

Monthly Financial Report Summary

March 2020

This monthly financial summary report is for the period ended March 31, 2020, as closed by the Finance department. This represents six months into the fiscal year, an average of 50.00% of the total budget. This report will focus on the General Fund as well as the Enterprise Funds (Airport, Port, Sanitation and Utility Funds), the Local Option Sales Tax (LOST) Fund and the Stormwater Capital Projects Fund.

General Fund Revenues:

The first data chart you will see, page 4, is for the General Fund (GF). Total revenues collected through March 31, 2020 are \$34,554,156. This is 57.96% of the total GF budget. Page 5 is a graphic representation of the city's revenue collection to budgeted revenues.

Revenues that are higher than the average of 50.00% for the first six months include:

- ❖ **Ad Valorem:** Ad Valorem, collected at 78.55% becomes due on November 1st through March 30th, with a discount incentive to pay early. This discount is lowered each month until March 30th. For this reason, Ad Valorem revenues always come in higher than the average since it is not spread out evenly over the fiscal year. These become past due April 1st and are sold as tax certificates.
- ❖ **Local Business Tax:** This tax is due at the beginning of the fiscal year resulting is a collection rate of 99.95%.
- ❖ **Licenses and Permits:** This revenue was collected at 96.08% through March 31st. This is made up of Special Permits, Taxi Permits, & Fire Permits. However, Zoning and Review & Inspection Fees of \$20,550 were reassigned to Planning Services.
- ❖ **Sale of Assets:** This revenue was collected at 63.89%. Sale of surplus equipment at auction resulted in \$24,088.00 of revenue in January.

Revenues lower than the budgeted average:

- ❖ **Franchise Fees:** These revenues are typically one month in arrears and fluctuate with weather conditions. They are expected to be fully received by fiscal year end.
- ❖ **Utility Taxes:** These revenues are typically one month in arrears and fluctuate with weather conditions. They are expected to be fully received by fiscal year end.
- ❖ **Communication Services Tax:** These revenues are typically one month in arrears, and changes to legislation can cause significant decreases. Changes to this year's legislation should not have a significant impact on this revenue. It is expected to be fully received by fiscal year end.

- ❖ **State Shared Revenues:** Shared revenues are made up of various state sources and for the most part is on target. The Half Cent Sales Tax typically runs one month in arrears. As the largest source of revenue in the State Shared Revenues, that has caused the total to come in under budget at 43.64% collected. This is just a timing issue and should resolve by year end.
- ❖ **Charges for Services:** This revenue has been received at 19.17% significantly below 50.00%. This is due to the traffic signal and street light maintenance contracts with the state not having been received yet. These are paid after the end of the quarter and are anticipated to be paid fully.

General Fund Expenditures:

The data on the right side of the chart is for the General Fund Expenditures. Total expenditures and encumbrances through March 31, 2020 are \$33,290,974. This is 55.84% of the total GF budget.

Expenditures that are higher than the average of 50.00% for the first six months include:

- ❖ Most of the Departments are close to the 50.00% average. This is due to the City sponsored pension plan being funded in full at the beginning of the year for every department, as well as encumbered contracts which will be expended throughout the year. Those departments with variances greater than that are:
- ❖ **Non-Departmental:** This department was expended at 82.25%. This department accounts for the transfer out of funds to various agencies. Most are funded at the beginning of the year.
- ❖ **Transfers Out:** This is expended at 74.31% and reflects inter-fund transfers made.

Tree Planting Trust Fund:

The Budget in Brief Summary highlights the Tree Planting Trust Fund, which is a component of the General Fund. At the November 14, 2019 City Council Meeting, a resolution was adopted by City Council to appropriate \$100,000 within the Tree Planting Trust Fund for the implementation of the Tree Planting and Management Plan. Revenues of \$29,702 are comprised of Fees of \$25,700 and interest earned. These revenues are detailed on page 6.

Enterprise Funds:

Enterprise Funds consist of Pensacola Energy, Sanitation Service, the Port, and the Airport. All fund's revenues were less than expenditures. Most revenues were greater than 50.00% of the total budget. Expenditures were close to the targeted expenditure rate of 50.00%, at 49.73%. Each fund is represented in the graphic on page 7 of this report. The bar graph on page 8 represents the revenues and expenditures compared to the total budget for each fund.

- ❖ Capital Outlay was expended at 55.88%, less than the budget average of 50%. This is attributed to the Airport Fund only expending 20% of budgeted capital.
- ❖ Revenues also were greater than budget for the six month to date. Pensacola Energy, Sanitation Services and the Port all had revenues at 53.66% of budget. When including all of the use of fund balance budgeted, revenues are received at 58.84%.

Local Option Sales Tax Fund:

The Local Option Sales Tax (LOST) Fund is detailed out on page 9. City issued bonds were issued to fund the LOST capital projects. Per Finance “It will be necessary to draw upon the City’s pooled cash to cover cash shortfalls in the fund. This is projected to be necessary through the end of the life of the LOST IV Series. In addition, fund balance is projected to be negative based on anticipated project completion dates.” At this time pooled cash is not being used. It is anticipated to not be needed until all bond proceeds have been spent.

- ❖ **Local Option Sales Tax:** This revenue also runs one month in arrears. It should be fully received by year end.

The Finance department has also provided a detailed spreadsheet of all LOST projects, costs, funding and where the projects are in the completion cycle. This report begins on page 11.

Stormwater Capital Projects Fund:

This is another large capital project fund. The summary of this fund can be found on page 10. The finance department also provides a detailed report for this fund’s capital projects. That detail can be found on page 15.

Revenue in this fund is primarily from fund balance and transfers in from the General Fund. As these are made at the beginning of the year the total collections are at 91.68%. Operating expenditures are close to target at 45.13%. Capital Outlay is at 22.43%.

BUDGET-IN-BRIEF as of MARCH 2020

GENERAL FUND REVENUES

	CURRENT		
	Oct-Mar '20	Budget	% of Bud.
Revenues			
AD VALOREM TAX	13,237,138.53	16,852,200.00	78.55%
LOCAL BUSINESS TAX	929,505.14	930,000.00	99.95%
TOTAL FRANCHISE FEES	3,707,123.21	8,657,200.00	42.82%
TOTAL PUBLIC SERVICES TAXES	3,616,474.17	8,351,700.00	43.3%
COMMUNICATION SERVICES TAX	1,328,990.14	3,072,300.00	43.26%
LICENSES, PERMITS & PENALTIES	73,982.23	77,000.00	96.08%
FEDERAL PMT IN LIEU OF TAXES	9,197.47	17,000.00	54.1%
STATE SHARED REVENUES	3,393,606.72	7,776,800.00	43.64%
CHARGES FOR SERVICES	257,011.84	1,340,800.00	19.17%
FINES, FORFEITURES & PENALTIES	55,057.17	103,500.00	53.2%
INTEREST ON INVESTMENTS	111,038.37	320,000.00	34.7%
MISCELLANEOUS	209,004.81	475,000.00	44.0%
TRANSFERS FROM FUND 401	4,000,000.00	8,000,000.00	50.0%
APPROP. FROM FUND BALANCE	3,594,082.00	3,594,082.00	100.0%
SALE OF ASSET	31,944.00	50,000.00	63.89%
TOTAL REVENUES	<u>34,554,155.80</u>	<u>59,617,582.00</u>	<u>57.96%</u>

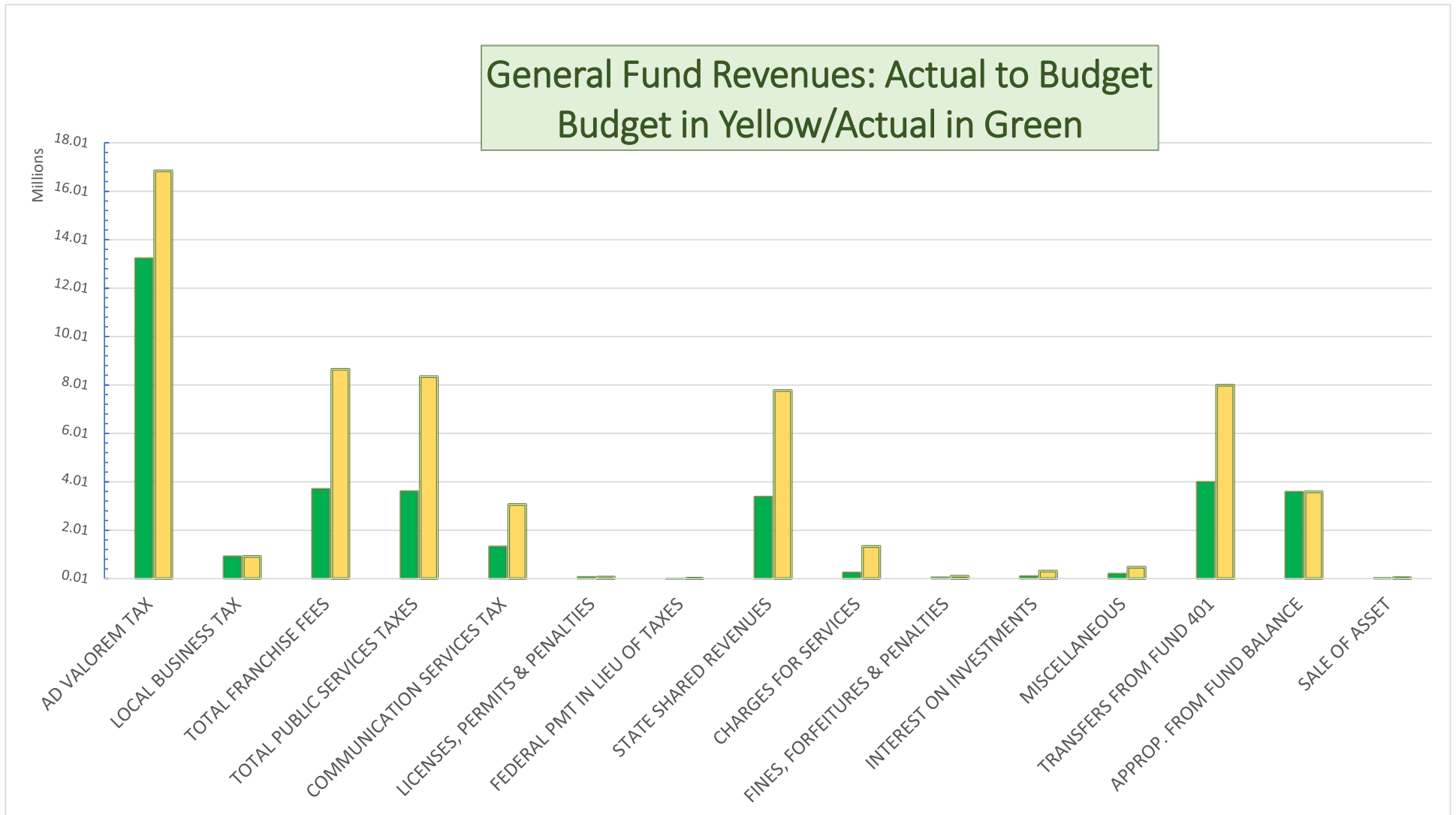
GENERAL FUND EXPENDITURES

	CURRENT		
	Oct-Mar '20	Budget	% of Bud.
Expenditures			
CITY COUNCIL	396,279.08	1,046,130.00	37.88%
MAYOR	652,712.48	1,349,324.00	48.37%
CITY CLERK	118,219.58	232,500.00	50.85%
LEGAL	359,903.43	797,800.00	45.11%
HUMAN RESOURCES	420,539.25	812,402.00	51.77%
NON-DEPARTMENTAL	3,503,124.69	4,259,238.00	82.25%
FINANCIAL SERVICES	426,210.56	756,192.00	56.36%
PLANNING SERVICES	504,879.47	1,222,493.00	41.3%
PARKS & RECREATION	3,152,215.10	6,928,967.00	45.49%
PUBLIC WORKS & FACILITIES	2,067,785.49	5,396,358.00	38.32%
FIRE	5,438,455.25	10,164,156.00	53.51%
POLICE	14,032,463.77	23,667,022.00	59.29%
Sub-Total Expenditures	<u>31,072,788.15</u>	<u>56,632,582.00</u>	<u>54.87%</u>
TRANSFERS OUT	2,218,186.24	2,985,000.00	74.31%
TOTAL EXPENDITURES	<u>33,290,974.39</u>	<u>59,617,582.00</u>	<u>55.84%</u>

The city is six months into the fiscal year with a 50% average collection rate.

BUDGET-IN-BRIEF as of MARCH 2020

General Fund Revenues: Actual to Budget
 Budget in Yellow/Actual in Green



BUDGET-IN-BRIEF as of MARCH 2020

TREE PLANTING TRUST FUND (Included in the General Fund)

		CURRENT		
		Oct-Mar '20	Budget	% of Bud.
BEGINNING FUND BALANCE	\$495,450.87			
FUND BALANCE		\$ 100,000	\$ 100,000	100%
REVENUES				
TREE TRUST FUND		\$ 25,700		
INTEREST		\$ 4,002		
TOTAL REVENUES AND FUND BALANCE		\$ 129,702	\$ 100,000	128%
EXPENDITURES				
PERSONNEL SERVICES		\$ -	\$ -	
OPERATING EXPENSES		\$ -	\$ 100,000	0%
TOTAL EXPENDITURES		\$ -	\$ 100,000	0%

At the end of the second quarter the Unencumbered balance of the Tree Planting Trust Fund was: \$525,152.60

Fees collected through March 31, 2020 for the Tree Planting Trust Fund are \$25,700
 This is comprised of the following collections:

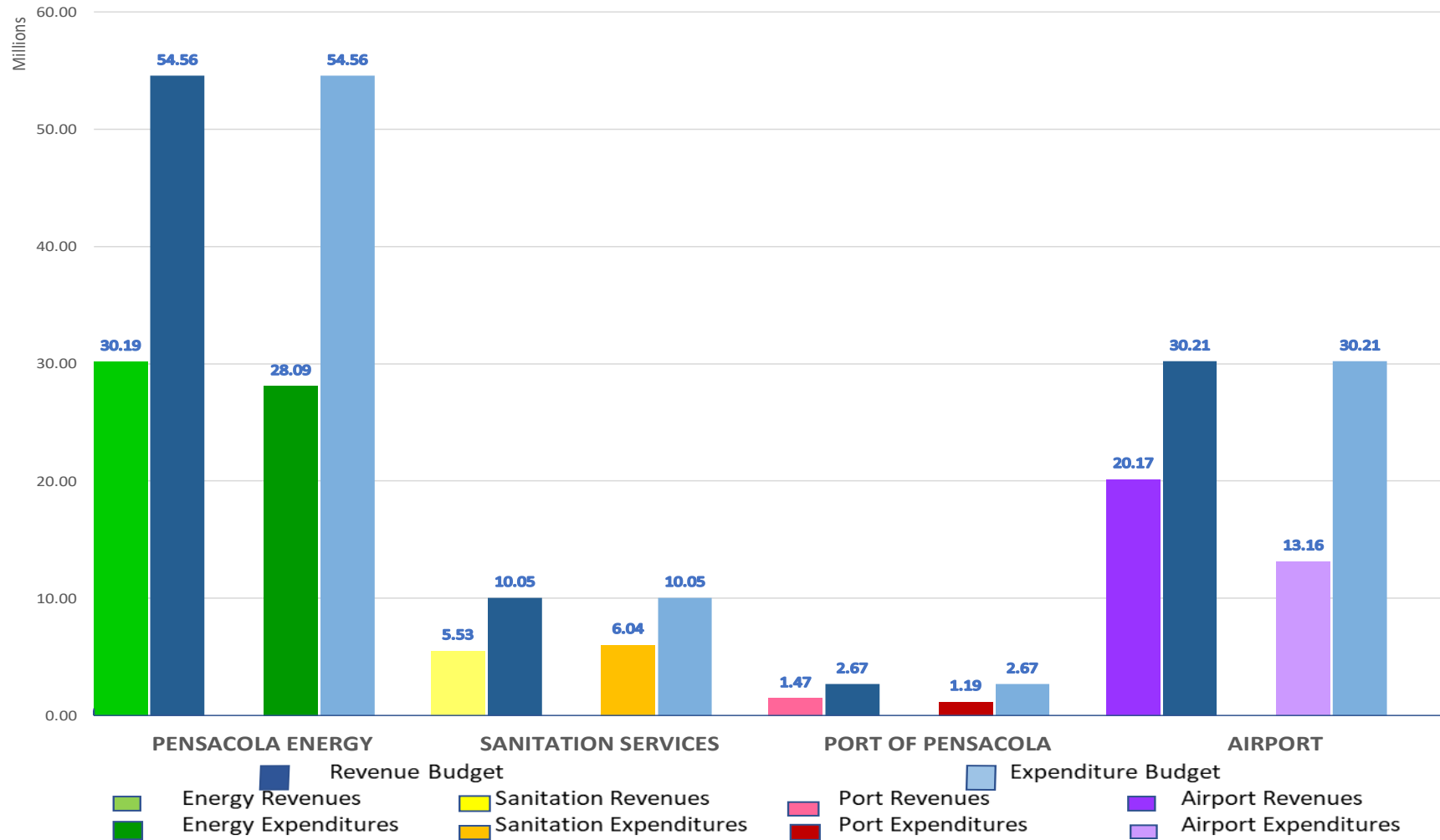
<u>Address</u>	<u>District</u>	<u>Amount</u>	<u>Purpose</u>
1820 E. Gonzalez Street	4	\$ 3,600	Removal Without Permit Penalty
2910 N. 12th Avenue	5	\$ 19,100	New Commercial
927 E. Fisher Street	5	\$ 1,000	New Single Family Home
324 s. "N" Street	7	\$ 1,000	New Single Family Home
359 Clubbs Street	7	\$ 1,000	New Single Family Home
		\$ 25,700	

BUDGET-IN-BRIEF as of MARCH 2020

ENTERPRISE FUNDS			
	Oct-Mar '20	CURRENT Budget	% of Bud.
REVENUES & FUND BALANCE			
PENSACOLA ENERGY	30,190,473.50	54,558,185.00	55.34%
SANITATION SERVICES	5,531,305.33	10,046,920.00	55.06%
PORT OF PENSACOLA	1,469,408.48	2,673,429.00	54.96%
AIRPORT	20,167,950.50	30,207,793.00	66.76%
TOTAL REVENUES	57,359,137.81	97,486,327.00	58.84%
EXPENSES			
PENSACOLA ENERGY	28,093,174.40	54,558,185.00	51.49%
SANITATION SERVICES	6,042,937.37	10,046,920.00	60.15%
PORT OF PENSACOLA	1,188,606.01	2,673,429.00	44.46%
AIRPORT	13,156,569.04	30,207,793.00	43.55%
TOTAL EXPENDITURES	48,481,286.82	97,486,327.00	49.73%
ALL ENTERPRISE FUNDS EXPENDITURES		CURRENT	
BY GROUP	Oct-Mar '20	Budget	% of Bud.
PERSONNEL SERVICES	10,026,034.27	19,087,273.00	52.53%
OPERATING EXPENDITURES	24,356,339.23	52,881,077.00	46.06%
CAPITAL OUTLAY	4,611,167.59	8,252,077.00	55.88%
DEBT SERVICE	4,146,745.73	6,583,900.00	62.98%
TRANSFERS	4,000,000.00	8,000,000.00	50.0%
GRANTS AND AID	9,650.00	19,300.00	50.0%
NON OPERATING	1,331,350.00	2,662,700.00	50.0%
TOTAL EXPENDITURES	48,481,286.82	97,486,327.00	49.73%
REVENUES			
FUND BALANCE	11,447,205.00	11,447,205.00	100.0%
ENTERPRISE REVENUES	45,911,932.81	86,039,122.00	53.36%
TOTAL REV & FUND BAL	57,359,137.81	97,486,327.00	58.84%

BUDGET-IN-BRIEF as of MARCH 2020

Enterprise Funds: Revenues and Expenditures vs Budget: March 2020



BUDGET-IN-BRIEF as of MARCH 2020

<u>LOST FUND</u>	Actual	Beginning	Amended	Current		
	Oct - Mar 2020	Budget	Budget	Approved	Difference	% of Budget
				Budget		
FUND BALANCE	32,592,121.00	2,144,100.00	32,592,121.00	32,592,121.00	0.00	100.0%
TOTAL REVENUES	3,709,414.66	9,397,800.00	9,397,800.00	9,397,800.00	7,872,408.00	39.47%
TOTAL REVENUES AND FUND BALANCE	36,301,535.66	11,541,900.00	41,989,921.00	41,989,921.00	5,688,385.34	86.45%
LOST FUND EXPENDITURES						
SUB TOTAL CAPITAL PROJECTS	4,037,403.21	7,243,300.00	19,208,945.00	19,208,945.00	15,171,541.79	21.02%
SUBTOTAL TRANSFERS OUT	1,559,243.85	0.00	18,482,376.00	18,482,376.00	16,923,132.15	8.44%
SUBTOTAL DEBT SERVICE	2,338,766.00	4,298,600.00	4,298,600.00	4,298,600.00	1,959,834.00	54.41%
TOTAL EXPENDITURES	7,935,413.06	11,541,900.00	41,989,921.00	41,989,921.00	34,054,507.94	83.86%
<u>LOST SERIES 2017 PROJECT FUND</u>						
FUND BALANCE	7,176,184.00	0.00	7,176,184.00	7,176,184.00	0.00	100.0%
REVENUES						
TOTAL REVENUES	26,643.81	0.00	0.00	0.00	-26,643.81	0.0%
TOTAL REVENUES AND FUND BALANCE	7,202,827.81	0.00	7,176,184.00	7,176,184.00	-26,643.81	
LOST FUND EXPENDITURES						
SUB TOTAL CAPITAL PROJECTS	4,360,637.46	0.00	7,176,184.00	7,176,184.00	2,815,546.54	60.77%
TOTAL EXPENDITURES	4,360,637.46	0.00	7,176,184.00	7,176,184.00	2,815,546.54	60.77%
TOTAL LOST REVENUE & FUND BALANCE	43,504,363.47	11,541,900.00	49,166,105.00	49,166,105.00	5,661,741.53	88.48%
TOTAL LOST EXPENDITURES	12,296,050.52	11,541,900.00	49,166,105.00	49,166,105.00	36,870,054.48	25.01%
** DETAILED OUT IN THE LOST PLAN	26,385,129.00					

BUDGET-IN-BRIEF as of MARCH 2020

STORMWATER CAPITAL PROJECTS FUND	Actual	Beginning	Amended	Current		
	Oct - Mar '20	Budget	Budget	Approved Budget	Difference	% of Budget
FUND BALANCE	5,093,802.00	0.00	5,093,802.00	5,093,802.00	0.00	100.0%
REVENUES						
INTEREST	28,168.57	41,000.00	41,000.00	41,000.00	12,831.43	68.7%
TRANSF FR GEN FUND	2,093,186.26	2,735,000.00	2,735,000.00	2,735,000.00	641,813.74	76.53%
MISC	0.00	0.00	0.00	0.00	0.00	
TOTAL REVENUES	2,121,354.83	2,776,000.00	2,776,000.00	2,776,000.00	654,645.17	76.42%
TOTAL REVENUES AND FUND BALANCE	7,215,156.83	2,776,000.00	7,869,802.00	7,869,802.00	654,645.17	91.68%
LOST FUND EXPENDITURES						
CAPITAL PROJECs						
OPERATING EXPENES	738,897.77	500,000.00	1,770,875.00	1,637,115.00	898,217.23	45.13%
CAPITAL OUTLAY	1,349,955.12	2,060,800.00	5,883,727.00	6,017,487.00	4,667,531.88	22.43%
SUB TOTAL CAPITAL PROJECTS	2,088,852.89	2,560,800.00	7,654,602.00	7,654,602.00	5,565,749.11	27.29%
ALLOCATED RECOVERY	107,600.00	215,200.00	215,200.00	215,200.00	107,600.00	50.0%
TOTAL EXPENDITURES	2,196,452.89	2,776,000.00	7,869,802.00	7,869,802.00	5,673,349.11	27.91%