



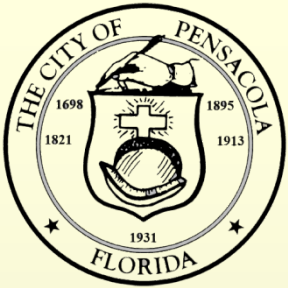
# **Financial Report**

**City of Pensacola  
4th Quarter Financial Statement  
Twelve Months Ending  
September 30, 2012**



# Overview

- Downturn in Economy
  - Resulted in Decline of FY 2012 Revenues
- Supplemental Budget Resolution
  - Reduced Revenues
  - Personal Service Savings
- Total Expenditures In Line with Budgeted Projections/Some Below Budgeted Projections
  - Offset Decline in Revenues
- FY 2012 Balanced Budget



# General Fund

- **Revenues Exceeded Expenditures and Encumbrances by \$362,600**
  - **Revenues - \$53,872,800**
  - **Exp./Enc. - \$53,510,200**
- **Revenues Down by \$1,809,100 or 4.4% from FY 2011**
- **Revenues \$3,271,200 Above Beginning Budget**



# General Fund

- **Communication Services Tax – down by \$72,500 or 2% from FY 2011**
- **Franchise Fees & Public Service Tax – down by \$840,300 or 5.6% from FY 2011**
- **Half Cent Sales Tax – up by \$43,000 or 1.2% from FY 2011**
- **Swimming Pool Fees – down by \$25,000 from FY 2011**
- **Army Reserve Property**



# General Fund

- **Department Expenditures within Approved Appropriations**
  - **Expenditures \$1,366,700 or 2.5% lower than Appropriations**
  - **Transfer to Stormwater Capital Projects and Tax & Franchise Fee Debt Services Fund**



# General Fund



## ■ Categories of Fund Balance

- **Non-Spendable**

- Not in a spendable form (pre-paid insurance)

- **Restricted**

- Can be spent only for the specific purpose stipulated by external resource providers, external contractual obligations or enabling legislation.



# General Fund



## ■ Categories of Fund Balance

- **Committed**
  - Can be used only for the specific purposes determined by a formal action (ordinance/resolution)
- **Assigned**
  - Amounts the City intends to use for a specific purpose
- **Unassigned**
  - The portion of fund balance which is not obligated or specifically designated and is available for any purpose.



# General Fund

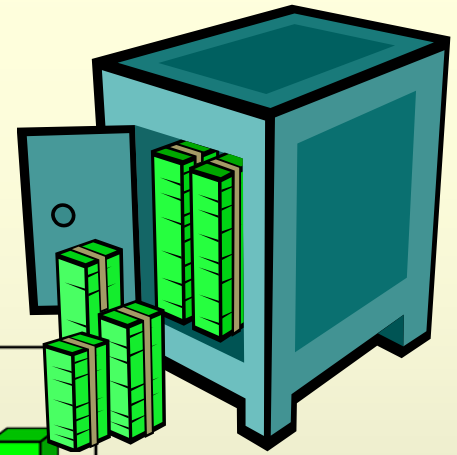
## Components of FYE 2012 Fund Balance Compared with FYE 2011

2011	2012	
		<b><u>Non-Spendable</u></b>
\$ 12,600	\$ 24,800	- Prepaid Expenses
<u>12,600</u>	<u>24,800</u>	Sub-Total Non-Spendable
		<b><u>Restricted</u></b>
80,800	97,700	- Saenger Theatre Capital
<u>463,500</u>	<u>330,900</u>	- Encumbrances
<u>544,300</u>	<u>428,600</u>	Sub-Total Restricted
		<b><u>Committed</u></b>
7,669,000	7,684,900	- Council Reserve (see detail below)
40,900	38,200	- FY 2013 Park Purchases (Carryforward Appropriation)
<u>678,700</u>	<u>676,000</u>	- FY 2012 Tree Planting Trust Fund
<u>8,388,600</u>	<u>8,399,100</u>	Sub-Total Committed
		<b><u>Assigned</u></b>
-	183,100	- FY 2013 Designation for Economic Incentives
859,300	1,662,800	- FY 2013 Unencumbered Carryforward Appropriation
184,900	221,200	- Special Assessments
<u>159,800</u>	<u>119,200</u>	- FY 2012 Designation for Lien Amnesty
<u>1,204,000</u>	<u>2,186,300</u>	Sub-Total Assigned
		<b><u>Unassigned</u></b>
<u>1,124,100</u>	<u>1,113,600</u>	- FY 2013 & 2014 Fund Balance (Net Revenue/Expenditure Shortfall)
<u>1,124,100</u>	<u>1,113,600</u>	Sub-Total Unassigned
<b><u>\$ 11,273,600</u></b>	<b><u>\$ 12,152,400</u></b>	<b>Total Fund Balance</b>

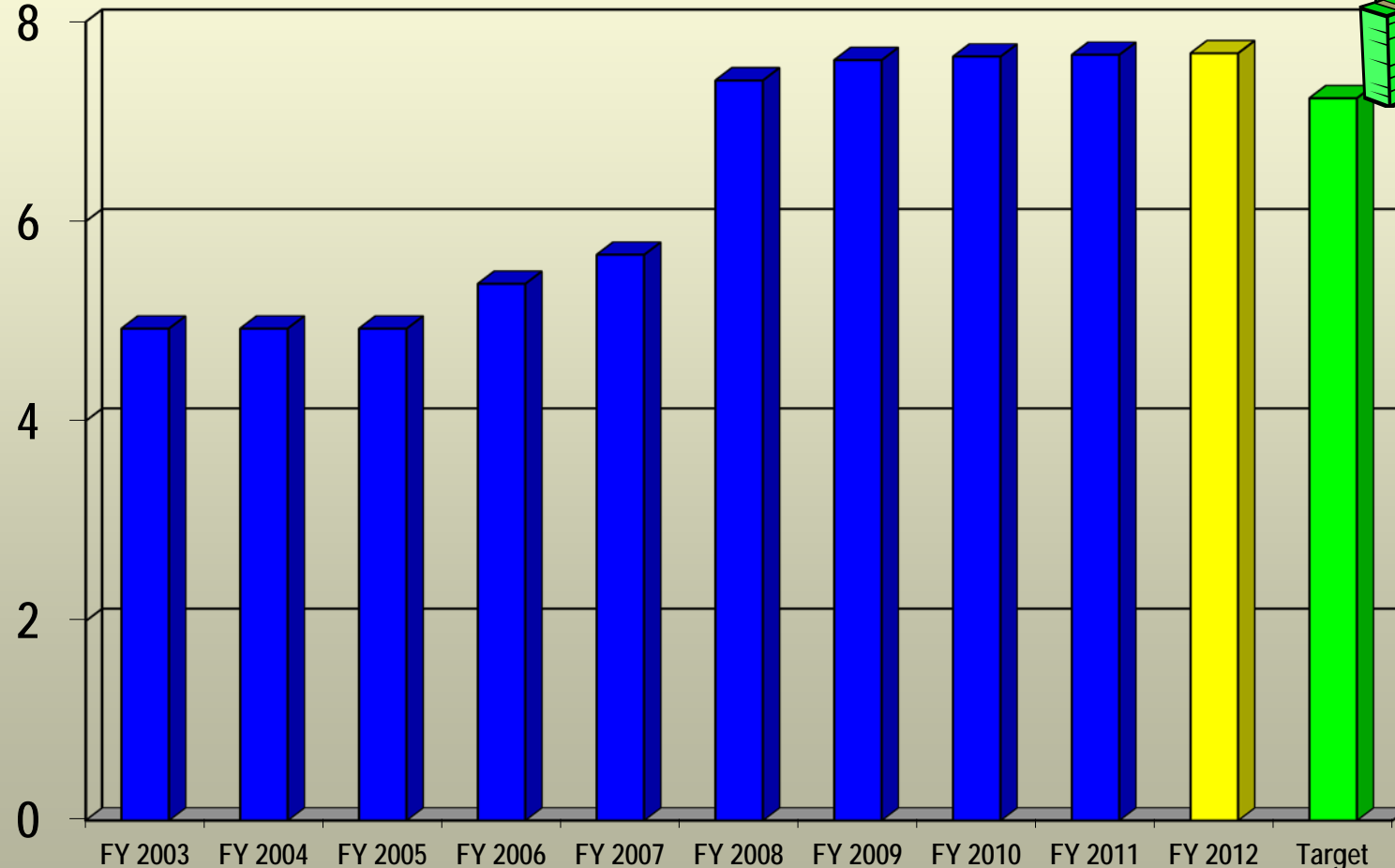




# General Fund



Millions

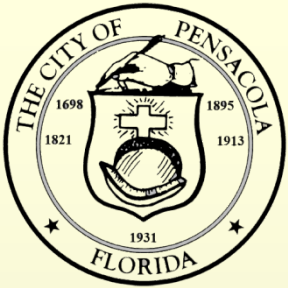


**Reserve For Contingency Increased By \$15,900 which adheres to the minimum Council Goal of 15% of General Fund Revenue**



# Tree Planting Trust Fund

- **Revenue and Expenditures Recorded In General Fund**
- **Total Contributions Plus Interest Income - \$11,500**
- **Exp./Enc. - \$27,200**
- **End of Year Unencumbered Balance - \$676,000**
  - **\$75,100 Carry Forward to FY 2013**



# Park Purchases Fund

- **Revenue and Expenditures Recorded In General Fund**
- **Total Contributions Plus Interest Income - \$100**
- **Exp./Enc. - \$22,000**
- **End of Year Unencumbered Balance - \$38,100**
  - **Carry Forward to FY 2013**



# Tax and Franchise Fee Debt Service Fund

- **General Fund Transfer Funded Debt Service Payment**
  - **Increased by \$200,000**
  - **Offset by Decrease in Appropriated Fund Balance**
- **Final Debt Service Payment Made 10/1/12**



# Special Revenue Funds

## ■ Local Option Gasoline Tax

- Levied Per Gallon Sold --- Not Cost Per Gallon
- Interlocal Agreement
  - City Receives 18.22 % of Tax Collected
  - Calculation Based on Transportation Expenditures
  - Will Be Re-Calculated in Fiscal Year 2017
- Revenue Exceeded Budget By \$3,200
- FY 2012 Street Rehab Project – ECUA \$65,000 (FY 2013)
- Transfer from Central Services Fund - \$500,000
  - To Provide Additional Funding for the Completion of the FY 2012 Street Reconstruction Projects
- Revenue & Fund Balance Exceeded Total Expenditures and Encumbrances by \$182,000
  - Revenue - \$3,190,600
  - Exp./Enc. - \$3,008,600
- End of Year Unencumbered Balance - \$181,900 - Carry Forward
- Local Option Gasoline Tax Expires August 31, 2016



# Special Revenue Funds

## ■ **West Florida Public Library**

- Revenues Exceeded Budget by \$900
- Revenues & Appropriated Fund Balance Exceeded Expenditures by \$324,600
  - Revenues and Appropriated Fund Balance - \$5,338,600
  - Expenditures - \$5,014,000
- Restricted Fund Balance of \$355,600 - Carried Forward to Restore Library Operating Hours

## ■ **Stormwater Utility Fund**

- Revenues Exceeded Budget by \$4,400
  - Revenue - \$2,367,800
  - Exp./Enc. - \$2,404,300 (within Budget)
- Committed Fund Balance of \$161,100



# Special Revenue Funds

## ■ **Municipal Golf Course**

- Revenues Exceeded Budget By \$2,300
  - Revenues - \$611,200 (Includes Capital Surcharge of \$39,300)
- Exp./Enc. Under Budget by \$600
  - Exp./Enc. - \$739,000
- General Fund Subsidy - \$110,000
- Committed Fund Balance (Includes Delinquent Amount of \$5,750 from Concessionaire) - \$4,900
- Concessionaire Behind on Lease Payments
  - 3.25 Payments Behind
  - City Requesting Full Payment



# Special Revenue Funds

## ■ Roger Scott Tennis Center

- Revenues Over Budget by \$5,200
  - Revenues - \$214,500
- Exp./Enc. Equaled Budget Estimates
  - Exp./Enc. - \$264,900
- No Subsidy From General Fund
- Committed Fund Balance - \$22,100
  - \$19,900 Carried Forward for repairs at Tennis Center





# Special Revenue Funds

## • **Inspection Services Fund**

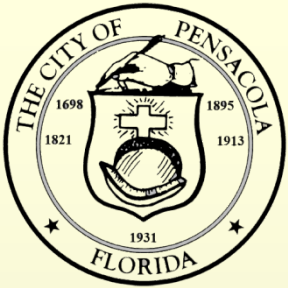
- Revenues Equaled Budget
- Expenditures Under Budget by \$28,700
  - Expenditures - \$899,400
- Revenues Exceeded Expenditures by \$172,100 with No Subsidy
  - Revenues - \$1,071,500
- Restricted Fund Balance - \$178,400
- Increased Permit Activity – Commercial Construction



# Special Revenue Funds

## •Community Maritime Park Management Services Fund

- Park Management Services Agreement
  - CMPA Insurance – 100% Reimbursed
  - Park Maintenance and Landscaping Services
    - CMPA paid \$82,261 in FY 2012
  - Event Scheduling and Planning, Management of Sales, Rentals, Food and Vendor Services, and Parking Management
- Fees Charged Reduced by Revenue Earned
  - Maximum Amount Payable - \$256,054
- Revenues Exceeded Expenditures by \$75,790 paid to CMPA
- Grand Opening of Community Maritime Park
  - Donations Received in FY 2012 - \$48,250



# Capital Projects Funds

## ■ Local Option Sales Tax Fund

- Revenues Equaled Budget
  - Revenues - \$6,402,600
- Exp./Enc. Within Budget
  - Exp./Enc. - \$10,584,600
- Tax Collections Increased by 1.4% from FY 2011
- Restricted Fund Balance Decreased from (\$719,900) to (\$3,125,600) in FY 2012
- Pooled Cash
  - \$1,546,900 Needed At End of FY 2012
- LOST Expires December 31, 2017



# Capital Projects Funds

## ■ Stormwater Capital Projects Fund

- Transfers from General Fund
  - Revenue Fee Collection - \$2,536,800
  - Army Reserve Property - \$3,500,000
- Revenues & Appropriated Fund Balance Exceeded Expenditures & Encumbrances
  - Revenues/Fund Balance - \$9,881,100
  - Exp./Enc. - \$6,864,500
- Committed Fund Balance of \$3,016,600 Carried Forward



# Enterprise Funds

## ■ Gas Utility Fund

- Revenue Exceeded Expenses by \$1.5 Million
  - Revenue - \$37,638,900
- Purchase Gas Adjustment (PGA)
  - Pensacola Energy Reserve
    - Down by \$4.025 Million at End of FY 2011
    - Down by \$3.105 Million at End of FY 2012
- Net Current Assets
  - Increased by \$700,000 from Beginning FY 2012 to End of Year (\$4.9 Million)



# Enterprise Funds

## ▪ Sanitation Fund

- Revenues Exceeded Expenses by \$702,500  
(Excluding Code Enforcement)

  - Revenues - \$5,795,400

  - Expenses - \$5,092,900

- Code Enforcement Revenues Below Expenses  
by \$51,500

  - Code Enforcement Revenues - \$1,148,800

    - Rate Increase in January

- Net Current Assets – Increased by \$479,600  
from Beginning FY 2012 to End of Year (\$1.5  
Million) (Excluding Code Enforcement & Lot  
Cleaning)



# Enterprise Funds

## ▪ Port of Pensacola

### • Revenues Exceeded Expenses by \$603,200

• Revenues - \$2,432,900

• Expenses - \$1,829,700

### • Port Reserve/Net Current Assets

• Increased by \$611,500 from FY 2012 Beginning to End of Year (\$1.4 Million)

### • Port Lease Payments

• Northwest Florida Cold Storage

• Offshore Inland Marine



# Enterprise Funds

## ▪ Airport Fund

- Revenues Below Budget by \$4.1 Million
  - Revenues - \$18 Million
- Revenues Decreased by \$210,800 from FY 2011 Due to Parking Lot Revenues
- Airport Exp./Enc. Below Budget by \$5.2 Million
  - Exp./Enc. - \$21.5 Million
- Total Fund Exp./Enc. Below Revenues & Fund Balance by \$1.8 Million
  - Airport Agreement w/Airlines
- Net Current Assets – Increased by \$30,000 from Beginning FY 2012 to End of Year (\$1.8 Million)





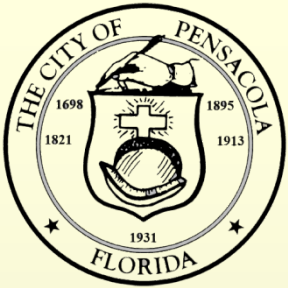
# Internal Service Funds

- Insurance Retention Fund/Central Services Fund
  - Provide Services To Other Operating Funds
  - Revenues and Expenses Below Budgeted Levels



# Investment and Debt Service Schedules

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



# Police/Fire/General Pension Plans

- Interest Investment Rate Reported to City Pension Boards
- FY 2012 Investment Gain

	<u>FY 08</u>	<u>FY 09</u>	<u>FY 10</u>	<u>FY 11</u>	<u>FY 12</u>
<b>General</b>	<b>-13.00%</b>	<b>+4.8%</b>	<b>+9.6%</b>	<b>-0.80%</b>	<b>+19.1%</b>
<b>Fire</b>	<b>-13.70%</b>	<b>+7.4%</b>	<b>+10.3%</b>	<b>-2.20%</b>	<b>+18.1%</b>
<b>Police</b>	<b>-11.05%</b>	<b>+0.77%</b>	<b>+9.23%</b>	<b>+1.3%</b>	<b>+19.9%</b>

- Plans Exceeded Assumed Earnings Rate in FY 2012
- General Pension Plans Closed

**CITY OF PENSACOLA  
GENERAL FUND  
FISCAL YEAR 2012 BUDGET WITH FY 2013 BEGINNING BUDGET**

	<b>FY 2012 BEGINNING BUDGET</b>	<b>FY 2012 FINAL BUDGET</b>	<b>FY 2012 ACTUAL</b>	<b>FY 2013 ADOPTED BUDGET</b>
<b>Sources:</b>				
Fund Balance	-	927,187	927,187	-
<b>Revenues</b>				
Property Taxes	12,142,200	12,311,500	12,311,601	12,015,300
Franchise Fees/Utility Taxes	15,361,600	14,252,700	14,252,846	15,088,000
State Revenue	9,712,500	9,709,500	9,723,320	9,717,000
Other Revenue	5,385,300	6,076,000	6,089,542	3,407,500
ESP Transfer	8,000,000	8,000,000	8,000,000	8,000,000
Stormwater Capital Transfer	-	3,600,000	3,495,507	-
Tree Planting Trust Fund Bal	-	-	-	-
<b>Total Revenues</b>	<b>50,601,600</b>	<b>53,949,700</b>	<b>53,872,816</b>	<b>48,227,800</b>
<b>Total Sources</b>	<b>50,601,600</b>	<b>54,876,887</b>	<b>54,800,003</b>	<b>48,227,800</b>
<b>Uses:</b>				
Personnel Expenses	35,785,600	34,250,135	33,509,956	34,572,100
Operating Expense	9,687,600	11,063,054	10,291,122	10,783,400
<b>Sub-Total</b>	<b>45,473,200</b>	<b>45,313,189</b>	<b>43,801,078</b>	<b>45,355,500</b>
Capital Outlay	-	1,250	1,065	-
Agency Funding	396,900	402,650	387,917	431,900
Saenger Theatre	206,000	398,777	333,050	242,900
Resid S/W & Sanit Asst Pgm	6,400	6,400	5,336	6,400
Transfer To WFPL	1,271,400	1,327,300	1,327,300	1,487,300
Transfer to Urban Core TIF	1,451,700	1,441,891	1,441,891	1,377,700
Transfer to Eastside TIF	33,400	35,380	35,380	25,900
Transfer to Stmwtr Cap Prjcts	2,411,000	6,133,850	6,032,341	2,532,900
Transfer to TFFDSF	2,869,800	3,069,800	3,069,688	-
Transfer to Golf Course	110,000	110,000	110,000	100,000
<b>Sub-Total</b>	<b>8,756,600</b>	<b>12,927,298</b>	<b>12,743,968</b>	<b>6,205,000</b>
Cost Recovery - A/O	(3,628,200)	(3,363,600)	(3,363,600)	(3,332,700)
<b>Total Uses</b>	<b>50,601,600</b>	<b>54,876,887</b>	<b>53,181,446</b>	<b>48,227,800</b>

**NOTE: Does not include Tree Planting Trust Fund, Park Purchase Fund, or Economic Development Incentive Fund**



# **Financial Report**

**City of Pensacola  
4th Quarter Financial Statement  
Twelve Months Ending  
September 30, 2012**