

Financial Report

City of Pensacola

3rd Quarter Financial Statement

Nine Months Ending June 30, 2015



Overview

- Economy Continues to Rebound
- Expenditures, in total, are in line with Budgeted Projections
- Allocated Overhead/(Cost Recovery)
- Interest Rates
- Legal Services and Fees
- Supplemental Budget Resolution - August 2015
 - Addresses Variances in Revenues and Expenditure Issues



General Fund

- Revenues Exceeded Budget
 - Final Property Tax Payment
 - State Street Light Maintenance
 - Franchise Fees and Public Service Tax – **Up \$615,700 or 6.42%**
 - Half-Cent Sales Tax – **Up \$48,000 or 1.82%**
 - Communication Services Tax – **Down \$72,500 or 3.5%**
- Stormwater Utility Fee Transfer Exceeds Budgeted Levels
- Expenditures, in total, were within Budget



Tree Planting Trust Fund

- Revenue and Expenditures Recorded In General Fund
 - Contributions Plus Interest Income - \$64,464
 - Exp/Enc - \$178,795
 - Unencumbered Balance - ~~\$505,328~~ \$553,578



Special Revenue Funds

- **Local Option Gasoline Tax**
 - Revenue Exceeded Budget By **\$4,500 or 0.46%**
 - Expenditures Will Not Exceed Budget By Fiscal Year End
- **Stormwater Utility Fund**
 - Revenue of \$2,592,533 Represents 102.05% of Budget
 - Expenditures Consistent With Budget
- **Municipal Golf Course Fund**
 - Expenditures Exceeded Revenues By **\$209,100** Before General Fund Subsidy \$75,000
 - Compared to FY 2014, Revenue is **\$19,700 below** prior year revenues
 - April 2014 Flooding
 - Golf Course and Club House Operational by August 2015
 - An additional \$200,000 Subsidy Will Be Necessary from the General Fund
 - Expenditure Consistent with Budget



Special Revenue Funds

- **Inspection Services Fund**

- Revenues Exceeded Expenditures **By \$206,700**
- Compared to FY 2014, revenue is **\$54,500 above** prior year revenues.
- Construction Projects Continue to be Underway
- Expenditures are anticipated to be within Budgeted levels by Fiscal Year End



Special Revenue Funds

■ Roger Scott Tennis Center

- Total Revenue Consistent With Budget
- Expenditures Not Anticipated To Exceed Budget By Fiscal Year End
- Concession Agreement – April 24, 2015
 - Southern Ladle, Inc.
 - Flat Rate of \$500 or 10% of the Concessionaire's Gross Revenue
 - Service Began June 1, 2015



Capital Projects Funds

- **Local Option Sales Tax Fund**
 - Revenues Exceeded Budget by **\$209,700 or 4.56%**
 - Expenditures, in Total, Consistent with Budget
 - Pooled Cash
 - Negative Fund Balance through FY 2017
- **Stormwater Capital Projects Fund**
 - \$2,597,790 transfer from General Fund Equaled Revenue Fee Collections
 - Additional transfer of \$52,290
 - Supplemental Budget Resolution
 - Expenditures Within Budget



Enterprise Funds

▪ Gas Utility Fund

- Appropriated Fund Balance and Revenues were Below Expenses and Encumbrances by **\$72,500**
- Gulf South Rate Increase – Effective May 1st
- FY 15 Reserve Shortfall - \$4.1 million
- Additional \$0.10 per Ccf - \$1,555,474
- Infrastructure Cost Recovery - \$977,811
- In total, Expenses within Budget



Enterprise Funds

▪ Sanitation Fund

- In Total, Fund Balance \$175,000 and Revenue Exceeded Expenses and Encumbrances by **\$8,900**
- Revenues Consistent With Budget and Slightly Exceeded Prior Year Revenues
- Expenses were Consistent with Budget



Enterprise Funds

■ Port of Pensacola

- Fund Balance \$1,084,800 and Revenue Exceeded Operating Expenses and Encumbrances by **\$1,187,100**
- FY 15 Revenues Exceeded FY 14 Revenues by **\$462,000**
- Expenses, in total, were at or Below Budget



Enterprise Funds

■ Port of Pensacola

- Port Lease Payments have been Paid and are Current
- Offshore Inland Marine - Exception
 - Dockage and Other Vessel Fees – Outstanding Balance of \$279,064 – Over 60 Days
 - \$205,737 more than 120 days past due
 - \$170,000 Attributable to Charges Assessed Against a Single Vessel
 - Since May 2015, All Rent Current Plus \$20,000 - \$30,000 Payment for Non-rent Charges



Enterprise Funds

▪ Airport Fund

- Fund Balance \$1,929,017 and Revenues Exceeded Expenses and Encumbrances by **\$4.1 million**
- Compared to FY 2014, Passenger Traffic has increased by **3.5%**
- Number of passengers increased by **7.3%** during the 3rd Quarter over FY 2014
- Operating Revenues were **\$2.2 Million above** the Prior Fiscal Year
- Expenses are Consistent with Budget



Internal Service Funds

- Insurance Retention Fund/Central Services Fund
 - Provide Services To 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



Legal Costs Schedule

- Schedule of Legal Costs paid directly to Attorneys and/or firms who have provided services to the City



Legal Costs Schedule

CITY OF PENSACOLA
 SCHEDULE OF LEGAL COSTS
 June 30, 2015
 (Unaudited)

ATTORNEY NAME OR FIRM	AMOUNT PAID	NATURE OF SERVICES PROVIDED
ALLEN NORTON & BLUE P A	\$40,032.90	Administrative, Collective Bargaining and Employee Matters
BEGGS & LANE	144,741.95	Contract and Real Estate Law
BONDURANT MIXON & ELMORE LLP	38,875.68	Occupy Pensacola Litigation
BRYANT MILLER OLIVE PA	26,872.55	Bond Counsel
GRAY ROBINSON PA	13,190.05	Tax and Pension Plan Compliance
GUNSTER YOAKLEY & STEWART PA	18.87	Natural Gas Matters
HAMMONS, LONGORIA, WHITTAKER PA	408.90	Code Enforcement Lien Foreclosures
JOLLY & PETERSON PA	6,324.28	Police Liability Claims
LAW OFFICES OF WILLIAM I GAULT	62.50	Aviation Bankruptcy Claims
LEWIS LONGMAN & WALKER P A	59,156.17	Environmental Matters and Property Issues
LOCKE LORD LLP	3,346.62	Bond Disclosure Counsel and New Market Tax Credits
MCCARTER & ENGLISH LLP	81,885.19	Natural Gas Industry
MCDONALD FLEMING MOORHEAD	120.00	Construction Contract Review and Litigation
MESSER CAPARELLO PA	2,065.00	Employee Matters
MESSER LAW FIRM PA	75,000.00	City Attorney
NABORS GIBLIN & NICKERSON P A	215.96	Annual Stormwater Assessment Program
PHILIP A BATES PA	185.20	Sanitation Matters
QUINTAIROS PRIETO WOOD & BOYER PA	24,480.88	Workers Compensation and Liability Claims
RAY, JR LOUIS F	17,545.00	Code Enforcement Special Magistrate
RODERIC G. MAGIE, PA	37,983.13	Workers Compensation Claims
SCHNADER HARRISON SEGAL &	20,928.12	Aviation Industry
THE HAMMONS LAW FIRM PA	12,450.05	Code Enforcement Lien Foreclosures
WILSON HARRELL & FARRINGTON PA	136,024.14	Claims and Litigation
REPORT TOTAL	<u>\$741,913.14</u>	



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