

**ATTACHMENT D  
CITY OF NANAIMO 5-YEAR SPONSORSHIP REVENUE PROJECTIONS -  
EXTERNAL SALES STRATEGY**



**Sponsorship Program 5 Year Projections for Operating Costs - External Sales Approach #2**

	Year 1 - 2022		Year 2 - 2023		Year 3 - 2024		Year 4 - 2025		Year 5 - 2026		TOTALS	
Projected Revenue from new advertising, sponsorship and naming rights external sales approach*	\$	100,000.00	\$	350,000.00	\$	360,500.00	\$	371,315.00	\$	382,454.45	\$	1,564,269.45
<b>Total Gross Revenue</b>	<b>\$</b>	<b>100,000.00</b>	<b>\$</b>	<b>350,000.00</b>	<b>\$</b>	<b>360,500.00</b>	<b>\$</b>	<b>371,315.00</b>	<b>\$</b>	<b>382,454.45</b>	<b>\$</b>	<b>1,564,269.45</b>
Staffing Costs - Outside Sales Service**	\$	60,000.00	\$	60,000.00	\$	-	\$	-	\$	-	\$	120,000.00
Staffing Costs - Fulfilment Person - In House**	\$	30,000.00	\$	30,000.00	\$	50,000.00	\$	51,000.00	\$	52,020.00	\$	213,020.00
Fulfilment Hard Costs****	\$	8,000.00	\$	28,000.00	\$	28,840.00	\$	29,705.20	\$	30,596.36	\$	125,141.56
Operating Costs*****	\$	2,000.00	\$	7,000.00	\$	7,210.00	\$	7,426.30	\$	7,649.09	\$	31,285.39
Consulting Fees*****	\$	15,000.00			\$	-	\$	-	\$	-	\$	15,000.00
<b>Total Gross Costs</b>	<b>\$</b>	<b>115,000.00</b>	<b>\$</b>	<b>125,000.00</b>	<b>\$</b>	<b>86,050.00</b>	<b>\$</b>	<b>88,131.50</b>	<b>\$</b>	<b>90,265.45</b>	<b>\$</b>	<b>504,446.95</b>
<b>Net New Revenue / Loss</b>	<b>-\$</b>	<b>15,000.00</b>	<b>\$</b>	<b>225,000.00</b>	<b>\$</b>	<b>274,450.00</b>	<b>\$</b>	<b>283,183.50</b>	<b>\$</b>	<b>292,189.01</b>	<b>\$</b>	<b>1,059,822.51</b>

- \* Revenue is based on a contractual sales agreement with a seller with a 3% annual escalator beyond Year 3 - Projecting average of \$300,000 per year revenue over the 5 year term
- \*\* Payroll costs are based on an initial 2 year funding for retainer on outsourced services at \$60,000 each year
- \*\*\* Payroll costs are based on a .6 FTE in year one and two and then by year 3 reaching a FTE and then a 2% annual salary increase for balance of the 5 years
- \*\*\*\* Fulfilment costs traditionally are about 8% for a municipality.
- \*\*\*\*\* These costs include such elements as hosting and hospitality, travel expenses and any sales production costs - these will be minimal at 2% of sales per year
- \*\*\*\*\* The proposed mentoring hours for year 1 consulting would cover off community workshops and advisory services directly to the City