

Financial Report

City of Pensacola

1st Quarter Financial Statement

Three Months Ending December 31, 2020

FY 2021 Issues

- Slower growth in the Economy Continues
- Half-Cent Sales Tax & Local Option Sales Tax
 - Growth from FYE 2019 to FYE 2020
 - Half-Cent Sales Tax decreased by **2.84%**
 - Local Option Sales Tax decreased by **2.28%**
- Ad Valorem Taxable Valuations
 - Positive Growth
- COVID-19 - Revenues Trending Lower
- Expenditures in total, in line with Budgeted Projections
- Interest Rates
- Legal Services and Fees
- Contracts & Expenditures over \$25,000 Approved by Mayor

General Fund

- In Total, Revenues Exceeded Budget
 - Attributed to State Revenue Sharing, Half-Cent Sales Tax, and the Transfer from Pensacola Energy
 - Franchise Fees & Public Service Tax – **-\$382,000** or **11.55%**
 - Half-Cent Sales Tax – **+\$36,200** or **4.17%**
 - Communication Services Tax – **-\$31,600** or **-5.76%**
 - Municipal Revenue Sharing – **-\$7,100** or **1.19%**

General Fund

- In Total, Revenues Exceeded Budget
 - Until the End of the COVID-19 Pandemic Revenues are Unknown to Meet Budget by FYE
- Special Permits within Planning Services Have Exceeded Budget
- Parks and Recreation Boat Launch Fees now under City Parking Management
 - Delayed Due to COVID-19 and Hurricane Sally, Anticipated to Meet Budget at FYE
- Revenues for Escambia School Board for the School Resources Officer's program are under Budget
- General Fund Transfer to Stormwater Capital Projects are Projected to be Within Budget at FYE
- 1st Quarter Expenditures, In Total, Within Budget

Tree Planting Trust Fund

- Revenue and Expenditures Recorded in General Fund
 - Total Contributions Plus Interest Income - \$7,100
 - Expenditures/Encumbrances - \$0
 - End of 1st Quarter Unencumbered Balance - \$535,100.

Park Purchases Trust Fund

- Revenue and Expenditures Recorded in General Fund
 - Total Contributions Plus Interest Income - \$234
 - Expenditures/Encumbrances - \$0
 - End of Third Quarter Unencumbered Balance - \$110,900

Housing Initiatives Fund

- Revenue and Expenditures Recorded in General Fund
 - 1st Quarter “Inner City Housing Initiatives Fund” Total Contributions - \$1,100
 - “Housing Initiatives Fund” Expenditures/Encumbrances - \$2,500
 - End of 1st Quarter Unencumbered Balance for “Housing Initiatives Fund” - \$514,500

Special Revenue Funds

- Local Option Gasoline Tax Fund
 - Revenue was **\$10,900 or 4.65%** Above Budget for 1st Quarter
 - Local Option Gasoline Tax Revenues are Expected to Meet Budget by FYE
 - Fund Expenditures Will Not Exceed Revenues for the Fiscal Year

Special Revenue Funds

- Stormwater Utility Fund
 - Revenue of \$1,996,200 Represents 72.99% of Budget
 - Expenditures are Consistent with Budget for 1st Quarter
 - Council allocated \$250,000 from LOST for Street Sweeper replacement in December 2020
 - Stormwater Utility Fee Adjustment may be necessary to fund ongoing capital replacement

Special Revenue Funds

- Parking Management Fund
 - Expenditures Exceeded Revenue by **\$45,600**
 - No FY 2021 1st Quarter Comparative Data, this is the First Year under City Management
 - Parking Revenues impacted due to COVID-19 and the General Daniel "Chappie" James Jr. Bridge closure due to Hurricane Sally Damage
 - Boat Launch Fees are now under Parking Management, Fees are expected to meet budget by year end.

Special Revenue Funds

- Municipal Golf Course Fund
 - Expenditures Exceeded Revenue by **\$88,000** Before General Fund Subsidy (\$62,500)
 - **\$46,600** Above FY 2020 1st Quarter Revenues
 - Increase in Revenue Due to Good Weather and Essential Services Provided by Osceola

Special Revenue Funds

- Municipal Golf Course Fund
 - 4,348 Rounds Played in 1st Quarter of FY 2021 – an Increase of **1,888** Rounds From FY 2020
 - **1,155** of Driving Range Usage in 1st Quarter of FY 2021 – an Increase of **823** Driving Range Usage from FY 2020
 - Concession Payments are Current Through the 1st quarter of FY 2021
 - Expenditures Consistent with Budget

Special Revenue Funds

- Inspection Services Fund
 - In Total, Expenditures Exceeded Revenues By **\$127,800**
 - Revenues were **\$197,600** more than the Prior Year
 - Construction and Housing demand continue to be high during the COVID-19 Pandemic with increases in Revenue over the prior year
 - Expenditures Were Consistent With Budget

Special Revenue Funds

■ Roger Scott Tennis Center

- Revenues Exceeded Expenditures by **\$20,600**
- Revenues Declined Due to COVID-19 Pandemic
- Expenditures Not Anticipated to Exceed Budget
- Three-year Contract with Gulf Coast Tennis Group, LLC for the Operation & Management of Roger Scott Tennis Center is extended through March 31, 2021
- 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
 - Revenues Exceeded Expenditures by **\$83,900**
 - Expenditures Will Continue to Exceed Revenues Until Fourth Quarter
 - Revenues **\$300,000** higher than the Prior Year
 - Also Impacted by COVID-19 Pandemic
 - Limited Activities at Park continue and College Baseball resumed with the first Game of the Season Played on January 30, 2021
 - Expenses Consistent with Budget

Capital Projects Funds

- Local Option Sales Tax Fund
 - Revenues exceeded Budget by **+\$47,500** or **2.88%**
 - Expenditures in Total, Consistent with Budget
 - Extension of Local Option Sales Tax (Through 12/31/2028)
 - Anticipated that a Draw Upon City's Pooled Cash Will Occur Through the Life of the LOST IV Series.

Capital Projects Funds

- Stormwater Capital Projects Fund
 - General Fund Transfer Equaled Collection - \$1,996,200
 - Expenditures Within Budget

Enterprise Funds

■ Gas Utility Fund

- Fund Balance and Revenue were Below Expenses and Encumbrances by **\$5,900,000**
 - Capital Outlay, Debt Service & Transfer Expenditures
- 1st Quarter FY21 Revenues were Below FY20 Revenues
 - Decrease Due to Warmer Weather and the impacts of COVID-19
- Additional \$0.10 per Ccf - \$366,700
- Infrastructure Cost Recovery Fee - \$745,900
- In Total, Expenses Consistent with Budget

Enterprise Funds

■ Sanitation Fund

- Fund Balance and Operating Revenue were Below Operating Expenses and Encumbrances by **\$1,215,500**

- Fund Revenues were **\$144,700** Above FY 20 Revenues

No Federal CNG Rebates Received during the 1st Quarter FY21

- Rebates Used to Offset the Cost of Capital Equipment

- Expenses Consistent with Budget

Enterprise Funds

■ Port of Pensacola

- Fund Balance and Revenues were less than Expenses and Encumbrances by **\$153,800**
- Revenues Exceeded FY 20 Revenues By **\$90,500**
 - Increase in Wharfage, Storage, and Interior Lighting
 - Increase in Port Tariff Rate
 - GE Doubled Utilization of the Port
- Expenses, In Total, were at Budget
 - Due to Increased Activity at the Port
 - Expenses **\$34,600** more than FY 2020 for Same Time Period

Enterprise Funds

■ Airport Fund

- Fund Balance and Revenue Exceeded Expenses and Encumbrances by **\$669,600**
- Passenger Traffic Decreased by 40.21% Compared to 1st Quarter of FY 2020
- Airport Revenues were **\$2,126,500** Below FY 2020
 - Airline Revenues were **\$983,600** Below Prior Fiscal Year
 - Non-Airline Revenues Decreased from Prior Fiscal Year by **\$1,142,900**
 - Airline Rentals, Baggage Handler System, Loading Bridge Fees, Apron Area Rentals, Air Carrier Landing Fees, Cargo Landing Fees, and Ron Ramp were Below Prior Fiscal Year by **\$821,400**
 - Parking Lot Revenue was **\$955,300** Below prior year
- Expenses Consistent with Budget
- Transportation Industry is Experiencing the Effects of COVID-19 Pandemic
 - Passenger Traffic Dropping

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, 2020
 (Unaudited)

<u>ATTORNEY NAME OR FIRM</u>	<u>AMOUNT PAID</u>	<u>NATURE OF SERVICES PROVIDED</u>
RISK MANAGEMENT:		
COLLEEN CLEARY ORTIZ PA	\$ 165.00	Workers Compensation Claims
CLARK PARTINGTON HART LARRY	33,006.00	Claims and Litigation
QUINTAIROS PRIETO WOOD & BOYER PA	2,522.32	Workers Compensation and Liability Claims
RODERIC G. MAGIE, PA	24,482.51	Workers Compensation Claims
RUMBERGER KIRK & CALDWELL PA	4,515.50	Police Liability Claims
SNIFFEN & SPELLMAN PA	9,354.73	Police Liability Claims
WILSON HARRELL & FARRINGTON PA	16,994.72	Claims and Litigation
SUBTOTAL:	<u>91,040.78</u>	
ST AEROSPACE:		
BEGGS & LANE	37,701.00	Airport VT Mobile Aerospace Engineering Project
SUBTOTAL:	<u>37,701.00</u>	
ALL OTHER LEGAL COSTS:		
ALLEN NORTON & BLUE P A	15,914.29	Administrative, Collective Bargaining and Employee Matters
BEGGS & LANE	0.00	Contract and Real Estate Law
BRYANT MILLER OLIVE PA	10,797.00	Bond Counsel and CRA Matters
CARLTON FIELDS JORDEN BURT	3,510.00	Superfund and Other Environmental Matters
COASTAL ASSOCIATION LAW GROUP	0.00	Contract and Real Estate Law
DAVIDSON & HIERS P A	0.00	Mediation
EDWARDS WILDMAN PALMER LLP	0.00	Bond Disclosure Counsel and New Market Tax Credits
GALLOWAY, JOHNSON, TOMPKINS, BURR AND SMITH	1,198.50	Skanska Barge Matters
GRAY ROBINSON PA	25,332.00	Fee, Tax and Pension Plan Compliance
GUNSTER YOAKLEY & STEWART PA	7,507.20	Natural Gas Matters
MCCARTER & ENGLISH LLP	5,891.66	Natural Gas Industry
MICHAEL J STEBINS PL	0.00	Pension Attorney
PLAUCHE MASELLI PARKERSON LLP	0.00	Utility Litigation
RAY, JR LOUIS F	8,863.00	Code Enforcement Special Magistrate
SUBTOTAL:	<u>79,013.65</u>	
REPORT TOTAL:	\$ <u>207,755.43</u>	

Financial Report

City of Pensacola

1st Quarter Financial Statement

Three Months Ending December 31, 2020