

City of Sarasota, Florida

Long-Range Financial Plan

General Overview of Three Year Projections

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

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

Overview By Specific Fund

General Fund - The three-year projection for the General Fund assumes that expenditure increases will only be moderate and additional services will be minimal over the three-year period. Due to projected increases in medical insurance, continued funding of increased pension contributions, and uncertain stability in various revenue sources, balancing the budget for future years will be a challenge. Ad valorem tax revenues are being projected at an increasing millage rate multiplied by a taxable property value with a four and one-half percent change projected for 2015-16 and 2016-17.

Water and Sewer Utility - A water and sewer rate increase of 6 percent was adopted to fund the 2014-15 fiscal year operating budget and debt service. Rate increases of 6% in 2014-15 through 2015-16 fiscal years, will likely be necessary to balance revenues and expenditures, and to provide for required capital improvements and debt service.

Bobby Jones Golf Complex - Assuming average weather conditions and flexibility in establishing busy season rates, substantial rate increases over the next three years should not be necessary. Minimum to no rate increases are being implemented for the 2014-15 fiscal year. Rate increases approximating 3% per year in fiscal years 2014-15 through 2015-16 may be necessary to cover higher costs of operation and to establish a level of funding for capital improvements.

Van Wezel Performing Arts Hall - Covering the increased costs required to bring quality performances to the community will be the challenge for the Van Wezel Performing Arts Hall over the next three years. However, increased ticket sales, grant revenues, as well as hall rental fees are expected to cover the anticipated increased costs. No subsidy is planned from the General Fund for fiscal years 2014-15 through 2016-17.

Solid Waste Management - Residential collection rates for Solid Waste Management are \$21.66 for fiscal year 2014-15, which has not been changed since fiscal year 2010-11. Future projected higher costs of operation could result in solid waste collection rate increases of approximately 3 percent per year during the fiscal years 2015-16 through 2016-17. If actual land fill tipping fee rate increases for fiscal years 2015 through 2016 are higher than those projected, the increase in solid waste collection rates may need to be higher.

Municipal Auditoriums - This operation includes the activity of the auditorium at Payne Park, the Municipal Auditorium located on the North Tamiami Trail, and the Bayfront Community Center (added in fiscal year 2011-12). The Municipal Auditoriums have historically received an annual subsidy from the General Fund. The budgeted subsidy for fiscal year 2014-15 is \$162,812. In order to reduce future subsidies, aggressive marketing of the Municipal Auditorium and the initiation of various cost saving measures are being put into practice.

Parking Management - In fiscal year 2014-15 the Parking Management Program has been budgeted with no paid parking, other than permits and enforcement. Revenues are expected hold steady the amount of General Fund subsidy needed to fund the Parking Management Program. In order to maintain the current level of General Fund subsidy needed for fiscal years 2015-16 and 2016-17 without significant cost reductions, violation revenue and other miscellaneous revenue must increase approximately 20%.

City of Sarasota, Florida

General Fund

	2014-15 Budget	2015-16 Projected	2016-17 Projected
<u>REVENUES</u>			
Taxes	\$31,258,862	\$32,078,701	\$37,985,081
Licenses and Permits	5,216,750	5,221,737	5,226,848
Intergovernmental	7,201,534	7,411,169	7,631,285
Charges for Services	2,104,019	2,209,220	2,319,681
Charges to other Funds	4,226,593	2,996,327	2,966,364
Fines and Forfeits	682,025	662,924	657,278
Investment Earnings	250,000	250,000	250,000
Miscellaneous	1,271,460	1,276,834	1,281,579
Other Financing Sources	4,662,694	4,412,694	1,795,948
Total Revenues	<u>56,873,937</u>	<u>56,519,605</u>	<u>60,114,065</u>
<u>EXPENDITURES</u>			
General Government	14,028,776	13,655,234	14,030,758
Public Safety	33,895,166	34,995,072	36,236,595
Physical Environment	3,448,089	3,586,013	3,729,454
Transportation	3,342,642	3,476,348	3,615,402
Culture and Recreation	1,497,425	1,628,567	1,772,178
Transfers/Subsidies	661,839	694,931	729,677
Total Expenditures	<u>56,873,937</u>	<u>58,036,165</u>	<u>60,114,065</u>
Excess/(Deficiency)	0	0	0
Beginning Fund Balance	<u>15,154,314</u>	<u>15,154,314</u>	<u>15,154,314</u>
Ending Fund Balance	<u>\$ 15,154,314</u>	<u>\$ 15,154,314</u>	<u>\$ 15,154,314</u>
Millage Rate	3.1728 m	3.1728 m	3.2997 m
Percent of Increase over Prior Year	8.48%	0.00%	4.00%

Water and Sewer Utility

	2014 - 15 Budget	2015 - 16 Projected	2016 - 17 Projected
<u>REVENUES</u>			
Sale of Water	\$18,595,520	\$19,486,525	\$20,420,223
Sewer Collection	22,785,700	23,877,478	25,021,568
Interest	69,559	70,255	70,957
Miscellaneous	241,867	249,123	256,597
	41,692,646	43,683,381	45,769,345
<u>EXPENDITURES</u>			
Water System	9,740,305	10,324,723	10,686,088
Sewer System	10,825,165	11,474,675	11,876,289
Collection Costs	1,116,856	1,183,867	1,213,464
<i>Transfers:</i>			
RR&I Fund	0	8,504,630	8,353,046
Debt Service	5,687,630	4,375,237	4,153,887
General Reserve	14,322,690	7,820,249	9,486,571
	41,692,646	43,683,381	45,769,345
EXCESS (DEFICIENCY)	\$0	\$0	\$0
Rate Increase	6.00%	6.00%	6.00%

Bobby Jones Golf Complex

	2014 - 15 Budget	2015 - 16 Projected	2016 - 17 Projected
<u>REVENUES</u>			
Green Fees	\$1,230,000	\$1,266,900	\$1,304,907
Cart Rental	1,200,000	1,236,000	1,273,080
Annual Green Fees	14,000	14,280	14,566
Restaurant Lease	20,000	20,000	20,000
Pro Shop	158,000	161,160	164,383
Range Fees	40,000	40,800	41,616
Tournament Fees	6,000	6,120	6,242
Utilities	25,000	25,500	26,010
Equipment Rental	35,000	35,000	35,000
Investment Income	3,000	3,500	4,000
Other Fees	31,010	31,630	32,263
Miscellaneous Income	10,275	10,789	11,328
Total Revenues	2,772,285	2,851,679	2,933,395
<u>EXPENDITURES</u>			
Personnel	727,701	749,532	772,018
Operating	1,873,655	1,967,338	2,046,032
Merchandise for Resale	93,500	94,435	95,379
Return on investment	19,357	-	-
Total Expenditures	2,714,213	2,811,305	2,913,429
Net Profit (Loss)	58,072	40,374	19,966
Beginning Balance	48,364	106,436	146,810
Ending Balance	\$106,436	\$146,810	\$166,776

Proposed Annual Fee Increase	No change	3.00%	3.00%

Proposed Green Fee Increase	No change	3.00%	3.00%

Proposed Cart Rental Fee Increase	No change	3.00%	3.00%

Van Wezel Performing Arts Hall

	2014 - 15 Budget	2015 - 16 Projected	2016 - 17 Projected
<u>REVENUES</u>			
Ticket sales	\$7,771,944	\$8,005,102	\$8,245,255
Ticket surcharge - operations	376,615	387,913	397,611
Building rental	553,019	569,610	583,850
Parking lot rental and fees	365,294	376,253	385,659
Program ads	30,250	31,158	31,937
Bar/food revenue	145,000	149,350	153,084
Van Wezel Foundation Grants	239,500	246,685	252,852
Other Grants, contributions/sponsor	240,800	248,024	254,225
Postage & handling charges	255,000	262,650	269,216
Concessions	16,500	16,995	17,420
Miscellaneous	4,500	4,635	4,751
Investment Income	20,000	20,600	21,115
Total Revenues	<u>10,018,422</u>	<u>10,318,975</u>	<u>10,766,975</u>
<u>EXPENDITURES</u>			
Personnel	1,800,577	1,854,594	1,910,232
Operating	2,708,862	2,790,128	2,887,782
Performance Fees	4,328,866	4,458,732	4,681,669
Other Performance Expenses	1,178,991	1,214,361	1,256,864
Total Expenditures	<u>10,017,296</u>	<u>10,317,815</u>	<u>10,736,547</u>
Net Profit (Loss)	\$1,126	\$1,160	\$30,428
Beginning Balance	<u>2,314,902</u>	<u>2,316,028</u>	<u>2,317,188</u>
Ending Balance	<u>\$2,316,028</u>	<u>\$2,317,188</u>	<u>\$2,347,616</u>

Solid Waste Management

	2014 - 15 Budget	2015 - 16 Projected	2016 - 17 Projected
<u>REVENUES</u>			
Refuse Fees	\$9,951,000	\$10,249,530	\$10,551,891
Recycling Revenue	245,000	252,350	259,794
Investment Income	48,000	60,000	62,000
Other	85,200	87,756	92,000
Total Revenues	<u>10,329,200</u>	<u>10,649,636</u>	<u>10,965,685</u>
<u>EXPENDITURES</u>			
Personnel	2,404,753	2,476,896	2,551,203
Operating	6,887,851	7,094,487	7,307,322
Capital	1,278,000	525,000	580,000
Return on Investment	619,692	638,978	658,148
Interfund Transfer	250,000	-	-
Total Expenditures	<u>11,440,296</u>	<u>10,735,361</u>	<u>11,096,673</u>
Net Profit (Loss)	(1,111,096)	(85,725)	(130,988)
Beginning Balance	<u>3,411,136</u>	<u>2,300,040</u>	<u>2,214,315</u>
Ending Balance	<u><u>\$2,300,040</u></u>	<u><u>\$2,214,315</u></u>	<u><u>\$2,083,327</u></u>
Proposed Collection Fee Increase/(Decrease)	0.00%	3.00%	3.00%

Sarasota Municipal Auditoriums

	2014 - 15 Budget	2015 - 16 Projected	2016 - 17 Projected
<u>REVENUES</u>			
Rentals	\$295,136	\$306,941	\$322,288
Sponsored events - booth rentals	36,288	37,740	39,627
Sponsored events - tickets sales	20,895	21,731	22,818
Miscellaneous	5,100	5,304	5,569
Other charges for services	21,340	22,194	23,304
General Fund Subsidy	161,839	173,999	162,812
Total Revenues	540,598	567,909	576,418
<u>EXPENDITURES</u>			
Personnel	282,143	284,964	287,814
Operating	274,704	282,945	288,604
Capital	9,500	-	-
Total Expenditures	566,347	567,909	576,418
Net Profit (Loss)	(25,749)	0	0
Beginning Balance	41,644	15,895	15,895
Ending Balance	\$15,895	\$15,895	\$15,895

Parking Management Division

	2014 - 15 Budget	2015 - 16 Projected	2016 - 17 Projected
<u>REVENUES</u>			
Parking Violations	\$503,052	\$603,662	\$724,394
Parking Permits	39,800	47,760	57,312
Rentals and Leases	29,938	35,926	43,111
Other miscellaneous	12,930	15,516	18,619
General Fund Subsidy	500,000	581,713	467,608
Total Revenues	1,085,720	1,284,577	1,311,044
<u>EXPENDITURES</u>			
Personnel	661,672	681,522	701,968
Operating	596,094	602,055	608,076
Capital	50,250	1,000	1,000
Total Expenditures	1,308,016	1,284,577	1,311,044
Net Profit (Loss)	(222,296)	0	0
Beginning Balance	222,296	0	0
Ending Balance	\$0	\$0	\$0



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