# Appendix

This section contains the following subsections:

Financial Policies

Budget Calendar

Glossary

Statistics and Demographics

## General Budget Policy

A. The City of Sanibel, as a local government within the state of Florida, adopts its budget pursuant to Chapter 200, Florida Statutes, which mandates adoption of a balanced budget; that is sources of funds must equal uses of funds

B. The finance director, on behalf of the city manager, is responsible for the preparation of the City's budget. Each spring, department directors submit their proposed budgets for the coming fiscal year to the finance director. Proposed budgets identify increases and decreases in spending from the current year, along with the reason for the change. They also include a list of initiatives that are not included in the department's budget but are requested by individual departments. A proposed budget is ready for City Council to consider, for the first time, in July.

C. The annual budget is adopted by City Council after an extensive review and evaluation of budget proposals from the various City departments to determine the funding level necessary to provide municipal services. After adoption, the budget is posted on the City's website.

D. The operating budget is adopted annually at the fund level by the City Council. In accordance with state law, a proposed millage rate, which may be reduced but may not be increased, is set in July, followed by two public hearings in September. The budget and final millage rate are approved by separate resolutions at the second public hearing.

E. The budget is adopted on a modified accrual basis for all fund types, governmental and enterprise. Under the modified accrual basis of accounting, revenues and other financial resources are recognized when they become both measurable and available to finance expenditures of the current period. Available means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized when the fund liability is incurred with certain exceptions. The modified accrual basis is the same basis of accounting used for the City's audited financial statements of its governmental funds. Enterprise funds are accounted for and reported on the audited financial statements using the accrual basis. Under the accrual basis of accounting, most transactions are recorded when they occur, regardless of when cash is received or disbursed. Generally Accepted Accounting Principles (GAAP) require the use of accrual basis accounting for enterprise funds for audit purposes.

F. By resolution, a reserve equal to 17% of projected expenditures is included in the budget, in order to ensure sufficient cash is available for operations until tax receipts are forwarded to the City by the Lee County Tax Collector.

G. Budgetary control throughout the fiscal year is maintained through monitoring encumbrances of estimated purchase amounts. Encumbrances for goods or services not received by year-end lapse and must be re-budgeted in the following year.

H. Any increase, decrease or transfer between funds within the annual budget must be approved by a budget amendment approved by resolution of the City Council.

I. The City Manager may approve intradepartmental transfers as is deemed necessary.

J. The finance department prepares a quarterly budget variance report for the City Council, noting any deviations of 5% or greater against the budget and explains the reason for the variance.

K. The Capital Improvement Budget (CIP) estimates costs for all capital projects $25,000 or greater, for a five year period.

L. The City has an indirect cost allocation plan prepared annually. The plan conforms to federal guidelines for grant reimbursement of administrative costs and is used to bill and collect indirect charges from funds.

## Fund Balance Policy

A. Designations of unreserved fund balance may be made for such purposes including, but not limited to, major maintenance and repair projects, meeting future obligations resulting from a natural disaster, meeting insurance deductibles and for setting aside amounts for specific projects not included in the general appropriation of undesignated fund balance.

Designations of fund balance may be made from time-to time by resolution of the City Council. The use (appropriation) of designated fund balances will be considered in conjunction with the annual budget adoption process or by budget amendment approved by resolution of City Council during the fiscal year.

If, after the annual audit, prior designations of fund balance cause the unreserved, undesignated fund balance to fall below 17% of General Fund operating expenditures, the City Manager will so advise City Council in order for the necessary action to be taken to restore the unreserved, undesignated fund balance to an acceptable level within two years.

B. Appropriation of undesignated fund balance The actual amount of undesignated fund balance is not known until the completion of the annual audit which takes place between three to six months after the end of the fiscal year being audited. However, an estimate of undesignated fund balance (also called estimated beginning fund balance) must be made during the annual budget adoption process (July through September) which is prior to the end of the fiscal year, September 30$^{th}$.

C. Estimated Beginning Fund Balance. In order to achieve the most accurate estimate possible, the City Manager shall project both sources of funds (revenues, prior years fund balances carried forward and other financing sources) and uses of funds (operating and non-operating expenditures), including accruals, for each department in each governmental fund through September 30$^{th}$ of the then current fiscal year. These projections will be shown in a separate column entitled "Estimated Actual" for each fund in the proposed, tentative and final budget documents. The difference between the estimated actual sources of funds and estimated actual uses of funds, is the calculated estimated beginning fund balance for the subsequent fiscal year. If planned for use in the subsequent fiscal year, designated fund balance may be included in the estimated beginning fund balance.

D. Estimated Ending Fund Balance. For the year being budgeted, a calculation of ending fund balance shall also be made. This calculation shall be the difference between the budgeted sources of funds and the budgeted uses of funds as described above.

Since the uses of funds are restricted in all other fund types there is no limit to the amount of ending fund balance unless the project is completed and the fund should be closed. In this situation, a residual equity transfer will be made to zero-out any remaining fund balance.

If, after the annual audit, the actual unreserved, undesignated fund balance is greater than 20 percent of operating expenditures in the General Fund, the excess may be used in one or a combination of the following ways:

1) Left in the General Fund to earn interest and roll forward into the subsequent year's beginning fund balance;
2) Appropriated by resolution of City Council for a one-time expenditure that does not increase recurring operating costs;
3) Used to establish or increase a legitimate reservation or designation of fund balance (such as the Designation for Disaster Funds);
4) Appropriated for start-up expenditures of new programs undertaken at mid-year, provided that such action is considered in the context of council-approved multiyear projections of revenues and expenditures;
5) Designated to establish a Discretionary Stabilization Fund which may be used at the City Council's discretion to address temporary cash flow shortages, emergencies, unanticipated economic downturns and one-time opportunities.

If, at the end of the fiscal year, the actual fund balance falls below 17% of operating expenditures, the City manager will prepare and submit a plan for expenditure reductions and/or revenue increases to City Council. The City shall take action necessary to restore the unreserved, undesignated fund balance to acceptable levels within two years.

## Revenue Policy

A. The City will maintain a revenue manual which describes revenue sources that are available to support City expenditures.

B Ad valorem tax revenue is budgeted at 100% of the approved millage rate levy. However, because taxpayers take advantage of the discount afforded by paying their taxes in the months of November through February, the City never collects 100% of the levied revenue. Recognizing this, the state permits up to 5% of the tax levy to be reserved for under-collection.

C. The use of ad valorem tax revenues is limited to the general fund unless it is required in other funds by bond indenture agreements.

D. Revenues that have been pledged to bondholders will conform to bond covenants which commit those revenues.

E. The City will prepare periodic cost studies on services for which user fees are imposed and the proposed adjustments will be presented for Council authorization.

F. The City will actively pursue grant-funding opportunities.

G. Revenue which is estimated to be unexpended at year-end will be budgeted as estimated ending fund balance and be available for appropriation in the new year.

## Debt Policy

Due to the City's current status with the Internal Revenue Service (IRS) as a Small Issuer, that is, the City issues less than $10 million of debt in any given calendar year, the City is considered to be "Bank Qualified". This bank qualified status allows banks to offer the City interest rates much lower than market rates since the interest the bank earns from the City is tax exempt to the bank. Therefore, whenever practical, the City issues bank qualified debt in order to finance projects or capital acquisitions which need to be funded from debt issuance. Additionally, the use of pre-negotiated lines of credit with stated interest rate and expense terms are utilized when practical in order to reduce debt issuance costs.

When it is necessary to issue debt in an amount greater than $10 million, the City first seeks financing from a source which offers below market rate interest rates, such as the State Revolving Loan Fund. However, if sources of this type are not available or not applicable due to the nature of the project being funded, bond issuance may be used. The services of underwriters and financial advisors are engaged using the Request for Proposal (RFP) process outlined in the City's administrative policy on the Procurement of Professional Services and the relative Consultants' Competitive Negotiation Act (CCNA) contained in Section 287.055, Florida Statutes.

The term of the debt is matched with the life of the asset being financed. The City of Sanibel does not have a maximum debt limit.

All debt service requirements are fully funded each year.

## Purchasing Policy

A. All purchasing for the City of Sanibel will be conducted in a manner that promotes competition and secures the best value.

B. All purchasing shall be conducted in a manner that prompts vendors to value City business and make every effort to furnish City requirements on the basis of quality, service and price.

C. Purchasing will be from suppliers who have adequate financial strength, and a good record of adhering to specifications, maintaining shipping promises, and giving a full measure of service to the City.

D. All bidders will be afforded equal opportunities to quote and are to compete on equal terms.

E. Vendors hired by the City to provide goods and services shall have obtained a City Occupational License or Registration (per Code of Ordinances, Sections 18 and 62) prior to authorization of the purchase.

F. Competitive sealed bids are required for purchases of commodities and services that cost $25,000 or more. The competitive sealed bid or proposal procurement method is regulated by Florida Statutes. Competitive sealed bids are subject to public legal notice requirements.

G. Sole Source – Occasionally, products or services are determined to be available from only one source or must match a product or service that is already in place. These are rare occurrences and must be fully documented and submitted to the Finance Department for review and for City Manager approval where the cost exceeds $1,500.

H. Emergency Procurements – When there is an immediate danger to persons or property or the threat of substantial economic loss to the City, an emergency procurement may be made. All emergency procurements should be made with as much competition as is practical under the emergency circumstances.

# CITY OF SANIBEL
# BUDGET CALENDAR
## FISCAL YEAR 2010

| | | |
|---|---|---|
| Week of: | April 13th - 17th | Training Updates on HTE Budget Module |
| Month of: | April 20th-May 15th | Departments prepare Expenditure Requests using HTE Budget Module |
| Friday | May 15th | Departments return FY 2010 HTE Budget Reports reflecting Department Expenditure Requests to Finance Director |
| Mon - Fri | May 18th - 22nd | Individual department meetings with City Manager and Finance Director to discuss proposed budget requests |
| Month of: | June 2009 | Finance matches Departmental Expenditure Requests, after any City Manager changes, with projected revenue |
| Wed | July 1st (*) | Property Appraiser certifies Tax Roll and Finance calculates Proposed Millage Rate based on actual taxable valuation |
| Wed | July 15th | Finance Department provides Proposed FY 2010 Budget Document to City Clerk for distribution to Council for July 21st meeting |
| Tuesday | July 21st (*) | **REGULAR COUNCIL MEETING** - Staff presents Proposed FY 2010 Budget and introduction of the Resolution to set the Proposed Tax (calendar) Year 2009 Millage Rate and Date of First Public Hearing (**Aug 3rd is the LAST DAY to do this**) |
| By Tuesday | August 4th (*) | Finance advises Property Appraiser of Proposed Millage Rate; Rolled-back Rate and date, time and place of First Public Hearing |
| Monday | August 24th (*) | Property Appraiser mails Notices of Proposed Property Taxes and advertises the date, time and place of the First Public Hearing for all taxing authorities |
| Saturday | September 5th (*) | **9:00 a.m. - COUNCIL'S FIRST PUBLIC HEARING** - Discussion and adoption of Tentative Millage Rate and Tentative FY 2010 Budget |
| Saturday | September 12th (*) | City advertises second and Final Public Hearing in News Press |
| Tuesday | September 15th (*) | **5:01 p.m. - COUNCIL'S SECOND AND FINAL PUBLIC HEARING** - Discussion and adoption of Final Millage Rate and Fiscal Year 2010 Budget |

**(*) Dates mandated by State Truth In Millage (T.R.I.M.) Legislation**

## Glossary

Ad valorem taxes – A tax levied on the assessed value of real estate or personal property. This tax is also called property tax. Ad valorem taxes are the major source of revenue for state and municipal governments.

Appropriation - A legislative act authorizing the expenditure of a designated amount of public funds for a specific purpose for a limited period of time.

Assessed value – The dollar value assigned to real or personal property for purposes of assessing taxes. Sanibel's assessed values are determined by the Lee County Property Appraiser.

Beginning Fund Balance – The Ending Fund Balance of the previous period. (See Ending Fund Balance.)

Budget - An itemized summary of estimated revenues and projected expenses for a given time period. The City of Sanibel adopts a budget each year for the twelve months between October 1 and September 30. Florida Statutes require the City Council to approve its budget at the second of two public hearings.

Capital Expenditures – Expenditures used to purchase fixed assets such as furniture and equipment with a life expectancy of more than one year and a unit cost of $1,000 or more.

Capital Improvement Program (CIP) - A CIP is a systematic plan for providing infrastructure improvements within a prioritized framework over a fixed period of time. Sanibel's CIP is based on a five year period of time.

Debt Service – The amount of interest and principal that the City must pay each year on long-term and short-term debt.

Department – A major administrative unit of the City with overall management responsibility for a service or an operation or for a group of related operations.

Encumbrance – The commitment of budgeted funds for the purchase of an item or service. All encumbrances lapse at fiscal year-end.

Ending Fund Balance – Funds carried over at the end of the fiscal year. Within a fund, the revenue on hand at the beginning of the fiscal year, plus revenues and other sources of funds received during the year, less expenses and other uses of funds equals ending fund balance. These funds may be designated for a particular purpose.

Enterprise Fund – A fund in which the services provided are financed and operated like those of a private business. These funds pay for all or most of their cost of operation from user fees.

Fiscal Year - A time period designated for recording financial transactions. The City of Sanibel's fiscal year runs from October 1 through September 30.

Full-Time Equivalent (FTE) – One position funded for a full year. A full-time employee working 40 hours per week equals one FTE; a part-time employee working 20 hours a week equals .5 FTE.

Functions – Expenditure classifications according to the principal purposes for which expenditures are made. Sanibel's functional expense categories are mandated by state law.

Fund - A fund is a grouping of related accounts that is used to maintain financial control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Generally Accepted Accounting Principles (GAAP) – Generally Accepted Accounting Principles (GAPP) consist of the rules, procedures, and conventions that define accepted practices at a given time and which organizations use to compile their financial statements. They include broad guidelines as well as detailed procedures. Much of GAAP is issued in codified form by the Government Accounting Standards Board (GASB).

General Fund – The principal fund of the City used to account for resources traditionally associated with government, which are not legally or by sound financial management to be accounted for in another fund. General Fund activities are funded principally by property taxes, intergovernmental revenue, licenses and permits, charges for services and miscellaneous revenues. Operating services for this fund include police protection, general government administration, public works and recreation.

General Obligation Bonds – Voter approved bonds used to finance a project through a millage increase in ad valorem taxes for a specified period of time

Grants and Aids – An agreement made by a government or private organizations to provide financial contributions for specified purposes.

Impact Fees – Charges imposed by governments against new development as a total or partial reimbursement for the cost of supporting specific new demands on a given service

Infrastructure – A permanent installation such as a building, road or sewer system that provides public services.

Intergovernmental revenue – Funds received from federal, state and local governments in the form of grants, shared revenues and payments in lieu of taxes.

Mill – A tax rate of one dollar ($1) per one thousand dollars ($1,000) of taxable property value.

Millage Rate – The millage rate is the number of mills of tax assessed against assessed property value. Example: For all property having a taxable assessed value of $500,000, a millage rate of 2.5000 generates $1,250.00 in tax to be paid.

Non-Ad Valorem Assessment – A fee levied on certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit those properties. It is sometimes called a special assessment.

Objective – A specific, measurable action that will be taken to achieve a goal.

Operating Budget – A balanced financial plan for providing governmental programs and services for a one-year period.

Personal Services – All costs related to compensating employees including salaries and benefits.

Proprietary Fund – A fund in which the services provided are financed and operated similar to those of a private business. Funds pay for operating costs primarily through user fees, receiving little or no tax support. (See Enterprise Funds).

Reserve – An amount set aside for a specific purpose or for emergencies or unforeseen expenditures not otherwise budgeted. Authorization to expend reserves is made by the City Council.

Revenues –Funds that the government receives as income.

Rolled-back millage rate – The millage rate necessary to produce the same amount of property tax dollars as received during the previous budget year. New construction is excluded from the roll-back calculation.

Special Assessment – A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties. This is another name for a non ad valorem assessment.

Taxable Value – The assessed value of property minus any authorized exemptions. This value is used to determine the amount of ad valorem tax to be levied. The taxable value is calculated by the County Property Appraiser in compliance with state law. The most common exemption is the homestead exemption.

TRIM Notice - TRIM (Truth in Millage) establishes the statutory requirements that all taxing authorities levying a millage must follow, including all notices and budget hearing requirements. The Notice of Proposed Property Taxes (TRIM notice) enables the taxpayer to compare the prior year assessed value and taxes with the present year assessed value and proposed taxes. It also lets taxpayers compare t.he amount of taxes if there is no budget change for the upcoming year. The notice lists the date, time, and location of all budget hearings at which the taxing authorities will hear from the public. At these hearings, the taxing authorities establish the millage to be levied against the parcel of land shown on the TRIM notice. The notice also shows the deadline for filing a petition to protest the assessment and any denial of exemption.

User Fees – Charges for specific services rendered only to those using such services, e.g. sewer service charge, building permits, dog licenses.

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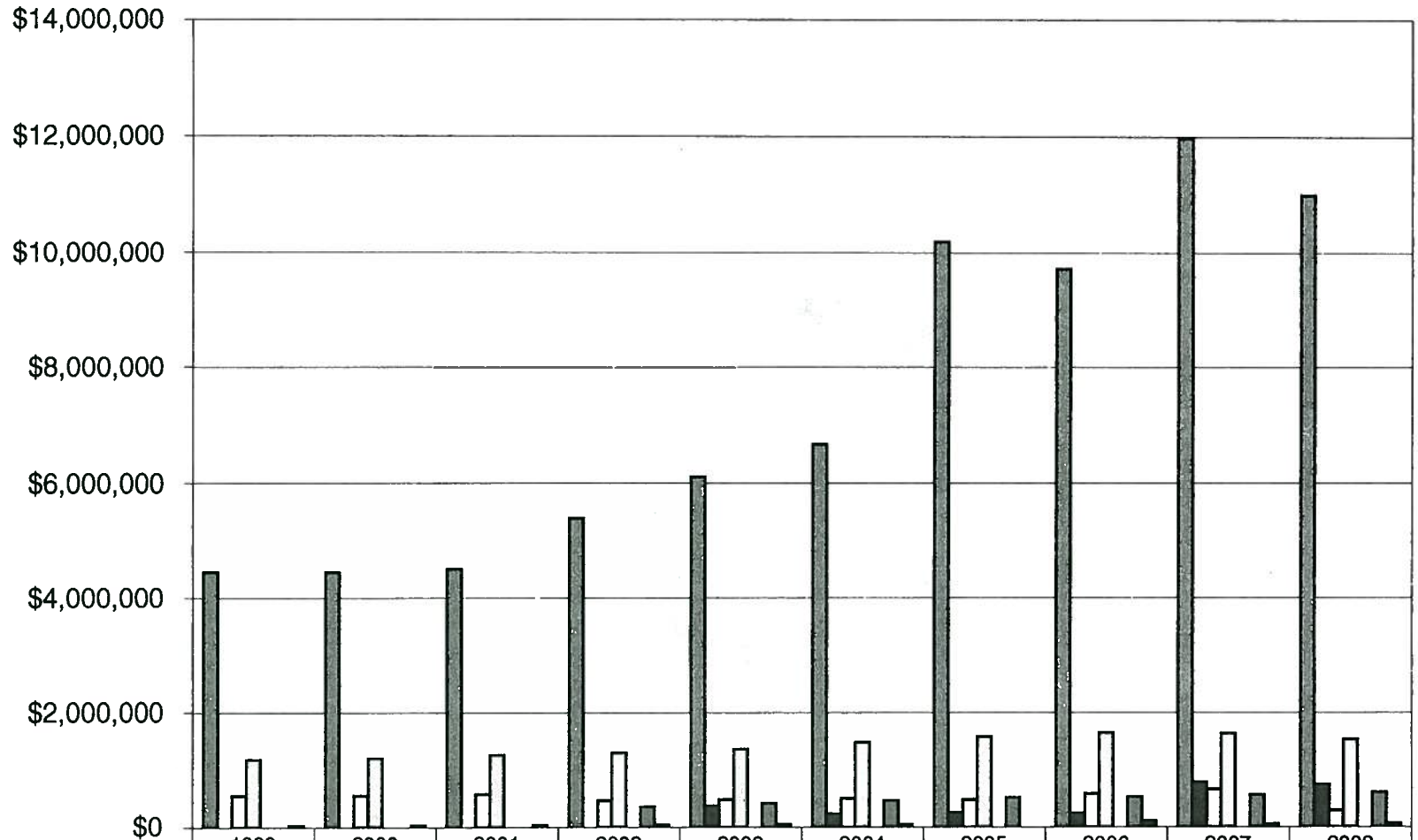
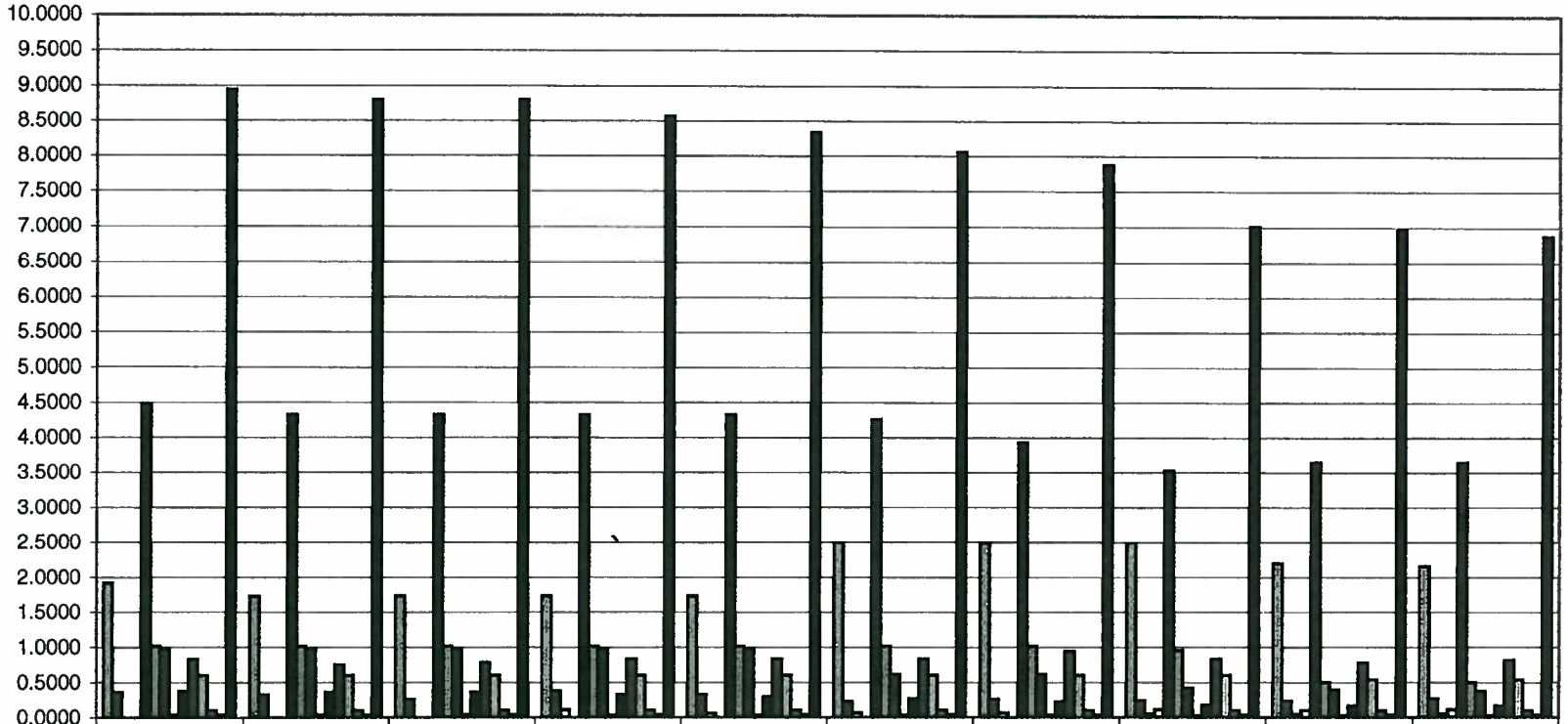
## Tax Revenue of Governmental Funds by Source*




| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|---|---|---|---|---|---|---|---|---|---|
| Ad Valorem - Operating | $4,458,396 | $4,455,220 | $4,505,249 | $5,393,434 | $6,101,279 | $6,671,663 | $10,198,461 | $9,716,569 | $11,973,525 | $11,004,197 |
| Ad Valorem - Voted Debt | $0 | $0 | $0 | $0 | $367,188 | $229,587 | $248,668 | $239,383 | $775,976 | $735,097 |
| Franchise | $553,104 | $553,872 | $572,146 | $466,812 | $478,854 | $500,304 | $478,475 | $583,452 | $656,936 | $290,066 |
| Local Option Gas Tax | $1,171,243 | $1,198,765 | $1,250,742 | $1,298,916 | $1,355,397 | $1,476,980 | $1,574,183 | $1,639,149 | $1,632,569 | $1,524,191 |
| Local Alt.Fuel Tax | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | |
| Communications Services Tax | $0 | $0 | $0 | $354,039 | $412,137 | $461,392 | $511,747 | $523,691 | $556,781 | $599,970 |
| Casualty Insurance Premium Tax | $31,593 | $36,011 | $35,448 | $38,571 | $43,516 | $46,642 | $0 | $98,026 | $50,726 | $53,654 |

Includes General, Special Revenue, Debt Service and Capital Projects Funds

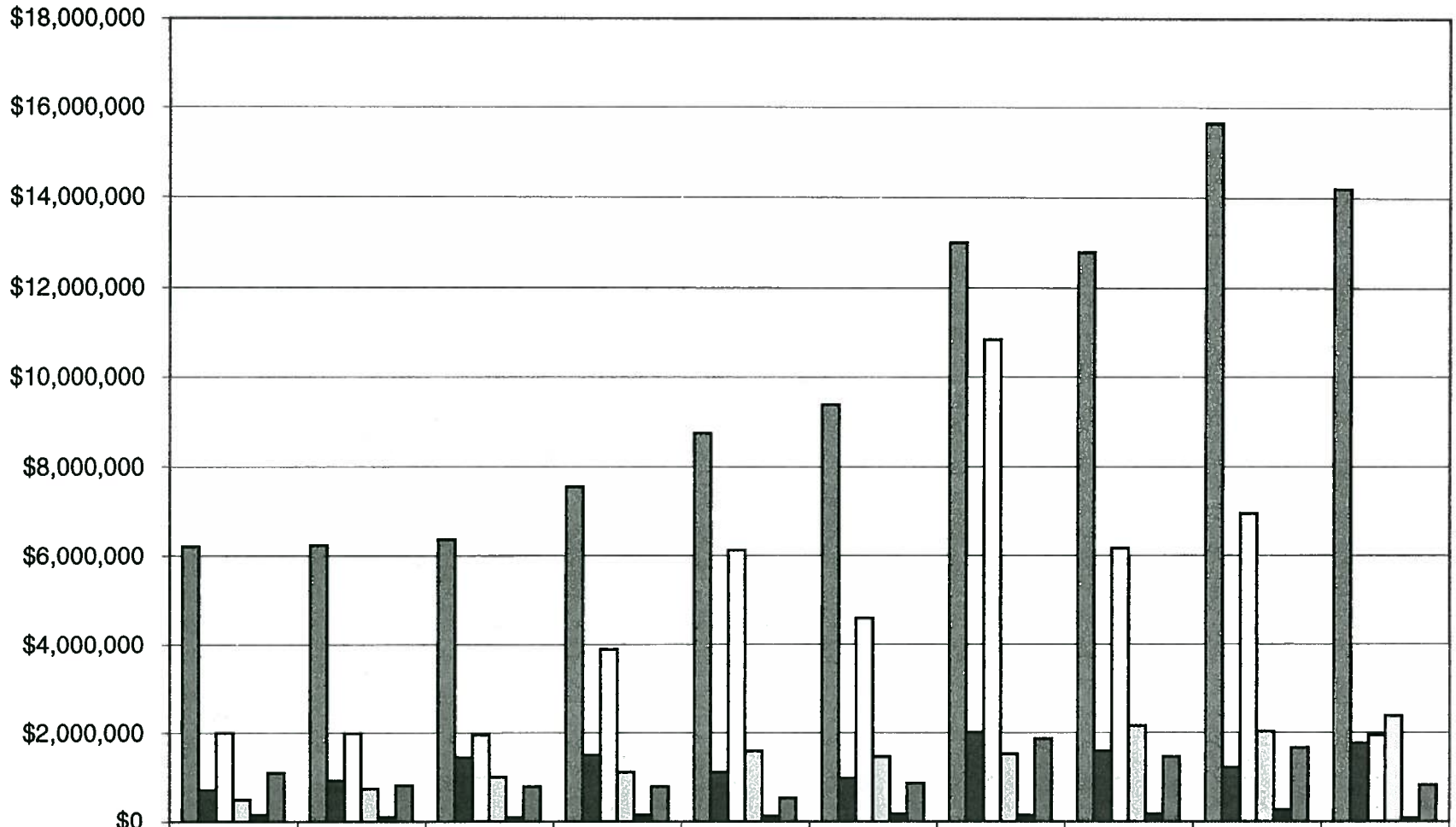
## Property Tax Rates - Direct and Overlapping Governments
## Fiscal Year in Which Taxes Are Payable*




| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|---|---|---|---|---|
| Sanibel General Operating | 1.9181 | 1.7291 | 1.7291 | 1.7291 | 1.7291 | 2.5000 | 2.4801 | 2.5000 | 2.1966 | 2.1561 |
| Sanibel Voted Debt Service - Sewer | 0.3638 | 0.3279 | 0.2607 | 0.3838 | 0.3275 | 0.2268 | 0.2607 | 0.2363 | 0.2346 | 0.2636 |
| Sanibel Voted Debt Service - Land | - | - | - | 0.1063 | 0.0595 | 0.0625 | 0.0611 | 0.0475 | 0.0456 | 0.0483 |
| Sanibel Voted Debt Service - Rec Facility | - | - | - | - | - | - | - | 0.1145 | 0.1011 | 0.1080 |
| Lee County General Revenue | 4.4751 | 4.3277 | 4.3277 | 4.3277 | 4.3277 | 4.2612 | 3.9332 | 3.5216 | 3.6506 | 3.6506 |
| Lee County Capital Improvements | 1.0124 | 1.0124 | 1.0124 | 1.0124 | 1.0124 | 1.0124 | 1.0124 | 0.9536 | 0.5000 | 0.5000 |
| Library | 0.9630 | 0.9630 | 0.9630 | 0.9630 | 0.9630 | 0.6055 | 0.6055 | 0.4200 | 0.3900 | 0.3750 |
| Hyacinth Control | 0.0378 | 0.0358 | 0.0358 | 0.0327 | 0.0295 | 0.0295 | 0.0295 | 0.0223 | 0.0214 | 0.0214 |
| Mosquito Control | 0.3792 | 0.3595 | 0.3595 | 0.3294 | 0.2984 | 0.2718 | 0.2247 | 0.1695 | 0.1636 | 0.1636 |
| Fire Control | 0.8326 | 0.7518 | 0.7841 | 0.8381 | 0.8258 | 0.8300 | 0.9370 | 0.8258 | 0.7736 | 0.8114 |
| S. FL Water Management | 0.5970 | 0.5970 | 0.5970 | 0.5970 | 0.5970 | 0.5970 | 0.5970 | 0.5970 | 0.5346 | 0.5346 |
| S. FL Water Management Everglades | 0.1000 | 0.1000 | 0.1000 | 0.1000 | 0.1000 | 0.1000 | 0.1000 | 0.1000 | 0.0894 | 0.0894 |
| West Coast Inland Waterway | 0.0400 | 0.0400 | 0.0400 | 0.0400 | 0.0400 | 0.0400 | 0.0400 | 0.0400 | 0.0394 | 0.0394 |
| School Board General Operating | 8.9410 | 8.7980 | 8.7980 | 8.5720 | 8.3460 | 8.0650 | 7.8820 | 7.0120 | 6.9600 | 6.8680 |

* Source; Lee County Tax Collector

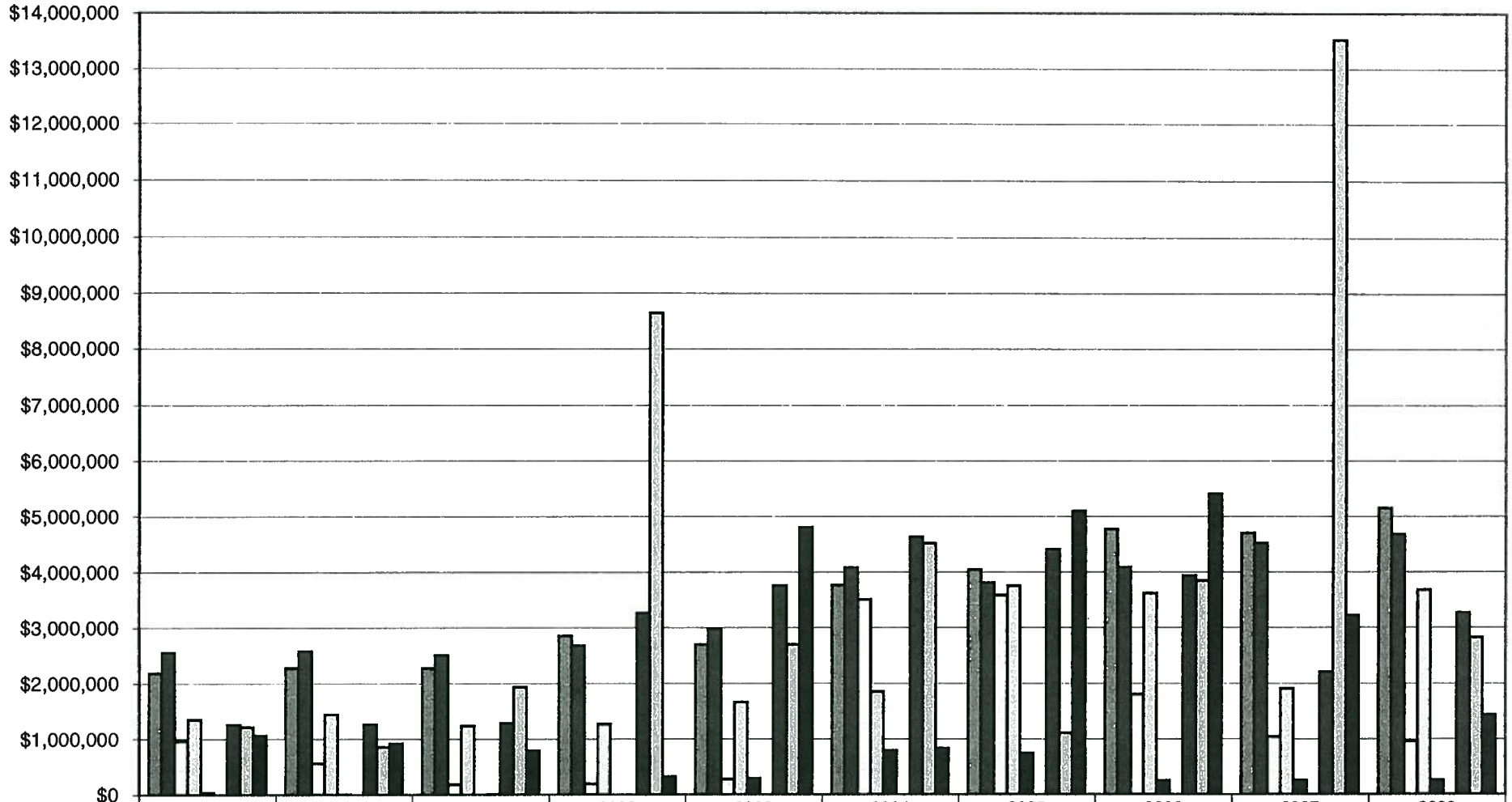
## Revenues of Governmental Fund Types by Category*




| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|---|---|---|---|---|---|---|---|---|---|
| Taxes | $6,214,336 | $6,243,868 | $6,363,585 | $7,551,772 | $8,758,371 | $9,386,568 | $13,011,534 | $12,800,270 | $15,646,513 | $14,207,175 |
| Licenses & Permits | $712,262 | $927,534 | $1,444,481 | $1,497,361 | $1,111,087 | $984,398 | $2,001,221 | $1,586,168 | $1,223,080 | $1,766,263 |
| Intergovernmental | $2,005,151 | $1,992,763 | $1,949,740 | $3,882,911 | $6,121,007 | $4,590,263 | $10,827,692 | $6,165,314 | $6,949,347 | $1,947,650 |
| Charges for Services | $491,108 | $742,536 | $1,007,986 | $1,116,725 | $1,595,561 | $1,465,388 | $1,523,794 | $2,148,659 | $2,024,869 | $2,378,285 |
| Fines & Forfeitures | $156,974 | $107,129 | $98,395 | $153,923 | $132,084 | $181,987 | $149,853 | $176,406 | $265,828 | $80,831 |
| Miscellaneous | $1,100,337 | $818,188 | $791,551 | $791,404 | $522,803 | $869,470 | $1,861,138 | $1,456,089 | $1,668,933 | $827,817 |

*Includes General, Special Revenue, Debt Service and Capital Project Funds

## Expenditures of Governmental Fund Types by Function




| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|---|---|---|---|---|---|---|---|---|---|
| General Government | $2,186,535 | $2,275,610 | $2,274,197 | $2,855,591 | $2,698,274 | $3,762,180 | $4,039,229 | $4,769,110 | $4,702,270 | $5,147,088 |
| Public Safety | $2,552,594 | $2,573,894 | $2,500,675 | $2,672,628 | $2,974,639 | $4,074,250 | $3,802,872 | $4,084,478 | $4,515,664 | $4,672,683 |
| Physical Environment | $960,398 | $565,308 | $179,991 | $191,800 | $271,995 | $3,507,094 | $3,581,602 | $1,806,296 | $1,038,602 | $960,151 |
| Transportation | $1,346,891 | $1,442,845 | $1,240,737 | $1,270,784 | $1,664,664 | $1,856,432 | $3,751,208 | $3,616,655 | $1,911,468 | $3,674,417 |
| Economic Environment | $37,750 | $4,500 | - | - | $285,701 | $794,495 | $739,460 | $241,477 | $246,319 | $246,383 |
| Human Services | $1,954 | $1,393 | $2,658 | $229 | $1,083 | - | 580 | 976 | 974 | 1,000 |
| Culture/Recreation | $1,254,538 | $1,257,353 | $1,281,826 | $3,264,360 | $3,755,872 | $4,632,737 | $4,403,550 | $3,927,874 | $2,205,471 | $3,264,112 |
| Capital Outlay | $1,214,182 | $850,870 | $1,935,326 | $8,647,551 | $2,696,909 | $4,512,984 | $1,108,388 | $3,833,700 | $13,529,139 | $2,824,732 |
| Debt Service | $1,063,311 | $918,800 | $792,359 | $319,562 | $4,806,011 | $832,958 | $5,092,417 | $5,403,425 | $3,217,673 | $1,432,325 |

CITY OF SANIBEL, FLORIDA
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

| Fiscal Year Ended Sept. 30, | Real Property | Personal Property | Less: Tax Exempt Property | Total Taxable Assessed Value | Total Direct Tax Rate (1) | Estimated Actual Market Value | Assessed Value as a Percentage of Actual Value |
|---|---|---|---|---|---|---|---|
| 1999 | 2,361,954,170 | 39,689,730 | 134,947,630 | 2,266,696,270 | 2.0126 | 2,850,932,757 | 79.51% |
| 2000 | 2,508,517,040 | 40,608,500 | 155,466,340 | 2,393,659,200 | 1.9181 | 3,025,030,154 | 79.13% |
| 2001 | 2,841,149,130 | 46,926,000 | 205,177,360 | 2,682,897,770 | 1.7291 | 3,427,848,388 | 78.27% |
| 2002 | 3,512,327,870 | 50,718,730 | 336,650,590 | 3,226,396,010 | 1.7291 | 4,224,366,308 | 76.38% |
| 2003 | 4,038,369,770 | 59,040,410 | 441,644,840 | 3,655,765,340 | 1.7291 | 4,858,369,459 | 75.25% |
| 2004 | 4,448,531,430 | 60,153,060 | 509,050,680 | 3,999,633,810 | 1.7291 | 5,342,935,588 | 74.86% |
| 2005 | 4,714,001,920 | 57,094,640 | 547,114,100 | 4,223,982,460 | 2.5000 | 5,649,693,048 | 74.76% |
| 2006 | 4,586,849,680 | 59,633,370 | 553,577,510 | 4,092,905,540 | 2.4801 | 5,504,718,050 | 74.35% |
| 2007 | 5,747,239,780 | 54,496,590 | 811,376,000 | 4,990,360,370 | 2.5000 | 6,860,543,274 | 72.74% |
| 2008 | 5,977,655,900 | 62,636,940 | 843,579,870 | 5,196,712,970 | 2.1966 | 7,146,421,698 | 72.72% |

(1) Tax rates are per $1,000 of Assessed Value.
Includes tax exempt property

**Source**: Lee County Property Appraiser

**Note:** Property values are assessed on January 1st for the ad valorem tax levy which generates the property tax revenue for the subsequent fiscal year Real property is assessed at approximately 85% of estimated market value and personal property at 55%. The estimated actual market value is calculated by dividing assessed values by those percentages

CITY OF SANIBEL, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

| | Fiscal Year 2007-08 | | | Fiscal Year 1998-99 | | |
|---|---|---|---|---|---|---|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| Casa Ybel Beach Resort | $ 24,855,710 | 1 | 0.48% | $ 28,731,780 | 1 | 1.27% |
| RLR Investments, LLC | 20,161,550 | 2 | 0.39% | - | n/a | - |
| West Wind Association of Sanibel | 19,389,800 | 3 | 0.37% | 11,148,170 | 6 | 0.49% |
| Tortuga Beach Club | 19,122,750 | 4 | 0.37% | 17,049,530 | 3 | 0.75% |
| Sanibel Cottages | 17,019,060 | 5 | 0.33% | 15,191,900 | 5 | 0.67% |
| Periwinkle Place Partners | 13,964,440 | 6 | 0.27% | 9,521,410 | 8 | 0.42% |
| Shell Island Beach Club | 13,565,750 | 7 | 0.26% | 10,543,900 | 7 | 0.47% |
| Carroll, James P. & Patricia | 12,878,540 | 8 | 0.25% | 9,396,610 | 9 | 0.41% |
| BRE/Sanibel Inn Owners, LLC | 12,300,930 | 9 | 0.24% | - | n/a | - |
| Sanibel Beach Club Association | 10,566,200 | 10 | 0.20% | 9,376,040 | 10 | 0.41% |
| Meristar H + R Operating Company | - | n/a | n/a | 20,991,800 | 2 | 0.93% |
| Michigan Homes, Inc. | - | n/a | n/a | 15,857,930 | 4 | 0.70% |
| | $ 163,824,730 | | 3.15% | $ 147,809,070 | | 6.52% |

CITY OF SANIBEL, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

| Fiscal year Ended Sept. 30 | Governmental Activities | | | | Business-Type Activities | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | General Obligation Bonds | Capital Revenue Bonds | Capital Revenue Notes | Capital Leases | Wastewater Revenue Bonds | Wastewater Revenue Notes | Total Primary Government | Percentage of Personal Income | Per Capita |
| 1999 | - | 3,133,307 | 1,449,163 | - | 5,950,000 | 7,312,046 | $ 17,844,516 | N/A | $ 2,968 |
| 2000 | - | 2,706,480 | 1,174,875 | - | 5,795,000 | 14,224,335 | 23,900,690 | 5.89% | 3,941 |
| 2001 | - | 2,261,715 | 1,014,279 | - | 5,635,000 | 19,515,874 | 28,426,868 | N/A | 4,682 |
| 2002 | - | 2,188,236 | 6,288,515 | - | 5,465,000 | 32,534,874 | 46,476,625 | N/A | 7,576 |
| 2003 | 3,775,000 | 2,112,265 | 2,222,505 | 252,842 | 5,620,000 | 38,366,668 | 52,349,280 | N/A | 8,411 |
| 2004 | 1,695,000 | 2,030,111 | 13,055,893 | 200,565 | 5,370,000 | 41,933,215 | 64,284,784 | N/A | 10,148 |
| 2005 | 3,610,000 | 1,944,149 | 8,791,081 | 152,672 | 5,110,000 | 43,675,528 | 63,283,430 | N/A | 10,090 |
| 2006 | 11,875,000 | 1,854,401 | 4,087,980 | 101,781 | 4,845,000 | 46,395,287 | 69,159,449 | 14.26% | 10,978 |
| 2007 | 11,640,000 | 1,759,388 | 2,026,093 | 50,891 | 4,575,000 | 45,797,920 | 65,849,292 | N/A | 10,457 |
| 2008 | 11,390,000 | 1,659,639 | 1,659,038 | 88,817 | 4,305,000 | 43,522,246 | 62,624,740 | N/A | 9,825 |

**Notes:** N/A means that statistical information is not available

CITY OF SANIBEL, FLORIDA
SANIBEL SEWER SYSTEM
SEWER RATES
LAST TEN FISCAL YEARS

| | Monthly Rates | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Residential | Commercial | | | | | | |
| | | Meter Size | | | | | | Consumption Per |
| Fiscal Year | Flat Fee | 5/8" | 1" | 1-1/2" | 2" | 3" | 4" | 1,000 gallons |
| 1999 | $ 35.06 | $ 17.07 | $ 42.64 | $ 85.26 | $ 122.22 | $ 272.77 | $ 427.68 | $ 3.75 |
| 2000 | 36.10 | 17.59 | 43.92 | 87.82 | 125.88 | 280.95 | 440.51 | 3.86 |
| 2001 (*) | 30.60 | 17.77 | 44.40 | 88.77 | 127.23 | 283.95 | 445.22 | 4.48 |
| 2002 | 31.52 | 18.30 | 45.73 | 91.43 | 131.05 | 292.47 | 458.58 | 4.61 |
| 2003 | 32.47 | 18.85 | 47.10 | 94.17 | 134.98 | 301.24 | 472.34 | 4.75 |
| 2004 | 33.44 | 19.41 | 48.51 | 97.00 | 139.03 | 310.28 | 486.51 | 4.89 |
| 2005 | 38.46 | 22.33 | 55.79 | 111.55 | 159.89 | 356.82 | 559.48 | 5.62 |
| 2006 | 39.61 | 23.00 | 57.47 | 114.89 | 164.68 | 367.53 | 576.26 | 5.96 |
| 2007 | 47.53 | 27.60 | 68.96 | 137.87 | 197.62 | 441.03 | 691.52 | 7.15 |
| 2008 | 48.96 | 28.42 | 71.03 | 142.01 | 203.55 | 454.27 | 712.28 | 7.37 |

(*) Restructuring of Rate Schedule effective 01/01/2001

CITY OF SANIBEL, FLORIDA
WASTEWATER REVENUE BOND COVERAGE
SANIBEL SEWER SYSTEM
LAST SIX FISCAL YEARS

| | 2003 Sewer Refunding Bonds | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Debt Service Requirements | | | Coverage Calculation [3] | |
| Fiscal Year | Gross Revenue [1] | Operating Expenses [2] | Net Revenue Available for Debt Service Excluding Connection Fees | Connection Fees | Net Revenue Available for Debt Service Including Connection Fees | Principal | Interest | Total | Excluding Connection Fees | Including Connection Fees |
| 2003 | $ 2,716,205 | $ 2,013,369 | $ 702,836 | $ 47,529 | $ 750,365 | $ - | $ 257,469 | $ 257,469 | 2.73 | 2.91 |
| 2004 | 2,698,613 | 2,281,204 | 417,409 | 200,578 | 617,987 | 250,000 | 152,625 | 402,625 | 1.04 | 1.53 |
| 2005 | 2,761,877 | 2,297,228 | 464,649 | 78,014 | 542,663 | 260,000 | 162,408 | 422,408 | 1.10 | 1.28 |
| 2006 | 3,126,129 | 2,563,785 | 562,344 | 65,437 | 627,781 | 265,000 | 157,409 | 422,409 | 1.33 | 1.49 |
| 2007 | 3,774,479 | 2,445,784 | 1,328,695 | 45,731 | 1,374,426 | 270,000 | 151,909 | 421,909 | 3.15 | 3.26 |
| 2008 | 3,855,217 | 3,363,667 | 491,550 | 28,770 | 520,320 | 270,000 | 146,509 | 416,509 | 1.18 | 1.25 |

[1] Total revenues (including interest) exclusive of connection fees and User Fees pledged and used for repayment of subordinated State Revolving Loan Debt.

[2] Total operating expenses of the Donax and Wulfert plants exclusive of depreciation and indirect costs.

[3] The coverage requirement is (A) Net Revenues adequate at all times to pay in each Fiscal Year at least one hundred ten percent (110%) of the current annual Debt Service Requirement becoming due in such Fiscal Year on each Series of Outstanding Bonds or (B) Net Revenues, together with Connection Fees in the Current Account in the Connection Fees Fund, adequate at all times to pay in each Fiscal Year at least one hundred twenty-five percent (125%) of the current annual Debt Service Requirement becoming due in such Fiscal Year on each Series of the Outstanding Bonds; provided, however, that with respect to (B), Net Revenues, excluding Connection Fees in the Current Account must be adequate at all times to pay in each Fiscal Year at least one hundred percent (100%) of the current annual debt service requirement becoming due in such Fiscal Year on the Outstanding Bonds.

CITY OF SANIBEL, FLORIDA
WASTEWATER REVENUE NOTE COVERAGE
SANIBEL SEWER SYSTEM
LAST SIX FISCAL YEARS

| | State Revolving Loan Notes | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | Debt Service Requirements | | | |
| Fiscal Year | Net Revenue (1) | Special Assessments, Transmission Main and Connection Fees (2) | Net Revenue Available for Debt Service Including Assessments and Fees | Principal | Interest | Total | Coverage Calculation |
| 2003 | $ 1,633,631 | $ 4,195,441 | $ 5,829,072 | $ 1,794,084 | $ 407,579 | $ 2,201,663 | 2.65 |
| 2004 | 2,023,019 | - | 2,023,019 | 1,741,564 | 1,325,531 | 3,067,095 | 0.66 |
| 2005 | 2,341,656 | 1,365,838 | 3,707,494 | 2,081,276 | 1,359,777 | 3,441,053 | 1.08 |
| 2006 | 3,194,855 | 1,251,893 | 4,446,748 | 2,053,489 | 1,384,175 | 3,437,664 | 1.29 |
| 2007 | 3,137,159 | 1,523,528 | 4,660,687 | 2,525,200 | 1,416,310 | 3,941,510 | 1.18 |
| 2008 | 3,509,318 | 940,711 | 4,450,029 | 2,275,673 | 1,579,017 | 3,854,690 | 1.15 |

(1) Includes ad valorem tax revenue from Voted Debt Service property tax levy pledged specifically to the repayment of the Wastewater Expansion State Revolving Loan Notes

(2) Special Assessments, Transmission Main and Connection Fees are recognized in the year in which the levy is adopted and the lien placed upon the benefitting properties. The levy can be paid in full or financed over 20 years at 3.5% interest, collected utilizing the Uniform Method of Collection pursuant to Chapter 197, Florida Statues

CITY OF SANIBEL, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST SIX FISCAL YEARS

| Function/Program | FISCAL YEAR 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|---|---|---|---|---|---|---|
| **Police** | | | | | | |
| Calls for Service | 32,424 | 26,076 | 24,975 | 22,323 | 23,510 | 22,494 |
| Parking Citations | 3,859 | 3,412 | 2,716 | 2,341 | 2,807 | 1,252 |
| Traffic Citations | 1,283 | 1,478 | 1,066 | 1,447 | 1,334 | 1,944 |
| Total Arrests | 174 | 153 | 157 | 174 | 130 | 107 |
| **General Government** | | | | | | |
| Building permits issued | 2,103 | 2,624 | 2,870 | 4,888 | 3,310 | 2,469 |
| Building inspections conducted | 7,343 | 8,592 | 9,498 | 13,514 | 7,249 | 7,538 |
| Dwelling units permitted | 13 | 15 | 17 | 27 | 37 | 41 |
| **Public Works** | | | | | | |
| Streets resurfaced/reconstructed (miles) | 3.03 | 1.01 | 1.92 | 1.38 | - | 0.44 |
| Shared-use Paths Constructed (linear feet) | 1,200 | - | - | - | - | - |
| Road Miles Swept | 274 | 281 | 166 | 170 | - | - |
| **Wastewater** | | | | | | |
| Average daily sewage treatment (thousands of gallons) | 1,506 | 1,355 | 1,356 | 1,478 | 1,242 | 1,116 |
| Placement of new collection pipe (linear feet) | - | 3,960 | 43,000 | 40,570 | - | 67,000 |
| Sewer equivalent residential units (ERU) | 8,835 | 8,517 | 8,466 | 8,371 | 7,879 | 7,106 |
| **Recreation** | | | | | | |
| After-school program participants | 215 | 154 | 130 | 155 | 140 | 140 |
| Senior Program membership | 662 | 745 | 683 | 563 | 573 | 560 |
| Senior Aerobics participants | 5,470 | 5,271 | 5,194 | 4,276 | 4,562 | 4,117 |
| **Sanibel Harbor Canal Trimming Assessment District** | | | | | | |
| Mangroves trimmed (linear feet) | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | - |

**Source:** Various City departments annual reports

CITY OF SANIBEL, FLORIDA
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST SIX FISCAL YEARS

| Function/Program | FISCAL YEAR 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|---|---|---|---|---|---|---|
| Police | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 |
| Vehicle Patrol Units | | | | | | |
| Patrol cars | 10 | 11 | 10 | 10 | 10 | 10 |
| Motorcycles | 2 | 2 | 2 | 2 | 2 | 2 |
| Unmarked vehicles | 7 | 7 | 7 | 7 | 7 | 7 |
| Patrol boats | 2 | 2 | 2 | 2 | 2 | 2 |
| Natural Resources | | | | | | |
| Environmentally Sensitive Land (acres) | 622 | 622 | 622 | 622 | 642 | 640 |
| Public Works | | | | | | |
| Paved Public Streets (miles) | 53.34 | 53.34 | 52.96 | 52.96 | 52.75 | 52.00 |
| Unpaved Public Streets (miles) | 8.41 | 8.41 | 8.79 | 8.79 | 9.00 | 9.00 |
| Shared Use Paths (miles) | 22.85 | 22.62 | 22.62 | 22.62 | 22.62 | 22.62 |
| Wastewater | | | | | | |
| Treatment Capacity (thousands) | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Recreation | | | | | | |
| Number of Parks (non-beach facilities) | 2 | 2 | 2 | 2 | 2 | 2 |
| Recreation centers/gymnasiums | 1 | 0 | 1 | 1 | 1 | 1 |
| Senior centers | 1 | 1 | 1 | 1 | 1 | 1 |
| Swimming pools | 1 | 0 | 1 | 1 | 1 | 1 |
| Baseball/softball diamonds | 3 | 3 | 3 | 3 | 3 | 3 |
| Beach Parking | | | | | | |
| Number of Beach Parking Faciliites | 7 | 7 | 7 | 8 | 8 | 8 |
| Parking Spaces | 610 | 610 | 586 | 657 | 657 | 657 |
| Restrooms | 6 | 6 | 6 | 6 | 6 | 6 |
| Fishing Piers | 1 | 1 | 1 | 1 | 1 | 1 |
| Boat ramps | 1 | 1 | 1 | 1 | 1 | 1 |

**Source:** Various City departments annual reports

CITY OF SANIBEL, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

| | Full-time Equivalent Employees as of September 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Function/Program** | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 |
| General Government | | | | | | | | | | |
| Legislative | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.00 | 1.00 | 2.00 | 2.00 |
| Administrative | 5.00 | 5.00 | 5.00 | 4.00 | 4.00 | 4.00 | 4.00 | 3.00 | 3.00 | 4.00 |
| MIS | 4.00 | 3.00 | 3.00 | 2.00 | 2.00 | 2.00 | 1.50 | 1.50 | 1.50 | 1.00 |
| Finance | 7.50 | 7.50 | 7.50 | 6.50 | 5.50 | 5.50 | 5.50 | 5.50 | 5.60 | 5.60 |
| Legal | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.32 | 2.32 |
| Planning | 10.00 | 10.80 | 10.80 | 9.00 | 9.00 | 9.00 | 9.00 | 8.00 | 7.50 | 9.00 |
| Public Safety | | | | | | | | | | |
| Police | 41.25 | 40.25 | 38.25 | 38.25 | 39.83 | 38.83 | 37.83 | 37.70 | 34.95 | 35.88 |
| Emergency Management | - | - | - | - | - | - | - | - | 1.00 | 1.00 |
| Building | 5.00 | 7.50 | 8.00 | 7.00 | 6.00 | 6.00 | 5.00 | 4.00 | 4.00 | 4.00 |
| Vehicle Weight Permits | - | 1.00 | 1.58 | 1.58 | - | - | - | - | - | - |
| Physical Environment | 3.00 | 3.00 | 3.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.50 | 1.50 |
| Transportation | 19.00 | 19.00 | 19.00 | 18.00 | 18.00 | 18.00 | 18.00 | 18.00 | 19.00 | 19.00 |
| Culture/Recreation | | | | | | | | | | |
| Recreation Facility | 18.92 | 14.42 | 14.42 | 14.42 | 14.42 | 12.82 | 12.82 | 12.56 | 11.89 | 11.97 |
| Public Facilities | 3.00 | 3.00 | 3.00 | 2.00 | 4.00 | 4.00 | 4.00 | 4.00 | 2.30 | 2.90 |
| Senior Programs | 1.62 | 1.62 | 1.62 | 1.62 | 1.62 | 1.62 | 1.62 | 1.00 | 1.12 | 1.12 |
| Museum/Historical Village | - | 1.00 | 0.20 | 0.20 | 0.20 | 0.20 | - | - | - | - |
| Ball Park Maintenance | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.05 | 2.55 | 2.35 |
| Wastewater | 17.00 | 17.25 | 18.00 | 20.00 | 21.00 | 19.00 | 18.00 | 17.00 | 11.90 | 12.80 |
| Beach Parking | 14.50 | 14.50 | 14.50 | 13.50 | 11.01 | 10.23 | 6.73 | 6.73 | 9.80 | 9.68 |
| TOTAL | 155.79 | 154.84 | 153.87 | 146.07 | 144.58 | 139.20 | 131.00 | 126.04 | 121.93 | 126.12 |

**Source**: Annual Budget

## CITY OF SANIBEL, FLORIDA
## DEMOGRAPHIC AND ECONOMIC STATISTICS
## LAST TEN FISCAL YEARS

| Year | City Population | City Personal Income | Per Capita Personal Income | Unemployment Rate |
|---|---|---|---|---|
| 1999 | 6,012 | N/A | N/A | 2.7% |
| 2000 | 6,064 | $ 405,754,368 | $ 66,912 | 3.2% |
| 2001 | 6,072 | N/A | N/A | 3.7% |
| 2002 | 6,135 | N/A | N/A | 4.6% |
| 2003 | 6,224 | N/A | N/A | 4.4% |
| 2004 | 6,335 | N/A | N/A | 3.8% |
| 2005 | 6,272 | N/A | N/A | 2.9% |
| 2006 | 6,300 | 485,024,400 | 76,988 | 3.1% |
| 2007 | 6,297 | N/A | N/A | 5.2% |
| 2008 | 6,374 | N/A | N/A | 9.3% |

**Source:** Population data provided by Bureau of Economic and Business Research, University of Florida. Unemployment data from the U.S. Department of Labor. Per Capita income data for 2000 is from the US Census and for 2006 is from the Lee County Department of Economic Development.

**Notes:** Unemployment rate is for the Cape Coral-Fort Myers, FL Metropolitan Statistical Area

N/A means that statistical information is not available