



CITY OF PENSACOLA, FLORIDA
Ashton J Hayward, Mayor

PENSACOLA
AMERICA'S FIRST SETTLEMENT.
ESTABLISHED 1559.



City of Pensacola, Florida
Fiscal Year 2012
Proposed Budget

For the year ending September 30, 2012



BUDGET OBJECTIVES AND REALITIES

- Economic downturn is expected to continue through 2012
- Citizens have said they want less taxes and less government expenditures
- Need for a more stable and predictable budget plan
- Need to continue to align ongoing general fund expenditures with ongoing revenues



Council Policies

- General Fund's maximum amount of appropriated Beginning Fund Balance each year should be no more than 3 percent of budgeted revenues.
 - FY 2012 Beginning Fund Balance is zero
- Recurring expenditures should be financed only with recurring revenues.
 - FY 2012 Utilizing proceeds from Army Reserve Property with the understanding that debt service is paid in FY 2013



Council Policies

- Transfer from ESP to the General Fund should not be more than 15 percent of budgeted ESP revenues.
 - FY 2012 – 14.65%
- Fees should be set at levels sufficient to recover all costs.
 - FY 2012 includes fee increases for Inspections, Stormwater, Tennis, Golf (Surcharge), ESP and Sanitation.



Council Policies

- Council Reserve – A minimum reserve of 15 percent of the General Fund beginning adopted appropriations should be incrementally established and maintained for use in meeting unanticipated needs and/or emergencies.
 - FY 2012 – 15.10%



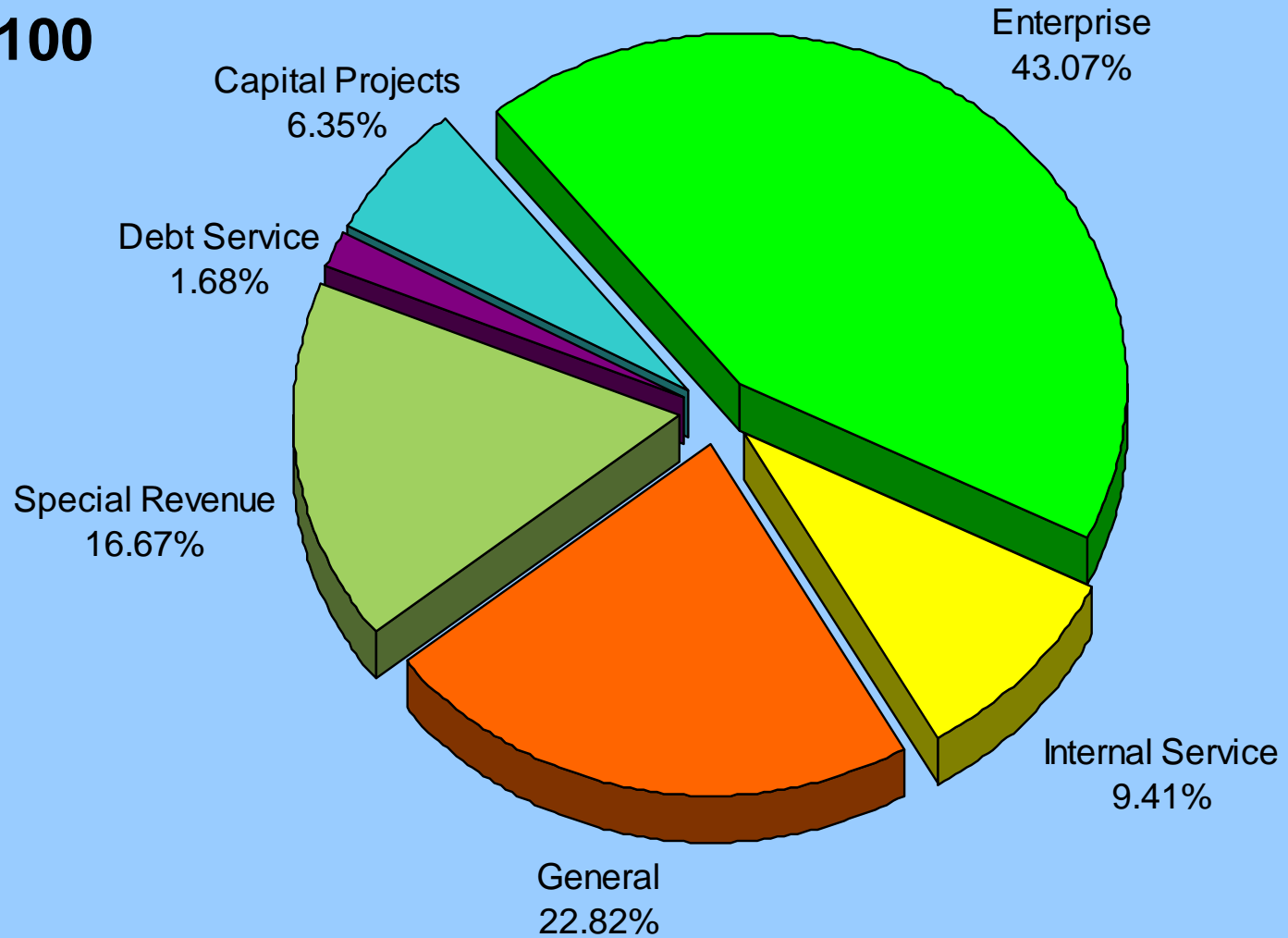
RECOMMENDED BUDGET HIGHLIGHTS

- 24 Month balanced budget plan – 10/01/11 thru 09/30/13
- Does Not Anticipate Any Fund Balance Drawdown
- Property Tax
 - Valuation Decrease - \$265,600
 - Millage Rate Reduced by 0.25 Mills - \$707,700
- Economy
- Employee Salaries and Benefits
 - Salary Freeze
 - Salary Range Minimums and Maximums Adjustment
- Position Changes
 - 159 Positions Eliminated FY 2008 – FY 2012
 - 18 Net Positions Eliminated in FY 2012
- Gas and Sanitation Rates
 - CPI Index
- Stormwater Utility Fee
- Interest Income



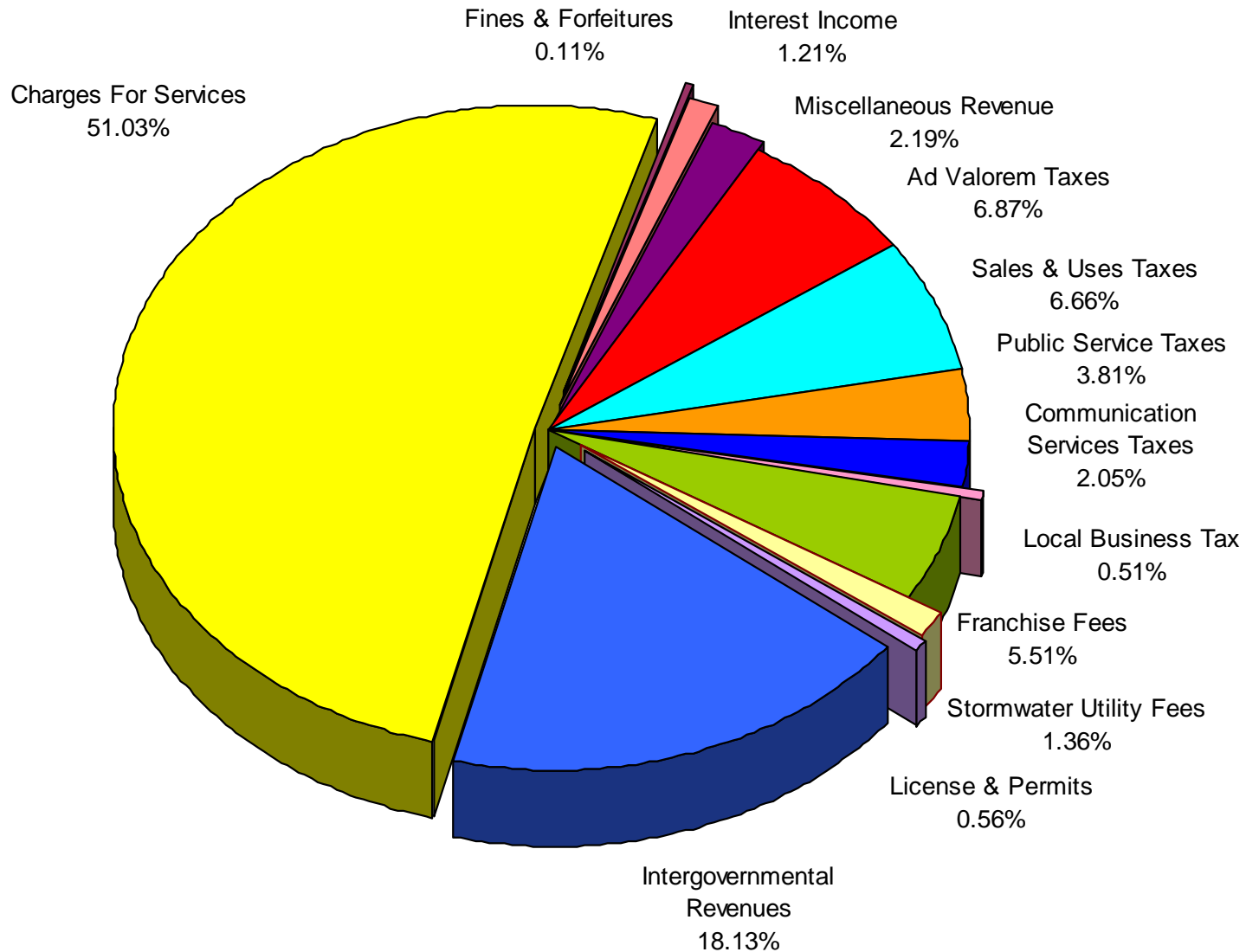
FY 2012 City-Wide Budget Summary

\$222,106,100



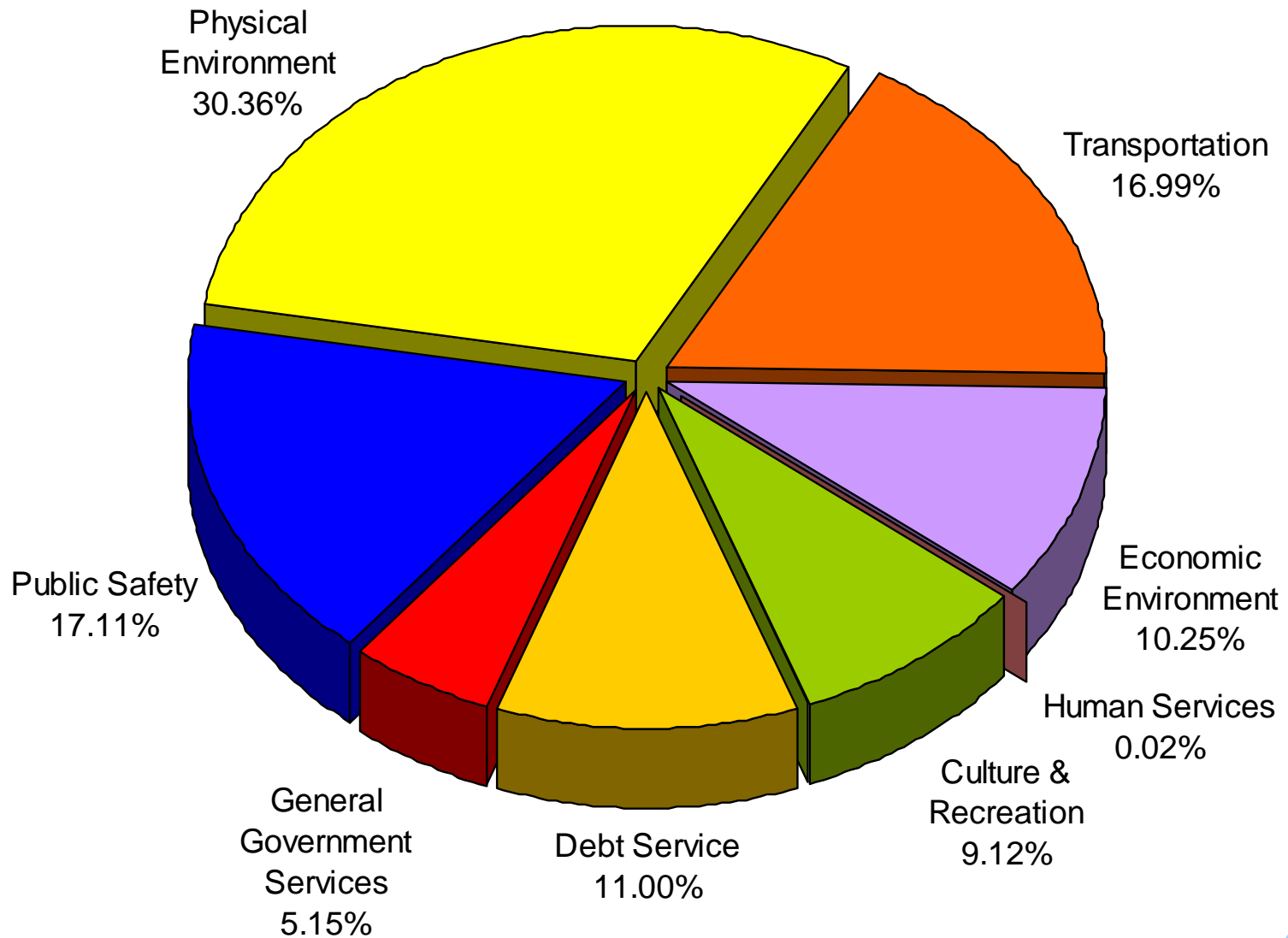


Where The Money Comes From





Where The Money Goes



**CITY OF PENSACOLA
GENERAL FUND
FY 2012 PROPOSED BUDGET**

	FY 2011 APPROVED BUDGET	FY 2012 PROPOSED BUDGET	DIFFERENCE
Sources:			
Fund Balance	-	-	-
Revenues			
Property Taxes	13,115,500	12,142,200	(973,300)
Franchise Fees/Utility Taxes	15,041,100	15,361,600	320,500
State Revenue	9,638,100	9,712,500	74,400
Other Revenue	3,766,500	5,465,300	1,698,800
ESP Transfer	8,000,000	8,000,000	-
Total Revenues	<u>49,561,200</u>	<u>50,681,600</u>	<u>1,120,400</u>
Total Sources	<u>49,561,200</u>	<u>50,681,600</u>	<u>1,120,400</u>
Uses:			
Personnel Expenses	35,098,800	35,785,600	686,800
Operating Expense	8,729,500	9,767,600	1,038,100
Sub-Total	<u>43,828,300</u>	<u>45,553,200</u>	<u>1,724,900</u>
Capital Outlay	-	-	-
Agency Funding	375,000	396,900	21,900
Saenger Theatre	200,000	206,000	6,000
Residential Stmwtr/Sanit Assist	6,100	6,400	300
Transfer To WFPL	1,380,100	1,271,400	(108,700)
Transfer to Urban Core TIF	1,534,000	1,451,700	(82,300)
Transfer to Eastside TIF	40,200	33,400	(6,800)
Transfer to Stmwtr Cap Prjcts	2,321,200	2,411,000	89,800
Transfer to TFFDSF	2,926,800	2,869,800	(57,000)
Transfer to Golf Course	120,000	110,000	(10,000)
Transfer to Inspection Services	200,000	-	(200,000)
Sub-Total	<u>9,103,400</u>	<u>8,756,600</u>	<u>(346,800)</u>
Total Uses Before Cost Recovery	<u>52,931,700</u>	<u>54,309,800</u>	<u>1,378,100</u>
Cost Recovery - A/O	<u>(3,370,500)</u>	<u>(3,628,200)</u>	<u>(257,700)</u>
Total Uses	<u>49,561,200</u>	<u>50,681,600</u>	<u>1,120,400</u>
Difference	<u>-</u>	<u>-</u>	<u>-</u>



FY 2012 General Fund Budget Revenue Projections

- Property Tax Revenue
 - Proposed Budget Estimates Down by \$973,300 or 7.42% From FY 11 Beginning
 - Valuation Down 1.88% or \$265,600
 - Millage Reduction 0.25 Mills - \$707,700
- State Revenues
 - Proposed Budget Estimates Up by \$74,400 or 0.77% From FY 11 Beginning
- Franchise Fee/Utility Tax Revenue
 - Proposed Budget Estimates Up From FY 2011 Beginning Budget \$320,500 or 2.13%



General Fund Overview

- General Fund budget is \$50,681,600
- Proposed General Fund budget increased by \$1,120,400 or 2.26%.
 - Police - \$313,800
 - Fire - \$210,200
 - Neighborhood - \$612,500
- Current \$7.6 million in General Fund reserves
- ESP Transfer to remain at \$8.0 Million

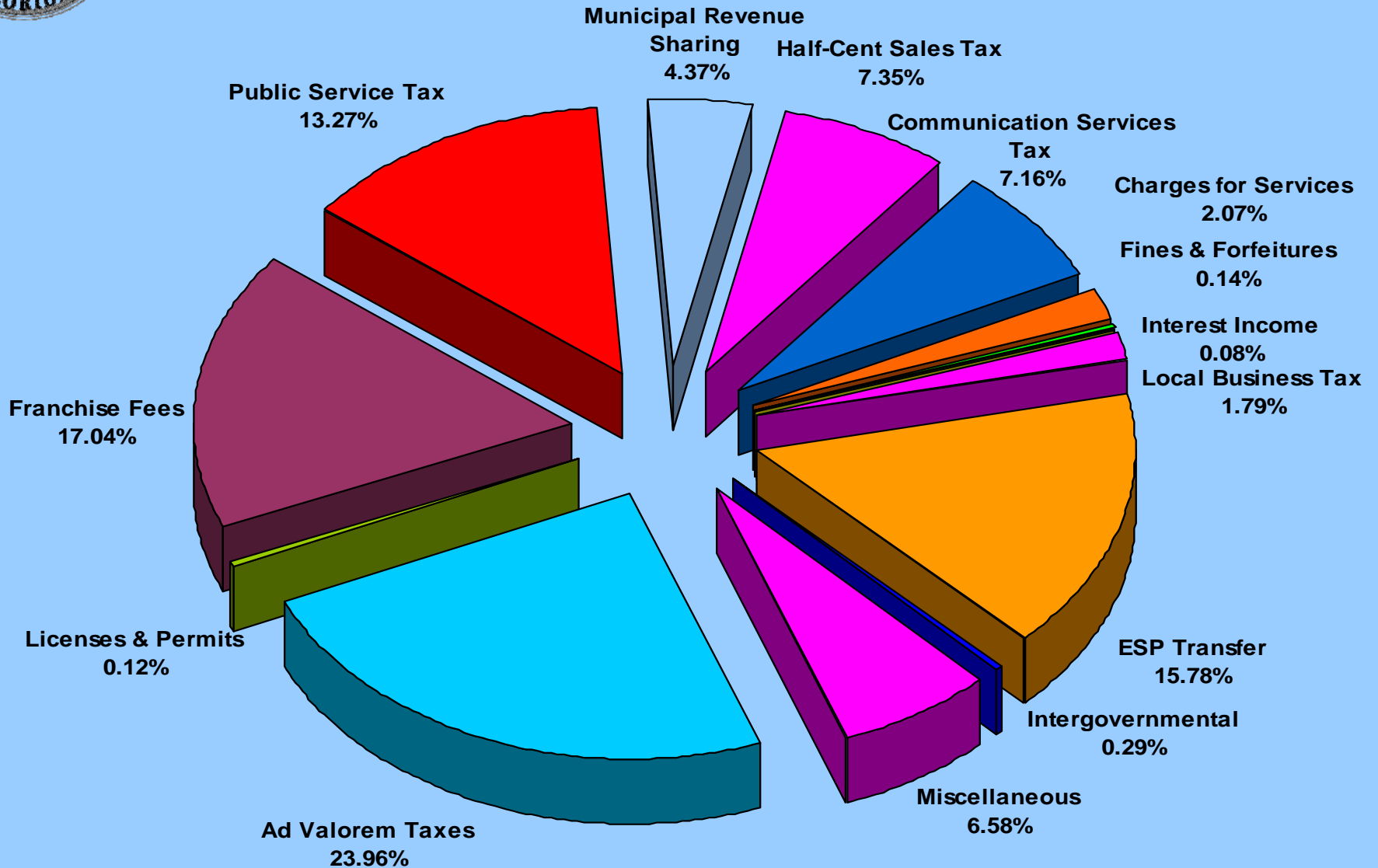


General Fund Overview

- Capital Equipment
 - Penny for Progress
 - \$544,200 Police Vehicles
 - \$381,800 Fire Vehicles/Equipment
 - \$560,700 Other General Fund and General Fund Related Capital Equipment

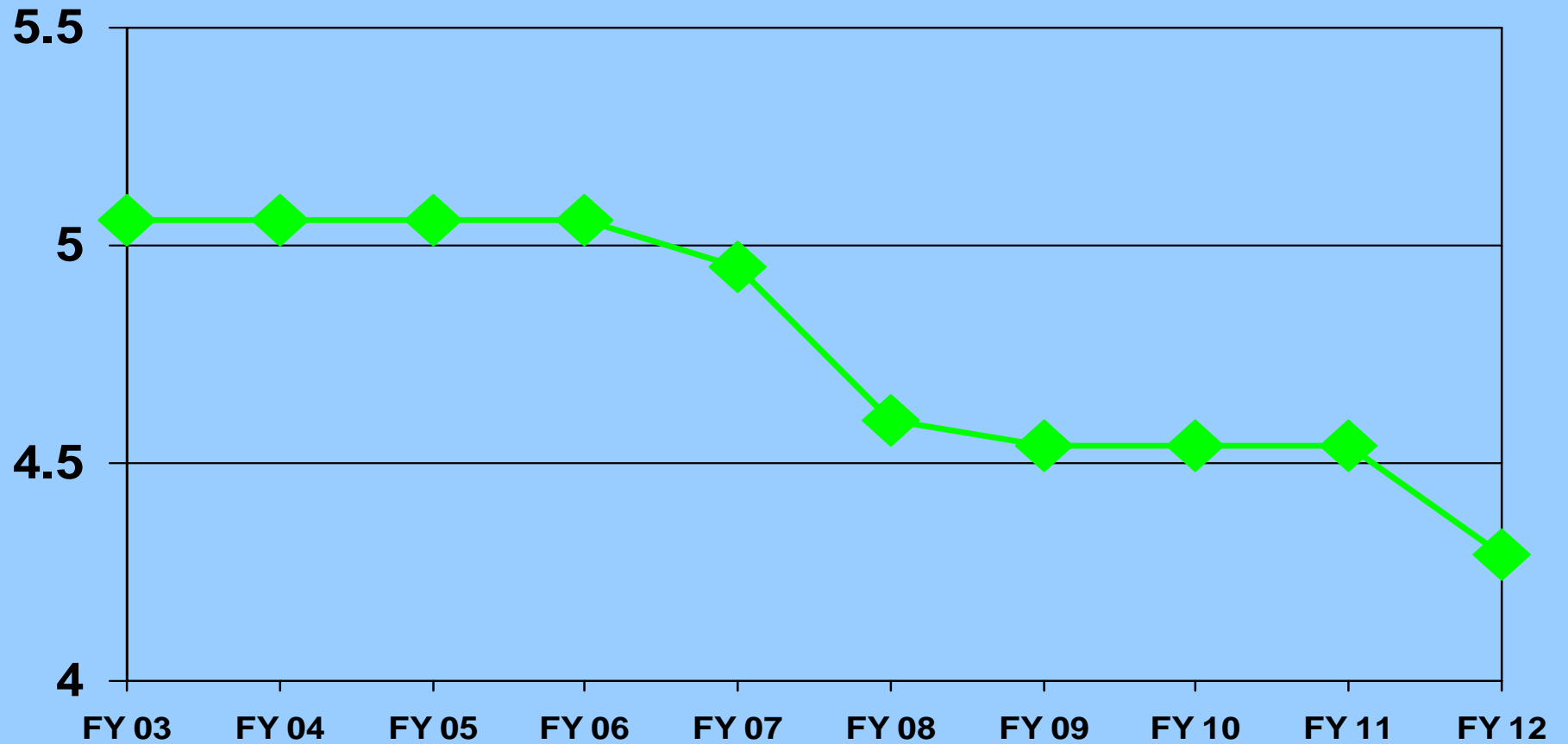


General Fund Sources





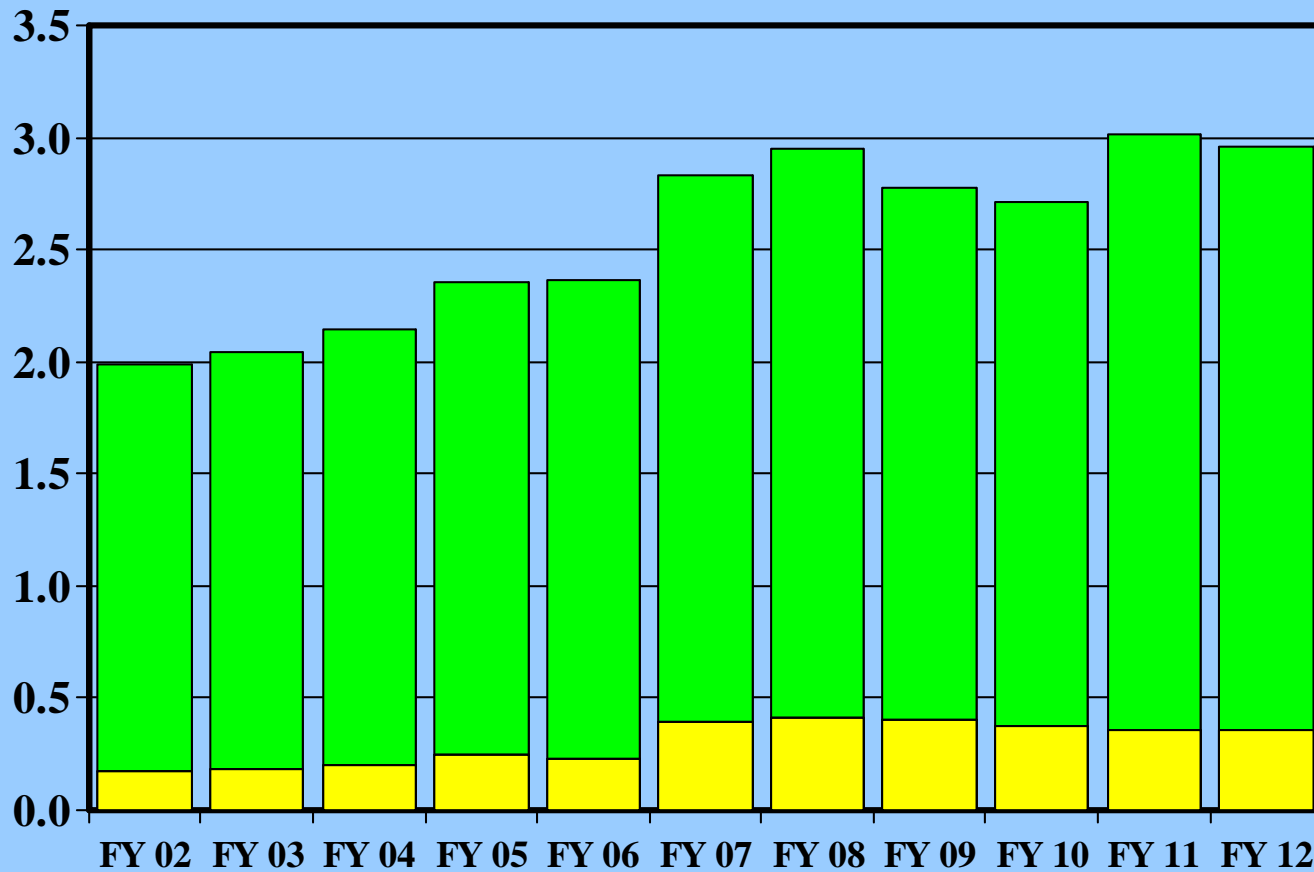
Millage Rate History





Property Tax Valuation

Billions



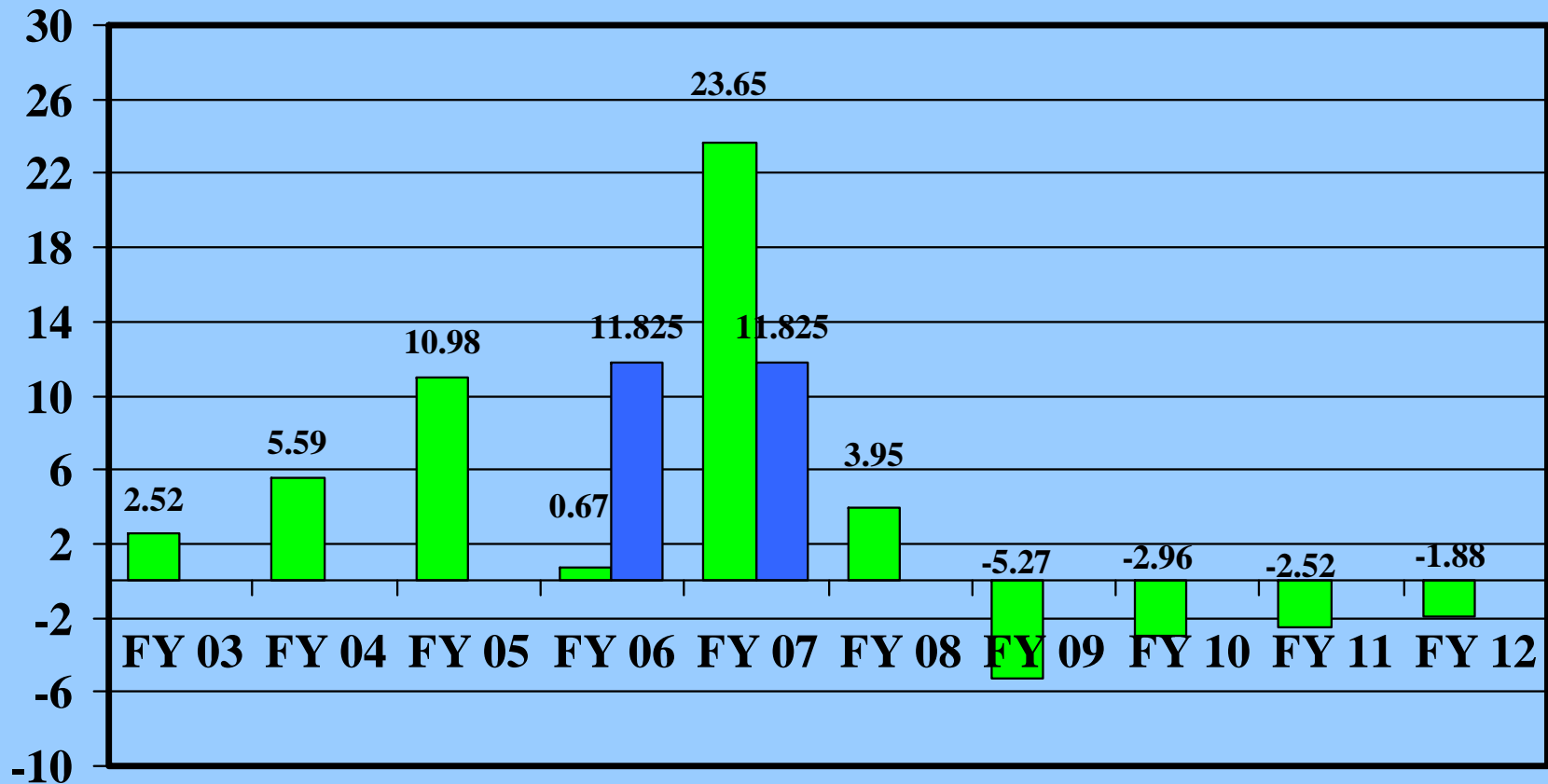
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■ TIF Valuation ■ Eastside TIF Valuation ■ Westside TIF Valuation ■ City Valuation

* Projected



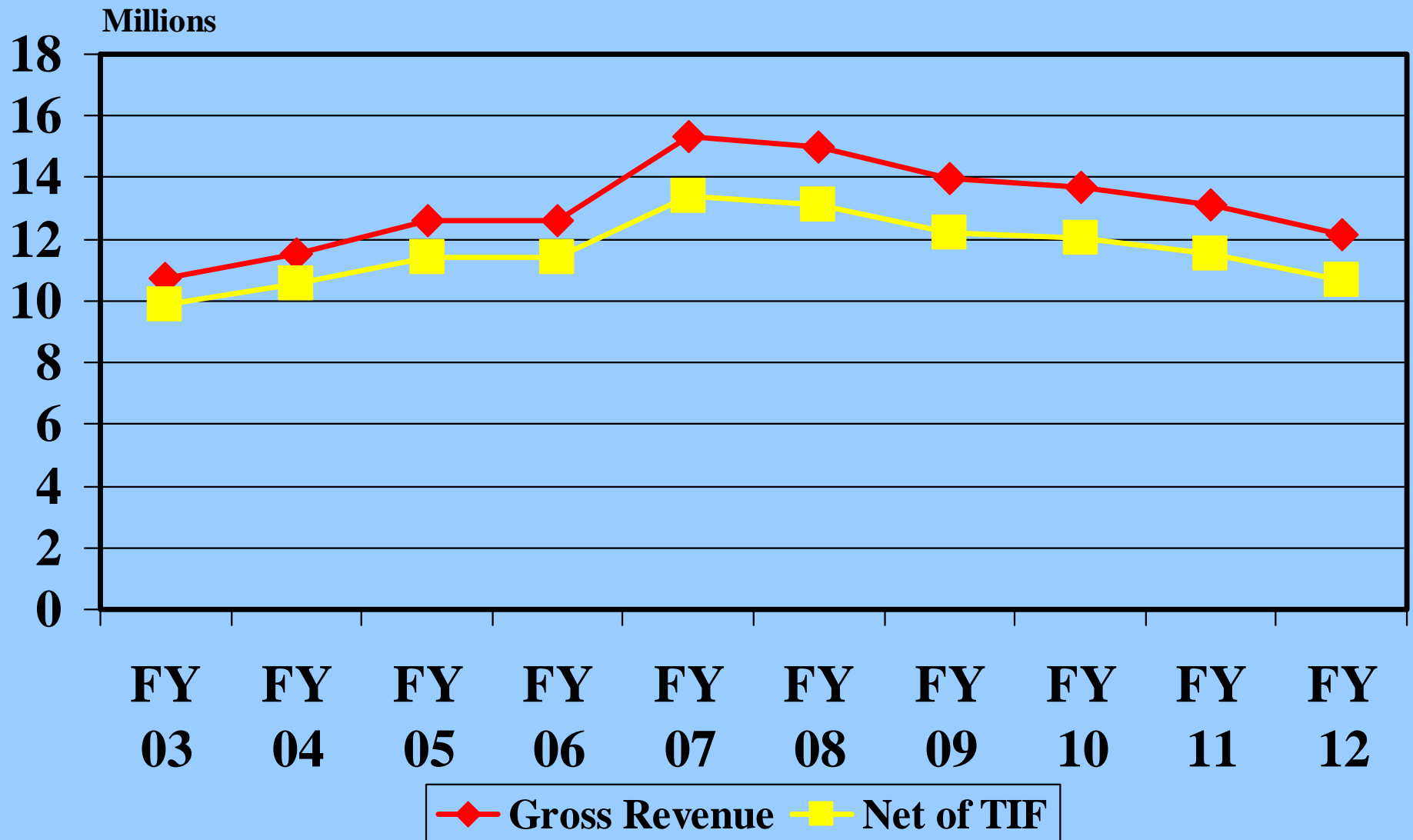
Percentage Change in Property Tax Valuation



■ City Valuation ■ Two Year Average



Property Tax Revenue





Comparison of Net Ad Valorem Revenue Growth To Police Growth

<u>Fiscal Year</u>	<u>Net Ad Valorem Change</u>	<u>% Change</u>	<u>Police Change</u>	<u>% Change</u>
2003	85,952	0.88%	158,819	1.20%
2004	686,029	6.95%	1,598,533	11.98%
2005	890,852	8.44%	199,540	1.34%
2006	(41,466)	-0.36%	1,163,927	7.68%
2007	2,019,663	17.72%	696,293	4.27%
2008	(295,316)	-2.20%	559,944	3.29%
2009	(930,616)	-7.09%	(228,384)	-1.30%
2010	(179,430)	-1.47%	337,997	1.95%
2011	(472,737)	-3.93%	676,970	3.83%
2012	(884,200)	-7.66%	313,800	1.71%
Total	878,731		5,477,439	



Weather Related Revenues

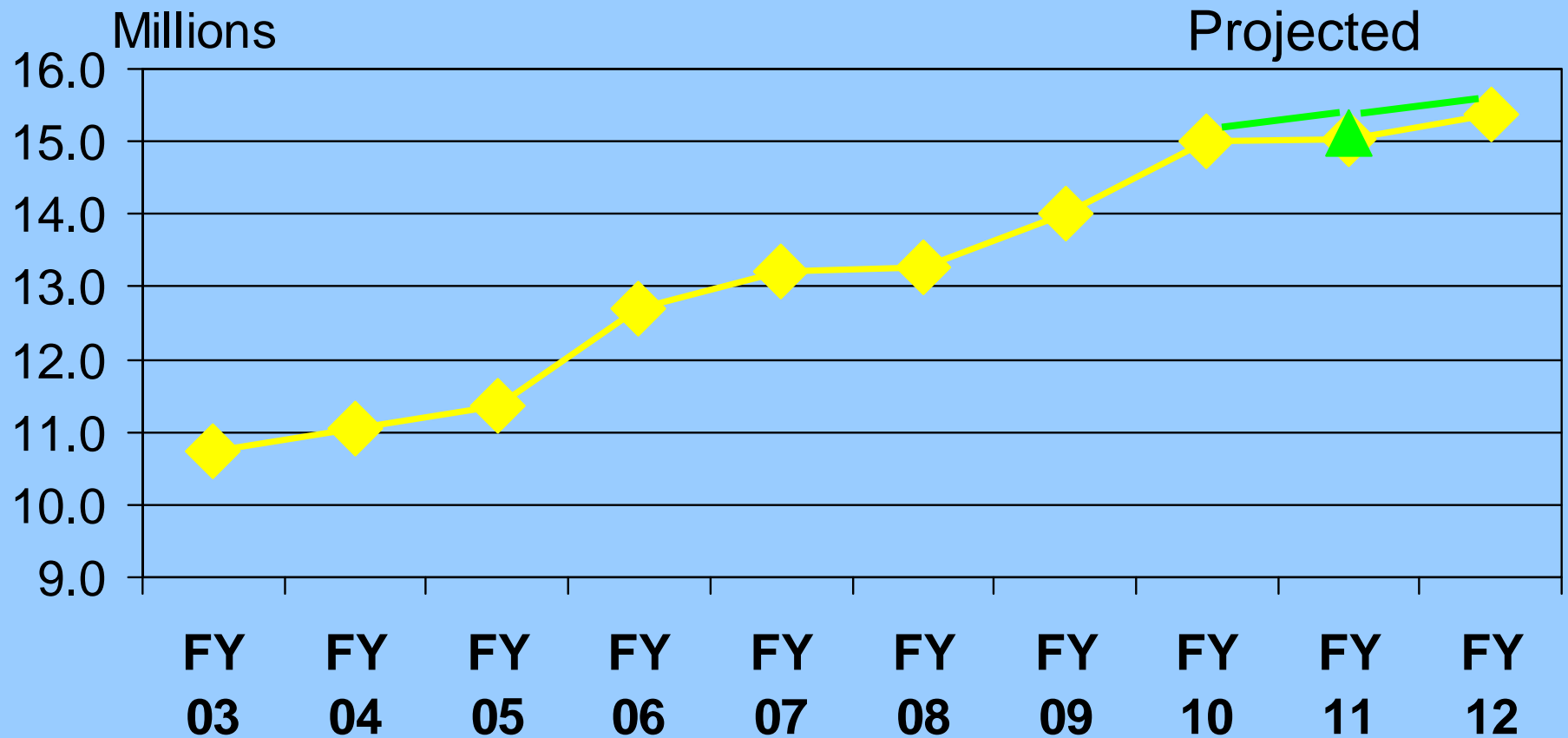


General Fund

- **\$27,085,300 or 53.44%
Weather Related**

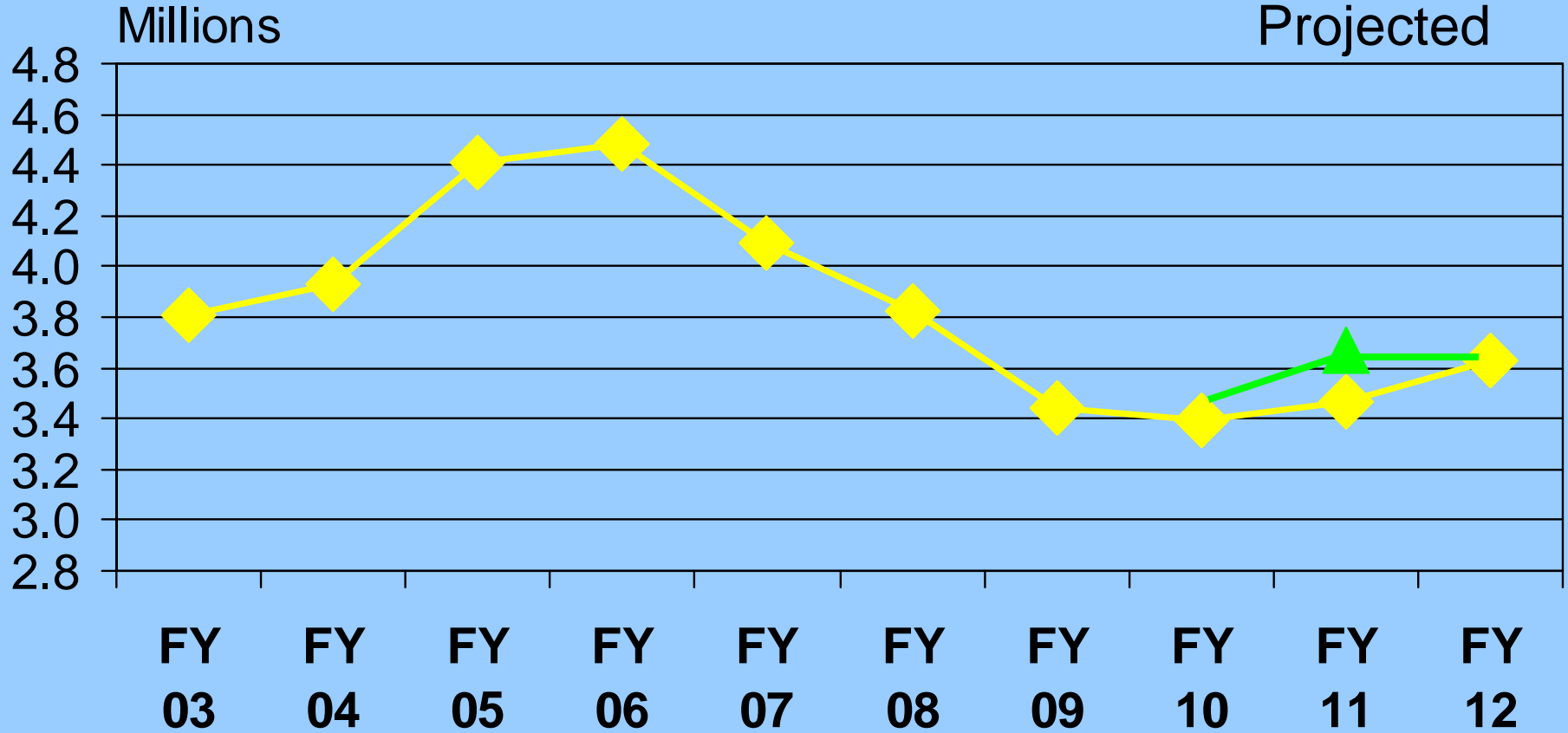
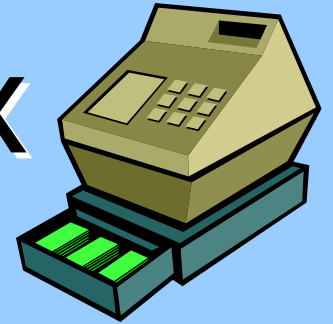


Franchise Fees & Public Service Taxes



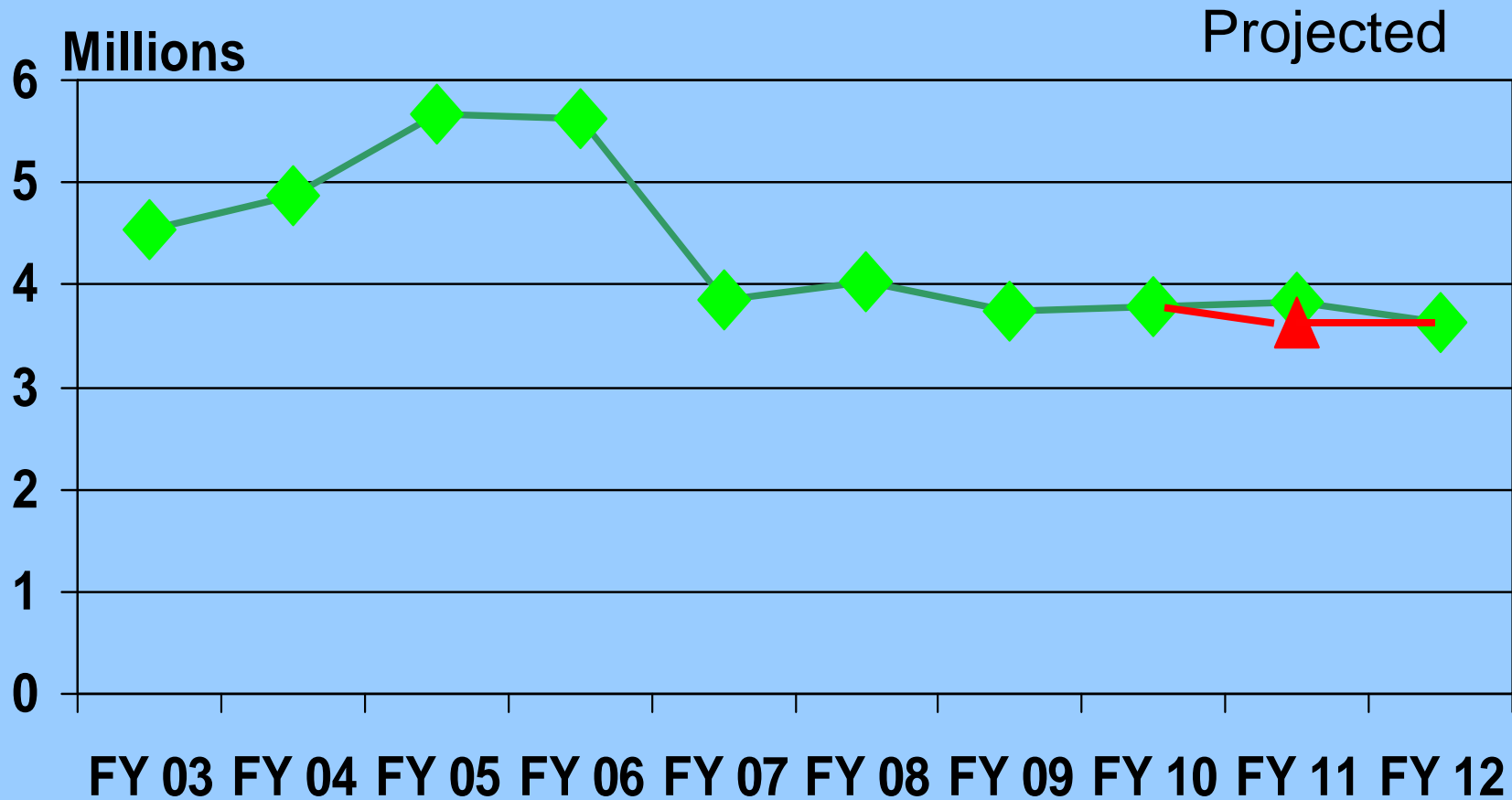


Half-Cent Sales Tax



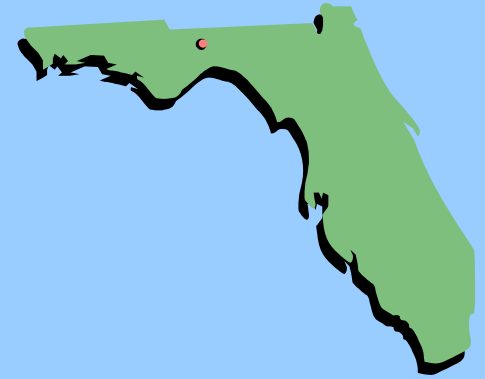


Communication Services Tax

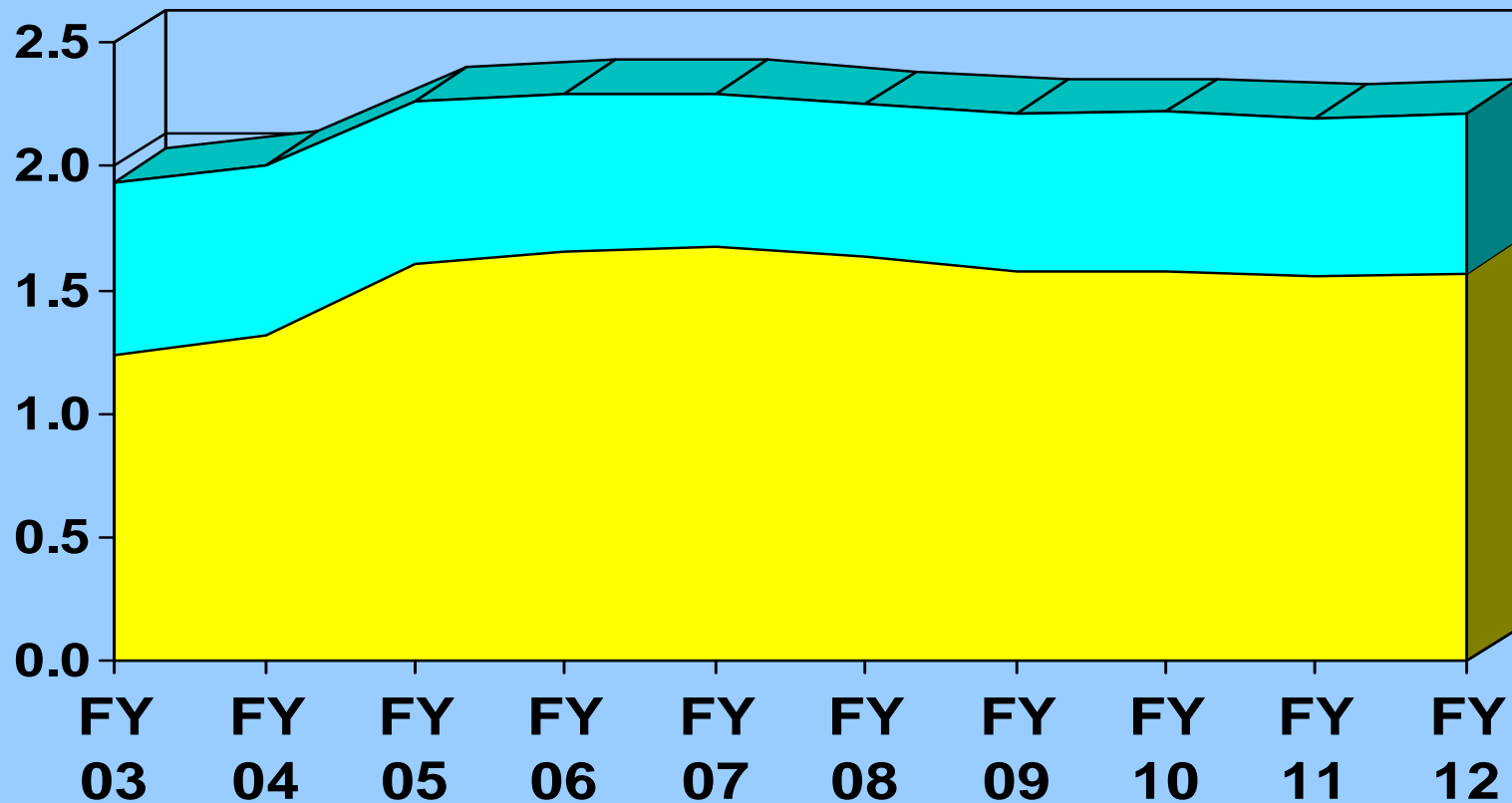




Municipal Revenue Sharing



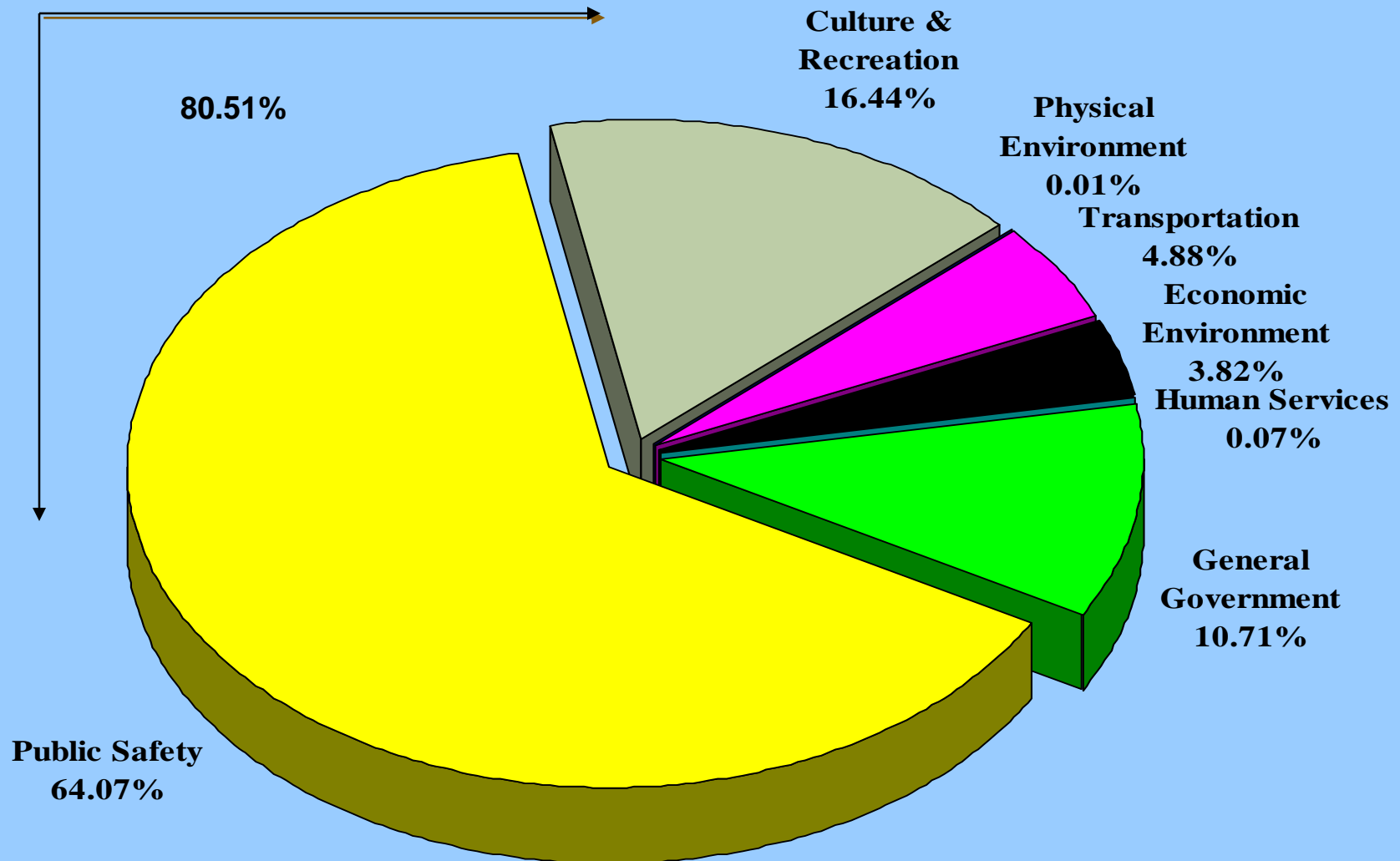
Millions



■ Sales Tax ■ 8¢ Motor Fuel

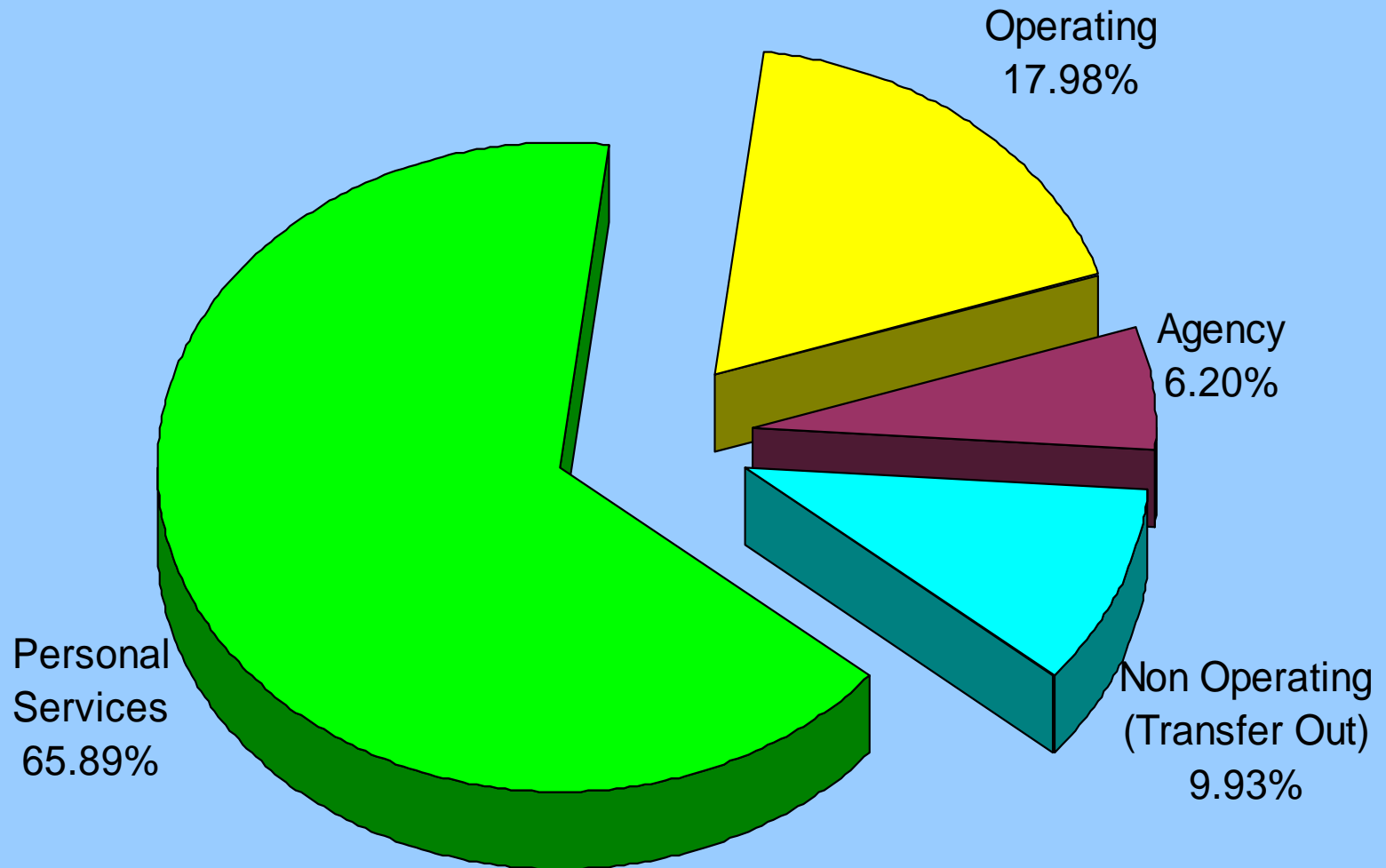


General Fund Uses By Function





General Fund Uses By Classification





PERSONAL SERVICES SAVINGS

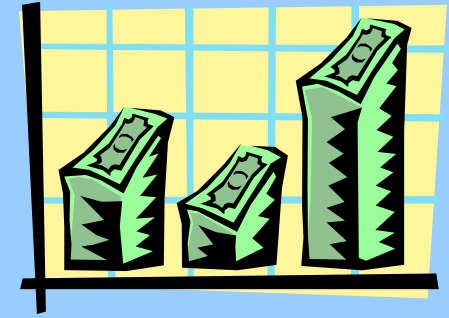
All City Departments

	<u>Position Deletions</u>		<u>Compensation Freeze</u>	<u>Longevity Freeze</u>	<u>Total Savings</u>
	<u># of Positions</u>	<u>Dollars</u>			
Budgeted Positions - FY 2007	1,001				
Positions Deleted - FY 2008	(17)	\$ (741,300)			(741,300)
Positions Deleted - FY 2009	(73)	(2,789,800)	(1,121,600)		(3,911,400)
Positions Deleted - FY 2010	(36)	(1,501,800) *	(2,243,200)	(96,300)	(3,841,300)
Positions Deleted - FY 2011	(15)	(472,000)	(3,303,200)	(174,400)	(3,949,600)
Positions Deleted - FY 2012	(18)	(642,000)	(4,424,900)		(5,066,900)
Total	842	\$ (6,146,900)	(11,092,900)	(270,700)	(17,510,500)

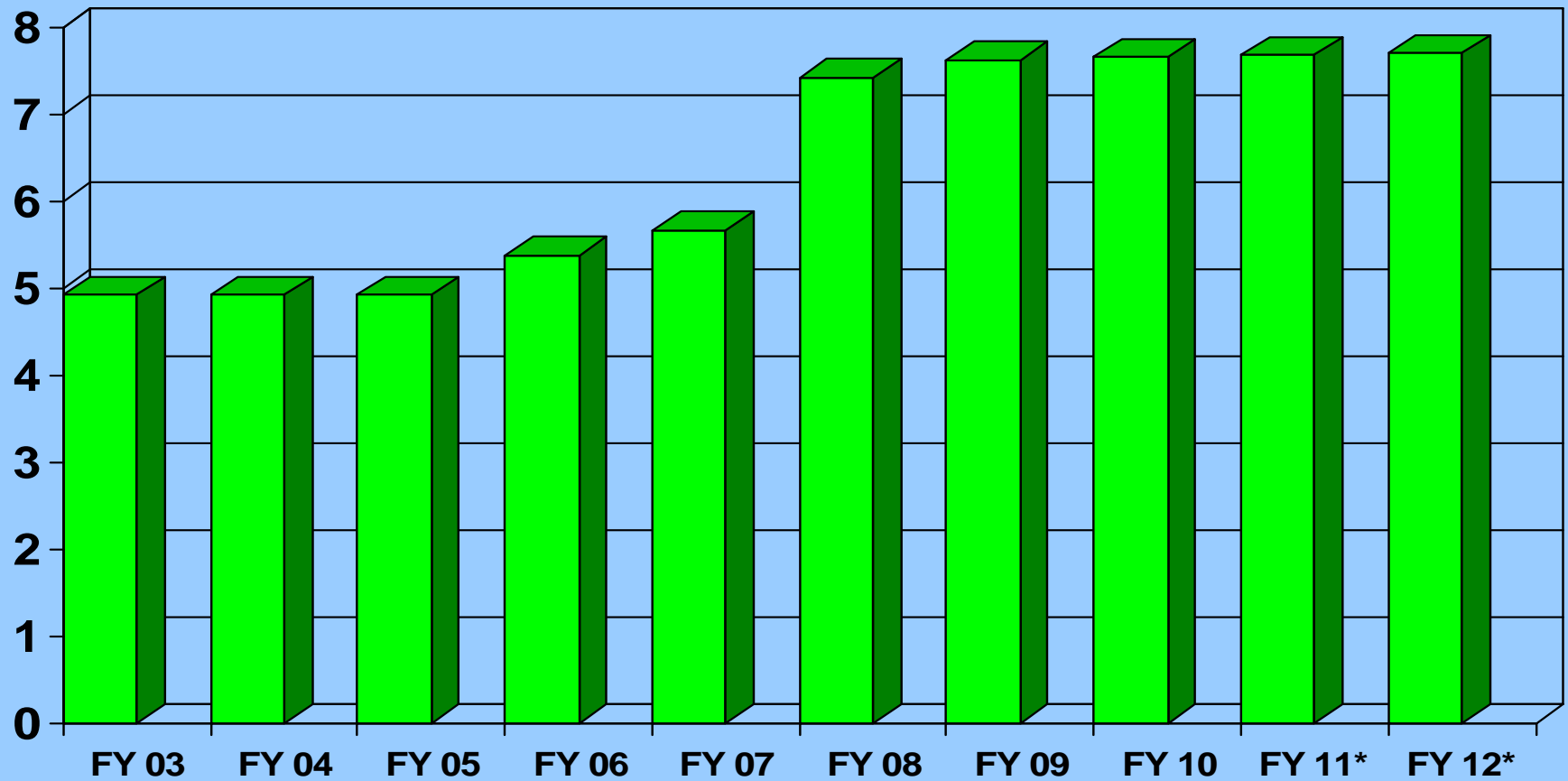
* Includes \$299,600 savings for 4 unfunded positions in FY 2010.



General Fund Reserves



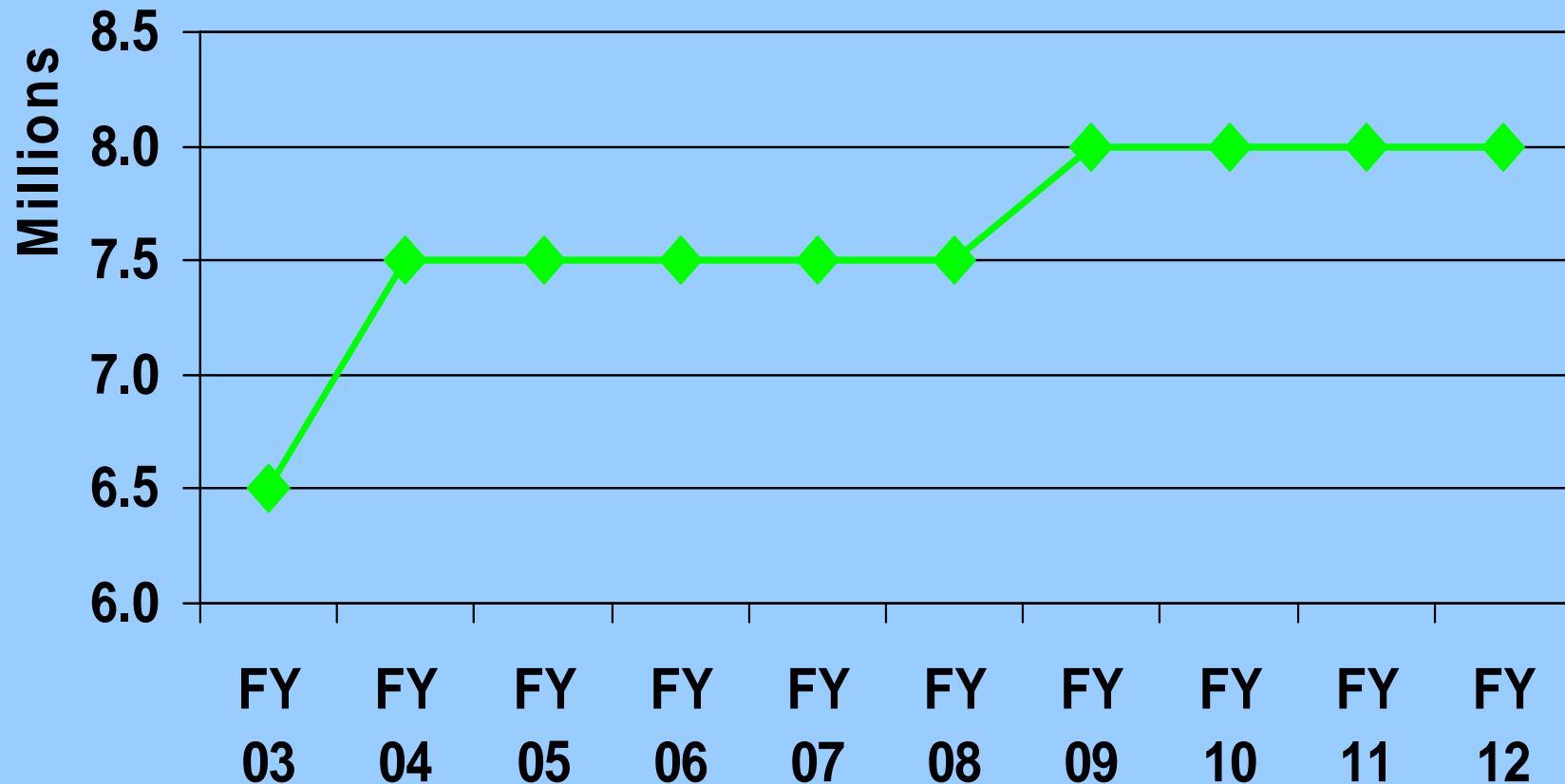
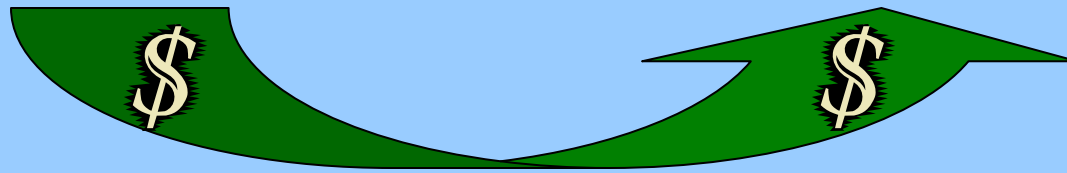
Millions



* Estimated



ESP Transfer To General Fund





What's Next?

- **Public Hearing Dates**

- **Wednesday, September 7, 2011, 5:15 p.m.**

- **Wednesday, September 14, 2011, 5:15 p.m.**

- **In Council Chambers**



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