

Financial Report

City of Pensacola

1st Quarter Financial Statement

Three Months Ending December 31, 2019



FY 2020 Issues

- Growth in the Economy Continues
- Half-Cent Sales Tax & Local Option Sales Tax (PFP)
 - Growth from FYE 2018 to FYE 2019
 - Half-Cent Sales Tax increased by **5.23%**
 - Local Option Sales Tax increased by **4.43%**
- Ad Valorem Taxable Valuations
 - Positive Growth
- Expenditures in total, in line with Budgeted Projections
- Interest Rates
- Legal Services and Fees
- Tree Planting Trust Fund



General Fund

- In Total, Revenues Exceeded Budget
 - Attributed to Property Tax, Local Business Tax Revenues & Transfer from Pensacola Energy
 - Franchise Fees & Public Service Tax – **+\$225,000** or **7.69%**
 - Half-Cent Sales Tax – **At budgeted levels**
 - Communication Services Tax – **+\$31,400** or **5.99%**
 - Municipal Revenue Sharing – **+\$13,400** or **2.33%**



General Fund

- **Special Permits**

- **Boat Launch Fees**

- In Total, Revenues Projected to Meet or Exceed budget

- General Fund Transfer to Stormwater Capital Projects Fund

- First Quarter Expenditures, In Total, Within Budget



Tree Planting Trust Fund

- Revenue and Expenditures Recorded in General Fund
 - Total Contributions Plus Interest Income - \$27,900
 - Expenditures/Encumbrances - \$0
 - City Council appropriated \$100,000 for the implementation of the Tree Planting and Management Plan on November 14, 2019.
 - Schedule of Revenues Received
 - End of First Quarter Unencumbered Balance - \$523,468



Park Purchases Trust Fund

- Revenue and Expenditures Recorded in General Fund
 - Total Contributions Plus Interest Income - \$500
 - Expenditures/Encumbrances - \$0
 - End of First Quarter Unencumbered Balance - \$109,673



Housing Initiatives Fund/Inner City Housing Initiatives Fund

- Revenue and Expenditures Recorded in General Fund
 - Housing Initiatives Fund
 - Total Contributions and Interest Income - \$200
 - Expenditures/Encumbrances - \$300
 - End of First Quarter Balance - \$51,700
 - Inner City Housing Initiatives Fund
 - Total Contributions & Interest Income - \$2,000
 - Expenditures/Encumbrances - \$-0-
 - End of First Quarter Balance - \$451,300



Special Revenue Funds

- Local Option Gasoline Tax Fund
 - Revenue was **\$13,900** or **6.62%** above Budget for 1st Quarter
- Stormwater Utility Fund
 - Revenue of \$1,852,800 Represents 67.74% of Budget
 - State Right of Way Maintenance
 - Includes accrual reversals from previous year
 - Will be reflected in second quarter financial report
 - Expenditures are Consistent with Budget for 1st Quarter



Special Revenue Funds

- Municipal Golf Course Fund
 - Expenditures Exceeded Revenue by **\$62,900** Before General Fund Subsidy (\$62,500)
 - **\$15,800** above FY 2019 1st Quarter Revenues
 - Increase in Revenue mainly due to warmer weather
 - 4,348 Rounds played in 1st Quarter of FY 2020 – an increase of **420** Rounds from FY 2019
 - 1,155 of Driving Range usage in 1st Quarter of FY 2020 - an increase of **175** Driving Range usage from FY 2019
 - Concession payments are current through the 1st quarter of FY 2019
 - Expenditures Consistent with Budget



Special Revenue Funds

■ Inspection Services Fund

- In total, Expenditures Exceeded Revenues By **\$198,500**
- Revenues **\$31,400** greater than Prior Year
- Expenditures Were Consistent With Budget

■ Roger Scott Tennis Center

- Revenues exceeded expenditures by **\$7,900**
- Expenditures Not Anticipated to Exceed Budget
- Three-year contract with Gulf Coast Tennis Group, LLC for the Operation & Management of Roger Scott Tennis Center
 - Effective January 1, 2018
 - City receives minimum annual guaranteed revenue of \$125,000
 - Estimated to fund City's cost of Operations



Special Revenue Funds

- Community Maritime Park Management Services Fund
 - Expenditures Exceeded revenues by **\$83,700**
 - Expenditures will continue to exceed revenues until fourth quarter
 - Revenues **\$6,200** less than Prior Year
 - Expenses Consistent with Budget



Capital Projects Funds

- Local Option Sales Tax Fund
 - Revenues Exceeded Budget by **\$5,100** or **0.34%**
 - Expenditures in Total, Consistent with Budget
 - Bond Eligible Expenses Accounted For Separately
 - Extension of Local Option Sales Tax (Through 12/31/2028)
- Stormwater Capital Projects Fund
 - General Fund Transfer Equaled Collection - \$1,852,800
 - Expenditures Within Budget



Enterprise Funds

■ Gas Utility Fund

- Expenses and Encumbrances Exceed Fund Balance and Revenue by **\$5.7 Million**
 - Capital Outlay, Debt Service & Transfer Expenditures
- First Quarter FY 2020 Revenues below FY 2019 Revenues
 - Navy Project – FY 2019 - \$576,100
- Purchase Gas Adjustment - Additional \$0.10 per Ccf - \$406,700
- Infrastructure Cost Recovery Fee - \$810,300
- In total, Expenses Consistent with Budget



Enterprise Funds

■ Sanitation Fund

- Fund Balance and Operating Revenue were Below Operating Expenses and Encumbrances by **\$937,900**
 - Fund Revenues were **\$32,000** above FY 2019 Revenues
- Expenses Consistent with Budget



Enterprise Funds

■ Port of Pensacola

- Fund Balance and Revenues Below Expenses and Encumbrances by **\$22,300**
- Revenues exceeded FY 2019 Revenues By **\$102,200**
 - Increase in Wharfage, Storage & Interior Lighting
 - Result of the increased GE International and Domestic Shipping Activity
- Port Lease Payments Are Current With the Following Exceptions:
 - Pate Metal Components – 1 Month - \$401.25
 - Permawood – 4 Months - \$2,000.00
 - Southern Grain Company – 6 Months - \$3,060.00
 - Michael Dicks – 3 Months - \$1,057.25



Enterprise Funds

■ Airport Fund

- Fund Balance and Revenue Exceeded Expenses and Encumbrances by **\$5.5 million**
- Passenger Traffic Increased by **7.38%** Compared to First Quarter of FY 2019
- Airport Revenues were **\$448,500** above FY 2019
 - Airline Revenues **\$253,700** above prior fiscal year
 - Increase due to Baggage Handling System and Airline Rentals compared to prior year
 - Non-Arline Revenues Exceeded prior fiscal year by **\$194,800**
 - Due to increase Parking and Rental Car Revenues
 - Parking Lot Revenue was **\$79,200** over prior year
 - Rental Car Revenue Exceeded prior year fiscal year by **\$25,000**
- Expenses Consistent with Budget



Internal Service Funds

- Insurance Retention Fund/Central Services Fund
 - Provide Services To the City's Other Operating Funds
 - Revenues and Expenses Consistent With Budgeted Levels



Investment and Debt Service Schedules

- Provided For Information
 - Listing of City Investments
 - Listing of City's Debt Issues
 - Interest Rates



Legal Costs Schedule

- Schedule of legal costs paid to attorneys and/or firms who have provided services to the City



Legal Costs Schedule

CITY OF PENSACOLA
 SCHEDULE OF LEGAL COSTS
 December 31, 2019
 (Unaudited)

<u>ATTORNEY NAME OR FIRM</u>	<u>AMOUNT PAID</u>	<u>NATURE OF SERVICES PROVIDED</u>
ALLEN NORTON & BLUE P A	\$4,137.40	Administrative, Collective Bargaining and Employee Matters
BEGGS & LANE	64,214.52	Contract and Real Estate Law
BRYANT MILLER OLIVE PA	1,150.50	Bond Counsel
CARLTON FIELDS JORDEN BURT	23,649.15	Environmental and Real Estate
GRAY ROBINSON PA	11,001.70	Fee, Tax and Pension Plan Compliance
MCCARTER & ENGLISH LLP	1,268.42	Natural Gas Industry
MICHAEL J STEBINS PL	0.00	Pension Attorney
MOORHEAD LAW GROUP, PLLC	0.00	Reimb of recording fees for HawkShaw easement
NABORS GIBLIN & NICKERSON P A	2,709.75	Annual Stormwater Assessment Program
QUINTAIROS PRIETO WOOD & BOYER PA	1,185.00	Workers Compensation and Liability Claims
RAY, JR LOUIS F	5,742.00	Code Enforcement Special Magistrate
RODERIC G. MAGIE, PA	9,045.17	Workers Compensation Claims
SNIFFEN & SPELLMAN PA	8,415.65	Police Liability Claims
WILSON HARRELL & FARRINGTON PA	16,616.65	Claims and Litigation
REPORT TOTAL	<u>\$149,135.91</u>	



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