

The seal of the City of Pensacola, Florida, is a circular emblem. It features a central shield with a cross, a sunburst, and a fish. Above the shield is a hand holding a quill. The shield is flanked by the dates 1698 and 1895. Below the shield are the dates 1821 and 1913. At the bottom of the shield are the dates 1931 and 2010. The words "THE CITY OF PENSACOLA" are written in a circular path around the top, and "FLORIDA" is written at the bottom. Two stars are positioned on either side of the bottom date.

# Financial Report

City of Pensacola

1st Quarter Financial Statement

Three Months Ending December 31, 2012



# FY 2013 Issues

- Downturn in Economy
- Supplemental Budget Resolution
  - Reduced Revenue Levels in Franchise Fees & Public Service Taxes
- Some Revenues to Exceed Budget
  - Downward Trend in Revenue May Continue throughout FY 2013 and FY 2014
- Expenditures in line with Budgeted Projections
  - Decline in Revenue may Result in Expenditure Reductions Below Budgeted Levels to Balance Budget
- Interest Rates



# General Fund

- Revenues Exceeded Budget
  - Attributed to Property Tax & Local Business Tax Revenues
  - Franchise Fees & Public Service Tax – **-\$27,700** or 1.18% Down
  - Half-Cent Sales Tax – **+\$37,200** or 3.56% Up
  - Communication Services Tax – **-\$16,100** or 2.83% Down
  - Municipal Revenue Sharing - **+\$5,200** or .94% Up
  - 911 Call-Taker Revenue



# General Fund

- Zoning/Housing Code Enforcement Function Moved to the Sanitation Fund
- Transfer of the Army Reserve Property Completed in FY 2012
- Saenger Theatre Facilities Fees in the Negative
  - Accrual Reversal & Timing of Revenue Received
- Revenues are Projected to Meet or be Below Budget
- Staff will Continue to Monitor Revenues & Expenditures
- Combination of Human Resources and Civil Service Departments



# General Fund

- Financial Services Department – Operating Expenditures
  - Disparity Study
- General Fund Transfer to Stormwater Capital Projects Fund
- Expenditures Below Budget
- Selective Hiring Process
- Police Union Contract
  - \$583,000 Unassigned Fund Balance



# Tree Trust Fund

- Revenue and Expenditures Recorded In General Fund
  - Revenue- \$1,575
  - Exp/Enc - \$5,295
  - Unencumbered Balance - \$672,325



# Park Purchases Fund

- Revenue and Expenditures Recorded In General Fund
  - Revenue - \$0
  - Exp/Enc - \$0
  - Unencumbered Balance - \$38,141



# Economic Development Incentives Fund

- Revenue and Expenditures Recorded In General Fund
- Revenues - Sale of Assets, Lease Fees & Traffic Fines from the Red Light Camera Fines Program
  - Fund Balance - \$183,125
  - Lease Fees - \$38,513
  - Exp/Enc - \$0
    - Plan to be Presented to City Council for Approval
  - Unencumbered Balance - \$221,638





# Special Revenue Funds

- Tax and Franchise Fee Debt Service Fund
  - Final Debt Service Payment Made on October 1, 2012
- Local Option Gasoline Tax Fund
  - Revenue Below Budget - **\$3,000** or 1.19% Down
  - Expenditures will not exceed budget for the fiscal year
- West Florida Public Library
  - Revenues and expenditures consistent with budget.
  - Escambia County Funding - \$1,050,808
    - Supplemental Budget Resolution - Increase of County Portion by \$13,425
    - \$355,554 Carried Forward from FY 2012 to Restore Hours at Library Branches



# Special Revenue Funds

- West Florida Public Library (Continued)
  - Escambia County Board of County Commissioners Approved a Municipal Service Taxing Unit (MSTU) to begin in FY 2014
  - WFPL System Operation will Transition from the City of Pensacola to Escambia County – Effective October 1, 2013
    - City Transition Team working with County Staff to Make Transition as Seamless as Possible



# Special Revenue Funds

- Stormwater Utility Fund
  - Revenue of \$1,947,900 Represents 77.21% of Budget
  - Fund expenditures consistent with budget
- Municipal Golf Course Fund
  - Expenditures Exceeded Revenue by **\$47,400** Before General Fund Subsidy (\$25,000)
    - **\$21,000** below Prior Year First Quarter Revenues
    - Decrease in Usage when Compared to Last Fiscal Year
      - 8,244 Rounds played in First Quarter of FY 2012
      - 7,061 Rounds played in First Quarter of FY 2013 - a decrease of 1,183 Rounds
  - Expenditures are Consistent with Budget
  - General Fund Subsidy - \$100,000
  - Concessionaire Behind on Lease Payments
    - 4 Payments Behind **(\$6,212.50)**



# Special Revenue Funds

- Inspection Services Fund
  - Revenues Exceeded Expenditures By **\$30,800** with no Subsidy From General Fund
    - **\$33,900** below Prior Year First Quarter Revenues
    - Larger Construction Projects
    - Zoning & Permit Fees – Only Collected for New Construction
    - Renovations of Existing Buildings
  - Expenditures Consistent With Budget
- Roger Scott Tennis Center
  - **\$7,400** above Prior Year First Quarter Revenues
    - Annual Membership Renew 2<sup>nd</sup> Quarter
  - Concessionaire
    - Contract Terminated in FY 2012
    - City Operated Concession – March 2013



# Capital Projects Funds

- Local Option Sales Tax Fund
  - Revenues Exceeded Budget by **\$37,200** or **3.564%** up
  - Expenditures Consistent with Budget
  - Cash Shortfalls
    - Fund Balance Negative for Next Few Years
- Stormwater Capital Projects Fund
  - General Fund Transfer Equaled Collection (\$1,949,689)
  - Expenditures Within Budget



# Enterprise Funds

## ■ Gas Utility Fund

- Expenses and Encumbrances Exceed Revenue and Fund Balance by **\$31,100.**
  - Warmer Winter
- Revenue the same as First Quarter of FY 2012
- PGA Calculation
  - FY 2012 Operating Reserve - \$4,897,316
  - Shortfall in Reserve Balance - **~~\$3,105,184~~**
  - Additional \$0.10 per Ccf - \$411,842
- Infrastructure Cost Recovery Fee - \$37,472
- Gas Construction – Note Expenditures
- Expenses projected to be below budget by fiscal year end.



# Enterprise Funds

## ■ Sanitation Fund

- Revenue and Fund Balance Exceeded Expenses and Encumbrances by **\$44,200**
  - Fund Revenues Consistent With Budget
  - Revenues Below Prior Year Revenues
    - Reduction in Customer Requests for Bulk Waste Collection Services
    - Mayor's Neighborhood Cleanup Program
- Minimal Franchise Fee Revenue
- Expenses Consistent with Budget



# Enterprise Funds

## ■ Port of Pensacola

- Revenue and Fund Balance Exceeded Expenses and Encumbrances by **\$395,500**
- Revenues Above FY 2012 By **\$26,600**
  - Wharfage and Security Fees
    - Increased Volumes of GE Wind Turbine Nacelles
    - Exports of Railroad Hopper Cars
  - Offset by Decrease in Dockage Revenue
    - Reduction in First Quarter Vessel Traffic
    - Departure of the Vessel Global 1200
- Expenses, In Total, At or Below Budget
- Port Lease Payments
  - Northwest Florida Cold Storage – Requested Early Termination of Lease





# Enterprise Funds

## ■ Airport Fund

- Expenses and Encumbrances Exceeds Revenue and Fund Balance by **\$2.3 Million**
  - \$2 Million Increase in Principal Payment
- Revenues Projected to Meet Expenses
- Passenger Traffic Increased by 4% Compared to First Quarter of FY 2012
  - Airline Modification of Schedules
  - Types of Aircraft
- Revenues Above FY 2012 by **\$333,600**
  - Increase in Air Carrier Landing Fees
- Expenses Consistent with Budget
  - Expenses projected to be below budget by fiscal year end.



# 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

**CITY OF PENSACOLA  
GENERAL FUND - PROPOSED BUDGET  
FISCAL YEAR 2013 BUDGET WITH PROJECTIONS FOR FY 2014**

	<b>FY 2013 BEGINNING BUDGET</b>	<b>FY 2013 CURRENT BUDGET</b>	<b>FY 2013 PROJECTED BUDGET</b>	<b>FY 2014 PROJECTED BUDGET</b>
<b>Sources:</b>				
Fund Balance	-	2,624,759	2,624,759	-
<b>Revenues</b>				
Property Taxes	12,015,300	12,015,300	11,975,300	11,975,300
Franchise Fees/Utility Taxes	15,088,000	14,349,000	14,362,800	14,520,700
State Revenue	9,717,000	9,736,000	9,748,800	9,805,600
Other Revenue	3,407,500	2,757,500	2,500,800	2,600,100
ESP Transfer	8,000,000	8,000,000	8,000,000	8,000,000
<b>Total Revenues</b>	<b>48,227,800</b>	<b>46,857,800</b>	<b>46,587,700</b>	<b>46,901,700</b>
<b>Total Sources</b>	<b>48,227,800</b>	<b>49,482,559</b>	<b>49,212,459</b>	<b>46,901,700</b>
<b>Uses:</b>				
Personnel Expenses	34,572,100	34,839,842	34,861,009	34,743,300
Operating Expense	10,783,400	11,691,267	11,400,000	10,783,400
<b>Sub-Total</b>	<b>45,355,500</b>	<b>46,531,109</b>	<b>46,261,009</b>	<b>45,526,700</b>
Capital Outlay	-	-	-	-
<b>Agency Funding</b>	<b>431,900</b>	<b>446,633</b>	<b>446,633</b>	<b>431,900</b>
Saenger Theatre	242,900	303,555	303,555	242,900
Resid S/W & Sanit Asst Pgm	6,400	6,400	6,400	6,400
Transfer To WFPL	1,487,300	1,487,300	1,487,300	-
Transfer to Urban Core TIF	1,377,700	1,381,489	1,381,489	1,377,700
Transfer to Eastside TIF	25,900	25,873	25,873	25,900
Transfer to Stmwtr Cap Prjcts	2,532,900	2,532,900	2,532,900	2,532,900
Transfer to TFFDSF	-	-	-	-
Transfer to Golf Course	100,000	100,000	100,000	90,000
<b>Sub-Total</b>	<b>6,205,000</b>	<b>6,284,150</b>	<b>6,284,150</b>	<b>4,707,700</b>
Cost Recovery - A/O	(3,332,700)	(3,332,700)	(3,332,700)	(3,332,700)
<b>Total Uses</b>	<b>48,227,800</b>	<b>49,482,559</b>	<b>49,212,459</b>	<b>46,901,700</b>
<b>Difference</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

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