2012 - 13 Projected</b>	<b>2013 - 14 Projected</b>
<b><u>REVENUES</u></b>					
Sale of Water	\$14,351,152	\$14,431,519	\$14,822,975	\$15,239,724	\$15,668,190
Sewer Collection	17,629,140	17,173,868	17,639,710	18,135,651	18,645,536
Interest	69,559	100,000	120,000	130,000	135,000
Miscellaneous	409,188	385,000	395,000	395,000	395,000
<b>Total Revenues</b>	<b>32,459,039</b>	<b>32,090,387</b>	<b>32,977,685</b>	<b>33,900,375</b>	<b>34,843,726</b>
<b><u>EXPENDITURES</u></b>					
Water System	8,397,368	8,481,342	8,667,932	8,862,960	9,173,164
Sewer System	9,633,247	9,729,579	9,943,630	10,167,362	10,523,220
Collection Costs	996,445	1,006,409	1,031,569	1,057,358	1,083,792
<b><i>Transfers:</i></b>					
RR&I Fund	4,892,668	4,750,000	4,800,000	5,250,000	5,250,000
Debt Service	8,187,263	8,162,687	8,302,656	8,296,326	8,301,462
SRF Debt service	228,141	228,142	228,142	228,142	228,142
General Reserve	123,907	(267,772)	3,756	38,227	283,946
<b>Total Expenditures</b>	<b>32,459,039</b>	<b>32,090,387</b>	<b>32,977,685</b>	<b>33,900,375</b>	<b>34,843,726</b>
<b>EXCESS (DEFICIENCY)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
 Rate Increase	 4.00%	 5.00%	 4.00%	 4.00%	 4.00%

## Bobby Jones Golf Complex

	<b>2009 - 10 Budget</b>	<b>2010 - 11 Projected</b>	<b>2011 - 12 Projected</b>	<b>2012 - 13 Projected</b>	<b>2013 - 14 Projected</b>
<b><u>REVENUES</u></b>					
Green Fees	\$1,550,000	\$1,565,500	\$1,612,465	\$1,660,839	\$1,710,664
Cart Rental	1,350,000	1,363,500	1,410,509	1,454,505	1,498,834
Annual Green Fees	150,000	147,500	145,000	142,500	140,000
Restaurant Lease	13,230	10,195	10,195	10,195	10,195
Pro Shop	137,500	138,294	145,209	151,017	157,058
Range Fees	36,500	36,865	37,602	37,978	38,358
Tournament Fees	8,100	8,181	8,263	8,346	8,429
Utilities	26,000	26,260	26,523	26,788	27,056
Equipment Rental	18,500	20,000	20,000	20,000	20,000
Investment Income	70,000	70,000	71,000	72,000	74,000
Other Fees	11,650	11,767	11,885	12,004	12,124
Miscellaneous Income	36,454	38,277	40,191	42,201	44,311
Total Revenues	3,407,934	3,436,339	3,538,842	3,638,373	3,741,029
<b><u>EXPENDITURES</u></b>					
Personnel	845,719	875,319	901,579	928,626	956,485
Operating	2,020,575	2,091,295	2,158,216	2,227,279	2,298,552
Merchandise for Resale	107,500	110,725	114,047	117,468	120,992
Return on investment	178,000	180,000	185,000	185,000	185,000
Capital Improvement Fund	165,000	179,000	180,000	180,000	180,000
Total Expenditures	3,316,794	3,436,339	3,538,842	3,638,373	3,741,029
Net Profit (Loss)	91,140	0	0	0	0
Beginning Balance	1,944,600	2,035,740	2,035,740	2,035,740	2,035,740
Ending Balance	\$2,035,740	\$2,035,740	\$2,035,740	\$2,035,740	\$2,035,740
Proposed Annual Fee Increase	0.00%	0.00%	0.00%	0.00%	0.00%
Proposed Green Fee Increase	3.00%	3.00%	3.00%	3.00%	3.00%
Proposed Cart Rental Fee Increase	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50

## Van Wezel Performing Arts Hall

	<b>2009 - 10 Budget</b>	<b>2010 - 11 Projected</b>	<b>2011 - 12 Projected</b>	<b>2012 - 13 Projected</b>	<b>2013 - 14 Projected</b>
<b><u>REVENUES</u></b>					
Ticket sales	\$5,852,837	\$6,116,215	\$6,360,864	\$6,551,690	\$6,748,241
Ticket surcharge - operations	338,340	353,565	369,475	386,101	403,476
Building rental	312,505	321,880	331,536	341,482	351,726
Parking lot rental and fees	323,319	333,019	343,010	353,300	363,899
Program ads	45,000	46,350	47,741	49,173	50,648
Bar/food revenue	47,500	48,925	50,393	51,905	53,462
Van Wezel Foundation Grants	325,000	335,000	360,000	370,800	381,924
Other Grants, contributions/sponsor	181,500	186,945	192,553	198,330	204,280
Postage & handling charges	130,000	133,900	137,917	142,055	146,317
Concessions	17,000	17,510	18,035	18,576	19,133
Miscellaneous	17,900	18,437	18,990	19,560	20,147
Investment Income	20,000	21,000	21,630	22,279	22,947
General Fund Sponsorship	595,000	595,000	550,000	550,000	550,000
Total Revenues	8,205,901	8,527,746	8,802,144	9,055,251	9,316,200
<b><u>EXPENDITURES</u></b>					
Personnel	1,567,633	1,614,662	1,663,102	1,712,995	1,764,385
Operating	2,366,592	2,437,590	2,510,718	2,586,040	2,663,621
Performance Fees	3,257,672	3,339,114	3,422,592	3,508,157	3,595,861
Other Performance Expenses	1,144,036	1,172,637	1,201,953	1,232,002	1,262,802
Total Expenditures	8,335,933	8,564,003	8,798,365	9,039,194	9,286,669
Net Profit (Loss)	(\$130,032)	(\$36,257)	\$3,779	\$16,057	\$29,531
Beginning Balance	443,219	313,187	276,930	280,709	296,766
Ending Balance	\$313,187	\$276,930	\$280,709	\$296,766	\$326,297

## Solid Waste Management

	<b>2009 - 10 Budget</b>	<b>2010 - 11 Projected</b>	<b>2011 - 12 Projected</b>	<b>2012 - 13 Projected</b>	<b>2013 - 14 Projected</b>
<b><u>REVENUES</u></b>					
Refuse Fees	\$10,537,400	\$10,848,253	\$11,168,276	\$11,497,740	\$11,836,923
Investment Income	80,000	95,000	97,500	100,000	100,000
Other	37,000	40,000	39,000	40,000	40,000
Total Revenues	<u>10,654,400</u>	<u>10,983,253</u>	<u>11,304,776</u>	<u>11,637,740</u>	<u>11,976,923</u>
<b><u>EXPENDITURES</u></b>					
Personnel	2,034,516	2,095,551	2,158,418	2,223,171	2,289,866
Operating	7,943,810	8,182,124	8,427,588	8,680,416	8,940,828
Capital	733,780	700,000	710,000	725,000	725,000
Total Expenditures	<u>10,712,106</u>	<u>10,977,675</u>	<u>11,296,006</u>	<u>11,628,587</u>	<u>11,955,694</u>
Net Profit (Loss)	(57,706)	5,578	8,770	9,153	21,229
Beginning Balance	<u>3,672,729</u>	<u>3,615,023</u>	<u>3,620,601</u>	<u>3,629,371</u>	<u>3,638,524</u>
Ending Balance	<u><u>\$3,615,023</u></u>	<u><u>\$3,620,601</u></u>	<u><u>\$3,629,371</u></u>	<u><u>\$3,638,524</u></u>	<u><u>\$3,659,753</u></u>
Proposed Collection Fee Increase	3.00%	3.00%	3.00%	3.00%	3.00%

## Sarasota Municipal Auditoriums

	<b>2009 - 10 Budget</b>	<b>2010 - 11 Projected</b>	<b>2011 - 12 Projected</b>	<b>2012 - 13 Projected</b>	<b>2013 - 14 Projected</b>
<b><u>REVENUES</u></b>					
Rentals	\$357,267	\$364,412	\$375,344	\$388,481	\$402,078
Sponsored events - booth rentals	75,776	76,534	77,299	79,616	82,001
Sponsored events - tickets sales	33,880	38,500	42,000	42,900	43,500
Miscellaneous	550	567	584	602	620
Other charges for services	41,200	42,400	43,500	45,000	46,000
General Fund Subsidy	0	0	0	0	0
Total Revenues	508,673	522,413	538,727	556,599	574,199
<b><u>EXPENDITURES</u></b>					
Personnel	232,139	240,264	247,791	255,225	262,882
Operating	259,587	270,131	280,936	291,374	301,317
Capital	0	8,000	10,000	10,000	10,000
Total Expenditures	491,726	518,395	538,727	556,599	574,199
Net Profit (Loss)	16,947	4,018	0	0	0
Beginning Balance	0	(4,018)	0	0	0
Ending Balance	\$16,947	\$0	\$0	\$0	\$0

## Parking Management Division

	<b>2009 - 10 Budget</b>	<b>2010 - 11 Projected</b>	<b>2011 - 12 Projected</b>	<b>2012 - 13 Projected</b>	<b>2013 - 14 Projected</b>
<b><u>REVENUES</u></b>					
Parking Violations	\$391,800	\$401,595	\$411,635	\$428,100	\$445,224
Meter Collections	8,000	8,160	8,323	8,489	8,659
Parking Permits	27,520	28,070	28,631	29,204	29,788
Other miscellaneous	14,350	26,000	27,000	28,000	28,000
Interest	5,000	500	0	0	0
Total Revenues	<u>446,670</u>	<u>464,325</u>	<u>475,589</u>	<u>493,793</u>	<u>511,671</u>
<b><u>EXPENDITURES</u></b>					
Personnel	371,590	382,738	394,220	406,047	418,228
Operating	395,922	407,800	424,112	441,076	458,719
Capital	16,020	0	0	0	0
Total Expenditures	<u>783,532</u>	<u>790,538</u>	<u>818,332</u>	<u>847,123</u>	<u>876,947</u>
Net Profit (Loss)	(336,862)	(326,213)	(342,743)	(353,330)	(365,276)
Beginning Balance	<u>341,922</u>	<u>184,190</u>	<u>(142,023)</u>	<u>(484,766)</u>	<u>(838,096)</u>
Ending Balance	<u><u>\$5,060</u></u>	<u><u>(\$142,023)</u></u>	<u><u>(\$484,766)</u></u>	<u><u>(\$838,096)</u></u>	<u><u>(\$1,203,372)</u></u>



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