

CAPITAL IMPROVEMENT

VIII

CAPITAL IMPROVEMENTS

INTRODUCTION

This chapter contains the capital improvements data and analysis portions which identify existing revenue sources in order to assist in determining available and future revenues to meet any identified needs addressed within the various elements of the Comprehensive Plan and specifically addressed within the Capital Improvements Element of the Comprehensive Plan.

Further, this chapter assists in the analysis of the fiscal capability of the City of Archer to finance and construct identified improvements and to adopt financial policies to guide the funding of improvements in a timely manner.

The data and analysis within this chapter is not intended to provide a basis for a Capital Improvement Program for the City of Archer. Although, this chapter does assist with the identification of the service areas and sources of revenue available to the City.

The following capital improvements data and analysis is not an adopted part of the City's Comprehensive Plan and is not a document with legal status. Therefore, this chapter is designed to be informally updated, as necessary, in conformance with the content requirements of Chapter 9J-5, Florida Administrative Code.

CAPITAL IMPROVEMENTS INVENTORY

This fiscal inventory section considers the financial history and general financial and capital inventory of the City of Archer. This section also includes the inventory of geographic service areas and locations of major system components for public education and health systems within the City; the inventory of current practices that guide the timing, location of construction, extension or increases in capacity of each public facility; the inventory of existing revenue sources and funding mechanisms available for capital improvement financing and an inventory of the past five years revenue and expenditures for use in financial projections.

PUBLIC FACILITY NEEDS

The public facility needs identified within the other elements of the Comprehensive Plan are the basis of the Capital Improvements Element and support the future land use element. In addition, the impacts of new or improved public education and public health care systems and facilities on the provision of infrastructure were examined within this chapter.

The public schools which serve the City are:

1. Archer Community School
2. Newberry Junior/Senior High School;
3. Sidney Lanier Center (school for exceptional children);
4. A. Quinn Jones Center (school for exceptional children);
5. Santa Fe Community College; and
6. University of Florida

There are no public schools within the City of Archer. Elementary and secondary schools as well as a private school located just outside the City of Archer serve the City's youth.

The education and public health needs of the residents of the City of Archer are adequately served by existing public facilities. Based upon planning conducted by the Alachua County School Board, and Alachua County and regional health agencies, no additional public facilities will be needed in order to satisfy the projected demand and maintain adopted levels of service standards, as proposed in the other elements of the Comprehensive Plan.

The inventory of capital facility needs list capital facility improvements which are of a relatively large scale, generally are of non-recurring cost and which may require multi-year financing.

As previously stated any scheduled improvements are derived from the elements of the Comprehensive Plan which encompass transportation facilities, sewer systems or facilities, solid waste systems or facilities, drainage systems or facilities, potable water systems or facilities, educational systems or facilities, parks and recreation systems or facilities and public health systems or facilities.

A review of each element of the Comprehensive Plan indicates that there are no existing deficiencies in needed capital facility improvements for which the City of Archer has a primary responsibility. This is consistent with the provisions of Section 9J-5.016, Florida Administrative Code, which requires this chapter to address existing and future capital improvements needed for at least the first five fiscal years after the adoption of the Comprehensive Plan. Capital Improvements needed for the latter part of the planning period will be evaluated during the required annual review of the Capital Improvements element of the Comprehensive Plan.

EXISTING REVENUE SOURCES

The purpose of this section is to inventory the City's revenue sources in order to identify funding mechanisms available for capital improvement financing. This revenue inventory examines the City's existing revenue sources and other potential sources.

ACCOUNTING SYSTEM

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. The City's resources are accounted for in individual funds, based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The various funds may be grouped into three generic fund types, General Fund, Special Revenue Funds and Enterprise Funds. These three fit into two broad categories, Governmental Funds and Proprietary Funds.

General Fund. The general fund is the basic governmental operating fund of the City. All revenues not required to be accounted for in other funds are accounted for in the general fund.

Special Revenue Funds. Special Revenue Funds are governmental funds used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or other major capital projects) that are legally restricted to expenditures for specified purposes.

Enterprise Funds. Enterprise funds are proprietary funds used to account for City services that are operated in a manner similar to private business enterprises. Revenues for these funds are generated primarily through user charges and connection fees. Large-scale capital projects may be financed by issuing revenue bonds and servicing the debt from the general fund. Debt on small-scale projects financed with limited bond issues may be serviced via special assessments on benefitting properties. Excess revenues generated for these funds are held in reserve to offset future capital and operating costs.

Revenues may be generated and collected locally or generated locally and collected by another authority or level of government for return to the City. Some revenues may come as grants or loans from other levels of government. The various sources are as follows.

A. Taxes. The total of all locally generated taxes is a substantial component of the City's revenues. Property tax is the major contributor within this category. Approximately 26.2% of the City's revenues come from taxes.

B. Charges for Services. This category reflects all revenues from charges for current services. This source of revenue currently makes up about 15.5% of all City revenues.

C. Miscellaneous Revenues. This category includes interest earnings, rents and royalties, special assessments, compensation for the loss of fixed assets, and contributions and donations, as well as license and permit fees, and fines and forfeitures. Approximately 5.8% of the City's revenues are generated from these sources.

D. Other Funding Sources. This category includes those items which are not true revenues. They consist of such items as interfund transfers, contributions from other funds and debt proceeds. Approximately 6.7% of the City's revenues include these sources.

E. Special Sources of Revenue. Depending upon priorities assigned by the City Council and the availability of other revenue sources, it may be necessary to seek additional funding mechanisms. The following sources of revenue represent options available to the City to finance required capital improvements.

1. Impact Fees. These fees are charged in advance of new development and are designed to pay for infrastructure needs, but not operating costs, resulting from such new development. These fees must be equitably allocated to the specific group(s) which will directly benefit from the capital improvement, and the assessment levied must fairly reflect the true costs of these improvements.

2. Special Assessments. Special assessments are levied against residents, agencies, or districts who directly benefit from the new service or facility.

3. Borrowing. The extremely high cost of some capital improvements requires local governments to occasionally resort occasionally to borrowing, either through short-term or long-term financing. Short-term financing through local banks is one option to raise required revenue for one to five years. The more common method is

to authorize long-term bond issues, usually for five to forty years. Following are typical types of bond issues.

a) General Obligation Bonds. These bonds are backed by the full faith and credit of the local government and must be approved by voter referendum. They offer lower interest for carrying less risk since they are secured by government taxing power. Since the general fund is obligated to service these first, the funds raised by their sale should be used only for projects benefitting the entire City.

b) Revenue Bonds. Funds raised from revenue bonds may be used for projects benefitting a narrower group than the entire City because the charges collected from the users of the improvement are applied directly to the debt service on these bonds. In this respect the projects are self-supporting. Revenue bonds pay higher interest and their issuance may be approved by the City Council without voter approval.

c) Industrial Revenue Bonds. Though the local government issues these bonds, the debt is actually assumed by the companies or industries who use the revenues for construction of plants or facilities.

Because they are tax-exempt and therefore low interest, industries are attracted to this interaction with the public sector. Local government can transfer the actual liability to the private interest while garnering employment and economic development for the community.

F. Intergovernmental Revenue Sources. The City, like other local governments in Florida, receives annual disbursements from the state government to supplement its operating and capital budget revenues. In contrast to revenue sources in the previous section which are levied, collected and disbursed all at the local level, funds in this section are: a) generated locally, but collected and returned to the City by the state; b) adopted as a local option tax or license fee, collected and returned by the state; c) shared by the state in the form of grants to the local government, but originate from state general revenues; or d) receipt of revenues from federal, state or other local sources in the form of grants. Approximately 45.9% of the City's revenues come from these intergovernmental revenue sources.

INVENTORY OF CURRENT PRACTICES

Historically, projected revenues were generally needed to cover annual operating expenditures and therefore, only limited amounts of annual revenues have been available to fund capital improvements. In the City revenues have generally been used to meet mandatory or essential operating expenses, with only limited amounts of monies available to fund needed capital improvements. There are a number of ways which are currently used by the City to finance needed public facility improvements. These include a combination of the current revenue (pay as you go) and reserve fund method, as well as, the limited use of revenue bonds and state and federal grants.

The current revenue or "pay as you go" method involves financing improvements from current revenues. These revenues may come from general taxation, fees, service charges, special funds or special assessments. Reserve fund financing is a variation of the "pay as you go" method. Under this procedure, funds are accumulated in advance for the construction of capital projects. The accumulation may result from surplus or earmarked operational revenues that are set aside, depreciating accounts or from the sale of capital assets.

The limited use of revenue bonds, which are sold using a pledge of non-ad valorem revenues, has historically provided a methodology for the City to acquire the needed funds to provide for capital expenditures. In addition, the City or governmental agencies responsible for providing public facilities to the City has received limited non-reoccurring state and federal grants-in-aid for special capital projects.

Certain economic assumptions which will guide the timing and location of needed public facility improvements are part and parcel of this planning process. These assumptions have been used in the development of growth projections, standards for development and other fiscal assumptions concerning projected revenues and expenditures within this chapter. These economic assumptions are:

1. Future development should generally pay for itself and not create inequitable tax burdens or undue financial responsibilities for the City; and
2. The most efficient and economical manner to provide needed public services is to coordinate future development with the provision of supporting community facilities and services.

In addition to local practices which are considered above, there are agencies such as the Florida Department of Transportation which provide public facilities and maintain jurisdiction for these facilities within the City.

Although the City does not provide for these facilities, it is responsible for coordinating with the appropriate agency (in the case of the state road system, the Florida Department of Transportation) to determine the acceptable level of service which can be maintained for the public facility. This is also true for the maintenance of levels of service for public facilities which are owned and operated by private enterprise.

The FDOT Five Year Transportation Plan is such a coordination document which is currently available to the City to determine the overall impact that the construction, maintenance or improvement of state roadways will have upon the maintenance of the level of service standard for roadways within the City for which the City must plan.

ANALYSIS OF FINANCIAL CAPACITY

CALCULATION OF GROWTH RATES FOR REVENUES AND EXPENDITURES

The determination of historical financial trends to compute projections is accomplished by determining simple and compound growth rates of the operating budgets by major programs and categories. Trend projections are appropriate when no major structural changes in revenues or expenditures are expected. Otherwise, a detailed study of the effects of the structural change on each budgetary category is required.

All local governments within Florida are required each fiscal year to submit a financial report of their previous year's operations to the Department of Banking and Finance. The local government data are compiled onto the Local Government Financial Report, which is usually available from the Comptroller's office nine months to a year after the end of the fiscal year being reported.

A detailed description of the specific revenues and expenditures included in each category is listed by revenue and expenditure categories which is consistent with the financial report. These categories are from the state uniform accounting system and are

used by local governments in completing the Local Government Financial Report. Since accounting categories change from time to time, the categories being compared contain the same items.

The methodology to project future revenues and expenditures is a linear regression statistical technique. The projections are for six year period 1991 (current budget year) to 1996. The major revenue and spending categories are projected. All sizable State and Federal grants were removed from this analysis because of their episodic occurrence.

PROJECTED REVENUES

Table VIII-1 is a presentation of the revenue projections of the major categories of the City's budget. It indicates what has and will happen to the major revenue streams. The City's revenues generally increase incrementally by about three percent per year.

Revenues include property, the county's local option sales tax, utility service taxes; franchise fees; garbage-service charges; intergovernmental revenue sharing; and revenues from the City's separate enterprise (water) fund.

Intergovernmental revenue includes all revenues received from Federal, State and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

The City of Archer also receives monies from Alachua County to provide fire services in the area surrounding the City. It should be noted that the amounts shown as projected for public safety will change substantially by virtue of a new five year fire contract signed with the county. This will be discussed further in fiscal assessment below.

Total revenues shown in Table VIII-1 include the major revenue sources listed in the table as well as other lesser revenue sources not specifically listed.

PROJECTED EXPENDITURES

The projected expenditures shown in Table VIII-2 are aggregated into the categories of general government, public safety, transportation, garbage and the separate enterprise (water) fund.

General government is an expenditure category which includes governmental expenses for the major class of services provided by the local government. Examples of this expenditure category include expenditures for the legislative and administrative functions of the local government; comprehensive planning; general obligation debt service; elections and insurance.

The expenditure functional category of public safety accounts for the cost of providing services for the security of persons and property within the local government. Sub-categories of this expenditure function are law enforcement and fire control.

The transportation expenditure category includes monies earmarked for road and street facilities.

Total expenditures as shown in Table VIII-2 include the major expenditure categories as well as other minor expenditures not specifically listed in the table.

TABLE VIII-1

REVENUE FORECAST FOR CITY OF ARCHER
1991 TO 1996

YEAR	Property Tax	Francise/ Utility Tax	Local Option Gas Tax	State Revenue Share	Public Safety	Garbage	Total Revenue	Enterprise Water
1981	\$19,970	\$40,675		\$57,049	\$11,500	\$22,096	\$167,685	\$50,256
1982	\$23,018	\$43,767		\$66,328	\$14,500	\$23,364	\$194,501	\$53,860
1983	\$15,084	\$47,683		\$88,314	\$20,000	\$25,356	\$217,473	\$53,580
1984	\$14,770	\$54,648	\$30,786	\$97,455	\$21,524	\$27,329	\$263,854	\$55,867
1985	\$19,244	\$56,972	\$30,893	\$105,561	\$22,447	\$28,199	\$301,924	\$62,154
1986	\$20,997	\$59,202	\$43,707	\$105,353	\$24,941	\$30,265	\$324,158	\$60,405
1987	\$22,258	\$56,671	\$46,155	\$108,789	\$15,114	\$54,465	\$346,090	\$77,023
1988	\$22,797	\$57,278	\$47,582	\$116,737	\$44,752	\$59,354	\$396,278	\$83,357
1989	\$23,473	\$57,037	\$46,604	\$115,297	\$44,752	\$48,184	\$407,876	\$89,335
1990	\$25,636	\$59,735	\$46,162	\$112,793	\$46,542	\$47,993	\$420,349	\$88,788
<i>Projection</i>	\$24,623	\$64,057	\$53,331	\$131,381	\$47,746	\$58,670	\$468,371	\$94,320
<i>Projection</i>	\$25,332	\$66,001	\$56,239	\$137,565	\$51,589	\$62,671	\$498,253	\$99,203
<i>Projection</i>	\$26,041	\$67,944	\$59,147	\$143,749	\$55,433	\$66,673	\$528,136	\$104,086
<i>Projection</i>	\$26,750	\$69,888	\$62,055	\$149,933	\$59,276	\$70,675	\$558,018	\$108,969
<i>Projection</i>	\$27,459	\$71,832	\$64,963	\$156,117	\$63,120	\$74,676	\$587,900	\$113,852
<i>Projection</i>	\$28,168	\$73,775	\$67,871	\$162,301	\$66,963	\$78,678	\$617,782	\$118,735

Source: Public Administration Clearing Service, University of Florida

TABLE VIII-2

EXPENDITURE FORECAST FOR CITY OF ARCHER
1991 TO 1996

YEAR	General		Public		Transportation	Garbage	Total	
	Government	Safety	Expenditures	Water			Expenditures	Water
1981	\$28,862	\$21,093	\$38,580	\$23,567	\$139,498	\$79,168		
1982	\$30,386	\$32,658	\$43,540	\$27,252	\$211,378	\$69,389		
1983	\$34,602	\$31,248	\$40,696	\$30,933	\$192,865	\$74,385		
1984	\$36,989	\$43,888	\$36,856	\$65,812	\$226,744	\$85,198		
1985	\$49,636	\$50,617	\$42,303	\$34,227	\$286,947	\$87,501		
1986	\$72,150	\$41,729	\$60,860	\$36,418	\$320,459	\$93,010		
1987	\$60,193	\$42,733	\$34,405	\$46,817	\$327,738	\$100,562		
1988	\$69,968	\$41,249	\$50,195	\$55,437	\$423,952	\$96,971		
1989	\$90,248	\$50,573	\$49,957	\$57,376	\$383,533	\$78,282		
1990	\$87,037	\$53,725	\$55,953	\$80,037	\$436,028	\$93,627		
<i>Projection</i>	\$96,393	\$64,057	\$54,000	\$72,015	\$473,774	\$97,706		
<i>Projection</i>	\$103,735	\$66,001	\$55,576	\$76,784	\$506,294	\$99,870		
<i>Projection</i>	\$111,078	\$67,944	\$57,152	\$81,552	\$538,813	\$102,033		
<i>Projection</i>	\$118,421	\$69,888	\$58,727	\$86,321	\$571,333	\$104,196		
<i>Projection</i>	\$125,764	\$71,832	\$60,303	\$91,090	\$603,853	\$106,359		
<i>Projection</i>	\$133,107	\$73,775	\$61,878	\$95,858	\$636,373	\$108,522		

Source: Public Administration Clearing Service, University of Florida

DEBT SERVICE OBLIGATIONS

The following table shows the expenditures required to meet debt service obligations for outstanding bond issues included in Table VIII-3. Debt service costs are reduced substantially from 1992 to 1996.

TABLE VIII-3
DEBT SERVICE OBLIGATIONS
FISCAL YEARS 1992-1996

FUND	1992	1993	1994	1995	1996
Utilities	\$58,083	\$37,310	\$24,619	\$14,206	\$13,794

Source: City of Archer, Annual Financial Report.

PROJECTED TAXABLE VALUE

The County assesses all improved properties within the City of Archer. Table VIII-4 shows past and projected taxable value. There was a slight drop of assessed property in 1982. Taxable values, however, have increased some six percent per year during the 1980s. The increase in property assessed value from 1991 to 1996 will be approximately four percent per year.

PROJECTION OF DEBT CAPACITY

Although public improvements may, in part, be financed by budget balances (surplus), the acquisition of some public improvements would tend to be inhibited by relying on such "pay as you go" financing procedures. In order to properly prepare for future growth anticipated by the Future Land Use chapter of this document, alternate sources for financing public improvements needs to be examined by the City.

An alternative to "pay as you go" financing procedures is through the issuance of bonds. The purpose of this section is to project the future capability of the City to issue general obligation and revenue bonds.

GENERAL OBLIGATION BONDING CAPACITY

In the case of general obligation bonds, the aggregate amount of debt is subject to two kinds of limits (1) limits placed on it by investors; and (2) limits imposed by the community's citizens. The second limitation is required through the approval of the electorate prior to the issuance of general obligation bonds. In addition, the allowable amount of local government borrowing may be legally set through ordinance.

For cities under 10,000 in population, the general obligation debt-ratio median is 4 percent of estimated taxable value. Moody's Investor Service indicates the ratio ranges from 1.5 to 14.0 percent.

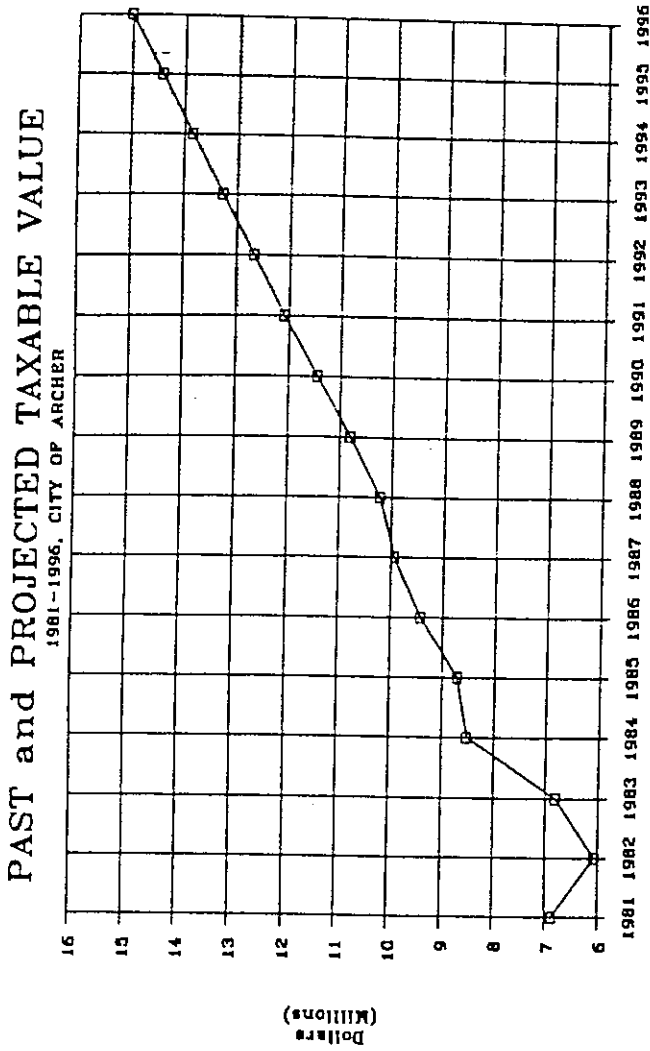
Table VIII-5 shows the general obligation bonding capacity for the City of Archer at 4 percent. At the present time the City does not have any outstanding general obligation

TABLE VIII-4

PROJECTED TAXABLE VALUE
1991-1996

YEAR	TAXABLE VALUE
1981	\$6,868,774
1982	\$6,073,125
1983	\$6,815,043
1984	\$8,523,862
1985	\$8,709,428
1986	\$9,425,885
1987	\$9,934,287
1988	\$10,220,383
1989	\$10,802,712
1990	\$11,456,131
<i>Projected</i> 1991	\$12,095,221
<i>Projected</i> 1992	\$12,679,268
<i>Projected</i> 1993	\$13,263,315
<i>Projected</i> 1994	\$13,847,362
<i>Projected</i> 1995	\$14,431,409
<i>Projected</i> 1996	\$15,015,456

Source: Public Administration Clearing Service, University of Florida



bonds. However, should the City decide to issue such bonds, presumably it could do so up to this limit.

TABLE VIII-5
GENERAL OBLIGATION BONDING CAPACITY
FISCAL YEARS 1991-1996

FISCAL YEAR	ASSESSED TOTAL TAXABLE VALUATION	BONDING CAPACITY
1991	\$12,095,221	\$483,809
1992	\$12,679,268	\$507,171
1993	\$13,263,315	\$530,533
1994	\$13,847,362	\$553,895
1995	\$14,431,409	\$577,256
1996	\$15,015,456	\$600,618

Sources: Public Administration Clearing Service, University of Florida.

REVENUE BONDING CAPACITY

The term revenue bond refers to bonds which are payable from revenues derived from sources other than ad valorem taxes on real or tangible property and do not pledge the property, credit or general tax revenue of the local government. In terms of bonding capacity, the limit depends on the revenue source the local government pledges to retire the bond.

In the case of revenues pledged from an enterprise type of operation (i.e. water facility, swimming pool) there is no legally set limit. The bonding capacity depends entirely on the income generated by the project and whether that income is sufficient to cover debt service requirements. Therefore the revenue generated from the project must be forecasted and then evaluated with respect to the proposed debt requirements.

A city may choose to back a revenue producing project with another revenue source.

CAPITAL IMPROVEMENT PRIORITIES

The column in Table VIII-6 labeled "target year" indicates the year by which the projects must be completed in order to maintain the adopted level of service standards for the respective facilities.

This listing of capital improvement projects is not inclusive of all anticipated capital expenditures by the City during this time period. The list of any needed improvements derived from the previously mentioned elements of the Comprehensive Plan has been

limited to major components of each facility in order to analyze development trends and impacts at a level of detail which is both manageable and reasonably accurate.

TABLE VIII-6
CAPITAL IMPROVEMENTS PRIORITIES
1992-1996

PROJECT DESCRIPTION	SCHEDULE	PROJECTED COST	GENERAL LOCATION	REVENUE SOURCE	CONSISTENCY WITH OTHER ELEMENTS
Mini-fire pumper	1991-2	\$80,000	at Fire Station	Alachua County contract	Yes
Community center	1991-2	15,000	Downtown		Yes
Shuffleboard	1991-2	3,000	at fire station	general fund	Yes
Land acquisition	1991-6	6,000*	General	general fund	Yes
Truck	1992-3	40,000	General	general fund	Yes
Equip play field	1993-4	5,000	at fire station	general fund	Yes
New fire station	1993-4	100,000	t.b.d.	long term debt	Yes
Basketball court	1994-5	12,000	t.b.d.	general fund	Yes

t.b.d. = to be determined

* per year

Source: Data and Analysis Report, City of Archer, 1989.

The 5-year capital improvement expenditures have been annualized in Table VIII-7.

TABLE VIII-7
ANNUALIZED EXPENDITURES
FOR NEEDS ADDRESSED WITHIN THE PLAN
FISCAL YEARS 1992-1996

	1992	1993	1994	1995	1996
	\$104,000	\$46,000	\$111,000	\$18,000	\$6,000

Source: City of Archer Local Planning Agency, 1991.

OPERATING COST PROJECTIONS

In addition to the capital costs of providing the needed facility improvements, the City will also incur increases in annual operating costs. These are the recurring expenses associated with routine operation of the capital facilities, such as supplies, utilities, maintenance and personnel costs. The anticipated increase in annual operating costs associated with the general government operation needs are minor since most items are replacements for existing facilities and equipment.

ASSESSMENT RATIO AND MILLAGE RATE

To adequately assess the actual revenue projected from property tax revenues budgetary balances need to be computed at existing and potential millage rates to determine revenue capabilities. During the decade, the City of Archer levied a millage rate that varied from 3.5645 mills to the current 2.42 mills. Table VIII-8 shows the potential revenue from property taxation based on projected taxable property value (see Table VIII-2) for the years 1992-1996 according to two options: the current 2.42 mills and 3.42 mills.

TABLE VIII-8
PROJECTED PROPERTY TAX REVENUE
FISCAL YEARS 1992-1996

YEAR	PRESENT MILLAGE (2.42 MILLS)	OPTION OF 3.42 MILLS
1992	\$30,684	\$42,337
1993	\$32,097	\$45,361
1994	\$33,511	\$47,358
1995	\$34,924	\$49,355
1996	\$46,337	\$51,353

Sources: Public Administration Clearing Service, University of Florida, 1991.

FISCAL ASSESSMENT

Table VIII-9 shows the projected revenue/expenditure gap for the years 1981-1996. Listed under the revenues are the projected expenditures for the year, which include operating expenses and debt service obligations. The total revenues and expenditures shown appear in previous tables. Table VIII-9 points out past operating surpluses (a positive balance) and deficits (a negative balance). The balances indicate the differences between projected total revenues and total expenditures.

There were three deficits during the 1980s. Each of the six projected years shows a deficit. These deficits are projections for the operating budget, which includes capital outlays in the past. In the future the City of Archer intends to prepare a separate capital improvement budget which will distinguish operating from capital revenues and expenditure. Thus, the projected operating budget deficits should not occur when capital improvement items have been placed in the capital budget.

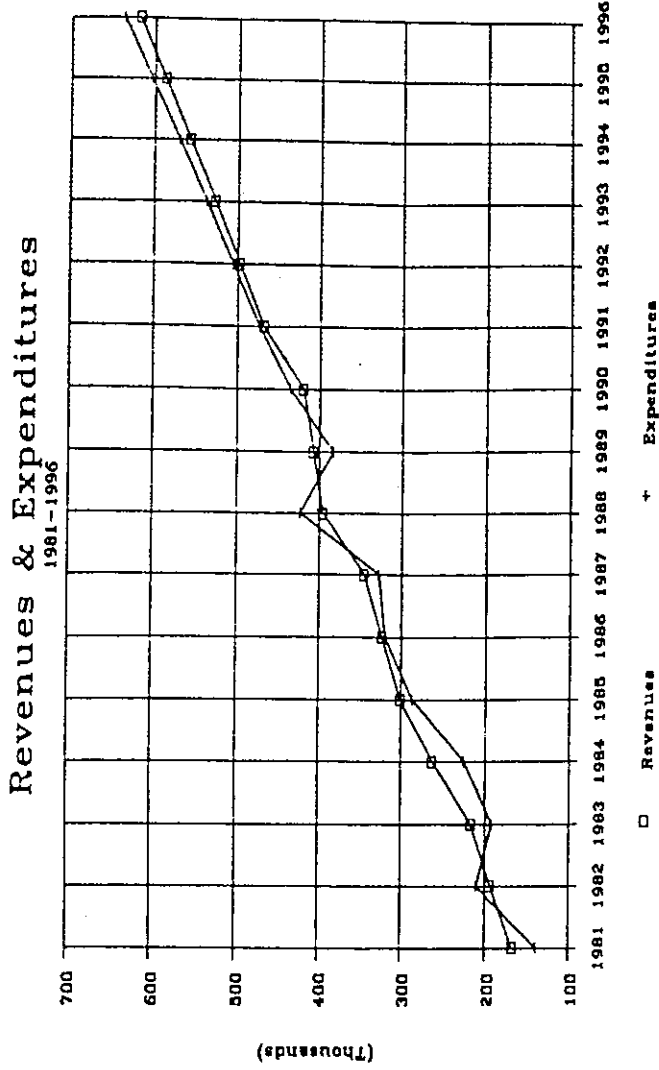
Revenues for capital improvements include State and County gas taxes and proportions of the fire contract. Debt service payments (see Table VIII-3) are expected to decrease. In addition, the City has a number of reserve accounts such as the general fund balance, retained earnings of the water enterprise, and the utility tax fund. These funds have and can continue to be used to finance directly or through borrowing, future revenues for capital improvements.

TABLE VIII-9

CITY OF ARCHER

YEAR	Total Revenue	Total Expenditures	Revenue minus Expenditures
1981	\$167,685	\$139,498	\$28,187
1982	\$194,501	\$211,378	(\$16,877)
1983	\$217,473	\$192,865	\$24,608
1984	\$263,854	\$226,744	\$37,110
1985	\$301,924	\$286,947	\$14,977
1986	\$324,158	\$320,459	\$3,699
1987	\$346,090	\$327,738	\$18,352
1988	\$396,278	\$423,952	(\$27,674)
1989	\$407,876	\$383,533	\$24,343
1990	\$420,349	\$436,028	(\$15,679)
<i>Projected</i> 1991	\$468,371	\$473,774	(\$5,403)
<i>Projected</i> 1992	\$498,253	\$506,294	(\$8,041)
<i>Projected</i> 1993	\$528,136	\$538,813	(\$10,677)
<i>Projected</i> 1994	\$558,018	\$571,333	(\$13,315)
<i>Projected</i> 1995	\$587,900	\$603,853	(\$15,953)
<i>Projected</i> 1996	\$617,782	\$636,373	(\$18,591)

Source: Public Administration Clearing Service, University of Florida



The City of Archer can also explore the feasibility of a general public works assessment under Chapter 180 of the Florida Statutes.

During the past five year the City of Archer decided to provide a number of public facilities across a range of public functions such as streets, fire station, city hall, recreation and sanitation. The amount allocated annually has ranged from as little as \$2,500, in 1987, to \$250,000 in 1988.

The City determines how much to spend and when based upon the need for improvements and the availability of funds.