



*City of Pensacola, Florida*

**Presentation of 2016 Audit Results**

**Financial Statements, Reports  
and Other Deliverables**

**MAULDIN  
& JENKINS**  
CERTIFIED PUBLIC ACCOUNTANTS, LLC

**Presented by:  
Wade Sansbury and  
Trey Scott**



# Agenda

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1. September 30, 2016 Financial Statements (Highlights)  
Opinion  
Entity Wide  
General Fund
2. September 30, 2016 Annual Audit Agenda and Required Communications
3. Questions





## September 30, 2016 Highlights – Opinion

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1. The quality of financial reporting is the responsibility and representation of the City's management and City Council.
2. Management is responsible for the preparation and fair presentation of the financial statements.
3. We have issued an unmodified opinion as of 2/7/17. This is the highest form of assurance we can render with regard to the fairness of the financial statements on which we are opining.
4. We performed the audit of the City's financial statements in accordance with auditing standards generally accepted in the US and *Government Auditing Standards* issued by the Comptroller General of the US.
5. The financial statements are considered to present fairly in all material respects the financial position and results of operations of the City as of and for the year ended September 30, 2016.





## 2016 Highlights – Entity Wide

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1. The City ended the September 30, 2016 year with \$694.3 million in total assets and deferred outflows vs. \$640.1 million in 2015. This consists mostly of capital assets (\$457 million).
2. The City ended the year with \$371.7 million in total liabilities and deferred inflows vs. \$336.8 million in 2015. Included in the increase was an increase of \$39.9 million in net pension liabilities.
3. The City ended the year with total net position of \$322.5 million vs. \$303.3 million in 2015.
4. Current year change in entity wide level net position was a increase of \$19.2 million.





## 2016 Highlights – General Fund

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1. The General Fund shows total assets at the end of the year of \$17.7 million as compared to \$18.3 million in 2015.
2. Total assets as of September 30, 2016 consist of \$14.7 million of cash and investments.
3. Total liabilities at the end of the year were \$3.1 million vs. \$4.2 million in 2015.
4. Total fund balance at September 30, 2016 was \$14.6 million. This was an increase from the prior year amount by \$868,064.
5. Of the total fund balance amount, \$1,128,736 represents unassigned fund balance.





## 2016 Highlights – General Fund

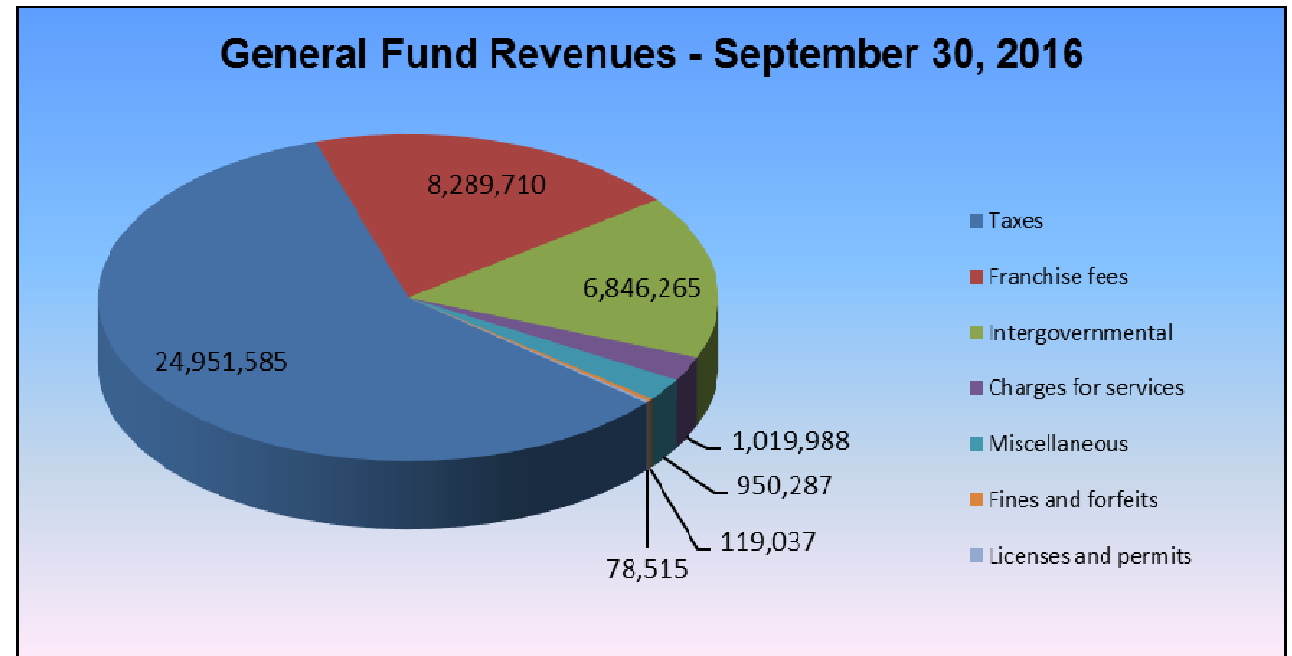
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1. The General Fund had total revenues in 2016 in the amount of \$42.3 million vs. \$41.8 million in 2015.
2. The General Fund had total expenditures in 2016 in the amount of \$44.6 million vs. \$45.0 million in 2015.
3. These two changes above varied very little and caused the total change before other financing sources to remain consistent at a deficiency of revenues of \$3.2 million in 2015 to \$2.3 million in 2015.
4. With a net inflow of other financing sources (including net transfers in) of \$3.2 million in 2016 vs. \$3.6 million in 2015, the fund saw an increase in fund balance of \$868,064.



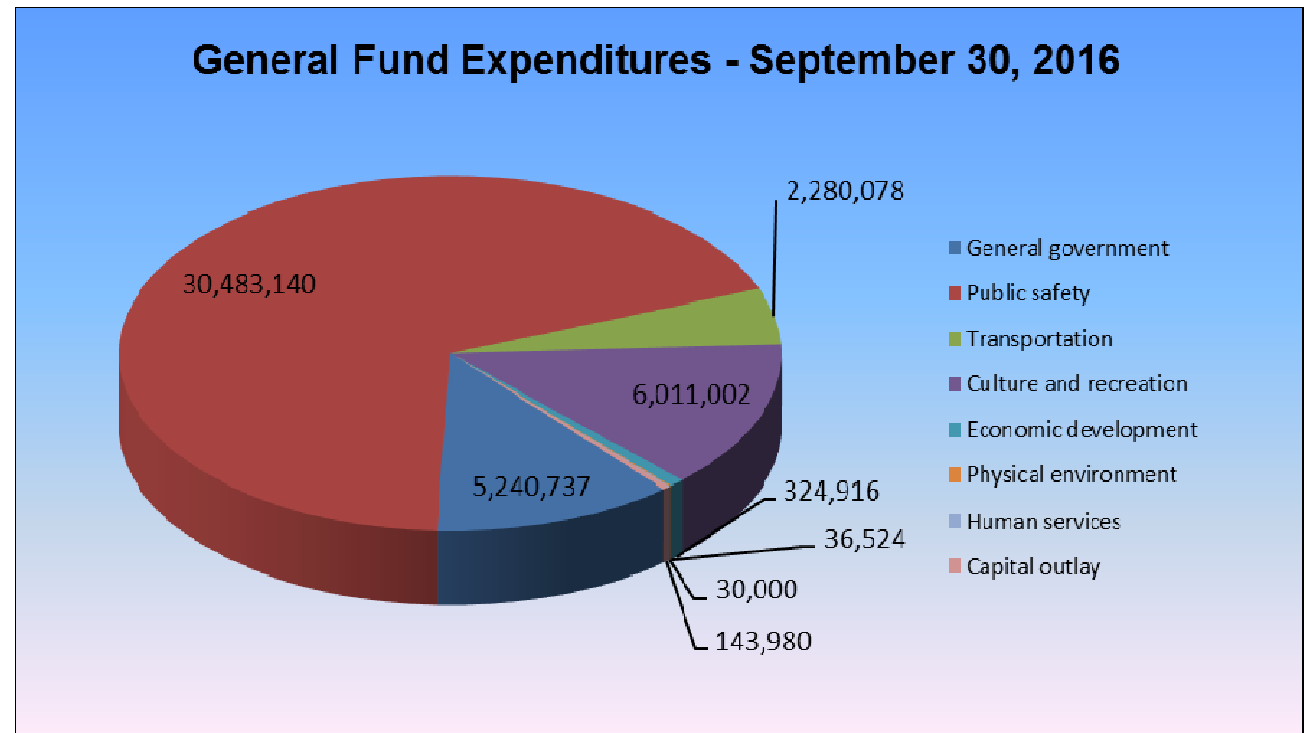


## 2016 Highlights – General Fund





## 2016 Highlights – General Fund







## 2016 Highlights – General Fund

### General Fund Revenue Comparison - 2016 and 2015

	2016	2015	Change
Taxes	\$ 24,951,585	\$ 24,437,774	\$ 513,811
Franchise fees	8,289,710	8,565,974	(276,264)
Intergovernmental	6,846,265	6,689,920	156,345
Charges for services	1,019,988	1,058,772	(38,784)
Miscellaneous	950,287	814,435	135,852
Fines and forfeits	119,037	137,839	(18,802)
Licenses and permits	78,515	81,873	(3,358)
	<u>\$ 42,255,387</u>	<u>\$ 41,786,587</u>	<u>\$ 468,800</u>

### General Fund Revenue Comparison - 2016 and 2015

	2016	2015	Change
General government	\$ 5,240,737	\$ 5,139,129	\$ 101,608
Public safety	30,483,140	31,580,786	(1,097,646)
Transportation	2,280,078	2,166,425	113,653
Culture and recreation	6,011,002	5,684,239	326,763
Economic development	324,916	295,000	29,916
Physical environment	36,524	19,600	16,924
Human services	30,000	30,000	-
Capital outlay	143,980	106,235	37,745
	<u>\$ 44,550,377</u>	<u>\$ 45,021,414</u>	<u>\$ (471,037)</u>





## 2016 Highlights – Utility Fund

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1. The Utility Fund shows total assets and deferred outflows at the end of the year of \$65.7 million as compared to \$62.8 million in 2015.
2. Total assets as of September 30, 2016 consist of \$11.5 million of cash and investments.
3. Total capital assets as of year end were \$40.9 million vs. \$38.3 million in 2015.
4. Total liabilities and deferred inflows of resources at the end of the year were \$24.2 million vs. \$25.2 million in 2015.
5. Total net position at September 30, 2016 was \$41.5 million vs. \$37.6 million in 2015. This was an increase of \$3.9 million.





## 2016 Highlights – Utility Fund

### Utility Fund Revenue Comparison - 2016 and 2015

	2016	2015	Change
Charges for services	\$ 43,278,297	\$ 45,466,269	\$ (2,187,972)
Other revenues	364,345	317,040	47,305
Total operating revenues	<u>\$ 43,642,642</u>	<u>\$ 45,783,309</u>	<u>\$ (2,140,667)</u>

### Utility Fund Revenue Comparison - 2016 and 2015

	2016	2015	Change
Gas purchases	\$ 14,745,011	\$ 16,953,080	\$ (2,208,069)
Salaries and employee benefits	6,678,956	6,329,308	349,648
Materials and supplies	922,224	799,368	122,856
Repairs and maintenance	435,155	318,463	116,692
Contractual services	4,762,761	2,750,745	2,012,016
Office and utilities	1,709,592	1,536,615	172,977
Overhead allocation	1,196,600	1,259,700	(63,100)
Depreciation	1,723,799	1,632,343	91,456
Total operating expenses	<u>32,174,098</u>	<u>31,579,622</u>	<u>594,476</u>
Operating income	<u>\$ 11,468,544</u>	<u>\$ 14,203,687</u>	<u>\$ (2,735,143)</u>



## Questions?

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If you ever have any additional questions we can be reached at the following:

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We appreciate the opportunity to serve the City of Pensacola and look forward to serving you in the future. Thank you!!

