

In Depth Analysis

ADOPTED FINANCIAL PLAN 2014-15 BY FUND

GENERAL FUND

The unassigned fund balance of the General Fund at September 30, 2014 was budgeted at \$15,491,671 or 26.18 % of total expenditures. The actual unassigned fund balance at September 30, 2014 is expected to be at \$15,154,314 or 25.39% of total expenditures. This budget projects the unassigned fund balance for September 30, 2015, to remain at \$15,154,314 or 26.65% of total expenditures. The unassigned fund balance is well within the range stated in the City's Fund Balance Policy, which establishes a minimum of unassigned fund balance at 2 to 3 months of general fund expenditures.

In summary, the difference between a fund's total assets and total liabilities is labeled as the fund balance, and generally indicates the amount that could be used to finance the next

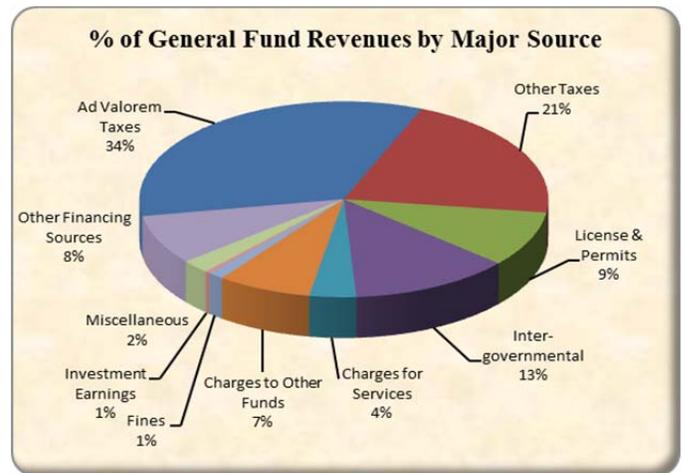
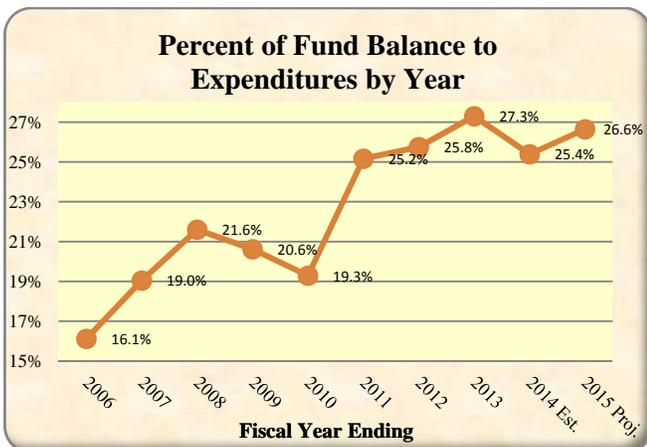
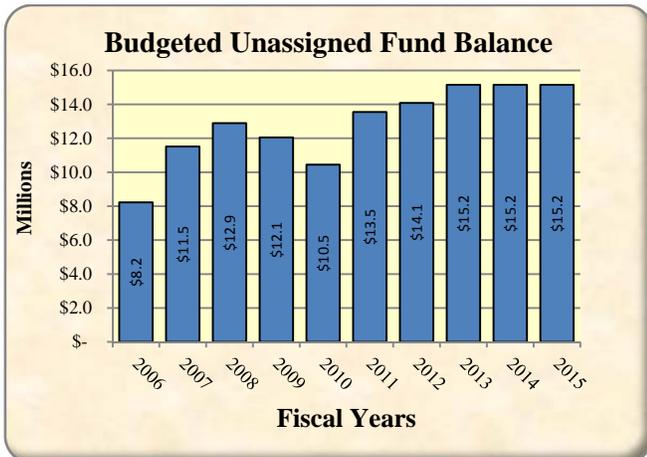
fiscal year's activities. Fund balance is created from excess revenues over expenditures. This can be a combination of collections/revenues being higher than budget and actual expenditures being lower than budget.

REVENUES

The General Fund revenues for the FY 2014-15 budget total \$56,873,937 and are \$2,301,266 lower than budgeted in FY 2013-14. This change is primarily due to decreased budgeted revenues in Red Light Camera Fines, Communication Service Tax, Franchise Fees and transfers from other funds offset by approximately \$1 million in Excise taxes and additional ad valorem taxes. There is no budgeted use of revenue stabilization funds proposed for FY 2014-15.

The projected revenues by major categories are as follows:

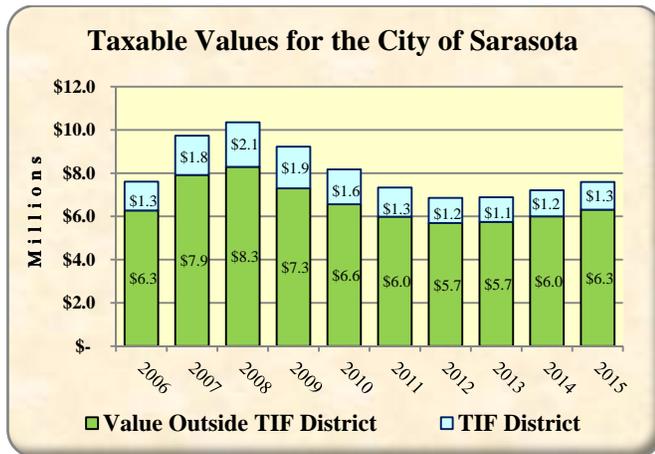
Ad Valorem Taxes	\$19,343,487
Excise Taxes & Business Fees	11,915,375
Licenses and Permits	5,216,750
Intergovernmental	7,201,534
Charges for Services	2,104,019
Charges to Other Funds	4,226,593
Fines and Forfeitures	682,025
Investment Earnings	250,000
Miscellaneous	1,271,460
Other Financing Sources	4,662,694
TOTAL:	\$56,873,937



The ad valorem tax increase of \$945,671 is directly related to the taxable valuation increase of \$385 million or 5.35%.

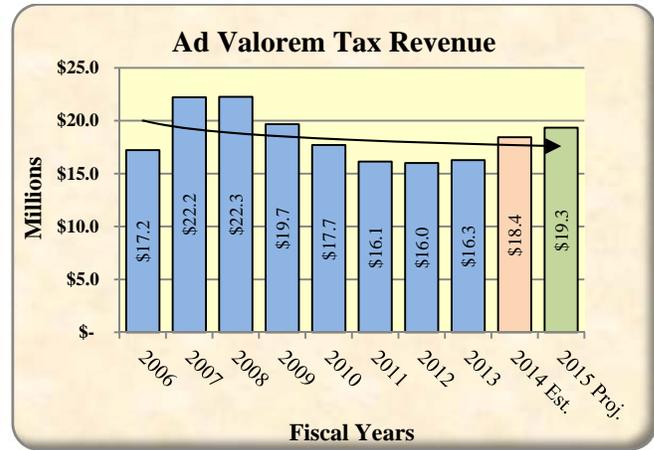
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The following graph presents the taxable values for the City from FY 2005-06 through FY 2014-15.

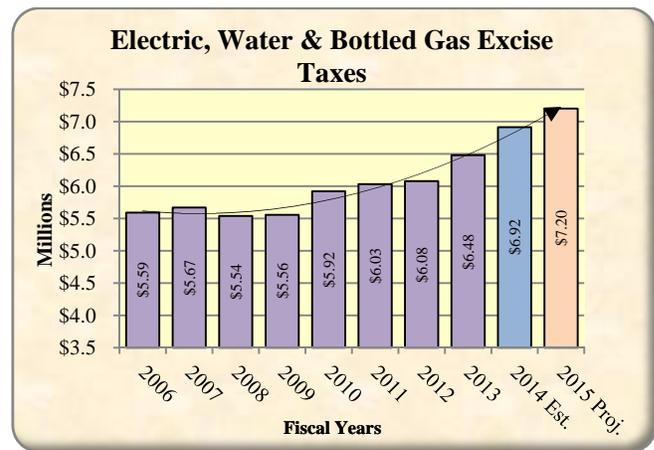


The major General Fund revenue sources are presented in the following graphs which demonstrate the multi-year trend for each revenue source. The graphs track the actual revenues for the past eight years from FY 2005-06 through FY 2012-13, the estimated revenues for FY 2013-14, and the projected revenue for FY 2014-15. A trend line has been added to each applicable graph for these major revenue sources. The FY 2014-15 budgets for these revenues are based upon our projections considering several factors including state projections and recent population estimates for the City compared to the other cities and unincorporated area of Sarasota County. Several years ago the City Commission had the foresight to establish a Revenue Stabilization Fund of approximately \$2.9 million to help mitigate cyclical downturns in the General Fund revenue base. With the decline in the aforementioned revenues, \$2.3 million of the Revenue Stabilization fund will be used in FY 2013-14.

Ad Valorem Taxes are monies collected through a levy on all non-exempt property in the City. They do not include the ad valorem taxes from the CRA district (the taxes on the incremental value over the base year), which are used to fund the approved improvements in the CRA district. The General Fund Ad Valorem taxes for FY 2014-15 are budgeted at \$19,343,487. This is an increase of \$945,671 or 5.14% over the FY 2013-14 budget.

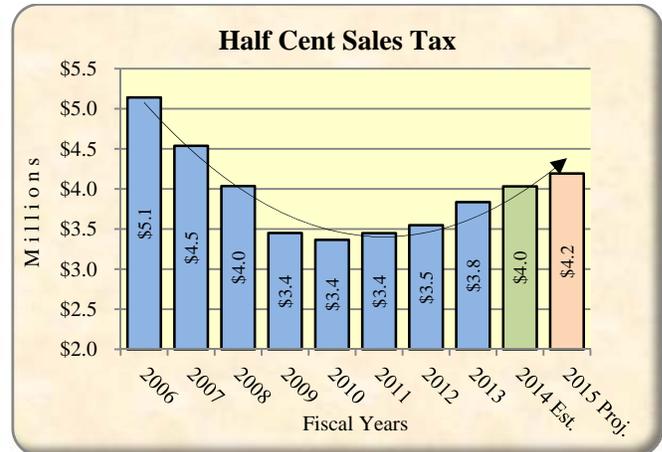
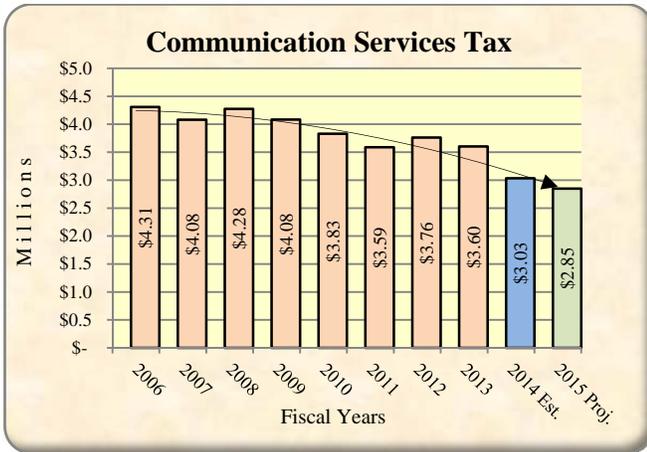


Excise Taxes are the revenues derived from a tax on electricity, water, bottled gas, and home heating fuels. The electric, water, and gas excise tax revenues for FY 2014-15 are budgeted at \$7.203 million. The FY 2014-15 excise taxes are anticipated to increase by \$288 thousand from the FY 2013-14 estimate of \$6.915 million, primarily due to the changes in the FPL base electric rate structure as approved by the Florida PSC and a 6% increase in City water and wastewater rates.



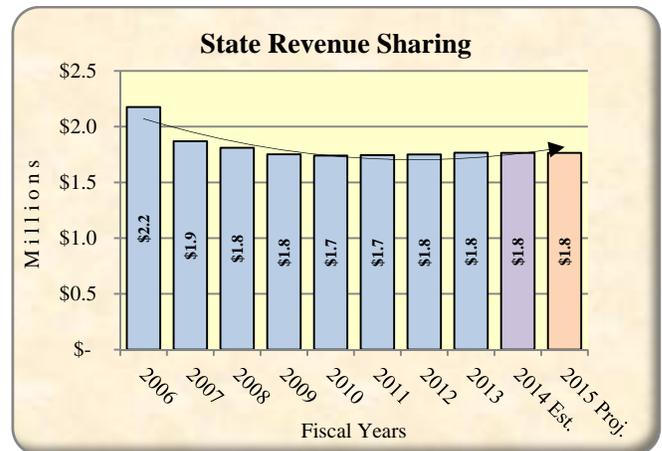
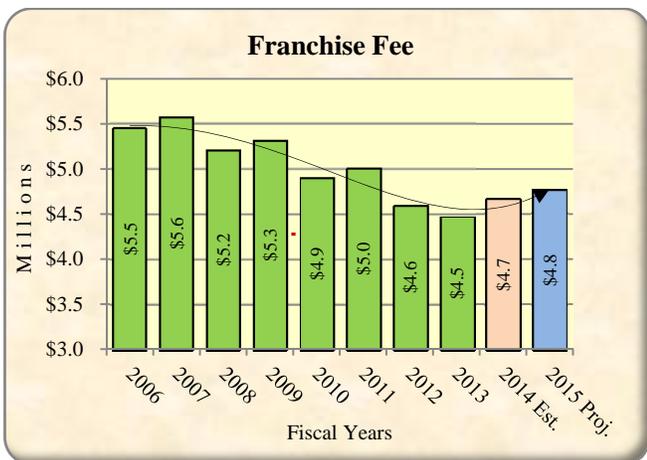
The Communication Services Tax (CST) is budgeted at \$2,850,000. The CST was created in FY 2001-02 when the Florida Department of Revenue began collecting the Communication excise tax, telephone franchise fee, and the cable franchise fee. The decrease in the CST since FY 2005-06 has been mostly attributed to the reduction in taxable minutes for cell phone usage due to the popularity of bundled usage packages including text messaging and social media, and the ever increasing use in internet communication, which is exempt from the CST. Additionally, the Florida Department of Revenue has reported that it has completed several audits resulting in some local governments seeing a reduction in the local communication service taxes.

In Depth Analysis



Licenses and Permits revenues include engineering fees, permit revenues, plus the electric and natural gas franchise fee charges. The Franchise Fee revenues are estimated at \$4.825 million. The FY 2014-15 franchise fees are anticipated to increase by \$137,000 from the FY 2013-14 estimated actual of \$4.688 million.

The State Revenue Sharing is budgeted at \$1.765 million, which is flat on the 10-year trend line. The State Revenue Sharing is funded through 1.3409% of the sales and use tax collections, the one-cent municipal fuel tax, and 12.5% of the state alternative fuel user decal fees.



Intergovernmental revenues include the local 1/2 Cent Sales Tax distribution, State Revenue Sharing allocation, boat registration fees, and alcohol licensing fees.

Charges for Services are the revenues collected from services provided by the City to the community and other governmental agencies. These services include Police, Streets & Highways, Parks & Landscape Maintenance, and various General Government services.

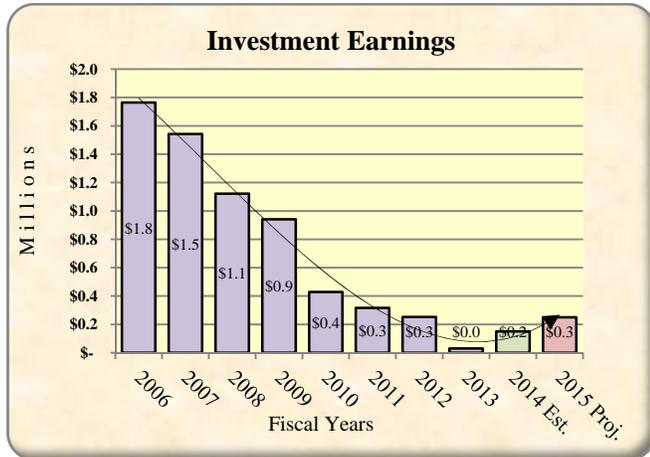
The 1/2 Cent Sales Tax revenues are budgeted at \$4.193 million. The recent uptick in the economy has started to reverse the declines in the sales tax generated from the housing and the construction industries. Beginning in FY 2010-11, the 1/2 Cent Sales Tax revenues have gradually increased. The FY 2014-15 projection continues with this trend. However, the projected FY 2014-15 revenues are still approximately \$1 million less than the amount received in FY 2005-06, which was the highest ever received for the 1/2 Cent Sales Tax revenue.

Charges to Other Funds are the fees charged to enterprise funds for their prorated cost of the general government operations that support these services.

Fines and Forfeits are the revenues paid to the city for violation of various laws and ordinances. Red Light Camera revenues in the amount of \$375,000 are included in the FY 2014-15 budget. This is a \$1.6 million decrease from FY 2013-14 budgeted Red Light Camera revenues. The reason for this decline can be attributed to red light camera legislation, change in the timing of yellow lights and motorists who are becoming aware of the camera locations and are complying with traffic signalization and safety.

In Depth Analysis

Investment Income is the revenue derived from the investment of funds not needed to pay current operating expenditures. Investment income is budgeted at \$250 thousand and moves in an optimistic positive direction for the year to come. For the City to protect its invested funds, our investments portfolio strictly follows the City's investment guidelines for safety, liquidity and yield. Unfortunately, the current market yield for fixed income investments is very low.



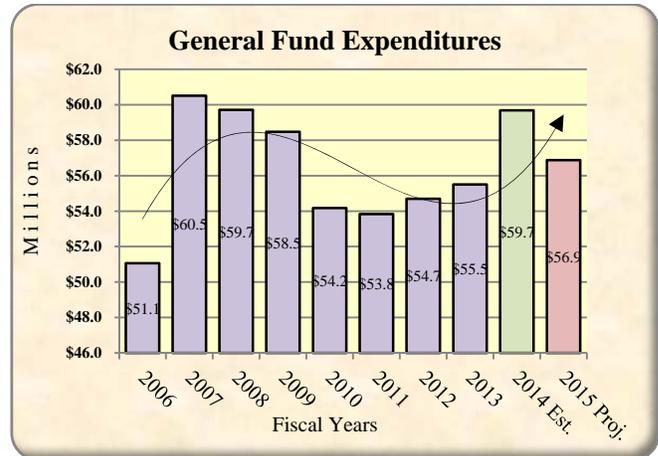
Miscellaneous Revenues include the revenue from leases of City properties and reimbursement for services. These revenues increase based on lease provisions that provide for CPI adjustments to the base rent.

Other Financing Sources includes the reimbursements from City Special Revenue Funds, Gas Tax and Enterprise Funds for services provided by General Fund departments.

EXPENDITURES

The General Fund contains the operating expenditures for the general government services, public safety, physical environment, human services, transportation, cultural and recreation, economic environment, and subsidies to the Parking Management fund and Municipal Auditoriums Fund.

The following graph tracks the General Fund expenditures from FY 2005-06 through FY 2014-15, with the last bar graph representing the proposed FY 2014-15 budget. The trend line indicates expenditure trends from FY 2005-06 through the FY 2014-15 budget.



The FY 2014-15 budget process began with revenues estimated at \$56,354,899 and expenditures estimated at \$59,405,012, resulting in a budget gap of \$3,050,113. The solution to reduce this deficit includes the following adjustments, plus Revenue increases and Expenditure decreases to eliminate the deficit.

FY2014-15 Budget Process began with a Deficit of	(\$3,050,113)
Adjustments in Revenues	
Property Valuation Change from Original Estimate of 4% increase to 5.14% increase	282,136
Transfer from Solid Waste	250,000
Other Misc. Revenue Adjustments	(47,500)
Additional Revenue for the SRO Contract	34,422
Adjustments in Expenditures	
Personnel Increases (Issues)	1,265,548
Personnel Reductions	183,574
Misc. Reduction in Operating Expenditures (Net)	97,349
Operating Expenditure Issues	(274,745)
Misc. Decreases in Capital Expenditures (Net)	154,851
Capital Expenditure Issues	(9,350)
Remove Contribution to NTRP	40,000
Parking Subsidy Increase	(249,550)
Municipal Auditoriums Subsidy Decrease	31,258
Reduction in OPEB Contributions	3,823,216
Total Adjustments	<u>\$3,050,113</u>

1. All departments were asked to review their expenditures for any operating cost or personnel that could be reduced. This resulted in approximately \$617,000 in savings.

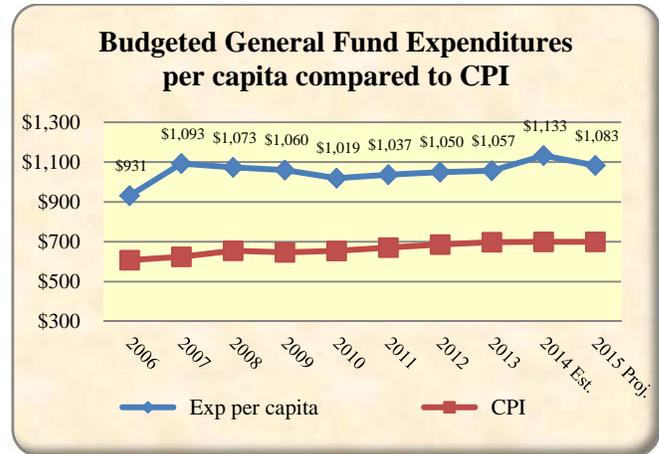
In Depth Analysis

2. All vacant or projected to be vacant positions were reviewed for possible elimination or reorganization. Eight 8 sworn positions were identified for elimination through attrition from the Police Department while two 2 civilian positions were added. Seven 7 other positions were added throughout the General Fund including four 4 landscape maintenance positions. In other funds 3.5 positions were eliminated while 7 were added for a net increase City-wide of 4.5. This brings the eight year net total decrease in number of positions to 195. The total projected budgeted positions citywide are 582 in FY 2014-15.
3. The budget reflects a subsidy to the Municipal Auditoriums of \$161,839, and a subsidy for the Parking program in the amount of \$500,000.
4. Included in the FY 2014-15 budget is a transfer of \$250,000 from the Solid Waste Fund.
5. On July 1, 2014 the City received the certifications of taxable value from the Property Appraiser's Office, which reflected a 5.14 percent increase for values affecting the General Fund, as compared to the 4.0% increase that was originally projected earlier in the budget process. The total increase in ad valorem tax revenue in the General Fund is \$945,641 using the current millage rate of 3.1728 mils.
6. The City Commission has adopted the recommendation to reduce contributions from the General Fund to the OPEB Trust Fund for FY 2014-15 in the amount of \$3,823,216 and to prioritize the development of a fiscally sustainable solution that modernizes and incorporates best practices for retiree healthcare costs and reduces the financial impact to the General Fund.

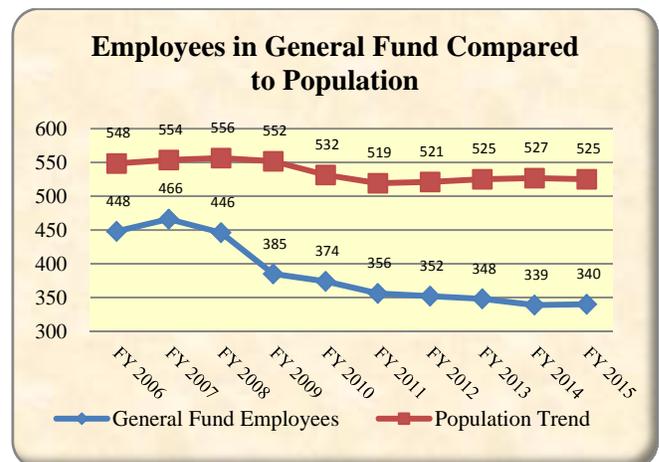
After making these expenditure and revenue modifications the General Fund revenue and expenditures are balanced. The resulting General Fund expenditures which total \$56,873,937, reflects a decrease of \$2,301,266 or 3.9% over last year's budget of \$59,175,201.

Balancing the budget for FY 2015-16 will present another set of challenges. One time revenues such as the transfers from other Funds and the possible use of the Revenue Stabilization Fund will not be available. Property tax values are showing some signs of recovery; however, unless the economy continues to improve, which would stimulate the economically sensitive revenues, another shortfall will exist. In order to meet this challenge, a combination of increased revenues, including property tax rate increases, and reductions in expenses will need to be considered.

The following graph depicts the budgeted general fund expenditures per capita for the ten years from 2006 to 2015 compared to the Consumer Price Index (CPI) for the same period.



The following graph details the number of funded General Fund employees over the past ten budget years compared to the population. In the last eight years, General Fund employee positions have been reduced by 24%.

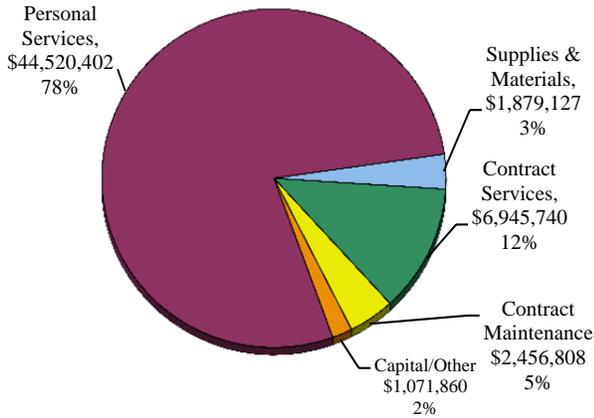


Public Safety continues to be the major emphasis of General Fund expenditures. In addition, personal services, including benefits, represent the major cost of providing General Fund services.

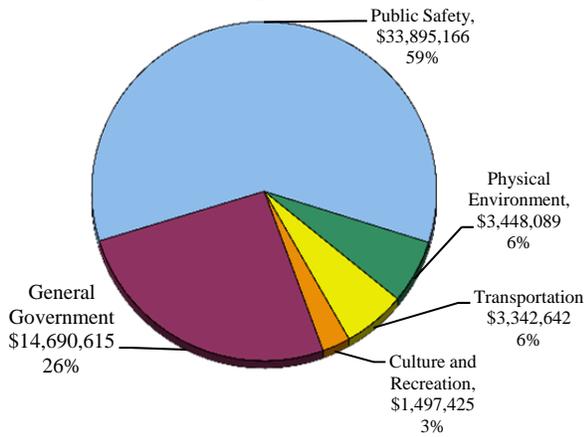
The first of the following graphs exhibits the relationship of public safety and other functional expenditures to total General Fund expenditures. The second graph depicts expenditures by type or object as a percentage of total General Fund expenditures. These two graphs clearly indicate that the City's employees are its major resource in providing public safety to its citizens. Detailed budgets for each General Fund department begin on page 57.

In Depth Analysis

General Fund Expenditures by Object



General Fund Expenditures by Function



General Fund Operating Millage Levy

The debt service millage for FY 2014-15 is 0.3877 mills, a decrease of .0212 mills from last year's 0.4089 mills. This debt service millage for both FY 2013-14 and FY 2014-15 funds the \$47 million General Obligation Bonds that were issued in 2007 to construct and equip the Police Headquarters, which serves as both an Emergency Operations Center and Disaster Recovery Site.

DEBT SERVICE FUNDS

A comparison of debt service millage for last year and this year follows:

	FY 2013-14	FY 2014-15
2007 General Obligation Bonds	0.4089 m	.3877m

The following table shows the estimated millage rate for debt service based on projected net assessed valuations through 2019:

	2007 G.O. Bonds
2014-15 Proposed millage	0.3877m
2015-16 Estimated millage	0.3728m
2016-17 Estimated millage	0.3584m
2017-18 Estimated millage	0.3446m
2018-19 Estimated millage	0.3314m

Including the General Obligation Bonds, the City of Sarasota's total outstanding long-term liabilities on September 30, 2014 are \$120,847,861, which can be summarized as follows:

	In Thousands	
	9/30/13	9/30/14
General Obligation Bonds	\$41,828	\$40,701
Special Obligation Bonds & Debt	25,979	23,704
Loans Payable	2,555	1,700
Special Assessment Debt	509	388
Proprietary Fund Revenue Supported Debt	57,745	54,355
	\$128,616	\$120,848
	Per Capita	
	9/30/13	9/30/14
General Obligation Bonds	\$794	\$772
Special Obligation Bonds & Debt	493	450
Loans Payable	48	32
Special Assessment Debt	10	7
Proprietary Fund Revenue Supported Debt	1,196	1,032
	\$2,441	\$2,294

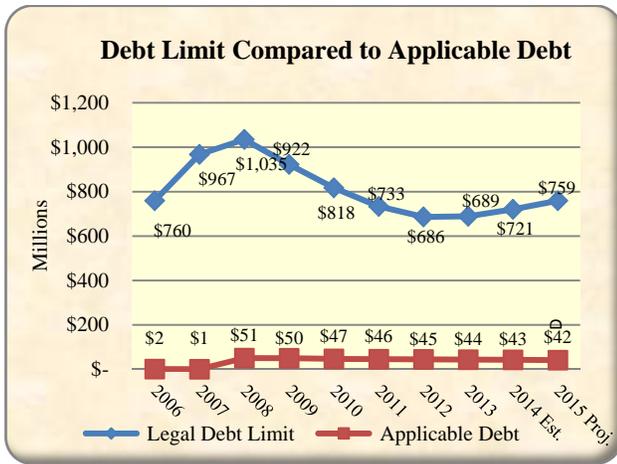
The level of outstanding debt is monitored by comparing it with the population and by comparing debt service levels with current revenues. As detailed in the table above, debt per capita is decreasing due to planned pay down of debt and reduction in borrowing.

The City Charter provides for a legal debt limit that caps the amount of outstanding long-term liabilities to 10% of the assessed property value within the City. The legal debt margin is defined as the difference between the legal debt limit and net total outstanding long-term liabilities. "Net long-term liabilities" or "Applicable Debt" is defined as long-term liabilities less any deductions allowable by law.

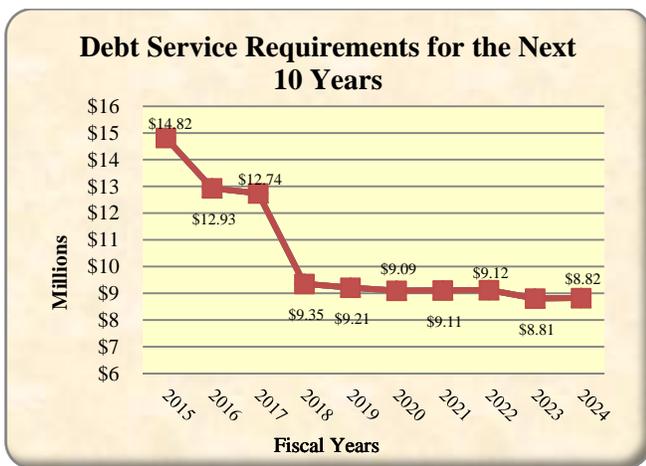
Allowable deductions include any debt supported by specific revenue streams and any funds segregated for the retirement of long-term liabilities.

In Depth Analysis

As of September 30, 2015 the legal debt margin of the City should be \$717,606,550 and the following chart compares it to debt margins of the previous several years and estimated for next year.



The chart below exhibits the next several years' debt service requirements.



In the aggregate, Debt Service Fund Balance is expected to decline by 12.6% from \$6,185,373 to \$5,404,466. This is primarily attributable to the planned usage of debt service reserves to make principal and interest payments on the Series 1992 Special Obligation Bonds.

Total payments including interest to amortize these long-term liabilities are \$187,097,126 (\$120,847,861 - principal and \$66,249,265 - interest). The total payments necessary to amortize annually all outstanding long-term liabilities is detailed in the table on the following page.

In Depth Analysis

Debt Service on Outstanding Long-term Liabilities										
Original Issue	Issued Amount	Fund Budgeted In	Purpose of Issue	2014-15	2015-16	2016-17	2017-18	2019-Remaining Life	Total Outstanding	
GOVERNMENTAL FUNDS (Included in the Debt Service Funds Section)										
Loans Payable:										
2001B First Florida			Surface Parking	P	125,000	130,000	-	-	255,000	
	1,270,000	Debt Service	St. Armands	I	14,025	7,150	-	-	21,175	
2003 First Florida		General Fund	Parking Garage	P	250,000	260,000	270,000	280,000	1,060,000	
	5,150,000	and CRA	and Equipment	I	41,450	32,074	22,000	11,200	106,724	
2005 First Florida			Land	P	640,000	-	-	-	640,000	
	5,545,000	CRA	Acquisition	I	23,200	-	-	-	23,200	
Glenn Oaks Wall			Wall	P	5,429	5,697	5,942	6,198	109,398	
	199,390	Debt Service	Glenn Oaks	I	5,705	5,496	5,251	4,996	36,010	
Special Obligation Bonds:										
1992 Series - Refunding			Parking and	P	474,753	472,234	469,989	-	1,416,976	
	19,555,000	CRA	Downtown Imp	I	1,670,247	1,807,766	1,955,011	-	5,433,024	
2009 Series - Refunding		CRA & Penny	Strategic Parking	P	1,670,831	1,766,714	1,866,329	957,608	8,430,347	
	21,066,000	Sales Tax	Park/Rec Center	I	541,339	475,443	403,322	348,042	1,227,649	
2010 Series - Economic Development		CRA & Penny		P	225,000	230,000	235,000	240,000	6,665,000	
	8,260,000	Sales Tax	Stadium	I	289,933	284,361	277,294	270,076	2,899,318	
General Obligation Bonds:										
2007 Series			Police	P	1,005,000	1,050,000	1,090,000	1,140,000	33,450,000	
	46,305,000	Debt Service	Headquarters	I	1,819,969	1,778,513	1,735,200	1,688,875	17,982,036	
2008 Series			Golden Gate	P	162,950	169,354	176,009	182,926	2,275,153	
	5,800,000	Debt Service	Streetscape	I	116,579	110,175	103,520	96,603	520,136	
PROPRIETARY FUNDS - (Included in the Enterprise Funds Section)										
2004 Series- Refunding		Water & Sewer	System	P	490,000	-	-	-	490,000	
	9,915,000	Funds	Improvements	I	22,050	-	-	-	22,050	
2005 Series		Water & Sewer	System	P	375,000	390,000	405,000	420,000	3,465,000	
	7,860,000	Funds	Improvements	I	206,328	190,390	174,790	158,590	595,103	
2010A Series		Water & Sewer	System	P	1,550,000	740,000	535,000	550,000	1,145,000	
	8,865,000	Funds	Improvements	I	144,075	82,075	63,575	50,200	53,200	
2010B Series		Water & Sewer	System	P	-	-	-	-	25,255,000	
	25,255,000	Funds	Improvements	I	945,478	945,478	945,478	945,478	15,171,587	
2011 Series		Water & Sewer	System	P	1,105,000	1,145,000	1,205,000	1,265,000	14,315,000	
	21,885,000	Funds	Improvements	I	900,494	856,294	799,044	738,794	3,650,800	
Total Principal					8,078,963	6,358,999	6,258,269	5,041,732	95,109,898	120,847,861
Total Interest					6,740,872	6,575,215	6,484,486	4,312,853	42,135,839	66,249,265
Total Outstanding Principal & Interest					\$ 14,819,835	\$ 12,934,214	\$ 12,742,755	\$ 9,354,585	\$ 137,245,737	\$ 187,097,126

In Depth Analysis

SPECIAL REVENUE FUNDS

COMMUNITY REDEVELOPMENT AGENCY (CRA)

The July 1, 2014 Preliminary Certified Taxable Value for the downtown "Redevelopment Area" totals \$1,757,453,891 which is \$72 million or 4.29% more than last year. Similarly, the July 1, 2014 Preliminary Certified Taxable Value for the Newtown "Redevelopment Area" totals \$106,907,386 which is \$4.1 million or 4.0% more than last year.

The following table lists the valuations provided by the Sarasota County Property Appraiser for selective prior years, and the respective base year:

Fiscal Year	Newtown Certified Taxable Value	Percent Change From Prior Year	Downtown Certified Taxable Value	Percent Change From Prior Year
2014-15	*\$106,907,386	4.0%	*\$ 1,757,453,891	4.29%
2013-14	101,087,986	7.0%	1,669,686,321	3.43%
2012-13	94,478,726	(1.96%)	1,614,304,810	(0.03%)
2011-12	96,370,154	(27.38%)	1,614,830,316	(10.14%)
2010-11	132,706,722	(9.45%)	1,797,110,609	(12.86%)
2009-10	146,555,834	(16.75%)	2,062,230,542	(11.71%)
2008-09	176,044,120	BASE	2,335,711,730	(5.29%)
2007-08			2,466,050,612	10.71%
2006-07			2,227,494,068	28.35%
2005-06			1,735,418,465	20.48%
1986-87			411,676,160	BASE

* July 1, 2014 Certified Taxable Value

Based upon this valuation, the current 3.1728 mills will generate revenues of \$3,848,000 from the City. This is \$230,103 more than last year. Sarasota County has indicated that their millage rate will remain the same at 3.0607 mills. This millage will generate, in addition to the City's contribution, \$3,913,535, which is \$211,413 more than last year. As a result, these revenues in the CRA will total \$7,761,535 or \$441,516 more than received last year. In addition to these revenues, the CRA is budgeted to receive \$40,000 in investment earnings, a \$136,828 contribution from the Downtown Improvement District as a contribution towards specific capital expenditures and \$2,500,000 from the sale of the Palm Avenue hotel site.

The FY 2014-15 revenues will be sufficient to provide for the \$4,622,256 debt service payments for all outstanding debt of the CRA which includes the 1992 TIF Bonds; the First Florida Governmental Financing Commission loans of 2003 and 2005; and the 2009 Build America Bonds, State Street Garage interfund loan repayment, plus funding other initiatives including Newtown Redevelopment.

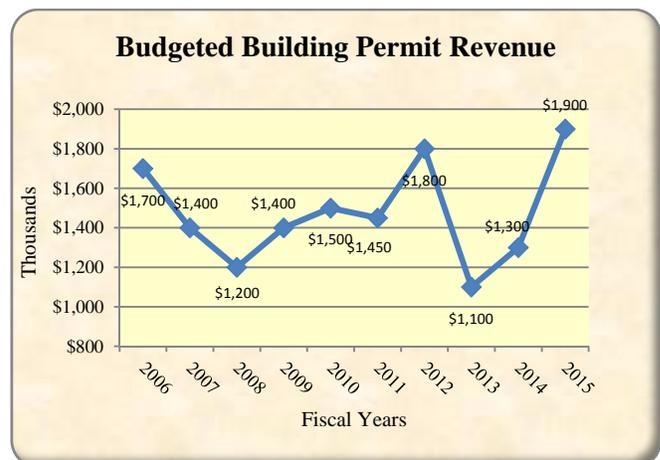
The following are the budgeted uses of the Community Redevelopment Trust Fund for FY 2014-15:

Total CRA Revenue	\$10,438,363
<u>Expenditures</u>	
Debt Service	\$4,622,256
Palm Ave. & Coconut Ave. Site Improvements	1,200,000
Salvation Army	80,000
Newtown Redevelopment	77,000
Downtown Redevelopment	77,000
<u>Downtown Master Plan Projects</u>	
Downtown Transportation	471,585
Strategic Parking Facilities	170,000
Wayfinding Signage	600,000
Enhanced Maintenance level for TIF projects	65,000
<u>Public Initiatives</u>	
TCEA Update	12,500
CRA Legal – City Attorney	47,500
Contribution for Economic Dev. Coordinator	40,800
<u>Administrative Costs</u> (IT/Cost Allocation)	
	15,741
<u>Interfund Transfers</u>	
Services provided by the General Fund	2,616,746
Total Expenditures	10,096,128
Net of Revenue over Expenditures	\$342,235

BUILDING SERVICES FUND

The Building Services Fund is used to track and accumulate services provided to the development community. Specifically, the costs to administer the Florida Building Code are accounted for in this fund in accordance with Florida Statutes so that its revenues will only support building/development activities.

Revenues for FY 2013-14 are projected to be \$3,292,264 or \$1,273,264 more than the adopted budget due to the number of building permits issued for the current year. The City is on track to surpass a record number of permits with year to date permits at 4,500 and anticipated total end of this year figure to exceed 6,000. Building revenues are budgeted for FY 2014-15 at \$2,822,000, an increase of \$803,000 as compared to last year's budget, but not anticipated to be as high as this current fiscal year. The graph below shows budgeted building permit revenue over the past 10-year period. Building permit revenue is budgeted to increase by \$600,000.



In Depth Analysis

The following projects were under construction or completed during fiscal year 2013-2014:

- State Street – City Parking garage
- Sarasota Memorial Hospital Renovations
- 1 N Palm – One Palm/Mixed Use
- 1301 Main St – The Jewel Condominium
- 1852 Hillview – Hillview Building Renovation
- 188 Golden Gate – 188 Golden Gate Condominium
- 1750 12th St - City of Sarasota Utility Storage Tank
- 1750 12th St – City of Sarasota Water Reclamation Facility
- 3500 S Tamiami Trail – Chase Bank
- 2200 Bee Ridge Blvd – Coast Cadillac
- 2989 Fruitville Rd – Dialysis Center Renovation
- 1761 12th St – City of Sarasota Fleet Garage Renovation
- 242 S Washington Ave – 2 Story Office Building
- 1519 Main St – C-1 Bank

FY 2014-15 budgeted expenditures of \$2,679,921 increased by \$682,531 from the prior year budget of \$1,997,390. The budgeted revenues and expenditures for FY 2014-15 result in a projected excess of \$142,079 adding to the projected fund balance at September 30, 2014 of \$3,212,706 for a budgeted fund balance at September 30, 2015 of \$3,354,785. Fund balance consists of \$1,200,000 reserved for the replacement of the permitting software application, \$61,850 reserved for training and \$2,092,935 of unassigned fund balance.

DEVELOPMENT APPLICATION SYSTEM

The Development Application System Fund accounts for funds collected and expenditures incurred in the review and approval of development applications. The City determined that the most practical method of defraying the costs of development review functions was through a schedule of fees based upon the type of development. For FY 2014-15 total revenues from billable fees of \$216,000 have been estimated and are projected to be disbursed, along with an additional spend-down of \$225,164 in fund balance, as follows:

<u>Operating Costs</u>	
Comprehensive Plan Special Mailing	\$70,564
Office/Postage	8,900
Advertising	36,000
Special services	49,700
Duplicating and printing	6,000
Filing fees	1,000
Legal fees	45,000
Sub total	217,164
<u>Transfer to cover staff costs</u>	224,000
<u>Total Recovered Expenses</u>	\$441,164

PUBLIC ART FUND

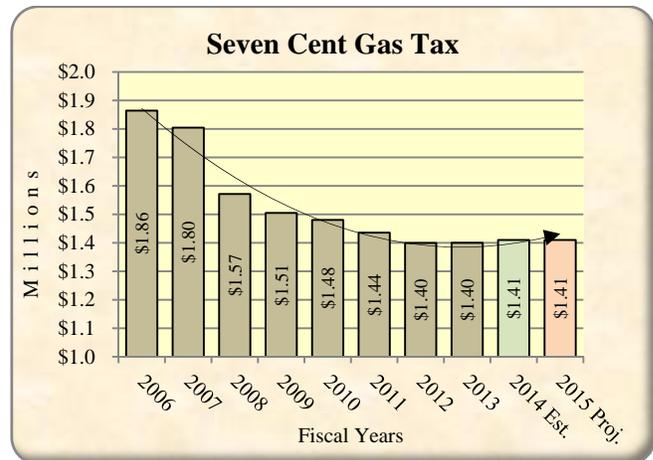
The Public Art Fund accounts for all revenues and expenditures to acquire and maintain public art. An important part of the City of Sarasota's public art collection comes from the contributions provided by the developers of commercial projects. Developers of projects within certain downtown districts must either contribute to the public art

fund or provide art that is visible for the public to enjoy. Due to the variability of developer contributions, revenues are not appropriated until the City Commission has approved a specific project.

The projected ending fund balance at September 30, 2014 of \$155,290 is available for maintenance or purchase of public art. Included in the fund balance is a reserve for the maintenance of Good Heart Plaza (\$27,500).

GAS TAX

The **Seven Cent Gas Tax** revenues are budgeted to be \$1,410,000 for FY 2014-15, which is \$10,000 more than was budgeted for in FY 2013-14. As exhibited in the graph below, this revenue has been in a steady decline since FY 2005-06 but appears to be leveling off in the last few years.

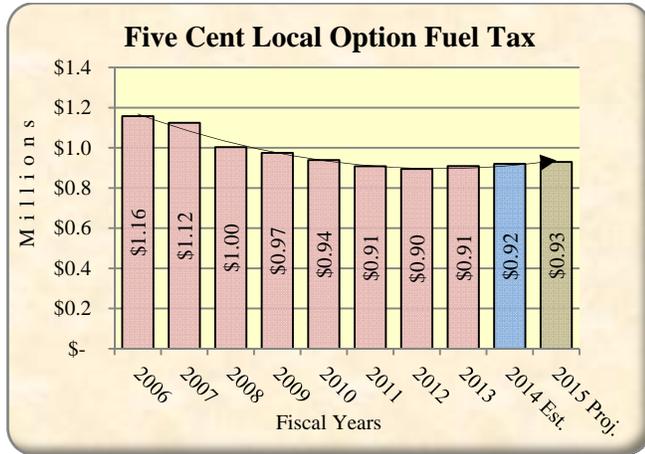


The estimated fund balance of \$766,278 as of September 30, 2014 results in total resources available for FY 2014-15 of \$2,176,278 which funds \$1,638,899 in expenditures as follows:

Transfer to General Fund	\$ 885,004
Bridge and large culvert maintenance	10,000
Bicycle route improvements	25,000
Pressure cleaning sidewalks (Main & MLK)	25,000
Removal of dead trees	25,000
Replacement of curbs and gutters	20,000
Replacement of sidewalks	90,000
Advanced Traffic Management Systems	100,000
Street amenities (furniture/trash receptacles)	15,000
Street lights/signal maintenance	25,000
Traffic Control & overhead signs	50,000
Traffic control pavement markings	20,000
Traffic loop replacements	10,000
Traffic signal parts and controller	35,000
Traffic signalization	60,000
Transportation planning	41,895
Capital Equipment	27,000
Downtown Pedestrian Streetlights	50,000
Main Street-Orange & Lemon Sidewalks	125,000
Total	\$1,638,899

In Depth Analysis

The Five-Cent Local Option Fuel Tax went into effect January 1, 2001. For FY 2014-15 the tax is estimated at \$930,000, which is \$50,000 higher than budgeted for FY 2013-14. As exhibited in the graph below, this revenue has been in a slow decline since FY 2005-06 but appears to be leveling off in FY 2014-15.



Combining the FY 2014-15 projected revenues of \$930,000 with the estimated fund balance of \$137,760 at September 30, 2014 provides total funds available of \$1,067,760 for funding the following projects:

Bridge Refurbishment/Replacement	\$215,000
Bicycle Route Improvements	50,000
Street Reconstruction	540,000
Total	\$805,000

MULTIMODAL TRANSPORTATION IMPACT FEES

Per City Ordinance 14-5090 the Multimodal Transportation Impact Fee Fund has been established effective October 1, 2015. The Multimodal Transportation Impact Fee is a one-time fee paid by new development to recoup the proportional cost of the development's impact to the road system. These fees provide additional flexibility to fund capital infrastructure for transit, bicycle, and pedestrian facilities, in addition to roads.

FY 2014-15 projected revenues are \$300,000, to be used to fund of the following projects:

Alderman St. Improvements	\$200,000
ATMS Project	100,000
Total	\$300,000

TOURIST DEVELOPMENT TAX

The original two cents Tourist Development Tax has been in effect since November 1, 1988. In addition, the Board of County Commissioners of Sarasota County increased the Tourist Development Tax an additional one cent to a total of three cents, effective April 1, 1997. Effective May 1, 2007, the Board of County Commissioners of Sarasota County increased the Tourist Development Tax an additional one cent for a total of four cents. The City's allocation of the original two cents Tourist Development Tax for FY 2014-15 is estimated at \$50,000. These funds will be reserved for Lido Beach Shoreline Protection.

Since inception and through September 30, 2014, the City has been allocated a total \$12,628,902 of Tourist Development Tax revenues. Through the same date, the City will have expended approximately \$10,061,547 of that amount, which leaves an estimated carryover of \$2,263,355 to FY 2014-15. This carryover amount, along with the FY 2014-15 allocation of \$50,000 and the estimated fund balance at September 30, 2014 of \$1,314,961, provides approximately \$3,628,316 of matching funds for further protection of Lido Beach's shoreline.

For FY 2013-14, the Van Wezel Performing Arts Hall received \$91,131 of Tourist Development Tax funds. It is anticipated the Van Wezel will receive approximately \$85,000 for FY 2014-15.

PENNY SALES TAX

The original Penny Sales Tax went into effect September 1, 1989. The City bonded a large portion of this ten-year revenue source to initiate major improvements including roadways, park improvements and office space. On November 4, 1997, the voters of Sarasota County approved the extension (Phase II) of the penny sales tax for an additional ten years. On November 6, 2007, voters approved a Sarasota County Referendum to continue the One-Cent Sales Tax (Phase III) through December 31, 2024. The penny sales tax revenue for FY 2014-15 is budgeted at \$6,400,000, which is slightly higher than the current FY 2013-14 estimate of \$6,300,000.

As detailed in the following graph these revenues experienced a high point in FY 2004-05 and FY 2005-06. Revenues declined sharply with the downturn in the economy. However, since FY 2010-11, revenues have been increasing steadily.

In Depth Analysis



For FY 2014-15 total revenues of \$6,431,500, which includes \$31,500 of investment earnings, funds \$5,437,586 of expenditures as listed below:

Mobility Improvements	\$ 750,000
Payne Park and Municipal Auditorium	310,000
Bicycle Network Improvements	400,000
City Wide Traffic Calming	50,000
Neighborhood Action Strategy	50,000
Police Vehicle Replacements	450,000
Police Radios (loan repayment)	150,000
Street Reconstruction	1,200,000
Landscape and Street Improvements	50,000
Sidewalk Construction	175,000
Ringling & Orange Roundabout	150,000
Street Tree Planting	15,000
Canopy Tree Program	55,000
Payne Park	196,222
Parks and Recreation Facilities Upgrade	175,000
Subtotal	4,176,222
Debt Service-Payne Park Phase II (Land Acquisition)	420,455
Debt Service-Robert L Taylor Complex	840,909
Total	\$5,437,586

HOUSING AND COMMUNITY DEVELOPMENT

The Office of Housing and Community Development (OHCD) is a joint effort of the City of Sarasota and Sarasota County Government. The Office administers state and federal housing and community development programs both in the City and the County. The City of Sarasota's Community Development Block Grant entitlement for FY 2014-15 is \$457,666, and is estimated that \$20,000 in program income will be received. The following projects are included for funding:

Administration	\$ 84,533
Program Delivery/ Underwriting	70,000
Housing Rehabilitation Loan Program	17,326
Summer Youth Program	24,000
Homeless Activities	25,000
Newtown Neighborhood Improvement	226,807
Fair Housing Activities	10,000
Total	\$457,666

In 1992, the Federal government created a new housing initiative entitled the HOME Partnership Program under the purview of the U.S. Department of Housing and Urban Development (HUD). Under the program, cities and counties are eligible to receive federal funding for affordable housing initiatives. Because neither the City nor County qualified to receive direct funding, they formed a new entity entitled the Sarasota Consortium. The City of Sarasota was designated as the lead agency or recipient of funds for the Consortium. The FY 2014-15 HUD-HOME Program funding is \$717,466 and an estimated \$150,000 in program income.

The following projects are included for funding:

Administration	\$ 86,746
Program Delivery/Underwriting	65,000
City CHDO Project Costs	92,620
Home Rehabilitation	623,100
Total	\$ 867,466

During FY 2014-15, OHCD will administer \$1,779,149 in State Housing Initiative Partnership (SHIP) funds, plus an estimated \$300,000 in program income. These funds will be spent within Sarasota County both inside and outside the City.

Uses of these funds for FY 2014-15 are as follows:

Administration	\$ 192,915
Program Deliver/Underwriting	120,000
Down payment Assistance	470,000
Rehabilitation Program	185,000
Developmentally Disabled Home Rehabilitation	380,000
Tax Credit Projects	300,000
Home Buyer Education	6,000
Housing Partnership	425,234
Total	\$2,079,149

OHCD's total employment positions have been reduced from a high of 21 in 2003-04 to the current level of 8 full-time positions. The FY 2014-15 budget for OHCD reflects a reduction of 2 positions from the 10 budgeted in FY 2013-14. Staff has streamlined its internal processes to increase efficiency, meet spending deadlines and maintain excellent customer service.

COUNTY OCCUPATIONAL LICENSE TAX

Effective December 12, 1991, the Sarasota Board of County Commissioners adopted an ordinance implementing an occupational license tax in Sarasota County. The ordinance allocated proceeds from this tax to each municipality based upon the respective ratio of their population to the total County population. Effective October 1, 1994, as authorized under State Statutes, the Sarasota County Commission decided to distribute these funds using the alternative formula. This formula allocates the applicable taxes to each municipality using the previous formula, but allows each

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municipality to receive only the pro-rata share of taxes collected within its boundaries.

For FY 2014-15 this revenue is estimated at \$9,000 plus a fund balance carryover of \$21,031 of which the following is budgeted:

Sarasota Co. Economic Dev. Corp.	\$ 12,000
Administrative expenses	313
Total	<u>\$12,313</u>

These revenues and expenditures produce a projected fund balance of \$17,718 as of September 30, 2015.

CITIZENS WITH DISABILITIES

Section 33-83 of the Code of the City of Sarasota requires that revenue collected from fines imposed for illegal parking in parking spaces provided for citizens with disabilities shall be accounted for separately and used for projects or facilities of benefit to citizens with disabilities. Currently, the fine for illegally parking in a citizen with disabilities parking space is \$250, of which \$167 is allocated to this fund, and \$83 is allocated to the Parking Management Fund.

Revenue for FY 2014-15 is budgeted at \$15,000. Expenditures in this fund include support staff expenses (\$1,500) as well as closed captioning expenses (\$25,000). This leaves an estimated fund balance of \$132,874 available for future appropriation. It has been the internal policy of the administration to bring all other expenditures of this fund to the Commission for approval before the expenditure is authorized.

NEIGHBORHOOD GRANT PROGRAMS

In June 1997, the vehicle-impounding ordinance was enacted, providing for the impounding of vehicles used to facilitate prostitution or drug related crimes. Their owners can regain impounded vehicles after paying a fine. In December 1998, the Commission approved an equal division of the revenue generated from civil seizure fines to be used as grants to qualifying neighborhoods in the subsequent year and to defray costs of the Nuisance Abatement Board. In FY 2009-10 and FY 2010-11 the first \$50,000 was set aside for the Neighborhood Grant Program, with any excess transferred to the General Fund to defray expenses of the Nuisance Abatement Program, including legal costs. For FY 2013-14 budget, \$41,936 is being set aside for Neighborhood Grants, with the excess budget of \$25,000 transferred to the General Fund to defray the expenses of the Nuisance Abatement Program.

Total revenues for FY 2014-15 are projected to be \$40,000. Consistent with the above recommended policy, the first \$25,000 is budgeted for the Neighborhood Grant Program and \$15,000 will be transferred to the General Fund.

Funding designated for the Neighborhood Grants Program (at least two grant cycles per fiscal year), with up to \$3,000

for neighborhoods under 1,000 households and up to \$5,000 for neighborhoods with over 1,000 households. If funding remains after the last grant cycle of the fiscal year, such funds may be used toward neighborhood leadership participation related to the annual Florida Neighborhoods Conference and Neighborhoods USA Conference, costs associated with the annual National Night Out Against Crime Event, and other neighborhood-related expenditures consistent with the intent of the Neighborhood Grant Program.

OFFICE OF TOURISM, TRADE AND ECONOMIC DEVELOPMENT (OTTED)

On December 31, 2006, Sarasota County's application was approved for certification as a Facility for Retained Spring Training Franchise by the Office of Tourism, Trade and Economic Development. In March 2007, the Florida Department of Revenue agreed to make Pro Sports payments in the amount of \$15 million over the next 30 years or \$41,667 a month. This \$41,667 that the City receives monthly is used to pay debt service on the 2010 Stadium Bonds.

In July of 2010, the Interlocal agreement between the City of Sarasota and Sarasota County for Major League Baseball Spring Training Use by the Baltimore Orioles obliged the City to transfer the accumulated OTTED funds and actual OTTED bond proceeds less the costs of issuance to Sarasota County. In November 2010, the City Commission voted to authorize the early transmission of up to \$1.6 million of the accumulated OTTED funds to Sarasota County to fund ongoing construction at the Sports Complex. The \$8,153,523.81 of excess bond proceeds was transferred to the County for construction of the stadium facilities and environmental remediation of the site.

For FY 2014-15 grant revenue is estimated to be \$500,004. This same amount will be expended in a transfer to fund debt service payments.

ST ARMANDS SPECIAL BUSINESS NEIGHBORHOOD IMPROVEMENT DISTRICT

The St Armands Special Business Neighborhood Improvement District (BID) was created under Section 163.511, Florida Statutes and empowered by City Ordinance No. 02-4382 adopted July 16, 2002. The boundaries of the BID are made up of all parcels of real property located within the CT Zone District in the vicinity of St Armands Circle. The BID is a dependent taxing authority with the power to levy up to two mills for the purpose of purchasing supplemental services (maintenance, security, sanitation, promotions, special services and capital improvements). The taxes are collected and disbursed by the City, but all funds are used for the BID at the direction of the Board of Directors.

In September 2013, the property owners in the St. Armands

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Special business Neighborhood Improvement District voted to extend the District for an additional 10 years, through FY 2022-23.

The Estimated Taxable Value, as of July 1, 2014, for the St. Armands Business Improvement District, from the Sarasota County Property Appraiser, is \$118,965,902, which is a 6.5% percent increase from the prior year value of \$111,708,158. By a unanimous vote of the BID Board of Directors, the BID plans to levy 2.0 mills, which will generate approximately \$228,415 for FY 2014-15. Total available funds (revenues) are budgeted as follows:

<u>Description</u>	<u>Amount</u>
General & administrative expenses	\$ 2,500
Administrative cost allocation to City	3,035
Permits & Licenses	175
Music system expense	2,000
Enhanced Land Maintenance	25,000
Promotional Activities	90,000
Event Fees	2,500
Legal Fees	2,500
Contingency	103,705
Total	<u><u>\$231,415</u></u>

GOLDEN GATE POINT STREETScape SPECIAL DISTRICT

The Golden Gate Point Streetscape Special District (GGP) was created under Section 189.4041, Florida Statutes and empowered by City Ordinance No. 05-4624 adopted September 6, 2005. The boundaries of GGP are made up of all parcels of real property located on Golden Gate Point. GGP is a dependent taxing authority with the power to levy millage to construct and maintain enhancements and improvements within the public rights of way on Golden Gate Point including, but not limited to, brick pavers, sidewalks, striped perpendicular parking, the undergrounding of all utilities and provision of landscaping enhancements. To accomplish this streetscape project, in March 2008, the GGP borrowed \$5.8 million at 3.93% payable over twenty years. In FY 2009-10, excess debt proceeds of \$2 million were repaid, reducing the total amount of outstanding debt by the same. The annual debt service on this debt is approximately \$280,000.

The taxable value, as of July 1, 2014, for GGP, from the Sarasota County Property Appraiser, is \$193,748,185 which is an increase of 5.3% from the prior year value of \$183,980,145. Based upon this higher valuation, the millage necessary to cover the annual debt service on the previously mentioned borrowing is 1.4570 mills. In addition, maintenance costs for the completed project are estimated to be \$100,940 for FY 2014-15. An additional millage levy of 0.5343 mills is necessary to cover these costs. The combined millage for paying the debt service on the previously mentioned borrowing and covering the estimated maintenance costs of 1.9913 mills, is slightly lower than the previous fiscal year's millage of 2.0971 mills primarily due to additional maintenance costs incurred by the District.

DOWNTOWN IMPROVEMENT DISTRICT

The Sarasota Downtown Improvement District (DID) was created November 2008, by City ordinance adopted by the Sarasota City Commission at the request of an ad hoc committee of downtown commercial property owners. The DID has a variety of goals, powers and authority granted in the ordinance to improve the Downtown Core of the City of Sarasota and is governed by a board of five members, who are non-residential property owners subject to ad valorem taxation within the District and are appointed by the City Commission.

The estimated taxable value as of July 1, 2014 for the DID from the Sarasota County Property Appraiser, is \$180,860,220. Based upon the levy of 2.0000 mills for FY 2014-15, property tax revenues are budgeted to be \$344,234. Combined miscellaneous revenues of \$344,734 with the estimated fund balance of \$18,175 at September 30, 2014 provide funding the following projects:

<u>Description</u>	<u>Amount</u>
Part-time Administrative Assistant	\$ 27,969
5 % of Neighborhood Chief Planner	5,730
Administrative cost allocation to City	4,245
Miscellaneous operating expenses	4,251
Consulting services	25,000
Enhanced land maintenance	60,000
Transfer to support CIP Program	136,828
Capital improvements Contingency	92,138
Total	<u><u>\$356,161</u></u>

The projected ending fund balance for FY 2014-15 is \$6,748.

ENTERPRISE FUNDS

WATER AND SEWER

The Water and Sewer Utility System (Utility) recently revised its Capital Improvement Program to incorporate needed infrastructure improvement projects along with adding in a number of utility projects to support street improvements and roundabout projects. In total the Utility's Capital Improvement Program totals over \$65,750,000 over the next five years. This program is necessary at this level to ensure the City continues to address issues within its aging infrastructure. Along with the increased Capital Improvement Program, the Utility is required to have certain staffing levels, repay outstanding indebtedness, perform a variety of maintenance issues (valves, hydrants, lines, lift stations, etc.), and provide customer service and billing functions regardless of the amount of active accounts or water demands. Fundamentally, all of the Utility's operating cost requirements are fixed, with the only variable expenses being electricity and chemicals.

As such, in March 2014 the City retained the services of

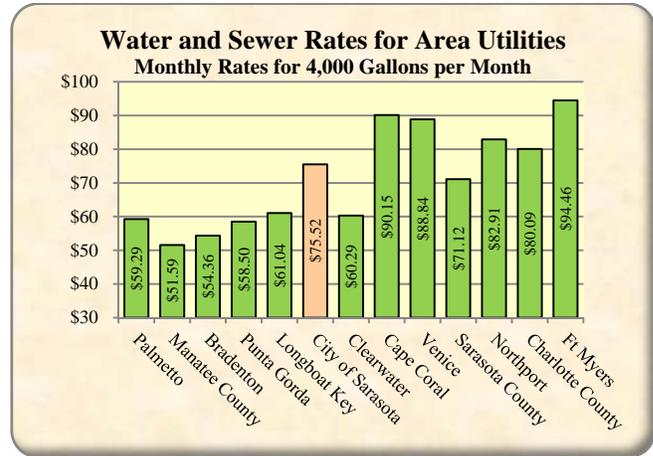
In Depth Analysis

Burton & Associates to conduct a utility rate study (Study) that would determine the level of annual water, sewer, and reclaimed water revenue required to satisfy all requirements of the Utility over a multi-year forecast period from which a two-year water, sewer, and reclaimed water rate revenue adjustment plan was developed. The Study concluded that a two-year plan of water, sewer, and reclaimed water rate revenue adjustments of 6% a year for FY 2014-15 and FY 2015-16 are necessary for the Utility to fund its operating, capital, debt service coverage, and reserve requirements during this time period. Additionally, the study concluded that similar annual rate increases would guarantee that no additional borrowings would be necessary for at least 10 years adhering to the City Commission directive of no new debt for the Utility, assuming no major inflationary increases or additional major capital projects.

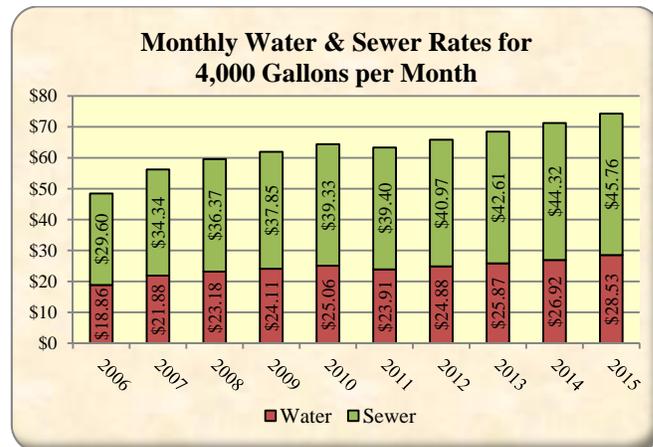
The Utility has recently sold a significant amount of land that yielded approximately \$20,000,000 of net proceeds to the Utility during FY 2010-11. The Utility tasked its Engineer of Record to perform an Infrastructure Report Card and a Capital Efficiency Study. The Study provided recommendations for capital expenditures based on a risk assessment analysis. In addition, the Utility secured its rate consultant Burton & Associates to evaluate the merits of alternative uses of these proceeds as well as their impacts to the future annual revenue requirements of the Utility using the current financial model developed for the FY 2009-10 Rate Study. These options were presented to the City Commission on June 20, 2011. The Commission approved accelerating the capital program and reserving \$5 million in a capital reserve account. The FY 2014-15 budget continues this philosophy.

Revenues for FY 2013-14 are projected to be \$39,360,160 or \$404,156 more than the adopted budget mainly due to the increase in on-going revenues. The increase in on-going revenues is due to the rate revenue adjustment implemented in September 2013. Based on the adjustment, revenues have remained stable and have not decreased as was the case in prior years. Total estimated expenditures for FY 2013-14 of \$54,968,487 which include utilization of the Hi-Hat proceeds are projected to be \$2,703,827 lower than the FY 2013-14 amended budget of \$57,672,314.

Revenues for the FY 2014-15 at \$43,353,706 include the effect of the 6% rate increase. After this increase, the City's water and sewer rates will continue to be very competitive at \$28.53 for water and \$46.99 for sewer, which total \$75.52, for 4,000 gallons, excluding excise taxes.



The goal of the administration continues to be smoothing out the rate hikes and keeping them as low as possible, yet sufficient to sustain the capital infrastructure of the utility, while satisfying the required bond covenants as to coverage and not incurring any new debt.



Expenditures for the FY 2014-15 at \$52,550,251 are projected to be higher than the adopted budgeted for FY 2013-14 by approximately \$3 million, primarily due to accelerated capital funding for Water Distribution System Upgrade. The rise in fuel has impacted transportation costs and many other commodities consumed throughout the utilities such as chemicals and PVC pipe. The utility is continuing to look at efficiencies throughout the department and many projects are in the process which will lower operating costs. One such efficiency to be recognized during FY 2014-15 is the new agreement for the disposal of the City's wastewater sludge which is anticipated to save the Utility over \$100,000 annually. This year the Utility's equipment replacement program totals \$552,250 dedicated to replacement vehicles.

In Depth Analysis

BOBBY JONES GOLF COMPLEX

Bobby Jones Golf Club (BJGC) is Sarasota's own piece of paradise in paradise. The 45-hole, 324 acre green space is the only golf course located entirely within the City limits of Sarasota. This historic gem, initially designed by Donald Ross in 1926 and dedicated by Bobby Tyre Jones, Jr. on February 13, 1927, has grown to include two 18-hole championship courses and a 9-hole executive course. Additional amenities offered include a 12-station driving range, three putting greens, a pitching area, continuous concrete cart paths, a quaint golf shop and a full service restaurant/bar. Other activities available include organized men's and women's golf leagues and numerous tournaments/outings. Walking is permitted all year.

Over 115,000 golfers annually escape to this southwest Florida paradise and comingle with numerous species of animals, birds, reptiles, fish, trees and plants while engaging in the ever popular and always humbling game of golf.

Volunteers perform many activities supporting the golf course and log an average of 575 hours a month while Community Service workers contribute another 300 hours a month.

BJGC partners with contracted vendors for the restaurant/bar services and the course maintenance.

Promoting youth golf at BJGC continues to be a high priority. This often overlooked age group is the future of golf. Local school and college golf teams use the BJGC facility as their home course as fees are waived for match play and practice. The Florida Junior Golf Association tournament and the BJGC Junior tournament are held annually. With the return of a teaching golf pro, three week-long youth golf clinics are offered each summer and two during December.

Providing the best possible golfing conditions for the best possible recreational value while maintaining self-sufficiency (no General Fund subsidy), is always the primary goal of BJGC management, staff, volunteers and vendors. Success is measured by being voted First Place in the 2012/13 Herald Tribune Readers' Choice Award for Best Public/Semi Private Golf Course, the 18th consecutive First Place Award since 1994.

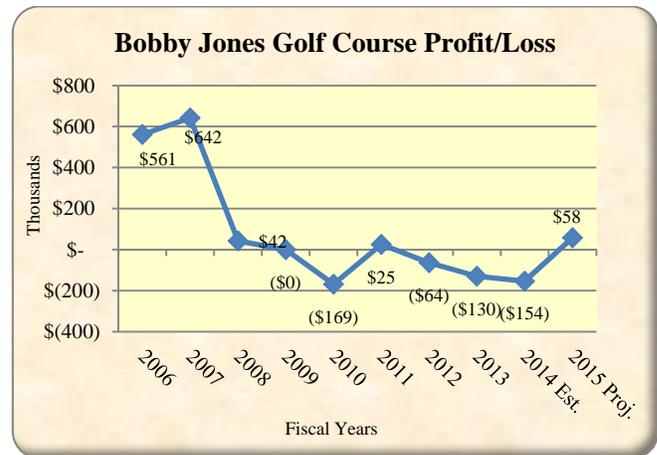
Over the past ten years it has been the goal to gradually discontinue the Annual Fee Holder (AFH) program. With only 34 renewals in 2013, this year marks the final year of the AFH program for the British and American courses. The Gillespie Course will not be affected. A replacement pre-pay golf program was introduced in the FY 2013-14 that is advantageous to both the golfer and the club.

Considering the recovering economy, limited discretionary golfer dollars, and fierce pricing competition from area golf courses, no greens fees increases were implemented for the

FY 2013-14. Through May 2014, revenues were \$111,143 or 5.4%, higher than compared to the same period last fiscal year. Historically, during the summer months revenues drop, so the conservative estimate for BJGC revenue as of September 30, 2014, is \$2,507,831. BJGC is expected to finish with a deficit of \$154,244, which will reduce fund balance to \$48,364 at September 30, 2014.

Estimated expenditures for FY 2013-14 of \$2,662,075 are \$144,916 higher than the FY 2012-13 actual expenditures, which is due to increased personnel and operating expenditures. For FY 2014-15, projected revenues are \$2,772,285 and expenditures of \$2,714,213 produce a return on investment of \$19,357 and a net increase of \$58,072 to a total fund balance of \$106,436.

The foremost item in the capital program for the Bobby Jones Golf Complex will be addressing existing course needs identified by stakeholder meetings and consultants recommendation's such as greens restoration, on course drainage and repairs/replacement of bridge structures. The City will be receiving proposals to complete a Strategic Plan for Bobby Jones that will include 1) Course Infrastructure, 2) Clubhouse and Facilities and 3) Design and Restoration Opportunities. Capital Fund Balance is projected to be \$905,234 as of September 30, 2014 and \$80,234 at September 30, 2015.



VAN WEZEL PERFORMING ARTS HALL

The Van Wezel Performing Arts Hall, owned and operated by the City of Sarasota, is considered the "Jewel in Sarasota's Arts Crown". The Hall is unique from the standpoint that it provides the physical plant and its facilities for community programming. Additionally as a presenter, the Van Wezel takes financial risks to bring a broad variety of programming to the City and the community.

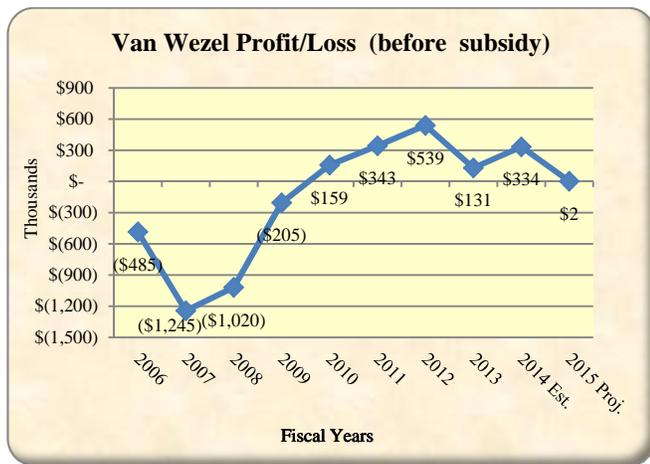
The Van Wezel presents a broad spectrum of local, regional, national and international performing artists in order to meet the varied cultural needs of all of Southwest Florida's residents and to further Sarasota's national and international

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reputation as the cultural capital of Florida. In addition, the Van Wezel is utilized by other City-based non-profit organizations such as the Sarasota Orchestra, Ringling Town Hall Series and the Sarasota Concert Association. The Van Wezel continues to make prime dates available to these groups, sometimes years in advance, to allow the community groups to plan their programs. The rates for the hall are tiered so that groups wanting to use the hall during the week pay less than those wanting the prime-time weekends. The mid-week rate is still less than the fixed cost of operating the hall for a day.

In addition to being the major presenter of programs in the area each year, the Van Wezel has a significant economic impact on the City and the region. The 1,300 plus annual visiting artists who come from all over the world to work at the Van Wezel stay in hotel rooms, eat at local restaurants and significantly enhance the retail economy within the City. Patrons who come to the Van Wezel often have a meal before or after the performance at one of the many City restaurants. As in years past, more than half of the attendees come from outside the Sarasota City limits, further illustrating the breadth of the Hall's influence. This includes patrons from other Florida locations, various states and intercontinental residence. The economic impact of the Van Wezel operation in the community has been estimated at \$57 million per year. In June 2014, the Van Wezel was named the #1 theatre in North America for venues with under 2,000 seats by "Venues Today" for the 3rd year in a row.

The following graph reflects the actual profit or loss (before an operating subsidy) for Van Wezel for the past 10-year period.



The Van Wezel has a rich programming mix. Programming is focused on shows that have the best risk-reward ratio, and will hopefully draw more audience members to the Hall. Subscription campaigns have been instituted for the Broadway Series, Classical Series and Variety Series. The Van Wezel also offers 4 free Friday Fest concerts in the summer. The music ranges from Oldies, to Country, to Motown and to a Latin mix.

The Van Wezel is funded through a combination of ticket sales, other earned income such as concessions and rentals, contributed income, grants and sponsorships.

For the FY 2013-14, the Hall's revenues are anticipated to be well above budget by approximately \$620,317. The expenditures for FY 2013-14 will be over the budget \$294,363 to accommodate the increase in performance fees needed for the increased ticket sales. The Hall is expected to finish \$334,000 better than originally budgeted.

In FY 2014-15, sources of contributed income will also be under economic pressure. Various grants have been either cut or reduced and economic pressure will adversely impact current corporate sponsors and the Van Wezel Foundation. While keeping these conditions in mind, the Hall will continue to seek contributed income increases through sponsorships, ongoing discussions with the Van Wezel Foundation, and foundations that specifically support educational and community events that the Van Wezel provides.

Total budgeted revenues for FY 2014-15 of \$10,018,422 are approximately \$1,101,024 higher than budgeted for FY 2013-14. Comparatively, expenditures for FY 2014-15 of \$10,017,296 are \$1,107,538 higher than last year's budget. This level of revenues and expenditures should preclude the need for a subsidy from the General Fund in FY 2014-15. The subsidy steadily decreased from \$1,280,000 to \$0 since FY 2006-07.

The FY 2014-15 Fiscal Year will be the fifth year in a row that the Hall has not received a subsidy from the General Fund. The aforementioned revenues and expenditures establish a projected fund balance at September 30, 2015, of \$2,316,028.

Regarding the Capital Surcharge Fund, funds available for FY 2014-15 from the \$1.00 per ticket capital surcharge should be \$1,216,828 of which \$194,347 should be generated from collections in FY 2014-15. Of the \$1,216,828, \$568,535 is budgeted for improvements to the Hall, including upgrade/replacement of equipment and computer hardware/software upgrades.

SOLID WASTE MANAGEMENT

The Solid Waste Management Division of the Public Works Department, plans, develops and implements a system of solid waste collection throughout the City that provides a level of service which protects public health and the environment while meeting the requirements of Local, State and Federal regulations.

Household Waste and Recycling

In FY 2014-15, the following level of service is provided for:

In Depth Analysis

Residential - 1 collection per week of a City supplied 90 gallon cart. Collection is performed with semi-automated trucks.

Commercial - Collection services range from 1 to 6 times per week. Container sizes range from the 90 gallon cart up to a 20 yard compactor.

Public areas - Collection services are performed daily for street receptacles in the downtown area, Bayfront Park, St. Armands Circle, Southside Village and Dr. Martin Luther King Jr. Way business district. In addition, disposal costs for parks, special events, and community clean-up are funded by this operation.

The City contracts with a private contractor to provide transfer services of the solid waste collected within the City and have an interlocal agreement with Sarasota County for landfill disposal. In addition to solid waste collection, the City requires mandatory recycling. The City contracts with a private contractor to provide one time per week the collection and disposal of recyclable materials, yard waste, white goods and bulk trash.

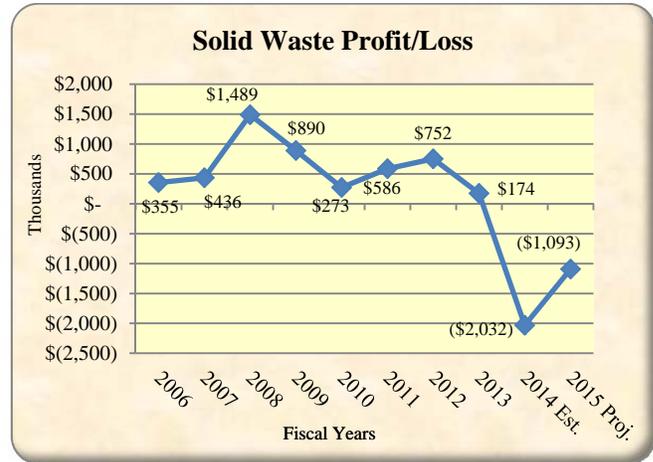
Street Sweeping

This operation removes the accumulation of litter and debris from the City's paved streets by mechanically sweeping streets on a scheduled basis that provides for the downtown commercial streets to be swept three times per week and the residential streets to be swept quarterly. This proposed budget maintains the same level of service as established in the FY 2013-14 budget.

In addition to the scheduled sweeping of streets, work also includes sweeping of parking lots, sweeping after vehicle accidents, street construction and special events such as parades and festivals.

Revenues for FY 2013-14 are projected to be \$10,315,609 which is \$46,141 less than the amended budget of \$10,361,750. Expenditures for FY 2013-14 of \$12,347,237 are projected to be lower than the amended budget of \$12,591,087 by approximately \$243,850 due mainly to the decrease of landfill charges associated with fewer tons of garbage being collected.

The following graph reflects the actual profit or loss for the Solid Waste Management operation for the past 10-year period. The profit shown in 2008 was the result of significant cost cutting measures and the postponement of capital replacements. FY 2014-15 shows a budgeted loss which is covered by fund balance, leaving a sufficient balance for equipment replacement reserves.



Revenues for the FY 2014-15 are projected to be \$10,329,200 which is slightly higher than those estimated for FY 2013-14. Expenditures for FY 2014-15 are projected to total \$11,440,296 or \$906,941 less than those estimated for 2013-14.

These revenues and expenditures contribute to an estimated fund balance at September 30, 2015 of \$2,300,040. In addition, the operation maintains an equipment replacement reserve which provides funding for large vehicle replacements. In addition to the relocation of the Transfer Station, several equipment purchases will be made in FY 2014-15, leaving a projected reserve balance of \$159,321 at September 30, 2015.

MUNICIPAL AUDITORIUMS

The operation includes the Municipal Auditorium, Payne Park Auditorium and the Bayfront Community Center. In order to facilitate management review, separate cost centers are maintained to report each auditorium's operating results separately.

The historic Municipal Auditorium is located at the northern gateway to downtown Sarasota. It has been on the National Register of Historic Places since February 24, 1995. The FY 2014-15 budget of the Municipal Auditorium emphasizes promoting use of the Auditorium for a wide variety of activities, including 6 City sponsored events. The Auditorium's main source of revenue is generated through the rental income for the use of the facility. In FY 2014-15, it is projected that approximately \$243,512 will be generated by leasing the facility to organizations and individuals for a myriad of events including antique, coin, jewelry, stamp and orchid shows, educational programs, proms, fundraisers, etc. In addition to rentals, the auditorium sponsors 6 events which will generate approximately \$43,500 for the fiscal year. Additionally, the Auditorium staff operates the in-house concession stand creating another \$21,000 in revenues.

In Depth Analysis

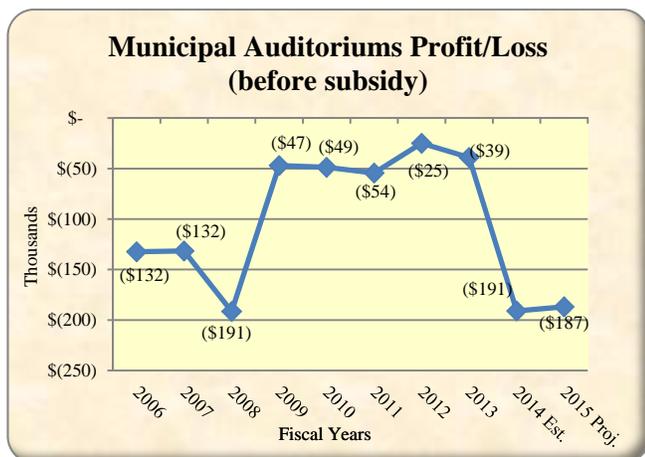
The Bayfront Community Center came under the management of the City of Sarasota, effective October 1, 2011. This arrangement was part of the Inter-Local Agreement between City and Sarasota County. The Bayfront Community Center is an addition that was added to the back of the Municipal Auditorium in the 1940's.

The Municipal Auditorium and the Bayfront Community Center have a combined revenue budget for FY 2014-15 of \$345,928, which is an increase of \$24,588 over those estimated for 2013-14. Expenses for FY 2014-15 are budgeted at \$499,634, which is an increase of \$16,906 from the FY 2013-14 estimated expense.

The Payne Park Auditorium is maintained as a separate cost center within this operation. The Payne Park Auditorium is the perfect community venue nestled within the City of Sarasota's Payne Park and offers 5,000 square feet of rental space. The facility was constructed in 1962 and has continued to service the needs of the community since its inception. A typical month's events include dances, rehearsals, catered luncheons and meetings. For FY 2013-14 the estimated revenues and expenses are \$26,856 and \$56,432, respectively. For FY 2014-15 the projected revenues and expenses are \$32,831 and \$66,713 respectively. The increase in revenue and expenses for the Payne Park Auditorium for FY 2014-15 is due to operating the facility at 100% versus last year's plan of eliminating usage in order to demolish the building.

Based upon the above revenues and expenses for the three facilities, the General Fund will be required to subsidize the Municipal Auditoriums for FY 2014-15 in the amount of \$161,839.

The following graph reflects the actual profit or loss (before operating subsidies) for all auditoriums combined for the past 10-year period. FY 2013-14 is estimating a loss of \$190,964, requiring a subsidy of \$193,097 and FY 2014-15 has a budgeted loss that will require an additional subsidy of \$161,839 leaving a fund balance of \$15,895 at September 30, 2015.



PARKING MANAGEMENT

In FY 2013-14, the Parking Management program again experienced a change in priorities. The FY 2013-14 budget included revenue and expenses associated with paid parking in the Palm Avenue Garage. The City Commission made the decision to stop the plan to institute paid parking in the Palm Ave Garage until the Parking Advisory Committee's recommendation for a more comprehensive parking program was presented. FY 2013-14 revenues were projected to total \$899,857, and expenses projected to be \$1,150,407 producing a \$250,450 decrease in fund balance. Estimated FY 2013-14 revenues are projected at \$ 577,554 and expenses at \$997,182 for decrease in fund balance of \$419,628. This has been met with a budgeted general fund subsidy of \$544,515 for FY 2013-14.

The Parking Management Division is responsible for the oversight and maintenance of the Palm Avenue Parking garage, portions of the 2nd Street/Whole Foods parking garage, and has spent a large part of 2014 assisting with the development and planning for the new State Street garage which will be operational March 1, 2015. The Parking Division also manages 17 public parking lots, enforcement of City codes and regulations pertaining to public parking citywide, consisting of approximately 4,345 time-restricted parking spaces and thousands of additional curb and alleyway parking areas. Additionally, in FY 2014 the Parking Division assumed responsibility for Ground Transportation Permitting of all vehicles transporting passengers within the city limits, and for Valet Permits within the City. The addition of these two elements will slightly enhance the parking revenues, but moreover will be a positive impact on the integral role that parking plays in monitoring and managing the components of Parking & Transportation within the City limits.

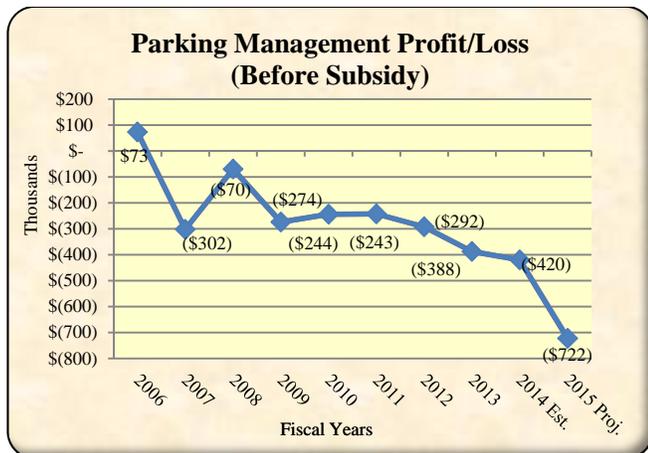
Areas of focus in 2015 include:

- Develop a citywide strategic parking plan – drafts underway and in review by the Parking Advisory Committee
- Coordinate a Parking Feasibility Study of the St. Armand's parking district and review potential initiatives for garage parking.
- Provide Smart, Safe, and Sustainable parking.
- Manage available time-restricted parking so sufficient turnover of spaces exists and that parking spaces are available to visitors.
- Expand parking customer awareness of the service which parking provides the community, and the unit's positive effect on citywide operations via parking facilities, website, and good customer service within the parking office.
- Enforce compliance with city ordinances pertaining to parking and scofflaws through active monitoring of streets, alleys, parking lots, and other publicly accessed parking areas.

In Depth Analysis

For FY 2014-15, revenues are projected to total \$585,720 and expenses are projected to be \$1,308,016, which produces a \$722,296 decrease in fund balance. The fund balance is projected to be \$0 at September 30, 2015 after a General Fund transfer of \$500,000 in Fiscal year 2014-15.

The graph below reflects the actual profit or loss for the Parking Management Fund for the past 10-year period. The loss in fiscal year 2006-07 is due to the free parking permit program during a transitional period, which decreased both permit revenue and violation revenue. The large drop in profitability was a result of added Parking Fund cost allocations that were not previously applied until 2005, and then were increased substantially in 2007. Citation revenues have increased slightly over the past 5 years but expenses have increased primarily due to the operation and maintenance costs of the Palm Garage and the State Street Garage which is expected to be open in March 2015.



INTERNAL SERVICE FUNDS

VEHICLE AND EQUIPMENT MAINTENANCE

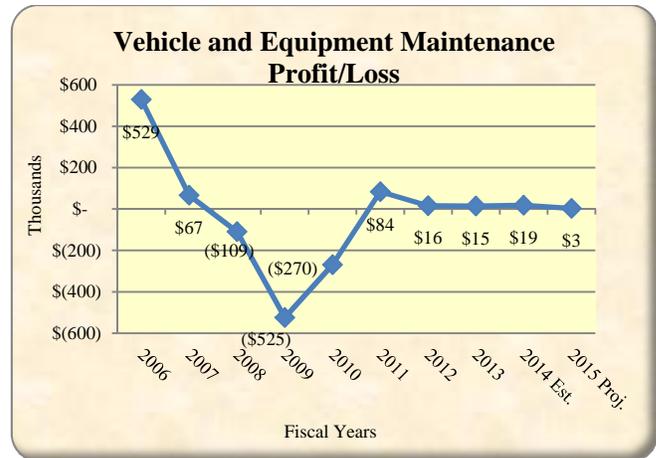
This operation repairs and maintains City vehicles, in a cost-effective manner and provides a 24-hour per day, fully automated fuel facility.

As an Internal Service Fund, this Public Works division operates on a break-even basis. The estimated fund balance at September 30, 2014 is projected at (\$101,733). For FY 2014-15 revenues are projected to be \$3,072,220, expenditures are projected to be \$3,071,482, which changes the estimated fund balance at September 30, 2015 to (\$100,995).

Revenues for FY 2014-15 are budgeted at \$3,072,220, which is \$133,180 higher than estimated for FY 2013-14. This is primarily attributed to the anticipation that fuel cost will fluctuate from their current rate, which could translate into higher fuel sales. Labor rates are projected to remain at \$100/hr. for vehicle maintenance and \$125/hr. for heavy

equipment, which are comparable to local dealerships and other specialty shop rates.

Expenditures for FY 2014-15 are budgeted at \$3,071,482 which is \$151,144 higher than those estimated for FY 2013-14. The increase over this year's estimate is primarily related to a full year of expenditures for the third party operations of the parts room and costs associated with estimated fuel cost increases. These costs are offset by increases in the revenues as stated earlier.



INFORMATION TECHNOLOGY

The Information Technology (IT) Department provides the hardware and software information systems and technologies that enable City departments to accomplish their respective missions. These systems provide department personnel with operationally relevant information, support strategic planning, promote effective resource management, enhance customer service and facilitate internal and external communications.

The FY 2014-15 budgeted revenues of \$1,852,000 are \$51,500 less than those estimated for FY 2013-14. The FY 2014-15 expenditure budget of \$2,185,584 is an increase of \$351,342 from the FY 2013-14 adopted budget. This increase is due to budgeted CIP projects for Enterprise Storage Replacement and Enterprise Network Server and Hardware. Based upon the revenues and expenditures, the fund balance at September 30, 2015 is anticipated to be \$384,225.

EQUIPMENT REPLACEMENT FUND

This Internal Service Fund provides the mechanism to enable the City to replace vehicles and certain other capital items, based on a predetermined schedule. The initial funds were borrowed to purchase vehicles required in the operating budgets. These departments, instead of budgeting capital purchases, have budgeted lease payments. The lease payments generate revenues in the fund sufficient to build a reserve for the replacement of the already purchased vehicles in the future.

In Depth Analysis

For FY 2014-15 replacement equipment will be purchased for City Hall (\$380,000), Federal Building (\$35,000), Police (\$28,000), Parks and Landscape Maintenance (\$77,000), Municipal Auditorium (\$55,000), and Streets and Highway (\$206,000). The reserve at the end of FY 2014-15 is projected to be \$1,761,471.

The process took time to be totally self-supporting and out of debt, but has been the answer to the City's future capital needs for vehicles and certain other capital items.

SELF-INSURANCE FUNDS

The purpose of the self-insurance funds is to account for the costs of the City's six self-insurance programs. The actual fund balance for all self-insurance funds at September 30, 2013 was \$10,151,495. The fund balance is projected to be at \$4,796,281 and \$4,767,601 at September 30, 2014 and September 30, 2015, respectively, as follows:

Self-Insurance Fund	9/30/14	9/30/15
Workers' Compensation	\$1,779,464	\$1,676,215
Fleet Liability	744,794	1,283,441
Law Enforcement Death Benefit	427,559	436,409
Group Medical and Dental	1,267,162	1,066,889
Police Liability	432,950	200,000
General Liability	144,352	104,647
Total	\$4,796,281	\$4,767,601

The Law Enforcement Death Benefit Fund maintains an adequate fund balance. In addition, the current rate structure is adequate and does not require modification.

The Police Liability Fund claims experience is trending down from the previous year. It is anticipated that these expenses will continue to level off in FY 2014-15.

For FY 2008-09, \$300,000 was transferred from the Workers' Compensation Self-Insurance Fund to the General Liability Claims self-insurance fund for initial funding. In FY 2009-10 this annual transfer was reevaluated and was reduced to \$100,000. The annual transfer for FY 2014-15 will remain the same as the previous years at \$100,000.

The Workers' Compensation Self-Insurance Fund benefited from a favorable claims experience in previous years. During the FY 2011-12, claims increased which appeared to be a cyclical response after several lower years. In FY 2013-14, claims have normalized. As mentioned above the General Liability and Claims self-insurance fund will receive a \$100,000 transfer from the Workers Compensation Fund.

The Fleet Liability Self-Insurance Fund has benefited from favorable claims experience over the past several years. As a result, premiums were reduced in FY 2010-11. Premiums have remained at this reduced rate from FY 2010-11 through FY 2013-14. FY 2013-14 claims and judgments are

estimated to be slightly higher than the previous year and the fund balance at September 30, 2014 is estimated to be \$744,794.

The Group Medical and Dental Fund, beginning with FY 2006-07, cover only active employees, not retirees. Effective October 1, 2006 an Other Post-Employment Benefits (OPEB) Trust Fund was created for retirees and will be discussed later.

The fifth year of the medical plan conversion to CIGNA coupled with the opening of the City's Employee Health Center has resulted in a lower medical inflation trend than the previous 10% trend which was occurring from FY 2004-05 to FY 2008-09. The City's medical plan focuses on wellness and preventative care which will continue in FY 2014-15 with the use of the wellness incentive program for outcome measures. The wellness program paired with the opening of the Employee Health Center helps to encourage preventative programs and helps to mitigate larger claim costs in the future.

The City of Sarasota Employee Health Center was opened on March 8th, 2011 to provide primary and preventative care to employees, retirees and dependents on the City's medical plan. An existing City property was retrofitted for use of this facility saving a substantial amount in rental expenses or acquisition of a location. One time construction and set-up costs were \$263,882. On-going operation costs of approximately \$.9 million per year are shared by Group Medical and Dental, Workers' Compensation, and OPEB.

Year to date Utilization (number of available appointments vs. number of fulfilled appointments) is at 89% averaged over a one year time frame. Cost savings to the medical/dental fund is a result of the primary care appointments and medication dispensed through the Health Center. CIGNA's annual report for FY 2011-12 indicates that our plan spend per member per year decreased 18% from the previous year, which is correlated to cost savings from the Health Center mode. Worker's compensation injuries being triaged through the Health Center have also had a savings impact on the Worker's Compensation Self Insurance Fund.

Fiscal year 2013-14 claims experience for the active employee fund is dramatically different from the previous years. The medical trend rose by 20% over the previous year due to catastrophic claims (considered claims over \$50,000). This has had an impact on the claims cost for this fund for the FY 2013-14. The Group Medical/Dental fund is projected to complete the FY 2013-14 with a fund balance of \$1,267,162, a decrease of \$2,254,983 from FY 2012-13. The FY 2014-15 City contribution rate for active employees premium has been increased by 3% over last year's amount to \$8,190.

In Depth Analysis

TRUST FUNDS

OTHER POST EMPLOYMENT BENEFITS TRUST FUND

Effective October 1, 2006, the City established an Other Post Employee Benefits Trust Fund as recommended by the actuary hired to determine the other post-employment benefit (OPEB) liability as required by Governmental Accounting Standards Board Statement Numbers 43 and 45. OPEB includes all benefits to retirees except pension. The largest of the post-employment benefits is medical and dental insurance. Currently the City provides retirees that were hired prior to October 1, 1993 with medical and dental insurance. The single coverage rate is based upon the retiree's pension benefit and the maximum premium charged is \$122 to \$126 per month. As of 2014 retirees with dependent coverage pay the same rates as active employees. Employees hired after October 1, 1993, who subsequently retire, will pay the full actuarial cost of medical and dental coverage, if they opt to continue in the City's plan. As of October 1, 2013, the most recent actuarial valuation date, the plan was 17.6% funded, based upon actuarial accrued liability for benefits of \$165.02 million and actuarial value of assets of \$29.1 million.

For FY 2013-14, revenues are estimated at \$12.6 million, which includes an estimated gain on investments of \$2.87 million. These revenues less expenditures of approximately \$7.9 million will increase the projected fund balance at September 30, 2014 to \$37.6 million.

As mentioned previously, the City has implemented a City Employee Clinic that should continually reduce both future OPEB liabilities and claims costs processed by Cigna. In addition, pursuant to Commission direction, the 17% retiree premium charge for single coverage (8.5% for those Medicare-eligible) with a discounted contribution rate for retirees with pensions less than \$18,000/year continues for calendar year 2014.

After reducing contributions to the OPEB trust fund for FY 2014-15, as recommended to balance the General Fund budget, revenues and expenditures of approximately \$9.4 and \$8.6 million, respectively, are expected to increase the fund balance at September 30, 2015 to \$38.4 million.

This recommended reduction is in anticipation of changes being made to OPEB that will be both fiscally sustainable for the City and provide an important benefit for the City's retirees. Regarding future funding requirements for OPEB, as well as health care costs, other strategies are being explored to help reduce this liability. Many factors contribute to the magnitude of the future annual funding requirement. First, health insurance premiums nationwide continue to increase at three to four times the rate of inflation. Second, current tax legislation, along with possible future legislative mandates, limits the City's ability to derive

the revenues necessary for future funding. Consequently, it will be a challenge to sustain the necessary funding for OPEB and health care costs in general.

DEFINED CONTRIBUTION PLAN – GENERAL EMPLOYEES

Effective September 7, 2011, the City of Sarasota established a Defined Contribution 401(a) Retirement Plan to benefit General Employees hired on or after that date. Participation of these employees in the Defined Benefit Retirement Plan, as modified by the City Commission, was not allowed. Existing represented and non-represented general employees were given several options for participation in the two Retirement Plans. Option 1 was continuing in the Defined Benefit Retirement Plan, as modified by the City Commission. Option 2 was to leave their value in the Defined Benefit Retirement Plan intact and participate in the new Defined Contribution 401(a) Retirement Plan for future years of service. Option 3 was to convert their value in the Defined Benefit Retirement Plan to the new Defined Contribution 401(a) Retirement Plan and participate in the new Defined Contribution 401(a) Retirement Plan for future years of service.

As discussed during the implementation of the new Defined Contribution 401(a) Retirement Plan, the maximum City contribution would be 8 percent of a participating employee's compensation. In addition, an extra 2 percent was budgeted for any administrative costs that would be absorbed by the City. Such expenses could include, but not be limited to, fiduciary risk consulting services, insurance, legal fees, travel, and advertising. This fund was established not only to account for both the City and employee contributions that would accrue to the employees, but also to account for the additional 2 percent which would be budgeted annually for the aforementioned administrative costs. For FY 2013-14, the 2% designated for administrative costs is estimated at \$94,000. With expenditures of approximately \$43,403, this will increase the projected fund balance at September 30, 2014 to \$193,618.

Revenues and expenditures for FY 2014-15 are projected at \$94,300 and \$45,637, leaving a projected fund balance at September 30, 2015 of \$242,281.

In Depth Analysis

CAPITAL IMPROVEMENT PROGRAM

The five year FY 2015-2019 Capital Improvement Plan (CIP) for the City of Sarasota totals \$130,876,000. The \$35,324,000 Capital Improvement Plan for FY 2014-15 provides for the accomplishment of major infrastructure improvements as follows:

Economic Development and Growth

- Newtown Redevelopment - \$77,000 Tax Increment Financing
- Downtown Redevelopment - \$77,000 Tax Increment Financing
- Palm Ave & Coconut Ave Improvements - \$1,200,000 Tax Increment Financing

Critical Infrastructure Items

- Bridge Replacement - \$215,000 \$.05 Local Option Fuel Tax
- 10th St Boat Basin Dredge - \$300,000 WCIND Grant \$1,000,000 JPA w Sarasota County
- Street Reconstruction - \$1,200,000 Penny Sales Tax; \$540,000 \$.05 Local Option Fuel Tax
- Curb & Gutter Replacement Program - \$20,000
- Sidewalk Replacement - \$90,000 Gas Tax
- Sidewalk Construction - \$175,000 Penny Sales Tax
- Mobility Projects - \$750,000 Penny Sales Tax
- US 41 and Gulfstream Roundabout - \$4,649,000 Road Impact Fees
- US 41 and Main Street Roundabout - \$505,000 FDOT
- Bicycle Route Improvements - \$25,000 Gas Tax; \$50,000 \$.05 Local Option Fuel Tax; \$400,000 Penny Sales Tax
- Traffic Signalization City Wide - \$60,000 Gas Tax
- ATMS Project - \$100,000 Multi-Model Transportation Fees
- Soil Erosion behind Van Wezel - \$50,000 WCIND
- 10th St/Centennial Park Docking Piers - \$25,000 WCIND
- Seawall Replacement O'Leary's - \$50,000 WCIND
- Ringling & Orange Ave Roundabout - \$150,000 Penny Sales Tax
- Main St Sidewalk Repair - \$125,000 Gas Tax
- IT Enterprise Storage Replacement - \$200,000 Information Technology Fund
- IT Enterprise Network Service & Hardware - \$100,000 Information Technology Fund

Quality of Life

- Parks & Recreation Facilities Upgrades - \$175,000 Penny Sales Tax
- Payne Park - Phase III - \$196,000 Penny Sales Tax
- Neighborhood Improvements - \$50,000 Penny Sales Tax
- Street Tree Planting - \$15,000 Penny Sales Tax
- Landscape and Streetscape Improvements - \$50,000 Penny Sales Tax
- Wayfinding Signage - \$600,000 Tax Increment Financing
- City Wide Traffic Calming - \$50,000 Penny Sales Tax
- Green Canopy Program - \$55,000 Penny Sales Tax
- Downtown Pedestrian Street Lights - \$50,000 Gas Tax
- Lido Beach Erosion Control - \$50,000 Tourist Tax
- Alderman Street Improvements - \$200,000 Multi-Model Transportation Fees

City Owned Facilities

- Payne Park & Municipal Auditorium Maintenance - \$310,000 Penny Sales Tax
- Transfer Station - \$500,000 Solid Waste
- City Hall and Annex Improvements – \$100,000 Equipment Replacement Fund
- City Hall and Annex Windows - \$280,000 Equipment Replacement Fund
- Federal Building Boiler - \$35,000 Equipment Replacement Fund
- Cat Loader - \$130,000 Equipment Replacement Fund
- EVO Garbage Truck - \$650,000 Equipment Replacement Fund
- Bayfront Community Center Renovation - \$55,000 Equipment Replacement Fund
- Bridge Repair - \$150,000 Bobby Jones Golf Complex
- Drainage Improvements - \$210,000 Bobby Jones Golf Complex
- Greens Restoration - \$350,000 Bobby Jones Golf Complex
- Orchestra Shell - \$300,000 Van Wezel Capital Surcharge Fund
- Portico Van Wezel - \$50,000 Van Wezel Capital Surcharge Fund

Water and Sewer Projects

- Water Supply Facilities-Distribution System - \$7,600,000 User Fees
- Water Treatment Plant - \$200,000 User Fees
- Waste Water Collection - \$4,750,000 User Fees
- Lift Stations - \$3,000,000 User Fees
- Waste Water Treatment Plant - \$1,800,000 User Fees
- Reclaimed Water System Expansion - \$500,000 User Fees
- Record Storage - \$300,000 User Fees
- Air Conditioning Units - \$200,000 User Fees
- Forklift - \$50,000 User Fees
- Excavator - \$50,000 User Fees
- Backhoe - \$50,000 User Fees
- Wheel Loader - \$80,000 User Fees

The Capital Improvement Program contains Capital Improvement Elements intended to accomplish the goals of the Comprehensive Plan. They have been designated in this plan by the letters L-O-S and are found under economic development and growth, critical infrastructure items, quality of life, City owned facilities, water and sewer administration, water supply facilities plan and sewer collection facilities plan. This Program is consistent with the City's Comprehensive Plan.

A summary of the funding by source and project type for the 5-year Capital Improvement Program can be found on page 44 of this document and both a summary and the details of the Program are also included in this document starting on page 365.