



# City of Pensacola

## Agenda Conference

### Agenda - Final

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Monday, March 5, 2018, 3:30 PM

Hagler-Mason Conference Room,  
2nd Floor

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#### ROLL CALL

#### PRESENTATION ITEMS

#### REVIEW OF CONSENT AGENDA ITEMS

1. [18-00073](#) PENSACOLA AVIATION CENTER CONSENT TO SUBLEASE TO AERO CAPITAL USA, LLC

**Recommendation:** That City Council authorize the Mayor to execute written consent allowing Pensacola Aviation Center to sublease portions of their Lease Premises to Aero Capital USA, LLC. Further that City Council authorize the Mayor to take all necessary actions to execute the written consent.

**Sponsors:** Ashton J. Hayward, III

**Attachments:** [PAC Approval to Sublease to Aero Capital](#)

2. [18-00093](#) INTERLOCAL AGREEMENT FOR USE OF THE ESCAMBIA COUNTY RAYMOND RIDDLE PARK BY THE CITY OF PENSACOLA BETWEEN ESCAMBIA COUNTY, FLORIDA AND THE CITY OF PENSACOLA, FLORIDA

**Recommendation:** That City Council approve an Interlocal Agreement with Escambia County, Florida for the purpose of using Raymond Riddle Park for the City's athletic programs that were residing at Bill Gregory Park at no additional costs to the City.

**Sponsors:** Ashton J. Hayward, III

**Attachments:** [Raymond Riddle Park Interlocal Agreement](#)

3. [18-00096](#) AWARD OF CONTRACT FOR 17TH AVENUE CSX TRESTLE PEDESTRIAN CROSSING PROJECT
- Recommendation:** That City Council award contract for 17th Avenue CSX Trestle Pedestrian Crossing Project to Dominguez Design Build, Inc., of Pensacola, Florida, provider of the lowest quote of \$122,100 plus 10% contingency of \$12,210 for a total amount of \$134,310. Further, that City Council authorize the Mayor to execute the contract and take all action necessary to complete the project.
- Sponsors:** Ashton J. Hayward, III
- Attachments:** [Quote Tabulation, 17th Avenue CSX Trestle Pedestrian Crossing Project](#)  
[Map, 17th Avenue CSX Trestle Pedestrian Crossing Project](#)
4. [18-00100](#) PENSACOLA ENERGY - AWARD OF TASK ORDER 8, NATURAL GAS PIPELINE CONSTRUCTION MISCELLANEOUS WORK
- Recommendation:** That City Council award Task Order 8, Natural Gas Pipeline Construction Miscellaneous Work, to R.A.W. Construction, LLC for \$549,300. Further, that Council authorize Mayor Hayward to execute the task order and take all actions necessary to complete the work.
- Sponsors:** Ashton J. Hayward, III
- Attachments:** [RAW Construction Task Order 8](#)
5. [18-00103](#) APPOINTMENT - ESCAMBIA-PENSACOLA HUMAN RELATIONS COMMISSION
- Recommendation:** That City Council appoint one (1) individual to the Escambia-Pensacola Human Relations Commission to fill the unexpired term of Candace Drake Cardin, ending September 30, 2019.
- Sponsors:** Gerald Wingate
- Attachments:** [Member List](#)  
[Nomination Form - Karen Conway](#)  
[Application of Interest - Karen Conway](#)  
[Ballot](#)

6. [18-00124](#) APPOINTMENTS - ENVIRONMENTAL ADVISORY BOARD

**Recommendation:** That City Council appoint six (6) individuals to serve on the Environmental Advisory Board for a term of two (2) years, expiring March 1, 2020.

**Sponsors:** Gerald Wingate

**Attachments:** [Member List](#)  
[Application of Interest - Calvin Avant](#)  
[Application of Interest - Steven Elliott](#)  
[Nomination Form - Gloria Horning](#)  
[Application of Interest - Gloria Horning](#)  
[Application of Interest - Kyle Kopytchak](#)  
[Application of Interest - Michael Lynch](#)  
[Application of Interest - Neil Richards](#)  
[Ballot](#)

**REVIEW OF REGULAR AGENDA ITEMS (Sponsor)**7. [18-00104](#) APPOINTMENTS - PARKS AND RECREATION BOARD

**Recommendation:** That City Council appoint three (3) individuals to serve on the Parks and Recreation Board for a term of three (3) years, expiring March 31, 2021.

**Sponsors:** Gerald Wingate

**Attachments:** [Member List](#)  
[Nomination Form - David Del Gallo](#)  
[Application of Interest - David Del Gallo](#)  
[Application of Interest - David V. Forte](#)  
[Application of Interest - Rand Hicks](#)  
[Application of Interest - Kimberly Sullivan](#)  
[Ballot](#)

8. [18-00038](#) FY 2017 COMPREHENSIVE ANNUAL FINANCIAL (CAFR)

**Recommendation:** That City Council accept the City of Pensacola Comprehensive Annual Financial Report for the year ended September 30, 2017 as prepared by the Financial Services Department and the Independent Auditors Report issued thereupon.

**Sponsors:** Ashton J. Hayward, III

**Attachments:** [FY2017 CAFR](#)  
[SAS 114 Auditor Letter](#)  
[Financial Condition Assessment](#)

9. [18-00105](#) PUBLIC HEARING: PROPOSED AMENDMENT TO THE LAND DEVELOPMENT CODE PERTAINING TO BUILDING FACADE FINISH - SECTION 12-2-82 - DESIGN STANDARDS AND GUIDELINES AND SECTION 12-14-1 DEFINITIONS

**Recommendation:** That City Council conduct a public hearing on March 8, 2018 to consider the proposed amendment to the Land Development Code pertaining to Building Façade Finish.

**Sponsors:** Ashton J. Hayward, III

**Attachments:** [Proposed Ordinance](#)  
[February 13, 2018 Planning Board Minutes](#)  
[PROOF OF PUBLICATION: PUBLIC HEARING](#)

10. [06-18](#) PROPOSED ORDINANCE NO. 06-18 - AMENDING LAND DEVELOPMENT CODE SECTION 12-2-82 DESIGN STANDARDS AND GUIDELINES AND SECTION 12-14-1 DEFINITIONS

**Recommendation:** That City Council approve Proposed Ordinance No. 06-18 on first reading.

AN ORDINANCE AMENDING SECTIONS 12-2-82(C)(8) and 12-14-1 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA; AMENDING THE CHAPTER RELATED TO DESIGN STANDARDS AND GUIDELINES; AMENDING THE CHAPTER RELATED TO DEFINITIONS; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; PROVIDING AN EFFECTIVE DATE.

**Sponsors:** Ashton J. Hayward, III

**Attachments:** [Proposed Ordinance No. 06-18](#)  
[February 13, 2018 Planning Board Minutes](#)

11. [18-00108](#) PUBLIC HEARING: REQUEST TO VACATE RIGHT-OF-WAY - 1000 BLOCK OF EAST LARUA STREET

**Recommendation:** That City Council conduct a public hearing on March 8, 2018 to consider the request to vacate a portion of the North 11th Avenue right-of-way adjacent to the property located at 1000 Block of East LaRua Street.

**Sponsors:** Ashton J. Hayward, III

**Attachments:** [Vacation of Right-of-Way Application, dated December 18, 2017](#)  
[Vicinity Map of East LaRua Street Right-of-Way Request, dated February 2017](#)  
[Supplemental Information, East LaRua Street Right-of-Way Request, dated February 13, 2018 Planning Board Minutes](#)  
[Proposed Ordinance](#)  
[PROOF OF PUBLICATION: PUBLIC HEARING](#)

12. [07-18](#) PROPOSED ORDINANCE NO. 07-18 - VACATION OF RIGHT-OF-WAY  
1000 BLOCK OF EAST LARUA STREET

**Recommendation:** That City Council approve Proposed Ordinance No. 07-18 on first reading.

AN ORDINANCE CLOSING, ABANDONING AND VACATING A PORTION OF THE NORTH 11TH AVENUE RIGHT OF WAY; IN PENSACOLA, ESCAMBIA COUNTY, STATE OF FLORIDA; REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

**Sponsors:** Ashton J. Hayward, III

**Attachments:** [Proposed Ordinance No. 07-18](#)  
[Vacation of Right-of-Way Application, dated December 18, 2017](#)  
[Vicinity Map of East LaRua Street Right-of-Way Request, dated February 2018](#)  
[Supplemental Information, East LaRua Street Right-of-Way Request, dated February 13, 2018 Planning Board Minutes](#)

13. [18-00109](#) QUASI-JUDICIAL HEARING - FINAL SUBDIVISION PLAT - COVINGTON PLACE

**Recommendation:** That City Council conduct a quasi-judicial hearing on March 8, 2018 to consider approval of the final subdivision plat - Covington Place.

**Sponsors:** Ashton J. Hayward, III

**Attachments:** [Subdivision Plat Application, Covington Place, dated January 29, 2018](#)  
[Final Subdivision Plat, Covington Place, dated February 2018](#)  
[Plat Boundary Survey, Covington Place Subdivision, dated November 2017](#)  
[February 13, 2018 Planning Board Minutes](#)  
[PROOF OF PUBLICATION: QUASI JUDICIAL HEARING](#)

14. [18-00001](#) AWARD OF BID #17-041 PIPE REHABILITATION PROJECT FOR "A" STREET FROM MAIN STREET TO GOVERNMENT STREET

**Recommendation:** That City Council award Bid #17-041 Pipe Rehabilitation Project for "A" Street from Main Street to Government Street to Lanzo Trenchless Technologies South, of Deerfield, Florida, the lowest and most responsible bidder with a base bid of \$903,157.00, plus 10% contingency of \$90,315.70 for a total amount of \$993,472.70. Further, that City Council authorize the Mayor to execute the contract and take all action necessary to complete the project.

**Sponsors:** Ashton J. Hayward, III

**Attachments:** [Bid Tabulation, Bid No. 17-041](#)  
[Final Vendor Reference List, Bid No. 17-041](#)  
[Map, Pipe Rehabilitation Project for A Street from Main Street to Governme](#)

15. [18-00119](#) APPROVAL OF DOWNTOWN IMPROVEMENT BOARD (DIB) BY-LAW AMENDMENT

**Recommendation:** That City Council approve the submitted amendment to the DIB By-Laws as required by said By-Laws as well as the State Enabling Act, Chapter 72-655, Laws of Florida.

**Sponsors:** Brian Spencer

**Attachments:** [AMENDMENT TO DIB BY-LAWS Feb 2018](#)  
[DIB By-Law Amendments June 2016](#)  
[DIB by-laws complete](#)

16. [18-00121](#) CONSULTANT TO REVIEW DESIGN STANDARDS WITHIN THE CITY’S SPECIAL REVIEW DISTRICTS

**Recommendation:** That City Council direct the Council Executive to work with the Planning Department, Purchasing Department and Finance to delineate a specific scope of work and prepare a Request for Proposal (RFP) seeking a consultant to review the design standards within the City’s Special Review Districts.

**Sponsors:** Jewel Cannada-Wynn

17. [08-18](#) PROPOSED ORDINANCE NO. 08-18 - AMENDING SECTION 2-2-8 OF THE CITY CODE- COMPENSATION OF MAYOR

**Recommendation:** That City Council approve Proposed Ordinance No. 08-18 on first reading:

AN ORDINANCE AMENDING SECTION 2-2-8 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA, COMPENSATION OF MAYOR; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; PROVIDING AN EFFECTIVE DATE.

**Sponsors:** Gerald Wingate

**Attachments:** [Revised Section 2-2-8.Compensation of Mayor.](#)  
[Proposed Ordinance No. 08-18](#)

18. [02-18](#) PROPOSED ORDINANCE - NO. 02-18 - REQUEST FOR FUTURE LAND USE MAP AMENDMENT - 2120 W. JACKSON STREET

**Recommendation:** That City Council adopt Proposed Ordinance No. 02-18 on second reading.

AN ORDINANCE AMENDING THE FUTURE LAND USE CLASSIFICATION OF CERTAIN PROPERTY PURSUANT TO AND CONSISTENT WITH THE COMPREHENSIVE PLAN OF THE CITY OF PENSACOLA; AMENDING THE FUTURE LAND USE MAP OF THE CITY OF PENSACOLA; REPEALING CLAUSE AND EFFECTIVE DATE.

**Sponsors:** Ashton J. Hayward, III

**Attachments:** [Proposed Ordinance No. 02-18](#)  
[Rezoning Application, 2120 W. Jackson Street, dated November 9, 2017](#)  
[Zoning Map, dated December 2017](#)  
[December 12, 2017 Planning Board Minutes](#)  
[PROOF OF PUBLICATION: PROPOSED ORDINANCE](#)

19. [03-18](#) PROPOSED ORDINANCE NO. 03-18 - REQUEST FOR ZONING MAP AMENDMENT - 2120 W. JACKSON STREET

**Recommendation:** That City Council adopt Proposed Ordinance No. 03-18 on second reading.

AN ORDINANCE AMENDING THE ZONING CLASSIFICATION OF CERTAIN PROPERTY PURSUANT TO AND CONSISTENT WITH THE COMPREHENSIVE PLAN OF THE CITY OF PENSACOLA; AMENDING THE ZONING MAP OF THE CITY OF PENSACOLA; REPEALING CLAUSE AND EFFECTIVE DATE.

**Sponsors:** Ashton J. Hayward, III

**Attachments:** [Proposed Ordinance No. 03-18](#)  
[Rezoning Application, 2120 W. Jackson Street, dated November 9, 2017](#)  
[Zoning Map, dated December 2017](#)  
[December 12, 2017 Planning Board Minutes](#)  
[PROOF OF PUBLICATION: PROPOSED ORDINANCE](#)

## FOR DISCUSSION

20. [18-00123](#) RENTAL PROPERTY RESIDENTIAL INSPECTION PROGRAM

**Sponsors:** Jewel Cannada-Wynn

## INFORMATIONAL ITEMS

**CONSIDERATION OF ANY ADD-ON ITEMS****READING OF ITEMS FOR COUNCIL AGENDA****COMMUNICATIONS****City Administrator's Communication**

21. [18-00067](#) CITY ADMINISTRATOR COMMUNICATION

*Sponsors:* Ashton J. Hayward, III

**City Attorney's Communication****Monthly Crime Report-Chief Tommi Lyter**

22. [18-00055](#) MONTHLY CRIME REPORT

*Sponsors:* Ashton J. Hayward, III

*Attachments:* [February 2018 Crime Report](#)

**Monthly Financial Report - Chief Financial Officer Richard Barker, Jr.**

23. [18-00026](#) MONTHLY FINANCIAL REPORT - CHIEF FINANCIAL OFFICER RICHARD BARKER, JR.

*Sponsors:* Ashton J. Hayward, III

*Attachments:* [February 2018 - Monthly Financial Presentation](#)

24. [18-00092](#) QUARTERLY FINANCIAL REPORT - THREE MONTHS ENDING DECEMBER 31, 2017 - CHIEF FINANCIAL OFFICER RICHARD BARKER, JR.

*Sponsors:* Ashton J. Hayward, III

*Attachments:* [Quarterly Financial Report - Three Months Ending December 31, 2017](#)  
[FY 2018 First Quarter Financial Report Presentation](#)

**City Council Communication****ADJOURNMENT**



*If any person decides to appeal any decision made with respect to any matter considered at such meeting, he will need a record of the proceedings, and that for such purpose he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.*

*The City of Pensacola adheres to the Americans with Disabilities Act and will make reasonable accommodations for access to City services, programs and activities. Please call 435-1606 (or TDD 435-1666) for further information. Request must be made at least 48 hours in advance of the event in order to allow the City time to provide the requested services.*



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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**File #:** 18-00073

City Council

3/8/2018

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### **LEGISLATIVE ACTION ITEM**

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

PENSACOLA AVIATION CENTER CONSENT TO SUBLEASE TO AERO CAPITAL USA, LLC

**RECOMMENDATION:**

That City Council authorize the Mayor to execute written consent allowing Pensacola Aviation Center to sublease portions of their Lease Premises to Aero Capital USA, LLC. Further that City Council authorize the Mayor to take all necessary actions to execute the written consent.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

Pensacola Aviation Center, LLC (PAC) leases 743,387 square feet of land for offices, hangar, and automobile and aircraft parking in order to provide full service fixed based operations (FBO) at the Pensacola International Airport. PAC has provided FBO services at the Airport since April, 1977, with their current agreement executed in December 1997.

On January 22, 2018 PAC notified staff that it wished to sublease hangar and office space to Aero Capital USA, LLC in order to provide commercial aeronautical services/activities described as Air Charter. As provided in Article XXXIV of the Lease Agreement with the City, PAC may not sublease all or any portion of the Leased Premises or all or any portion of the improvements thereon, without first obtaining written consent of the City. This consent of the City may not be unreasonably denied or delayed.

**PRIOR ACTION:**

August 21, 1997 - City Council approved the 30 year lease with Pensacola Aviation Center, LLC.

**FUNDING:**

N/A

**FINANCIAL IMPACT:**

Pensacola Aviation Center, LLC will continue monthly rental payments to the Airport for the duration of its original lease.

**CITY ATTORNEY REVIEW:** Yes

2/16/2018

**STAFF CONTACT:**

Eric W. Olson, City Administrator  
Daniel E. Flynn, Airport Director

**ATTACHMENTS:**

- 1) PAC Approval to Sublease to Aero Capital

**PRESENTATION:** No

**CONSENT BY LESSOR**

**THE CITY OF PENSACOLA**, as lessor in the lease agreement between the City of Pensacola and Pensacola Aviation Center, LLC dated December 1, 1997, does hereby consent to the foregoing sublease agreement between Pensacola Aviation Center, LLC and Aero Capital USA, LLC.

This Consent is given to solely satisfy any consent requirement contained in the original lease as amended to date, and shall in no way be construed as granting rights not contained in the original lease as amended, or enlarging, altering, modifying or amending those rights contained in the original lease as amended to date.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**ATTEST:**

**City of Pensacola, Florida, a  
Municipal Corporation**

By: \_\_\_\_\_  
Ericka Burnett  
City Clerk

By: \_\_\_\_\_  
Ashton J. Hayward III  
Mayor

Approved as to Content:

Legal in Form and Valid as Drawn:

\_\_\_\_\_  
Airport Director

\_\_\_\_\_  
City Attorney



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 18-00093

City Council

3/8/2018

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### LEGISLATIVE ACTION ITEM

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

INTERLOCAL AGREEMENT FOR USE OF THE ESCAMBIA COUNTY RAYMOND RIDDLE PARK BY THE CITY OF PENSACOLA BETWEEN ESCAMBIA COUNTY, FLORIDA AND THE CITY OF PENSACOLA, FLORIDA

**RECOMMENDATION:**

That City Council approve an Interlocal Agreement with Escambia County, Florida for the purpose of using Raymond Riddle Park for the City's athletic programs that were residing at Bill Gregory Park at no additional costs to the City.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

Bill Gregory Park, located at 150 North W St., Pensacola, Florida is currently undergoing renovations specific to its stormwater infrastructure. The scope of renovation work includes the addition of new features such as a walking path, benches, and improvements to the baseball fields. The City has been utilizing this park for many years in its athletic programs and the current work has created a temporary need for an alternate location to host the displaced athletic programs.

Through an agreement with Escambia County for the use the county's Raymond Riddle Park, the City's Parks and Recreation Department will be able to continue to administer the athletic programs that had been scheduled to take place at Bill Gregory Park. The one-year term of the agreement for the use of Raymond Riddle Park extends well beyond the anticipated early summer completion date for the construction work.

The City agrees to pay all monthly utilities during its use of the property. Although the City does not seek to make a profit on its athletic activities, any fees that are collected to run the programs will remain exclusive property of the City.

**PRIOR ACTION:**

None

**FUNDING:**

N/A

**FINANCIAL IMPACT:**

The City will use appropriations for the Bill Gregory Park to pay for the utilities at Raymond Riddle Park.

**CITY ATTORNEY REVIEW:** Yes

2/14/2018

**STAFF CONTACT:**

Eric W. Olson, City Administrator  
Brian Cooper, Parks and Recreation Director

**ATTACHMENTS:**

- 1) Raymond Riddle Park Interlocal Agreement

**PRESENTATION:** No

2/1/2018 CAR-F-5

**STATE OF FLORIDA  
COUNTY OF ESCAMBIA**

**INTERLOCAL AGREEMENT FOR USE OF THE RAYMOND  
RIDDLE PARK BY THE CITY OF PENSACOLA  
BETWEEN ESCAMBIA COUNTY, FLORIDA  
AND THE CITY OF PENSACOLA, FLORIDA**

**THIS AGREEMENT** is made by and between Escambia County, Florida, a political subdivision of the State of Florida (hereinafter referred to as the "County"), with administrative offices located at 221 Palafox Place, Pensacola, Florida 32502 and the City of Pensacola, a municipal corporation created and existing under the laws of the State of Florida, (hereinafter referred to as the "City") with administrative offices at 222 West Main St., Pensacola, Florida 32502 (at times referred to as "party" or "parties" or "agency" or "agencies").

**WITNESSETH:**

**WHEREAS**, the parties have legal authority to perform general governmental services within their respective jurisdictions; and

**WHEREAS**, the parties are authorized by §163.01, Florida Statutes, to enter into Interlocal Agreements and thereby cooperatively utilize their powers and resources in the most efficient manner possible; and

**WHEREAS**, Escambia County owns certain real property located at 1704 North "W" Street, Pensacola, Florida, 32505 (hereinafter referred to as the "Property"); and

**WHEREAS**, the Property is a currently developed and operated by the County as Raymond Riddle Park, for use by the citizens of Escambia County and by citizens of the City of Pensacola, Florida for recreational purposes; and

**WHEREAS**, the City of Pensacola owns certain real property known as Bill Gregory Park, located at 150 North "W" Street, Pensacola, Florida which is undergoing renovations, specific to its storm water management and including the addition of new features to include a walking path, benching, and improvements to its baseball fields, and such renovations may foreseeably result in displacement of the City's Parks and Recreation programs; and

**WHEREAS**, both agencies agree that Bill Gregory Park within the City of Pensacola serves many children in the area, including County residents who live or work near the City park; and

**WHEREAS**, both agencies agree that providing the City with access and use of the Property for various youth and adult recreation programs during that

Date: 2/6/2018 Verified By: D. Carew

time that the Bill Gregory Park is being renovated will benefit residents of the County and the City by providing a location for recreational activities and programs; and

**WHEREAS**, the County desires to allow access and use of the Property by the City during such times as mutually agreed upon by the parties for continued benefit of its citizens; and

**WHEREAS**, the parties have determined that it is in the best interest of the health, safety, and welfare of the citizens of both the incorporated and unincorporated areas of Escambia County that the City and County enter into this agreement for joint use of the Property and for payment by the City of certain costs as provided herein.

**NOW THEREFORE**, for an in consideration of the mutual covenants contained herein and the mutual benefits each unto the other, and for other good and valuable consideration, the parties to this Agreement hereby agree as follows:

**Article 1**  
**Purpose**

- 1.1 The recitals contained in the Preamble of this Agreement are declared to be true and correct and are hereby incorporated into this Agreement.
- 1.2 Pursuant to §163.01, Florida Statutes, this Agreement establishes the conditions, extent, and mechanism whereby the parties will establish a framework for use of the Property and for payment of certain costs for recreational purposes.

**Article 2**  
**Responsibilities of the Parties**

- 2.1 The County agrees to allow use and access of the Property by the City of Pensacola Parks and Recreation Department for various youth and adult programs, including but not limited to, baseball, t-ball, soccer, and kickball programs, while Bill Gregory Park is undergoing renovations, for a term not to exceed one year, unless extended by amendment as provided in paragraph 3.1.
- 2.2 The City agrees that the Property will remain available for use by other citizens and community organizations at all times for activities which do not interfere with the City's scheduled activities.
- 2.3 The City agrees that during the term of this Agreement, the City will administer various athletic programs at the Property for the public's benefit



and will organize team athletic events in accordance with the terms of this Agreement.

- 2.4 The City may charge a fee for participation in its events and programs, provided however, that any fee charged cannot exceed anticipated expenses directly associated with its programs.
- 2.5 The City shall be responsible for all field preparation during its use of the Property, including but not limited to, chalking, dragging, paint lining, adding clay/dirt/sand and otherwise preparing fields for athletic play.
- 2.6 The City shall be responsible for payment of all monthly utilities during its use of the Property, including but not limited to, water, gas, electric, telephone, sewage, garbage disposal, janitorial, safety equipment, and any other utility bills related to the Property during the term of the Agreement.
- 2.7 The City shall maintain and clean the premises in a safe and orderly condition, normal wear and tear excepted, including but not limited to grounds maintenance, facility maintenance, and fence maintenance.
- 2.8 In the event it is determined that damage to the Property has occurred due to abuse or misuse by the City, the City shall be responsible for the necessary repair and must return the Property to its pre-damaged condition.
- 2.9 The City shall notify the County as soon as possible of any structural or maintenance issues occurring on the Property.
- 2.10 At all times mutually agreeable to the parties, the City shall be allowed access and use of the Property for recreational purposes.
- 2.11 Revenue and income derived from the activities of the City or its recreational programs at the property during the term of this Agreement are the exclusive property of the City.
- 2.12 The City agrees to provide the County with a complete inventory of its equipment and any personal property that is stored at the Property. All equipment or other personal property of the City, which has been placed or maintained at the Property, is at the sole risk of the City. Any City equipment or personal property not removed from the Property within sixty (60) days after termination of the Agreement becomes the exclusive property of the County without recourse.
- 2.13 The City may maintain a concession activity for food and drink at the Property during the term of this Agreement as long as the City complies

with all applicable County ordinances and local and state health regulations. No alcoholic beverages are allowed. Income derived from the City's concession activities shall remain the exclusive property of the City. The City is responsible for all repairs, maintenance, and certification of all concession equipment owned by either the City or any of its contracted concessioners.

- 2.14 The City will perform necessary background checks on all coaches or other individuals involved in its recreational programming as required by law.
- 2.15 The City agrees to provide the County with a monthly calendar of events to include dates of league play and other scheduled programs or activities occurring at the Property during the term of this Agreement.
- 2.16 The City agrees to comply with Section 504 of the Rehabilitation Act of 1973, as amended, and Title VI of the Civil Rights Act of 1964, as amended. The City shall not discriminate against any person because of race, color, sex, religion, handicap, age, or national origin, by refusing to furnish services or allow participation in programs provided by the City.

### **Article 3** **General Provisions**

- 3.1 Term: This agreement shall commence on the Effective Date, as provided in paragraph 3.15, and continue for a term of one year, unless otherwise terminated as provided herein. No less than ninety (90) days before the expiration of this Agreement the Parties shall review the progress and analyze the success of the Agreement for consideration to extend the term by written amendment to the Agreement.
- 3.2 Termination: This Agreement may be terminated by either party for cause or for convenience. Either party may exercise its right of termination for convenience by furnishing to the other party written notice of its election to do so. The termination of convenience shall be effective thirty (30) days following the date of the receipt of such notice.
- 3.3 Liability: The parties hereto, their respective elected officials, officers, and employees shall not be deemed to assume any liability for the acts, omissions, or negligence of the other party. The City agrees to be fully responsible for its negligent acts or omissions or tortuous acts which result in claims or suits against the County and further agrees to be fully liable for any damages proximately caused by said acts or omissions. Escambia County, Florida, as a subdivision of the State of Florida as defined in §768.28, Florida Statutes, agrees to be fully responsible for its negligent acts or omissions or tortuous acts which result in claims or suits

against the City and further agrees to be fully liable for any damages proximately caused by said acts or omissions. Nothing herein is intended to serve as a waiver of sovereign immunity by the City or the County and nothing herein shall be construed as consent by the City or the County to be sued by third parties in any matter arising out of this Agreement.

- 3.4 Insurance: Each party shall insure its own interests through appropriate insurance policies or through a self-insurance program. This provision shall not be construed to prevent any claim or action which either party may have against the other.
- 3.5 Records: The parties acknowledge that this Agreement and any related financial records, audits, reports, plans, correspondence, and other documents may be subject to disclosure to members of the public pursuant to Chapter 119, Florida Statutes, as amended. In the event a party fails to abide by the provisions of Chapter 119, Florida Statutes, the other party may, without prejudice to any right or remedy and after giving that party, seven (7) days written notice, during which period the party fails to allow access to such documents, terminate this Agreement.
- 3.6 Assignment: This Agreement or any interest herein shall not be assigned, transferred, or otherwise encumbered, under any circumstances, by the parties, without the prior written consent of the other party.
- 3.7 Headings: Headings and subtitles used throughout this Agreement are for the purpose of convenience only, and no heading or subtitle shall modify or be used to interpret the text of any section.
- 3.8 Survival: All other provisions, which by their inherent character, sense, and context are intended to survive termination of this Agreement, shall survive the termination of this Agreement.
- 3.9 Interpretation: For the purpose of this Agreement, the singular includes the plural and the plural shall include the singular. References to statutes or regulations shall include all statutory or regulatory provisions consolidating, amending, or replacing the statute or regulation referred to. Words not otherwise defined that have well-known technical or industry meanings, are used in accordance with such recognized meanings. References to persons include their respective permitted successors and assigns and, in the case of governmental persons, persons succeeding to their respective functions and capacities.
- (a) If either party discovers any material discrepancy, deficiency, ambiguity, error, or omission in this Agreement, or is otherwise in doubt as to the meaning of any provision of the Agreement, it shall immediately notify the other party and request clarification of the interpretation of this Agreement.

- (b) This Agreement shall not be more strictly construed against either party hereto by reason of the fact that one party may have drafted or prepared any or all of the terms and provisions hereof.
- 3.10 Severability: The invalidity or non-enforceability of any portion or provision of this Agreement shall not affect the validity or enforceability of any other portion or provision. Any invalid or unenforceable portion or provision shall be deemed severed from this Agreement and the balance hereof shall be construed to be enforced as if this Agreement did not contain such invalid or unenforceable portion of provision.
- 3.11 Further Documents: The parties shall execute and deliver all documents and perform further actions that may be reasonably necessary to effectuate the provisions of this Agreement.
- 3.12 Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, and the parties stipulate that venue, for any matter, which is the subject of this Agreement shall be in the County of Escambia.
- 3.13 Notices: All notices required or made pursuant to this Agreement by either party to the other shall be in writing and delivered by hand or by United States Postal Service, first class mail, postage prepaid, return receipt requested, addressed to the following:

TO THE COUNTY:

Attn: Mr. Michael Rhodes  
 Escambia County  
 Parks and Recreation Dept.  
 1651 East Nine Mile Road  
 Pensacola, FL 32514

County Administrator  
 221 Palafox Place, Suite 420  
 Post Office Box 1591  
 Pensacola, FL 32597

TO THE CITY:

Attn: Mr. Brian Cooper  
 City of Pensacola  
 Parks and Recreation Dept.  
 222 West Main Street  
 Pensacola, FL 32502

City Administrator  
 City of Pensacola  
 Post Office Box 12910  
 Pensacola, FL 32521

Either party may change its above noted address by giving written notice to the other party in accordance with the requirements of this section.

- 3.14 No Waiver: The failure of a party to insist upon the strict performance of the terms and conditions hereof shall not constitute or be construed as a

waiver or relinquishment of any other provision or of either party's right to thereafter enforce the same in accordance with this Agreement.

3.15 Effective Date: This agreement shall become effective when filed in the Office of the Clerk of the Circuit Court of Escambia County, Florida. The County shall be responsible for such filing.

**IN WITNESS WHEREOF**, the parties hereto have made and executed this Agreement on the respective dates under each signature: Escambia County, Florida through its Board of County Commissioners, signing by and through its duly authorized Chairman, and the City of Pensacola, signing by and through its Mayor.

**COUNTY:**

Escambia County, Florida Board of County Commissioners, a political subdivision of the State of Florida acting through its duly authorized Board of County Commissioners signing by and through its Chairman.

By: [Signature]  
Jeff Bergosh, Chairman

ATTEST: Pam Childers  
Clerk of the Circuit Court Date: 2/6/2018

By: [Signature]  
Deputy Clerk

This document approved as to form and legal sufficiency

By: [Signature]  
Title: Asst. Co. Atty  
Date: 2/5/18



**THE CITY OF PENSACOLA,  
A FLORIDA MUNICIPAL CORPORATION**

By: \_\_\_\_\_  
Ashton J. Hayward III, Mayor

ATTEST: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
City Clerk

Approved as to form and execution  
By: \_\_\_\_\_  
City Attorney

(Seal) Dated \_\_\_\_\_

BCC Approved 02-01-2018



Memorandum

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File #: 18-00096

City Council

3/8/2018

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LEGISLATIVE ACTION ITEM

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

AWARD OF CONTRACT FOR 17<sup>TH</sup> AVENUE CSX TRESTLE PEDESTRIAN CROSSING PROJECT

**RECOMMENDATION:**

That City Council award contract for 17<sup>th</sup> Avenue CSX Trestle Pedestrian Crossing Project to Dominguez Design Build, Inc., of Pensacola, Florida, provider of the lowest quote of \$122,100 plus 10% contingency of \$12,210 for a total amount of \$134,310. Further, that City Council authorize the Mayor to execute the contract and take all action necessary to complete the project.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

This project will provide for safe pedestrian connectivity from the 17<sup>th</sup> Avenue boat ramp parking lot beneath the CSX trestle over Bayou Texar and connect to the existing elevated wooden boardwalk on the north side of the trestle. The project will include a new concrete sidewalk with a protective covered awning and pedestrian lighting to provide safe pedestrian travel between the adjoining neighborhood and the Pensacola Bay waterfront. Staff solicited quotations from five WMBE and/or SBE firms and two firms responded.

**PRIOR ACTION:**

None

**FUNDING:**

Budget: \$ 304,013.00 LOST (Penny for Progress)

Actual: \$ 122,100.00 Construction Contract  
12,210.00 10% Contingency  
21,175.83 Engineering Design/Permitting (Completed)  
8,000.00 Engineering Management/Inspection (Estimate)  
13,000.00 Pre-Construction Agreement CSX (Completed)  
48,962.00 Construction Agreement CSX (Estimated)

5,000.00 Construction Testing/Misc. (Estimate)  
\$ 230,447.83

**FINANCIAL IMPACT:**

Funding in the amount of \$304,013.00 has been appropriated in the Local Option Sales Tax Fund (Penny for Progress) for Sidewalk Improvements. To date, \$34,175.83 has been expended for completed items related to Surveying, Engineering Design, Studies and Permitting leaving a balance of \$269,837.17. The remaining budget balance is sufficient to cover the remaining items that have yet to be completed/expended.

**CITY ATTORNEY REVIEW:** Yes

2/14/2018

**STAFF CONTACT:**

Eric W. Olson, City Administrator

L. Derrick Owens, Director of Public Works and Facilities/City Engineer

**ATTACHMENTS:**

- 1) Quote Tabulation, 17th Avenue CSX Trestle Pedestrian Crossing Project
- 2) Map, 17<sup>th</sup> Avenue CSX Trestle Pedestrian Crossing Project

**PRESENTATION:** No

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TABULATION OF QUOTES

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TITLE: 17TH AVENUE CSX TRESTLE PEDESTRIAN CROSSING PROJECT

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OPENING DATE: February 6, 2018	Dominguez Design - Build, Inc	Joy Gordon Construction	Southern Standard Equipment, Inc.	Evan Chase Construction	T May Construction
OPENING TIME: 2:30 P. M.					
DEPARTMENT: Engineering	Pensacola, FL	Cantonment, FL	Pensacola, FL	Cantonment, FL	Pensacola, FL

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Base Bid

\$122,100.00
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\$133,488.00

No-Response

No-Response

No-Response

\*\*\*\*\*

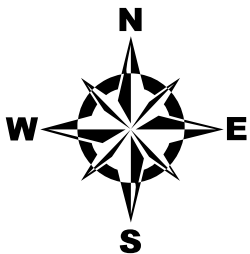
\*\*\*\*\*



# 17TH. AVENUE CSX TRESTLE PEDESTRAIN CROSSING



Source: Esri, DigitalGlobe, GeoEye, i-cubed, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community



**PENSACOLA**  
THE UPSIDE of FLORIDA

**DEPARTMENT OF PUBLIC WORKS AND FACILITIES  
ENGINEERING AND CONSTRUCTION SERVICES DIVISION**



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 18-00100

City Council

3/8/2018

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### LEGISLATIVE ACTION ITEM

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

PENSACOLA ENERGY - AWARD OF TASK ORDER 8, NATURAL GAS PIPELINE CONSTRUCTION MISCELLANEOUS WORK

**RECOMMENDATION:**

That City Council award Task Order 8, Natural Gas Pipeline Construction Miscellaneous Work, to R.A.W. Construction, LLC for \$549,300. Further, that Council authorize Mayor Hayward to execute the task order and take all actions necessary to complete the work.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

In July 2017, City Council awarded Bid #17-028, Natural Gas Pipeline Construction East of I-110 Low Pressure Area Upgrades, to R.A.W. Construction, LLC. The bid included a unit price option for miscellaneous work, which is for natural gas pipeline maintenance, replacement, and new construction. The Council action included a partial award of \$320,058 for the unit price option. Task Order 8 awards \$549,300, which is the remainder of the FY 2018 budgeted amount for miscellaneous work.

**PRIOR ACTION:**

July 13, 2017 - City Council awarded Bid #17-028, Natural Gas Pipeline Construction East of I-110 Low Pressure Area Upgrades for \$3,428,485.

**FUNDING:**

Budget: \$ 549,300

Actual: \$ 549,300

**FINANCIAL IMPACT:**

Funding is available in the Gas Utility Fund from the Florida System Revenue Note, Series 2016.

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**CITY ATTORNEY REVIEW:** Yes

2/14/2018

**STAFF CONTACT:**

Eric W. Olson, City Administrator  
Richard Barker, Jr., Chief Financial Officer  
Don J. Suarez, Pensacola Energy Director

**ATTACHMENTS:**

RAW Construction Task Order 8

**PRESENTATION:** No

**New Services Construction Task Order 8, Unit Price Option**

This task order is made this \_\_\_\_ day of \_\_\_\_\_, 2018. In accordance with the terms and conditions of the Construction/Service Agreement from Bid # 17-028 (Natural Gas Pipeline Construction East of I-110 Low Pressure Area Upgrades) between the City of Pensacola d/b/a/ Pensacola Energy (Owner) and R.A.W. Construction, LLC (Contractor) in which Contractor agreed to perform certain services and work required under the Construction/Service Agreement. Contractor hereby warrants to the Owner that it is qualified to provide all the services defined herein and required under the Construction/Service Agreement to successfully and timely execute the following Task/Work Order:

**1.0 PURPOSE**

The purpose of this project is to assist Owner to install new services and natural gas mains as projects occur for system expansion.

**2.0 PRICING**

Any fees, costs or expenses due Contractor under this Agreement shall be paid at the rates specified in Exhibit A, attached hereto and made a part hereof, at a total cost not to exceed **\$549,300.00 (Five Hundred Forty-Nine Thousand and Three Hundred dollars) for the period ending September 30, 2018.**

**3.0 SCOPE**

The scope of this Task Order includes installation of Pipelines and Service Lines for system expansion and new construction projects associated with the Gas Distribution System. Installation includes all work as defined in the Contract Documents unless specified otherwise in the Work Order and Plans.

**4.0 WORK ORDERS AND PLANS**

The Owner shall furnish the Contractor with a Work Order and Plan for each project assigned to the Contractor under this Task Order. The Work Order will provide material and labor listings, and a description of work to be performed. These estimates and descriptions are for planning purposes only and may be more or less or different than the estimates and descriptions provided. Pensacola Energy will provide the necessary permits for execution of a particular Work Order and Contractor is not permitted to proceed with the work provided in a Work Order unless it has received the necessary permits. Completion of the Work Order will be to the satisfaction of the Owner and in accordance with the Contract Documents.

## **5.0 TERMS AND CONDITIONS**

This Task/Work Order agreement shall be governed by the Terms and Conditions of the Construction/Service Agreement from Bid #17-028 (Natural Gas Pipeline Construction East Pensacola Low Pressure Area Upgrades), between the City of Pensacola d/b/a/ Pensacola Energy and R.A.W. Construction, LLC. No work will be authorized until an individual Purchase Order for this project is sent from the City of Pensacola; it will serve as the Notice to Proceed with this task order. Progress payments to Contractor will be made on a monthly basis.

## **6.0 PUBLIC RECORDS ACT**

The parties acknowledge and agree to fulfill all obligations respecting required contract provisions in any contract entered into or amended after July 1, 2016, in full compliance pursuant to Section 119.0701, *Florida Statutes*, and obligations respecting termination of a contract for failure to provide public access to public records. The parties expressly agree specifically that the contracting parties hereto shall comply with the requirements within Attachment "A" attached hereto and incorporated by reference.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed and sealed the day and year first above written.

**CONTRACTOR**

**CITY OF PENSACOLA, FLORIDA**

R.A.W. Construction, LLC  
(Contractor's Name)

\_\_\_\_\_  
Mayor, Ashton J. Hayward, III

\_\_\_\_\_  
Member

\_\_\_\_\_  
City Clerk, Ericka L. Burnett

\_\_\_\_\_  
(Printed Member's Name)

\_\_\_\_\_  
Member

Approved As To Content:

\_\_\_\_\_  
(Printed Member's Name)

\_\_\_\_\_  
Department Director, Don J. Suarez

(CORPORATE SEAL)

Legal in form and valid as drawn:

\_\_\_\_\_  
City Attorney

**Attachment "A"**

**PUBLIC RECORDS:** Consultant/Contractor/Vendor shall comply with Chapter 119, Florida Statutes. Specifically, Consultant/ Contractor/Vendor shall:

- A. Keep and maintain public records required by the City to perform the service.
- B. Upon request from the City's custodian of public records, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
- C. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the Agreement term and following the completion of the Agreement if Consultant/ Contractor/Vendor does not transfer the records to the City.
- D. Upon completion of the Agreement, transfer, at no cost, to City, all public records in possession of Consultant/Contractor/Vendor or keep and maintain public records required by the City to perform the service. If Consultant/Contractor/Vendor transfers all public records to City upon completion of the Agreement, Consultant/ Contractor/Vendor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If Consultant/Contractor/Vendor keeps and maintains public records upon completion of the Agreement, Consultant/Contractor/Vendor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the City, upon request of the City's custodian of public records, in a format that is compatible with the information technology systems of the City.

Failure by Consultant/Contractor/Vendor to comply with Chapter 119, Florida Statutes, shall be grounds for immediate unilateral cancellation of this Agreement by City.

**IF CONSULTANT/CONTRACTOR/VENDOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT: THE OFFICE OF THE CITY ATTORNEY, (850) 435-1715, [PUBLICRECORDS@CITYOFPENSACOLA.COM](mailto:PUBLICRECORDS@CITYOFPENSACOLA.COM), 222 WEST MAIN STREET, PENSACOLA, FL 32502.**

Exhibit A

FEE SCHEDULE

UNIT PRICE WORK (1 OF 2)

Unit Price Work is for unforeseen optional work during Contract Period. Any Task Order that exceeds \$25,000 will require City Council approval prior to any work commencing. Unit Price Work will be performed only at the express written request of PE and no compensation will be made for work not so directed. PE is not obligated to assign any Unit Price Work under this Contract. By submitting its bid, Bidder agrees that if such work is assigned it will be compensated as set forth below during the duration of the Contract. No compensation shall be paid for travel time where work is being performed under the Unit Price Work. Estimated quantities are included for bid purposes. For the purpose of assigning Unit Price Work during Contract Period, a unit price must be entered for all items of work even if no estimated quantity is listed. Refer to Section 2.26 for Bid Item Descriptions.

Main Installation	Est. Qty.	Unit	Unit Price	Total Cost
2" P.E. Main Install Trenchless	6000	LF	\$ 10.00	\$ 60,000.00
2" P.E. Main Install Open Trench	2000	LF	\$ 10.00	\$ 20,000.00
4" P.E. Main Install Trenchless	2000	LF	\$ 17.00	\$ 34,000.00
4" P.E. Main Install Open Trench	---	LF	\$	---
6" P.E. Main Install Trenchless	2000	LF	\$ 21.00	\$ 42,000.00
6" P.E. Main Install Open Trench	---	LF	\$ 21.00	---
8" P.E. Main Install Trenchless	---	LF	\$ 35.00	---
8" P.E. Main Install Open Trench	---	LF	\$ 35.00	---
10" P.E. Main Install Trenchless	---	LF	\$ 45.00	---
10" P.E. Main Install Open Trench	---	LF	\$ 45.00	---
< = 2" Mole	---	LF	\$	---
Tie ins (New to Existing)			\$	
Tie in Existing P.E. Services	40	EA	\$ 375.00	\$ 15,000.00
< = 2" P.E. to 2" Steel or greater	10	EA	\$ 1200.00	\$ 12,000.00
< = 2" P.E. to < = 2" P.E.	40	EA	\$ 800.00	\$ 32,000.00
2" P.E. to 4" P.E.	10	EA	\$ 900.00	\$ 9,000.00
2" P.E. to 6" P.E.	10	EA	\$ 1000.00	\$ 10,000.00
2" P.E. to 8" P.E.	---	EA	\$ 1400.00	---
2" P.E. to 10" P.E.	---	EA	\$ 1500.00	---
4" P.E. to 2" Steel	---	EA	\$ 1500.00	---
4" P.E. to 4" Steel or greater	6	EA	\$ 2000.00	\$ 12,000.00
4" P.E. to 4" P.E.	6	EA	\$ 1200.00	\$ 7,200.00
4" P.E. to 6" P.E.	---	EA	\$ 1500.00	---
4" P.E. to 8" P.E.	---	EA	\$ 1800.00	---
4" P.E. to 10" P.E.	---	EA	\$ 2000.00	---
6" P.E. to 2" Steel	---	EA	\$ 1800.00	---
6" P.E. to 4" Steel	---	EA	\$ 2400.00	---
6" P.E. to 6" Steel or greater	---	EA	\$ 3000.00	---
6" P.E. to 6" P.E.	---	EA	\$ 1800.00	---
6" P.E. to 8" P.E.	---	EA	\$ 2000.00	---
6" P.E. to 10" P.E.	---	EA	\$ 2400.00	---
8" P.E. to 2" Steel	---	EA	\$ 2200.00	---
8" P.E. to 4" Steel	---	EA	\$ 2600.00	---
8" P.E. to 6" Steel	---	EA	\$ 3500.00	---
8" P.E. to 8" Steel or greater	---	EA	\$ 4000.00	---
8" P.E. to 8" P.E.	---	EA	\$ 2400.00	---
8" P.E. to 10" P.E.	---	EA	\$ 3500.00	---



UNIT PRICE WORK (2 OF 2)

10" P.E. to 2" Steel	---	EA	\$ 2,400.00	---
10" P.E. to 4" Steel	---	EA	\$ 3,200.00	---
10" P.E. to 6" Steel	---	EA	\$ 4,000.00	---
10" P.E. to 8" Steel	---	EA	\$ 4,500.00	---
10" P.E. to 10" Steel	---	EA	\$ 5,000.00	---
10" P.E. to 10" P.E.	---	EA	\$ 4,000.00	---
<b>Valve Installation</b>				
2" P.E. Valve	---	EA	\$ 300.00	---
4" P.E. Valve	---	EA	\$ 450.00	---
6" P.E. Valve	---	EA	\$ 650.00	---
8" P.E. Valve	---	EA	\$ 750.00	---
10" P.E. Valve	---	EA	\$ 1,000.00	---
<b>Stoppers</b>				
2" Steel Stopper	---	EA	\$ 1,500.00	---
4" Steel Stopper	---	EA	\$ 3,400.00	---
6" Steel Stopper	---	EA	\$ 7,000.00	---
8" Steel Stopper	---	EA	\$ 8,500.00	---
10" Steel Stopper	---	EA	\$ 12,000.00	---
<b>Service Installation</b>				
Services up to 80' of 3/4 to 1 1/4" mole	20	LS	\$ 600.00	\$ 12,000.00
Services up to 80' of 3/4 to 2" bore	30	LS	\$ 725.00	\$ 21,750.00
Services up to 80' of 3/4 to 2" trench	20	LS	\$ 725.00	\$ 14,500.00
Add'l footage beyond 80' by bore	500	LF	\$ 10.00	\$ 5,000.00
Add'l footage beyond 80' by trench	500	LF	\$ 10.00	\$ 5,000.00
<b>Miscellaneous</b>				
Retire Steel Main	1000	LF	\$ 1.50	\$ 1,500.00
Asphalt cutting/removal/haul	100	SY	\$ 3.00	\$ 300.00
Asphalt Replacement	100	SY	\$ 10.00	\$ 1,000.00
Concrete cutting/removal/haul	100	CY	\$ 3.00	\$ 300.00
Concrete Replacement	100	CY	\$ 11.00	\$ 1,100.00
Sod Replacement	500	SY	\$ 7.00	\$ 3,500.00
Seed and Mulch	500	SY	\$ 1.80	\$ 900.00
Dewatering pit	---	EA	\$	---
Dewatering main line	---	FT	\$	---
Dewatering main line	---	FT	\$	---
<b>Unit Price Work Total</b>				<b>\$ 320,050.00</b>

  
Signature of Bidder

7-20-17  
Date



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 18-00103

City Council

3/8/2018

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### **LEGISLATIVE ACTION ITEM**

**SPONSOR:** City Council President Gerald Wingate

**SUBJECT:**

APPOINTMENT - ESCAMBIA-PENSACOLA HUMAN RELATIONS COMMISSION

**RECOMMENDATION:**

That City Council appoint one (1) individual to the Escambia-Pensacola Human Relations Commission to fill the unexpired term of Candace Drake Cardin, ending September 30, 2019.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

The Human Relations Commission seeks to maintain positive human relations in Escambia County through resolution of civil rights related cases and incidents. It also administers the City's Fair Housing Ordinance.

The following individual has been nominated:

**Nominee**

**Nominated by**

Karen Conway

Wingate

**PRIOR ACTION:**

City Council appoints member to this board on an annual basis.

**FUNDING:**

Budget: N/A

Actual: N/A

**FINANCIAL IMPACT:**

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None.

**STAFF CONTACT:**

Ericka L. Burnett, City Clerk

**ATTACHMENTS:**

- 1) Member List
- 2) Nomination Form - Karen Conway
- 3) Application of Interest - Karen Conway
- 4) Ballot

**PRESENTATION:** No

**Human Relations Commission**

<b>Name</b>	<b>Profession</b>	<b>Appointed By</b>	<b>No. of Terms</b>	<b>Year</b>	<b>Exp Date</b>	<b>First Appointed</b>	<b>Term Length</b>	<b>Comments</b>
**** ****			0				0	
Cardin, Candace Drake	Psychologist	Council	0	2017	9/30/2019	11/12/2015	2	
Holt, Linda		Council	0	2017	9/30/2018	9/15/2016	2	
McAway, Cassandra Y.		Council	0	2017	9/30/2018	6/13/2013	2	
Wiggins, Gloria	Assisted Living	Council	1	2017	9/30/2019	11/12/2015	2	

Term Length: TWO YEAR TERMS

COMPOSED OF NINE (9) MEMBERS OF WHICH FOUR ARE APPOINTED BY COUNCIL; FOUR ARE APPOINTED BY THE COUNTY AND THE NINTH MEMBER APPOINTED BY THE OTHER MEMBERS. SEEK TO MAINTAIN POSITIVE HUMAN RELATIONS IN ESCAMBIA COUNTY THROUGH RESOLUTION OF CIVIL RIGHTS RELATED CASES AND INCIDENTS; ADMINISTERS CITY'S FAIR HOUSING ORDINANCE. NO RESIDENCY OR QUALIFICATION REQUIREMENTS.

**CITY OF PENSACOLA, FLORIDA**

**NOMINATION FORM**

I, Gerald C. Wingate, do nominate Karen Conway  
(Nominee)

1206 North C Street (01) 850-346-0098 (cell)  
(Home Address) (Phone)

\_\_\_\_\_  
(Business Address) (Phone)

karelow2.kc@gmail.com City Resident  YES NO  
(Email Address) Property Owner within the City:  YES NO

for appointment by the City Council for the position of:

**MEMBER**

**HUMAN RELATIONS COMMISSION**

Provide a brief description of nominee's qualifications:

See attached.

Gerald C. Wingate  
City Council Member

I hereby certify that the above  
nomination was submitted to my  
office within the time limitations  
prescribed by the Rules and  
Procedures of Council.

Ericka L. Burnett  
Ericka L. Burnett, City Clerk

**Ericka Burnett**

---

**From:** noreply@civicplus.com  
**Sent:** Friday, February 9, 2018 10:52 AM  
**To:** Ericka Burnett; Robyn Tice  
**Subject:** Online Form Submittal: Application for Boards, Authorities, and Commissions - City Council Appointment

**Application for Boards, Authorities, and Commissions - City Council Appointment**

*This application will be utilized in considering you for appointment to a City Council board, authority, or commission. Pursuant to Florida Statutes, Chapter 119, all information provided on or with this form becomes a public record and is subject to disclosure, unless otherwise exempted by law.*

*Completed applications will be kept on file for a period of one (1) year from the date received in the Office of the City Clerk.*

*It is necessary to contact a member of Council to obtain a nomination in order to be placed on the ballot for consideration. Please go to [cityofpensacola.com/council](http://cityofpensacola.com/council) for Council Member contact information. If you have any questions, contact the City Clerk's Office.*

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(Section Break)

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Personal Information

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Name	Karen Conway
Home Address	1206 North C Street
Business Address	<i>Field not completed.</i>
To which address do you prefer we send correspondence regarding this application?	Home
Preferred Contact Phone Number(s)	(850) 346-0098
Email Address	<a href="mailto:karelow2.kc@gmail.com">karelow2.kc@gmail.com</a>
Upload Resume (optional)	<i>Field not completed.</i>

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(Section Break)

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Details

---

Are you a City resident?      Yes

---

If yes, which district?      3

---

If yes, how long have you been a City resident?      8 years

---

Do you own property within the City limits?      Yes

---

Are you a registered voter in the city?      Yes

---

Board(s) of interest:      Human Relations Commission

---

Please list the reasons for your interest in this position:      I'm interested based on mission and vision goals. I believe I would be able to join the Human Relations Commission Board to help execute the common concerns and interest that I share for our community.

---

Do you currently serve on a board?      No

---

If yes, which board(s)?      *Field not completed.*

---

Do you currently hold a public office?      No

---

If so, what office?      *Field not completed.*

---

Would you be willing to resign your current office for the appointment you now seek?      N/A

---

(Section Break)

Diversity

*In order to encourage diversity in selections of members of government committees, the following information is required by Florida Statute 760.80 for some committees.*

---

Gender      Female

---

Race      African-American

---

Physically Disabled      No

---

(Section Break)

Acknowledgement of Terms I accept these terms.

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Email not displaying correctly? [View it in your browser.](#)



**Ballot – Escambia-Pensacola Human Relations Commission**

March 8, 2018

*Unexpired term of Candace Cardin Drake, ending September 30, 2019*

**Member**

\_\_\_\_\_ Karen Conway

\_\_\_\_\_

**Vote for One**

Signed: \_\_\_\_\_  
Council Member



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

File #: 18-00124

City Council

3/8/2018

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### LEGISLATIVE ACTION ITEM

**SPONSOR:** City Council President Gerald Wingate

**SUBJECT:**

APPOINTMENTS - ENVIRONMENTAL ADVISORY BOARD

**RECOMMENDATION:**

That City Council appoint six (6) individuals to serve on the Environmental Advisory Board for a term of two (2) years, expiring March 1, 2020.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

The Environmental Advisory Board may review and make recommendations to the City Council and Mayor on environmental policy issues as follows:

- (1) Proposed ordinances and codes of an environmental nature.
- (2) Proposed changes to existing environmental ordinances and codes.
- (3) Other environmental matters affecting the city referred to the Board by the City Council and Mayor.
- (4) Other environmental matters affecting the City that are initiated by the Board and approved by the City Council and/or Mayor.

The Board shall be composed of nine (9) members appointed by the City Council: Five (5) members who are employed or retired environmental professionals, or members of local environmental organizations or businesses with an interest in City environmental issues. To the extent practicable, members will be residents or property owners of the City. Four (4) at-large members who are residents or property owners of the City.

The following individuals have been nominated or are incumbents that wish to serve again:

<u>Nominee:</u>	<u>Nominated by:</u>
<i>At-Large</i>	
Kyle Kopytchak	Incumbent
Neil Richards	Incumbent

*Employed or retired environmental professionals, or members of local environmental organizations or businesses with an interest in City environmental issues*

Calvin Avant	Incumbent
Steven Elliott	Incumbent
Gloria Horning	Myers
Michael Lynch	Incumbent

**PRIOR ACTION:**

City Council appoints member to this board on a biennial basis.

**FUNDING:**

Budget: N/A

Actual: N/A

**FINANCIAL IMPACT:**

None.

**STAFF CONTACT:**

Ericka L. Burnett, City Clerk

**ATTACHMENTS:**

- 1) Member List
- 2) Application of Interest - Calvin Avant
- 3) Application of Interest - Steven Elliott
- 4) Nomination Form - Gloria Horning
- 5) Application of Interest - Gloria Horning
- 6) Application of Interest - Kyle Kopytchak
- 7) Application of Interest - Michael Lynch
- 8) Application of Interest - Neil Richards
- 9) Ballot

**PRESENTATION:** No

### Environmental Advisory Board

Name	Profession	Appointed By	No. of Terms	Year	Exp Date	First Appointed	Term Length	Comments
Ackerman, Stephan	At-large/City Resident	Council	0	2017	3/1/2018	3/17/2016	2	
Avant, Calvin	Environmental Group	Council	0	2017	3/1/2018	7/13/2017	2	
Elliott, Steven	Employed Env Professional	Council	0	2017	3/1/2018	3/17/2016	2	
Fries, David	Member of Business Org	Council	0	2017	3/1/2018	7/13/2017	2	
Goodhart, Traci E.	Employed Env Professional	Council	1	2017	3/1/2018	12/11/2014	2	
Herrand, Sara	At-Large/City Resident	Council	0	2017	3/1/2018	3/17/2016	2	
Kopytchak, Kyle	At-Large	Council	2	2017	3/1/2018	7/18/2013	2	
Lynch, Michael	Employed Env Professional	Council	1	2017	3/1/2018	9/25/2014	2	
Richards, Neil	At-large	Council	1	2017	3/1/2018	2/28/2014	2	

**Term Length: TWO YEAR TERMS**

The Environmental Advisory Board may review and make recommendations to the City Council and Mayor on environmental policy issues as follows:

- (1) Proposed ordinances and codes of an environmental nature.
- (2) Proposed changes to existing environmental ordinances and codes.
- (3) Other environmental matters affecting the city referred to the Board by the City Council and Mayor.
- (4) Other environmental matters affecting the City that are initiated by the Board and approved by the City Council and/or Mayor.

The Board shall be composed of nine (9) members appointed by the City Council: Five (5) members who are employed or retired environmental professionals, or members of local environmental organizations or businesses with an interest in City environmental issues. To the extent practicable, members will be residents or property owners of the City. Four (4) at-large members who are residents or property owners of the City.

**Ericka Burnett**

---

**From:** noreply@civicplus.com  
**Sent:** Monday, February 12, 2018 12:17 PM  
**To:** Ericka Burnett; Robyn Tice  
**Subject:** Online Form Submittal: Application for Boards, Authorities, and Commissions - City Council Appointment

**Application for Boards, Authorities, and Commissions - City Council Appointment**

*This application will be utilized in considering you for appointment to a City Council board, authority, or commission. Pursuant to Florida Statutes, Chapter 119, all information provided on or with this form becomes a public record and is subject to disclosure, unless otherwise exempted by law.*

*Completed applications will be kept on file for a period of one (1) year from the date received in the Office of the City Clerk.*

*It is necessary to contact a member of Council to obtain a nomination in order to be placed on the ballot for consideration. Please go to [cityofpensacola.com/council](http://cityofpensacola.com/council) for Council Member contact information. If you have any questions, contact the City Clerk's Office.*

---

(Section Break)

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Personal Information

---

Name Dr. Calvin Avant

---

Home Address 7820 Castlegate Dr. Pensacola, FL 32534

---

Business Address 615 N. "W" St. Pensacola, FL 32505

---

To which address do you prefer we send correspondence regarding this application? Home

---

Preferred Contact Phone Number(s) 850-748-0675

---

Email Address [calavant2905@gmail.com](mailto:calavant2905@gmail.com)

---

Upload Resume (optional) *Field not completed.*

---

(Section Break)

---

Details

---

Are you a City resident?	No
If yes, which district?	<i>Field not completed.</i>
If yes, how long have you been a City resident?	<i>Field not completed.</i>
Do you own property within the City limits?	No
Are you a registered voter in the city?	No
Board(s) of interest:	Environmental Advisory Board
Please list the reasons for your interest in this position:	Environmental Justice
Do you currently serve on a board?	Yes
If yes, which board(s)?	Environmental Advisory Board
Do you currently hold a public office?	No
If so, what office?	<i>Field not completed.</i>
Would you be willing to resign your current office for the appointment you now seek?	N/A

---

(Section Break)

Diversity

*In order to encourage diversity in selections of members of government committees, the following information is required by Florida Statute 760.80 for some committees.*

---

Gender	Male
Race	African-American
Physically Disabled	No

---

(Section Break)

Acknowledgement of Terms I accept these terms.

---

Email not displaying correctly? [View it in your browser.](#)

**Ericka Burnett**

---

**From:** noreply@civicplus.com  
**Sent:** Monday, February 26, 2018 10:50 AM  
**To:** Ericka Burnett; Robyn Tice  
**Subject:** Online Form Submittal: Application for Boards, Authorities, and Commissions - City Council Appointment

**Application for Boards, Authorities, and Commissions - City Council Appointment**

*This application will be utilized in considering you for appointment to a City Council board, authority, or commission. Pursuant to Florida Statutes, Chapter 119, all information provided on or with this form becomes a public record and is subject to disclosure, unless otherwise exempted by law.*

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*It is necessary to contact a member of Council to obtain a nomination in order to be placed on the ballot for consideration. Please go to [cityofpensacola.com/council](http://cityofpensacola.com/council) for Council Member contact information. If you have any questions, contact the City Clerk's Office.*

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(Section Break)

---

Personal Information

---

Name Steven Elliott

---

Home Address 6390 Duquesne Dr Pensacola, FL, 32504

---

Business Address *Field not completed.*

---

To which address do you prefer we send correspondence regarding this application? *Field not completed.*

---

Preferred Contact Phone Number(s) 850-435-8925

---

Email Address [selliott@ene.com](mailto:selliott@ene.com)

---

Upload Resume (optional) *Field not completed.*

---

(Section Break)

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Details

---

Are you a City resident? Yes

---

If yes, which district? 4

---

If yes, how long have you been a City resident? 20 yrs

---

Do you own property within the City limits? Yes

---

Are you a registered voter in the city? Yes

---

Board(s) of interest: Environmental Advisory Board

---

Please list the reasons for your interest in this position: Current member - want to continue

---

Do you currently serve on a board? Yes

---

If yes, which board(s)? Environmental Advisory Board

---

Do you currently hold a public office? No

---

If so, what office? *Field not completed.*

---

Would you be willing to resign your current office for the appointment you now seek? N/A

---

(Section Break)

Diversity

*In order to encourage diversity in selections of members of government committees, the following information is required by Florida Statute 760.80 for some committees.*

---

Gender Male

---

Race Caucasian

---

Physically Disabled No

---

(Section Break)

Acknowledgement of Terms I accept these terms.

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Email not displaying correctly? [View it in your browser.](#)

**CITY OF PENSACOLA, FLORIDA**

**NOMINATION FORM**

I, Sherril Myers, do nominate Dr. Glorie Hanning  
(Nominee)

310 W. Bevilliers 850-933-8555  
(Home Address) (Phone)

\_\_\_\_\_  
(Business Address) (Phone)

gloria.hanning@gmail.com City Resident: YES NO  
(Email Address) Property Owner within the City: YES NO

for appointment by the City Council for the position of:

**MEMBER  
EMPLOYED OR RETIRED ENVIRONMENTAL PROFESSIONALS,  
OR MEMBERS OF LOCAL ENVIRONMENTAL ORGANIZATIONS  
OR BUSINESSES WITH AN INTEREST IN CITY ENVIRONMENTAL ISSUES**

Provide a brief description of nominee's qualifications:

Dr. Hanning is very active with minority neighborhoods working on environmental justice issues. Dr. Hanning is also a certified stormwater inspector qualified to conduct NPDES stormwater permits.

Sherril Myers  
City Council Member

I hereby certify that the above nomination was submitted to my office within the time limitations prescribed by the Rules and Procedures of Council.

Ericka L. Burnett  
Ericka L. Burnett, City Clerk

**Ericka Burnett**

---

**From:** noreply@civicplus.com  
**Sent:** Saturday, February 24, 2018 1:20 PM  
**To:** Ericka Burnett; Robyn Tice  
**Subject:** Online Form Submittal: Application for Boards, Authorities, and Commissions - City Council Appointment

**Application for Boards, Authorities, and Commissions - City Council Appointment**

*This application will be utilized in considering you for appointment to a City Council board, authority, or commission. Pursuant to Florida Statutes, Chapter 119, all information provided on or with this form becomes a public record and is subject to disclosure, unless otherwise exempted by law.*

*Completed applications will be kept on file for a period of one (1) year from the date received in the Office of the City Clerk.*

*It is necessary to contact a member of Council to obtain a nomination in order to be placed on the ballot for consideration. Please go to [cityofpensacola.com/council](http://cityofpensacola.com/council) for Council Member contact information. If you have any questions, contact the City Clerk's Office.*

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(Section Break)

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Personal Information

---

Name Gloria G. Horning, Ph.D

---

Home Address 310 S DeVilliers St, Pensacola, 32503

---

Business Address *Field not completed.*

---

To which address do you prefer we send correspondence regarding this application? Home

---

Preferred Contact Phone Number(s) 850. 933.8555

---

Email Address [gloriahorning@gmail.com](mailto:gloriahorning@gmail.com)

---

Upload Resume (optional) [GG Horning.docx](#)

---

(Section Break)

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Details

---

Are you a City resident? Yes

---

If yes, which district? 2

---

If yes, how long have you been a City resident? 8 years

---

Do you own property within the City limits? No

---

Are you a registered voter in the city? Yes

---

Board(s) of interest: Environmental

---

Please list the reasons for your interest in this position: 1. Environmental impacts on our communities is my passion. 2. Minorities and disenfranchised communities are impacted more than any other communities. 3. To represent people that are not able to speak for themselves because of a variety reasons.

---

Do you currently serve on a board? No

---

If yes, which board(s)? *Field not completed.*

---

Do you currently hold a public office? No

---

If so, what office? *Field not completed.*

---

Would you be willing to resign your current office for the appointment you now seek? N/A

---

(Section Break)

Diversity

*In order to encourage diversity in selections of members of government committees, the following information is required by Florida Statute 760.80 for some committees.*

---

Gender Female

---

Race Caucasian

---

Physically Disabled No

---

(Section Break)

Acknowledgement of Terms I accept these terms.

---

Email not displaying correctly? [View it in your browser.](#)

**Ericka Burnett**

---

**From:** noreply@civicplus.com  
**Sent:** Wednesday, February 21, 2018 5:06 PM  
**To:** Ericka Burnett; Robyn Tice  
**Subject:** Online Form Submittal: Application for Boards, Authorities, and Commissions - City Council Appointment

**Application for Boards, Authorities, and Commissions - City Council Appointment**

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(Section Break)

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Personal Information

---

Name Kyle Kopytchak

---

Home Address 3817 N. 12th. Ave, Pensacola, FL 32503

---

Business Address *Field not completed.*

---

To which address do you prefer we send correspondence regarding this application? Home

---

Preferred Contact Phone Number(s) 850-572-4470

---

Email Address [kyle33fl@aol.com](mailto:kyle33fl@aol.com)

---

Upload Resume (optional) *Field not completed.*

---

(Section Break)

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Details

---

Are you a City resident?      Yes

---

If yes, which district?      5

---

If yes, how long have you been a City resident?      19 Years

---

Do you own property within the City limits?      Yes

---

Are you a registered voter in the city?      Yes

---

Board(s) of interest:      EAB

---

Please list the reasons for your interest in this position:      Re-interest

---

Do you currently serve on a board?      Yes

---

If yes, which board(s)?      EAB

---

Do you currently hold a public office?      No

---

If so, what office?      *Field not completed.*

---

Would you be willing to resign your current office for the appointment you now seek?      N/A

---

(Section Break)

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Diversity

*In order to encourage diversity in selections of members of government committees, the following information is required by Florida Statute 760.80 for some committees.*

---

Gender      Male

---

Race      Caucasian

---

Physically Disabled      No

---

(Section Break)

---



Acknowledgement of Terms I accept these terms.

---

Email not displaying correctly? [View it in your browser.](#)

**Ericka Burnett**

---

**From:** noreply@civicplus.com  
**Sent:** Tuesday, February 20, 2018 1:17 PM  
**To:** Ericka Burnett; Robyn Tice  
**Subject:** Online Form Submittal: Application for Boards, Authorities, and Commissions - City Council Appointment

**Application for Boards, Authorities, and Commissions - City Council Appointment**

*This application will be utilized in considering you for appointment to a City Council board, authority, or commission. Pursuant to Florida Statutes, Chapter 119, all information provided on or with this form becomes a public record and is subject to disclosure, unless otherwise exempted by law.*

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(Section Break)

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Personal Information

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Name Michael Lynch

---

Home Address 1221 Driftwood Dr.

---

Business Address *Field not completed.*

---

To which address do you prefer we send correspondence regarding this application? Home

---

Preferred Contact Phone Number(s) 850-910-0241

---

Email Address [mlynch@jehle-halstead.com](mailto:mlynch@jehle-halstead.com)

---

Upload Resume (optional) *Field not completed.*

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(Section Break)

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Details

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Are you a City resident?	Yes
If yes, which district?	1
If yes, how long have you been a City resident?	3.5 years
Do you own property within the City limits?	No
Are you a registered voter in the city?	Yes
Board(s) of interest:	Environmental Advisory Board
Please list the reasons for your interest in this position:	I currently volunteer on the board and would like to continue to do so.
Do you currently serve on a board?	Yes
If yes, which board(s)?	Environmental Advisory Board
Do you currently hold a public office?	No
If so, what office?	<i>Field not completed.</i>
Would you be willing to resign your current office for the appointment you now seek?	N/A

---

(Section Break)

Diversity

*In order to encourage diversity in selections of members of government committees, the following information is required by Florida Statute 760.80 for some committees.*

---

Gender	Male
Race	Caucasian
Physically Disabled	No

---

(Section Break)

Acknowledgement of Terms I accept these terms.

---

Email not displaying correctly? [View it in your browser.](#)

**Ericka Burnett**

---

**From:** noreply@civicplus.com  
**Sent:** Monday, February 12, 2018 5:30 PM  
**To:** Ericka Burnett; Robyn Tice  
**Subject:** Online Form Submittal: Application for Boards, Authorities, and Commissions - City Council Appointment

**Application for Boards, Authorities, and Commissions - City Council Appointment**

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(Section Break)

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Personal Information

---

Name Neil Richards

---

Home Address 4430 Youpon Rd

---

Business Address 4430 Youpon Rd

---

To which address do you prefer we send correspondence regarding this application? Home

---

Preferred Contact Phone Number(s) 8502325625

---

Email Address [abcnrr@yahoo.com](mailto:abcnrr@yahoo.com)

---

Upload Resume (optional) *Field not completed.*

---

(Section Break)

---

Details

---

Are you a City resident?	No
If yes, which district?	<i>Field not completed.</i>
If yes, how long have you been a City resident?	Pensacola
Do you own property within the City limits?	No
Are you a registered voter in the city?	No
Board(s) of interest:	ENVIRONMENTAL ADVISORY BOARD
Please list the reasons for your interest in this position:	Professional experience in manufacturing within the City of Pensacola and concerned interest in growth and development of City with balanced concern for environment.
Do you currently serve on a board?	Yes
If yes, which board(s)?	EAB
Do you currently hold a public office?	No
If so, what office?	<i>Field not completed.</i>
Would you be willing to resign your current office for the appointment you now seek?	N/A

---

(Section Break)

Diversity

*In order to encourage diversity in selections of members of government committees, the following information is required by Florida Statute 760.80 for some committees.*

---

Gender	Male
Race	Caucasian
Physically Disabled	No

---

(Section Break)

Acknowledgement of Terms I accept these terms.

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Email not displaying correctly? [View it in your browser.](#)

**Ballot – Environmental Advisory Board**

March 8, 2018

*Two year term expiring March 1, 2020*

***At Large***

\_\_\_\_\_ Kyle Kopytchak

\_\_\_\_\_ Neil Richards

**Vote for Two**

---

***Employed or retired environmental professionals, or members of local environmental organizations or businesses with an interest in City environmental issues***

\_\_\_\_\_ Calvin Avant

\_\_\_\_\_ Steven Elliott

\_\_\_\_\_ Gloria Horning

\_\_\_\_\_ Michael Lynch

**Vote for Four**

Signed: \_\_\_\_\_  
Council Member





# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

---

File #: 18-00104

City Council

3/8/2018

---

### **LEGISLATIVE ACTION ITEM**

**SPONSOR:** City Council President Gerald Wingate

**SUBJECT:**

APPOINTMENTS - PARKS AND RECREATION BOARD

**RECOMMENDATION:**

That City Council appoint three (3) individuals to serve on the Parks and Recreation Board for a term of three (3) years, expiring March 31, 2021.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

The Parks and Recreation Board shall advise and make recommendations to the City Council and shall advise the Mayor's office via the Director of Neighborhood Services on matters concerning the establishment, maintenance and operation of parks within the city. The board shall provide input on master plan updates and improvements, and policy development for the use of recreational facilities. Members of this board are not required to be residents of the City.

The following have been nominated or are incumbents that wish to continue serving:

<b><u>Nominee:</u></b>	<b><u>Nominated By:</u></b>
David Del Gallo	Spencer
David V. Forte	Incumbent
Rand Hicks	Incumbent
Kimberly Sullivan	Incumbent

**PRIOR ACTION:**

City Council appoints members to this board on a biennial basis.

**FUNDING:**

Budget: N/A

Actual: N/A

**FINANCIAL IMPACT:**

None.

**STAFF CONTACT:**

Ericka L. Burnett, City Clerk

**ATTACHMENTS:**

- 1) Member List
- 2) Nomination Form - David Del Gallo
- 3) Application of Interest - David Del Gallo
- 4) Application of Interest - David V. Forte
- 5) Application of Interest - Rand Hicks
- 6) Application of Interest - Kimberly Sullivan
- 7) Ballot

**PRESENTATION:** No

**Parks and Recreation Board**

<b>Name</b>	<b>Profession</b>	<b>Appointed By</b>	<b>No. of Terms</b>	<b>Year</b>	<b>Exp Date</b>	<b>First Appointed</b>	<b>Term Length</b>	<b>Comments</b>
Breedlove, Barrett	Navy Flight Instructor	Council	0	2017	3/31/2020	4/13/2017	3	
Epstein, Paul	Business Owner	Council	2	2017	3/31/2020	6/14/2012	3	
Forte, David V.	Urban Planner Esc County	Council	1	2017	3/31/2018	3/10/2011	3	
Hicks, Rand		Council	0	2017	3/31/2018	3/12/2015	3	R
Mayo, David L.		Council	3	2017	3/31/2019	3/24/2005	3	
Sullivan, Kimberly S.	Attorney	Council	0	2017	3/31/2018	3/12/2015	3	
Sword, Maranda	Business owner	Council	0	2017	3/31/2019	1/15/2015	3	
Voeltz, Whitney (Mr.)	Business owner	Council	0	2017	3/31/2019	3/17/2016	3	
Wonders, Ed	Attorney	Council	0	2017	3/31/2019	3/17/2016	3	

**Term Length: THREE YEAR TERMS**

- Ord 18-12 Increased the number of members to nine (9) to ensure equal representation
- Ord. 06-10 - Amended name of board, number of members, terms and appointing body .

**COMPOSED OF NINE (9) MEMBERS APPOINTED BY CITY COUNCIL. NO RESIDENCY OR QUALIFICATION REQUIREMENTS.**

The Parks and Recreation Board shall advise and make recommendations to the city Council and shall advise the mayor's office via the Director of Neighborhood Services on matters concerning the establishment, maintenance and operation of parks with in the city. The board shall provide input on master plan updates and improvements, and policy development for the use of recreational facilities

CITY OF PENSACOLA, FLORIDA

NOMINATION FORM

I, BRIAN SPENCER, do nominate DAVID DeGollo  
(Nominee)

1550 E. Gonzalez St.  
(Home Address) 850-393-1322  
(Phone)

1225 N. 12th Ave.  
(Business Address) 850-432-4084  
(Phone)

ddg@moretteco.com City Resident:  YES  NO  
(Email Address) Property Owner within the City  YES  NO

for appointment by the City Council for the position of:

**MEMBER  
PARKS & RECREATION BOARD**

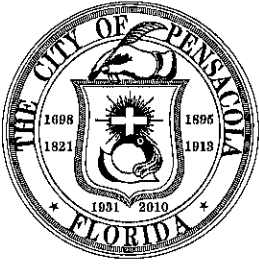
Provide a brief description of nominee's qualifications:

David has been a resident in East Hill for 62 years.  
He has been a local general contractor for 40 years.  
He was a founding member and is still a current  
member of the East Hill Neighborhood Association.

[Signature]  
City Council Member

I hereby certify that the above nomination was submitted to my office within the time limitations prescribed by the Rules and Procedures of Council.

[Signature]  
Ericka L. Burnett, City Clerk



# Application for City Council Appointments to Boards, Authorities, and Commissions

Office of the City Clerk, P.O. Box 12910, Pensacola, FL 32521, 850-435-1606

This application will be utilized in considering you for appointment by City Council to a board, authority or commission. Pursuant to Florida Statutes, Chapter 119, all information provided on or with this form becomes a public record and is subject to disclosure, unless otherwise exempted by law.

- Complete each blank on the application
- Completed applications will be kept on file for a period of one (1) year from the date received in the Office of the City Clerk
- **It is necessary to contact a member of Council to obtain a nomination in order to be placed on the ballot for consideration. Please go to [www.cityofpensacola.com](http://www.cityofpensacola.com) for Council Member contact information.** If you have any questions, contact the City Clerk's Office at the number listed above.
- Please type or print legibly.

Name: DAVID DEL GALLO Email Address: ddg@moretteco.com  
 Home Address: 1550 E GONZALEZ ST. Work Address: 2503 N. 12th Ave.  
 Preferred Contact Phone Number(s): 850.432-4084

To which address do you prefer correspondence regarding this application be sent:  Residence  Business  
 Are you a resident of the City?  Yes  No If yes, which district: 1 2 3 4  5 6 7 How long? 62 YES.  
Grew up @ 1609 S. GROSS ST. ALSO IN CITY. Circle one  
 Do you own property within the City limits?  Yes  No Are you a registered voter in the City of Pensacola?  Yes  No  
 Board (s) of interest: PARK BOARD, I currently serve on the Zoning Bd.

Please list the reasons for your interest in this position (if necessary, continue on reverse side or on an attached sheet).  
I was a founding board member for the East Hill Neighborhood Assoc and still serve as an active board member. Parks in the city are and always have been important to me.

Are you currently on a City board, authority, or commission?  Yes If yes, which board? Zoning Board  
 Do you now hold public office:  No If so, what is the office? \_\_\_\_\_

The Florida Constitution, in section 5 (a) of Article II, prohibits simultaneous "dual office holding". If you were already serving on a board, authority, or commission for the City of Pensacola or for another governmental agency, would you be willing to resign in order to accept the appointment you now seek?  Yes  No if there is a conflict.

In order to encourage diversity in selections of members of government committees, the following information is required by Florida Statute 760.80 for some committees. Describe yourself within the categories below.

RACE:	GENDER:	PHYSICALLY DISABLED:
<input type="checkbox"/> African-American	<input checked="" type="checkbox"/> Male	<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> Asian-American	<input type="checkbox"/> Female	<input type="checkbox"/> No
<input type="checkbox"/> Hispanic-American	<input checked="" type="checkbox"/> Caucasian	
	<input type="checkbox"/> Other	

I hereby certify that the statements and answers provided are true and accurate. I understand that any false statements may be cause for removal from a board or committee if appointed.  
 Signature: DAVID DEL GALLO Date: 2/26/18  
 THANK YOU FOR YOUR WILLINGNESS TO SERVE

**Ericka Burnett**

---

**From:** noreply@civicplus.com  
**Sent:** Monday, February 12, 2018 3:39 PM  
**To:** Ericka Burnett; Robyn Tice  
**Subject:** Online Form Submittal: Application for Boards, Authorities, and Commissions - City Council Appointment

**Application for Boards, Authorities, and Commissions - City Council Appointment**

*This application will be utilized in considering you for appointment to a City Council board, authority, or commission. Pursuant to Florida Statutes, Chapter 119, all information provided on or with this form becomes a public record and is subject to disclosure, unless otherwise exempted by law.*

*Completed applications will be kept on file for a period of one (1) year from the date received in the Office of the City Clerk.*

*It is necessary to contact a member of Council to obtain a nomination in order to be placed on the ballot for consideration. Please go to [cityofpensacola.com/council](http://cityofpensacola.com/council) for Council Member contact information. If you have any questions, contact the City Clerk's Office.*

---

(Section Break)

---

Personal Information

---

Name David Forte

---

Home Address 6241 Audubon Drive, Pensacola, FL 32504

---

Business Address 3363 West Park Place, Pensacola, FL 32505

---

To which address do you prefer we send correspondence regarding this application? Business

---

Preferred Contact Phone Number(s) 850-554-8187

---

Email Address [dvforte@myescambia.com](mailto:dvforte@myescambia.com)

---

Upload Resume (optional) *Field not completed.*

---

(Section Break)

---

Details

---

Are you a City resident?	Yes
If yes, which district?	1
If yes, how long have you been a City resident?	Pensacola
Do you own property within the City limits?	Yes
Are you a registered voter in the city?	Yes
Board(s) of interest:	Parks and Recreation Planning Board
Please list the reasons for your interest in this position:	Engaged citizen Many years in career field with urban and regional planning Strong Parks and Recreation advocate
Do you currently serve on a board?	Yes
If yes, which board(s)?	Parks and Recreation
Do you currently hold a public office?	No
If so, what office?	<i>Field not completed.</i>
Would you be willing to resign your current office for the appointment you now seek?	N/A

---

(Section Break)

Diversity

*In order to encourage diversity in selections of members of government committees, the following information is required by Florida Statute 760.80 for some committees.*

---

Gender	Male
Race	Caucasian
Physically Disabled	No

---

(Section Break)

Acknowledgement of Terms I accept these terms.

---

Email not displaying correctly? [View it in your browser.](#)



**Ericka Burnett**

---

**From:** noreply@civicplus.com  
**Sent:** Monday, February 12, 2018 4:42 PM  
**To:** Ericka Burnett; Robyn Tice  
**Subject:** Online Form Submittal: Application for Boards, Authorities, and Commissions - City Council Appointment

**Application for Boards, Authorities, and Commissions - City Council Appointment**

*This application will be utilized in considering you for appointment to a City Council board, authority, or commission. Pursuant to Florida Statutes, Chapter 119, all information provided on or with this form becomes a public record and is subject to disclosure, unless otherwise exempted by law.*

*Completed applications will be kept on file for a period of one (1) year from the date received in the Office of the City Clerk.*

*It is necessary to contact a member of Council to obtain a nomination in order to be placed on the ballot for consideration. Please go to [cityofpensacola.com/council](http://cityofpensacola.com/council) for Council Member contact information. If you have any questions, contact the City Clerk's Office.*

---

(Section Break)

---

Personal Information

---

Name Rand Hicks

---

Home Address 221 Clematis Street Pensacola, FL 32503

---

Business Address *Field not completed.*

---

To which address do you prefer we send correspondence regarding this application? Home

---

Preferred Contact Phone Number(s) 8502931859

---

Email Address [randhicks@me.com](mailto:randhicks@me.com)

---

Upload Resume (optional) *Field not completed.*

---

(Section Break)

---

Details

---

Are you a City resident? Yes

---

If yes, which district? 2

---

If yes, how long have you been a City resident? since 1955

---

Do you own property within the City limits? Yes

---

Are you a registered voter in the city? Yes

---

Board(s) of interest: Parks and Recreation

---

Please list the reasons for your interest in this position: Continue to serve the public interest on the Parks and Recreation board.

---

Do you currently serve on a board? Yes

---

If yes, which board(s)? Parks and Recreation

---

Do you currently hold a public office? No

---

If so, what office? *Field not completed.*

---

Would you be willing to resign your current office for the appointment you now seek? N/A

---

(Section Break)

Diversity

*In order to encourage diversity in selections of members of government committees, the following information is required by Florida Statute 760.80 for some committees.*

---

Gender Male

---

Race Caucasian

---

Physically Disabled *Field not completed.*

---

(Section Break)

Acknowledgement of Terms I accept these terms.

---

Email not displaying correctly? [View it in your browser.](#)

**Ericka Burnett**

---

**From:** noreply@civicplus.com  
**Sent:** Monday, February 12, 2018 5:20 PM  
**To:** Ericka Burnett; Robyn Tice  
**Subject:** Online Form Submittal: Application for Boards, Authorities, and Commissions - City Council Appointment

**Application for Boards, Authorities, and Commissions - City Council Appointment**

*This application will be utilized in considering you for appointment to a City Council board, authority, or commission. Pursuant to Florida Statutes, Chapter 119, all information provided on or with this form becomes a public record and is subject to disclosure, unless otherwise exempted by law.*

*Completed applications will be kept on file for a period of one (1) year from the date received in the Office of the City Clerk.*

*It is necessary to contact a member of Council to obtain a nomination in order to be placed on the ballot for consideration. Please go to [cityofpensacola.com/council](http://cityofpensacola.com/council) for Council Member contact information. If you have any questions, contact the City Clerk's Office.*

---

(Section Break)

---

Personal Information

---

Name Kimberly Sullivan

---

Home Address 731 Tanglewood Drive

---

Business Address Leuchtman Law Firm 931 N Palafox Street Pensacola FL 32501

---

To which address do you prefer we send correspondence regarding this application? Business

---

Preferred Contact Phone Number(s) 2054133171

---

Email Address [kss@leuchtmanlaw.com](mailto:kss@leuchtmanlaw.com)

---

Upload Resume (optional) *Field not completed.*

---

(Section Break)

---

Details

---

Are you a City resident? Yes

---

If yes, which district? 2

---

If yes, how long have you been a City resident? Pensacola

---

Do you own property within the City limits? Yes

---

Are you a registered voter in the city? Yes

---

Board(s) of interest: Parks and Recreation

---

Please list the reasons for your interest in this position: I currently serve on the Board and would like to be reappointed.

---

Do you currently serve on a board? Yes

---

If yes, which board(s)? Parks and Recreation

---

Do you currently hold a public office? No

---

If so, what office? *Field not completed.*

---

Would you be willing to resign your current office for the appointment you now seek? N/A

---

(Section Break)

---

Diversity

*In order to encourage diversity in selections of members of government committees, the following information is required by Florida Statute 760.80 for some committees.*

---

Gender Female

---

Race Caucasian

---

Physically Disabled No

---

(Section Break)

Acknowledgement of Terms I accept these terms.

---

Email not displaying correctly? [View it in your browser.](#)

Ballot – **Parks and Recreation Board**  
March 8, 2018  
*Three year term expiring March 31, 2021*

**Member**

\_\_\_\_\_ David Del Gallo

\_\_\_\_\_ David Forte

\_\_\_\_\_ Rand Hicks

\_\_\_\_\_ Kimberly Sullivan

**Vote for Three**

Signed: \_\_\_\_\_  
Council Member



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

---

File #: 18-00038

City Council

3/8/2018

---

### LEGISLATIVE ACTION ITEM

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

FY 2017 COMPREHENSIVE ANNUAL FINANCIAL (CAFR)

**RECOMMENDATION:**

That City Council accept the City of Pensacola Comprehensive Annual Financial Report for the year ended September 30, 2017 as prepared by the Financial Services Department and the Independent Auditors Report issued thereupon.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

At the end of each fiscal year, the City's Financial Services Department prepares a CAFR as required by Section 11.45 of the Florida Statutes.

**PRIOR ACTION:**

None.

**FUNDING:**

Budget: \$ 101,600

Actual: \$ 101,600

**FINANCIAL IMPACT:**

Each fiscal year the cost of an independent audit is included in the City Council's budget.

**CITY ATTORNEY REVIEW:** Yes

2/14/2018

**STAFF CONTACT:**

---



Eric W. Olson, City Administrator  
Richard Barker, Jr., Chief Financial Officer

**ATTACHMENTS:**

- 1) FY2017 CAFR
- 2) SAS 114 Auditor Letter
- 3) Financial Condition Assessment

**PRESENTATION:** Yes

# PENSACOLA

THE UPSIDE *of* FLORIDA

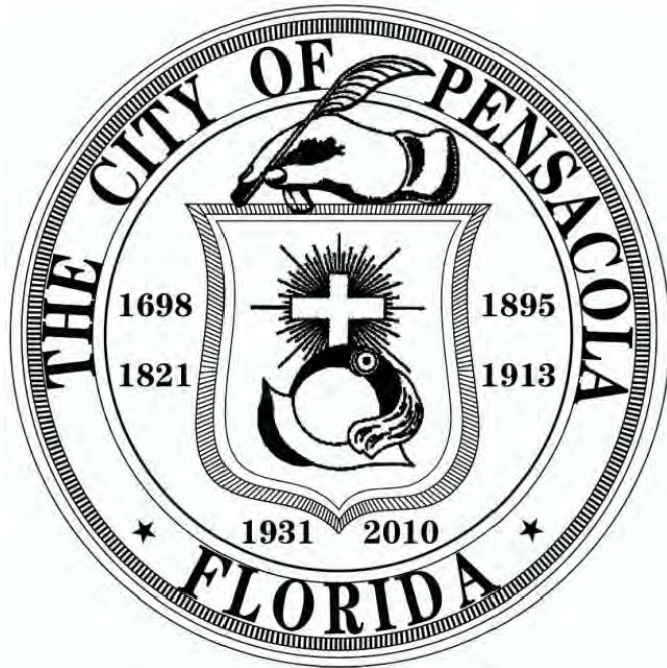


Fiscal Year 2017 Comprehensive Annual Financial Report  
For the Year Ending September 30, 2017  
City of Pensacola, Florida • Ashton J. Hayward Mayor

# PENSACOLA

THE UPSIDE *of* FLORIDA





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**THE CITY OF PENSACOLA, FLORIDA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

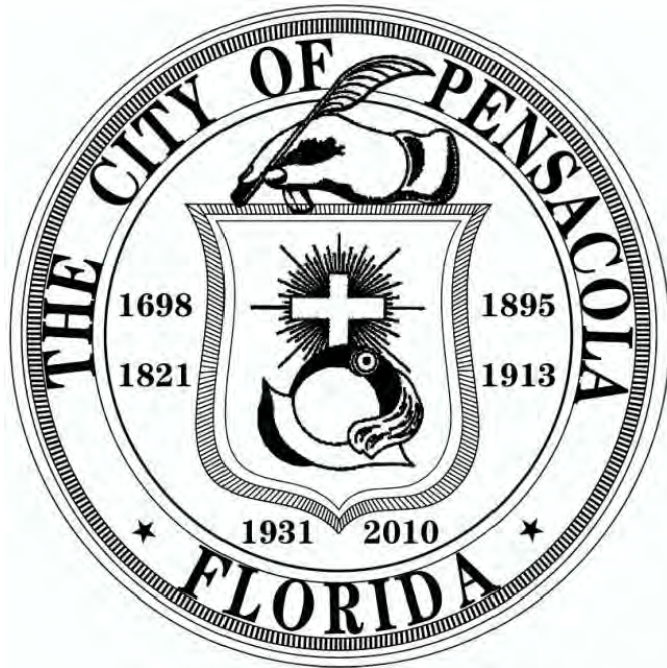
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**



**Prepared by:**  
**Financial Services Department**

**Richard Barker, Jr.**  
**Chief Financial Officer**

**ACCOUNTING STAFF**  
**Laura Picklap, CPA**  
**Lakia McNeal, CPA**



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**CITY OF PENSACOLA, FLORIDA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 YEAR ENDED SEPTEMBER 30, 2017**

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## CITY OF PENSACOLA, FLORIDA

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**CITY OF PENSACOLA, FLORIDA**

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**CITY OF PENSACOLA, FLORIDA**

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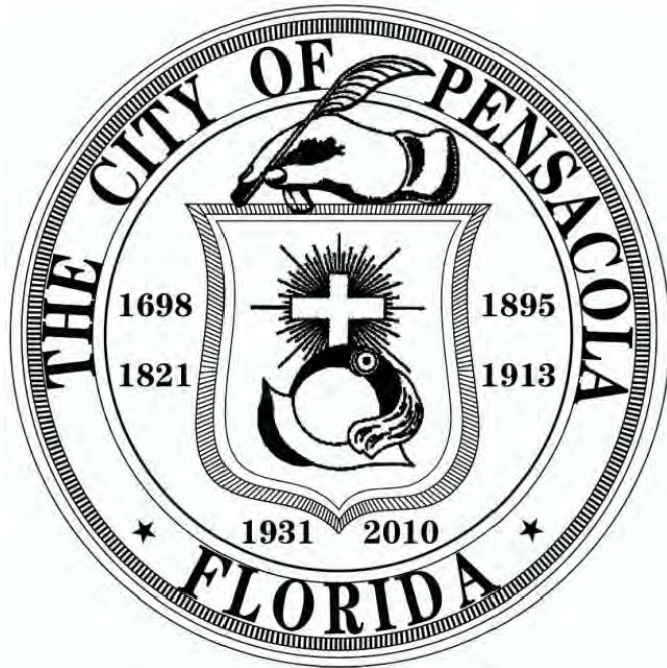
# **INTRODUCTORY SECTION**

LETTER OF TRANSMITTAL

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

CITY OF PENSACOLA ORGANIZATIONAL CHART

LIST OF ELECTED AND APPOINTED OFFICIALS



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**ASHTON J. HAYWARD, III**  
Mayor

February 01, 2018

The Honorable Gerald Wingate, President  
And Members of the City Council  
City of Pensacola  
Pensacola, Florida

Pursuant to applicable Florida Statutes and sound financial management practices, the Comprehensive Annual Financial Report (CAFR) of the City of Pensacola, Florida, for the fiscal year ended September 30, 2017, has been prepared and is submitted herewith.

The City of Pensacola's CAFR was prepared by the Financial Services Department. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with the City. City management believes that the report is a fair presentation of the City's financial position and results of operations as measured by the financial activity of its various funds, that presented data is accurate in all material aspects and that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs have been included.

This report has been presented in accordance with Generally Accepted Accounting Principles (GAAP). These principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Pensacola's MD&A can be found immediately following the report of the independent auditors.

### **Mayor's Initiatives**

As the Chief Executive of the City of Pensacola, the Mayor and his staff serve to administer and enforce city ordinances, direct city employees providing services to citizens, and prepare and submit the city budget. In addition to these specific duties outlined in the City Charter, the Mayor also performs economic development, community outreach, and public awareness functions.

Since taking office after the 2010 election, the Mayor's Office has focused on creating economic opportunity, improving neighborhoods, fostering a healthier environment, restoring citizen

confidence in government, and taking action for the future. Through internal staff reorganization, public outreach, and the introduction of new services like 311 Citizen Support Line, a more accountable, responsive, and efficient City government has been established. The purpose of the Mayor's Standing Goals and Strategic Direction is to articulate key policy and service priorities that will ensure that Pensacola remains an attractive, vibrant and inviting place to live, work and visit.

### **The Reporting Entity**

The financial reporting entity includes all funds of the primary government, as well as all of its component units. Component units are legally separate organizations for which the City is financially accountable and, for financial statement purposes, are either blended with the activities of the City or discretely presented. The criteria used to determine whether an organization should be a part of the City's reporting entity were those outlined by Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus*.

GASB Statement No. 61 was implemented during fiscal year 2013 and modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity and the display of component units (blending vs. discrete) presentation. Prior to fiscal year 2013, the Community Maritime Park Associates, Inc. (CMPA) was considered a discretely-presented component unit and has presented as a separate column in the government-wide statements. However, with the introduction of GASB Statement No. 61, the CMPA is now considered a blended component unit and is presented as separate funds in the City's fund-level statements. On June 1, 2017, the CMPA dissolved and the assets and liabilities were transferred to the City. The CMPA's partial year of operations is shown in the Combining Statements and Individual Fund Statements and Schedules section of this report as the CMPA O&M Fund and the CMPA Construction Fund.

The Downtown Improvement Board (DIB) has been classified as a component unit and is discretely presented in the City's annual financial report in a separate column in the government-wide financial statements. The Community Redevelopment Agency (CRA), also meets the definition of a component unit; however their financial reporting is blended with the City's financial activity.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions; an amendment of GASB Statement No. 27*, was implemented during fiscal year 2015. This statement replaces the requirements of Statements No. 27 and No. 50 as they related to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. GASB Statement No. 68 ushers in two substantial changes. The first is each government that offers defined pension benefits to its employees will be required to report on the face of its financial statements the unfunded pension obligation (the "Net Pension Liability"). In the past, the Net Pension Liability was shown in the notes to the financial statements only.

The second substantial change ushered in by GASB Statement 68 is that each local government participating in a defined benefit cost-sharing multiple-employer pension plans, such as the Florida Retirement System (FRS), will be required to report on the face of its financial

statements their proportionate share of the “collective” Net Pension Liability. In the past, governments did not directly report information about their proportionate share of these pension obligations. Instead, governments only reported a liability to the extent that they failed to make their required contributions.

The Net Pension Liability is recorded at the fund level for proprietary activities and the allocated amount for governmental activities is presented at the government-wide level. The governmental fund-level statements are not affected by this pronouncement which use a modified-accrual basis of accounting.

### **Form of Government**

On November 24, 2009 voters approved amendments to the City Charter that changed the form of government from a Council-Manager to a Mayor-Council structure commonly referred to as a “Strong Mayor” form of government. With the new structure, there are nine members of council one (1) to be elected from each of the seven (7) election districts of the City, and two Council members to be elected at large with each member limited to three consecutive four year terms. On June 11, 2013, voters approved amendments to the City Charter that eliminated the two at-large City Council seats, upon the completion of their current terms, which reduced the number of City Council members from nine to seven. After the November 2014 and by November 2016 election, both of the at large seats were eliminated with the completion of those terms, reducing the total Council members elected to seven (7). The Mayor is not a member of Council and does not have voting power. The Mayor’s term allows for a maximum of three consecutive four year terms of office. Every ten years a Charter Review Commission will be established to review the City’s charter. With the new structure, the Mayor replaces the City Manager as the executive head of the City and shall appoint a City Administrator to assist in managing daily operations.

In November 2014, voters approved amendments to the City Charter to provide the City Council with the authority to hire staff independent of the Mayor’s authority to hire and dismiss all City officers and employees as well as providing qualified voters of the City the power to remove from office the Mayor or any Member of City Council in the manner provided by general law in Florida Statue 100.361.

The City of Pensacola provides a full range of municipal services including public works, public safety, recreation and cultural activities. In addition, the City’s enterprise activities include a natural gas utility, sanitation collection system, seaport, and international airport.

### **Accounting and Internal Controls**

Management of the City is responsible for establishing and maintaining internal controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss through unauthorized use or disposition; the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management.

## **Budget Process**

The budget process for the City of Pensacola does not have an easily identifiable beginning or end. During the course of each fiscal year, new initiatives for services, regulations, funding sources, better methods of providing existing services, and citizen comments are brought forward for discussion, study and implementation. Although the budget document is developed at a fixed point in time, and identifies a work plan for a specific period of time, the budget process is fluid.

There are a number of tools used throughout the course of the fiscal year to report on the status of the budget. A report is provided to City Council quarterly on pertinent funds which shows a comparison of revenues and expenditures to budgeted numbers. Additionally, City Council is provided a monthly financial overview. Monthly reports are generated for public review to provide a more frequent overview of the financial status as compared to budget. In accordance to Chapter 166.241, Florida Statutes, budget amendments within a fund (transfers of amounts from one line item to another) approved by the Chief Financial Officer as the Mayor's designee and Supplemental Budget Resolutions adopted by Council are the only means to amend an adopted budget. Two public hearings are held before the adoption of the final budget and final millage rates.

## **Debt Administration**

Debt administration is the responsibility of the City's Chief Financial Officer. Additional assistance is employed through the services of RBC Capital Markets, the City's Financial Advisors.

On November 30, 2016 the City issued its \$15,000,000 Gas System Revenue Note, Series 2016 through a loan with Regions Capital Advantage, Inc. The note was issued for the purpose of financing and/or reimbursing the cost of the design, permitting, acquisition, construction, rehabilitation and equipping of certain capital improvements to the utility system. The note matures on October 1, 2026 and has a fixed interest rate of 1.97%. Pledged revenues for the repayment of the principal and interest will be derived from the Net Revenues of the Utility System.

On August 15, 2017 the City issued its \$1,307,000 Eastside Redevelopment Revenue Bond, Series 2017 through a loan with SmartBank Corporation. The bond was issued for the purpose of financing certain community redevelopment capital improvements in the Eastside Neighborhood Redevelopment Area included in the Eastside Neighborhood Plan and the costs of issuance on the borrowing. The bond matures on April 1, 2037 and has a fixed interest rate of 3.33%. Pledged revenues for the repayment of the principal and interest will be Tax Increment Revenue derived from the Eastside Redevelopment Area. In the event that these revenues are insufficient to pay debt service, the loan is furthered secured by the Local Business Tax.

On August 15, 2017 the City issued its \$4,082,000 Westside Redevelopment Revenue Bond, Series 2017 through a loan with SmartBank Corporation. The bond was issued for the purpose of financing certain community redevelopment capital improvements in the Westside Neighborhood Redevelopment Area included in the Westside Neighborhood Plan and the costs of issuance on the borrowing. The bond matures on April 1, 2037 and has a fixed interest rate of 3.33%. Pledged revenues for the repayment of the principal and interest will be Tax Increment

Revenue derived from the Westside Redevelopment Area. In the event that these revenues are insufficient to pay debt service, the loan is further secured by the Local Business Tax.

On September 20, 2017 the City refunded the Airport Revenue Bonds, Series 2012 through a loan from Compass Bank. The outstanding par amount of the bonds was \$6,300,000. The newly issued Airport Refunding Revenue Note, Series 2017 matures on October 1, 2027 and has a fixed rate of 2.51 percent. The issued rate on the 2012 Series bonds had a fixed interest rate until October 1, 2017 of 2.50% and a variable rate through maturity on October 1, 2027. Pledged revenues for the repayment of the principal and interest will be derived from the net revenues of the Pensacola International Airport.

Pledged revenues for business-type debt are typically the sole pledge of net revenues from operations, however, from time to time there are pledges of specific revenue streams. In fiscal year 2017 business-type activities paid a total of \$5.0 million and \$3.0 million, respectively, for principal and interest on bonds.

Revenues traditionally pledged for general government type debt include infrastructure sales tax, local option gasoline tax, communication services tax and tax increment revenues. The City paid a total of \$4.6 million and \$5.2 million, respectively for principal and interest, for governmental activities debt during fiscal year 2017. CMPA debt accounts for \$1.5 million of the \$5.2 million in interest payments. The City typically issues debt with a levelized structure thereby eliminating large increases and decreases in principal payments from year to year. The City has no general obligation debt.

In order to be in compliance with all continuing disclosure requirements, the City of Pensacola issues an annual Report to Bondholders published on or before the 180<sup>th</sup> day after the end of the City's fiscal year. However, due to a delay in receiving required audit information from the State of Florida for pension disclosure under GASB 68, the City was not able to meet this deadline for fiscal year 2015. Therefore, on March 28, 2016, the City filed a Notice of Failure to File Annual Report, for fiscal year 2015, on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System (EMMA). The required audit information was received in mid-April 2016 from the State, and the complete Annual Report, including audited financial statements for fiscal year 2015, was filed on EMMA on May 12, 2016, which filing along with the above mentioned Notice cured the violation. The Comprehensive Annual Financial Report and the Report to Bondholders should be read in conjunction to get a clear and complete understanding of the market effect on the City of Pensacola.

### **Pensacola Energy**

Pensacola Energy, a department of the City, became a City-owned utility on April 27, 1948, upon its purchase from the Gulf Power Company. Pensacola Energy supplies natural gas to approximately 50,000 service connections and is the largest municipal gas distribution system in Florida as it relates to customer base.

Pensacola Energy had operating income before depreciation of \$12,545,557; a decrease of \$646,786 over last year. Operating revenue increased by \$1,451,614 (3.3%) during fiscal year 2017 and operating expenses increased by \$2,098,400 (6.9%). The primary reason for the



increase in operating revenue is a result of increases in the cost of natural gas; the cost of natural gas is passed on to the customer directly affecting charges for services revenue. In fiscal year 2017, the cost of natural gas increased by \$1,594,632. Excluding the cost of gas, operating expenses increased by \$503,768, the majority of which was related to a multi-year project to cut and cap dormant gas lines older than five years. The revenue classification for billed gas service is 46.6% residential, 30.0% commercial and 23.4% industrial.

Pensacola Energy budgets for normal winters; however, actual revenues fluctuate with the cost of natural gas and weather patterns. Pensacola Energy's rates are adjusted annually with the Consumer Price Index (CPI) if approved by City Council. A 0.1% CPI decrease was approved in fiscal year 2016; no CPI was approved in fiscal year 2017.

Fiscal year 2018 operating revenues are budgeted at \$51.6 million, \$672,300 (1.3%) higher than the prior year budget. An increase in infrastructure recovery revenues accounts for \$1,567,200 which is primarily offset by a decrease in in state rebates related to compressed natural gas operations and gas piping fees. Fiscal year 2018 appropriations decreased \$30,100 (.06%) over fiscal year 2017. Pensacola Energy's transfer to the General Fund is budgeted to remain at \$8 million. The transfer complies with the City Council adopted financial planning policy which states "Long-term, the budgeted transfer should not be more than 15 percent of budgeted ESP revenue".

### **Sanitation Services**

The City has operated a solid waste collection system for over fifty years. Sanitation service is mandatory within the city limits and the City provides residential garbage, recycling and trash collection to approximately 19,000 customers. Commercial dumpster services are provided by private hauling companies that are franchised by the City and regulated by the Sanitation Services department.

Sanitation had operating income before depreciation of \$436,603; an increase of \$378,240 over the prior fiscal year. Operating revenue increased by \$611,812 (8.6%) during fiscal year 2017 and expenses increased by \$233,572 (3.3%). Approximately half of the revenue increase over the prior fiscal year is attributed to \$321,100 of insurance proceeds received from the insurance company for the three damaged trucks. The remaining increase is attributed to the monthly Sanitation rate increase of \$1.26 per month as well as a \$1.00 per month Sanitation Equipment Surcharge approved by City Council effective June 1, 2017. The primary increase in expense can be linked to increased personal costs. Residential sanitation fees are set at \$24.06 per month and support the self-sustaining Sanitation Services operation. In addition, there is a fuel and lubricant pass-through surcharge that began the year at \$1.10 per month and ended the year at \$1.20 per month for fiscal year 2017. In June 2017 the City implemented a Sanitation Equipment Surcharge of \$1.00 per month to generate funds for the replacement of sanitation equipment. Commercial Solid Waste Franchise fees are set at \$1.50 per cubic yard of non-compacted waste and are used to sustain the Code Enforcement operation.

Fiscal year 2018 revenues are budgeted at \$7.8 million, \$495,800 (6.8%) higher than the prior year budget. Anticipated increases in residential refuse charges and a new equipment surcharge based on the rate change effective June 1, 2017 account for the majority of the increase. Fiscal

year 2018 appropriations increased by \$570,100 (7.5%) over fiscal year 2018 budget mainly due to a \$560,000 increase in the capital outlay to purchase new refuse trucks.

### **Port of Pensacola**

The Port of Pensacola, a department of the City, provides marine terminal services connecting water and land transportation. Revenues are generated through fees for wharfage, handling, dockage, rent, storage, security, and harbor services. Rates are established in a published, publicly available tariff. The two basic categories of freight are general cargo and bulk cargo.

The Port had operating loss before depreciation of \$859,926; a decrease of \$816,898 from the prior fiscal year. Operating revenue decreased by \$555,885 (34.4%) and expenses increased by \$261,013 (15.7%). The majority of the decrease in revenues can be linked to a decrease in storage, dockage and property rental fees attributed to a decline in vessel activity.

For many years the Port of Pensacola has been the recipient of Florida Seaport Transportation and Economic Development Trust Fund (FSTED) monies to fund capital projects. During fiscal year 2017, the Port was awarded \$1,377,306 (\$688,653 in FSTED funds requiring \$688,653 in local non-cash match) for supplemental funding for construction of docks and ticketing facilities to support regional passenger ferry operations scheduled to commence in Spring 2018. This supplemental funding brings total funding for the project to over \$3.5 million, with most of the funding coming from Eastern Federal Lands Highway Division Federal Land Access Program grants.

Fiscal year 2018 operating revenues are budgeted at \$1.6 million, \$441,600 (2.1%) lower than the prior year budget. Anticipated decreases in wharfage, storage, dockage and property rental fees attributed to a decline in vessel activity account for the majority of the decrease. Fiscal year 2018 appropriations decreased by \$391,600 over fiscal year 2017 budgeted totals primarily due to a decreases in in capital purchases and operating cost.

### **Pensacola International Airport**

The City of Pensacola owns the Pensacola International Airport and operates the same as an enterprise department. The Airport plays an important role in the national, state, and local air transportation systems, serving as the primary commercial service airport for northwest Florida and southeast Alabama with a principal service area encompassing Escambia, Santa Rosa, and Okaloosa Counties in Florida and Baldwin, Escambia and Mobile counties in Alabama. During fiscal year 2017, 1.67 million passengers utilized the scheduled service of five airlines to seventeen non-stop destinations making Pensacola the 99th largest airport out of 403 airports in the United States in terms of the total number of domestic passengers served.

The Airport had operating income before depreciation of \$8,125,148; a \$369,391 decrease over last fiscal year. The Airport Fund's operating revenues decreased by \$242,132 (1.1%) in fiscal year 2017. Airline revenues account decreased by \$953,098 while non-airline revenues increased such as including parking, interest income and rental car revenues. The Airport Fund's operating expenses increased by \$127,259 (0.9%). The increase in expense can be linked to an increase in contractual services.

Fiscal year 2018 operating revenues are budgeted at \$20.3 million, \$238,200 (1.2%) higher than the prior fiscal year budget. Anticipated increases in non-airline revenues account for the increase. Fiscal year 2018 appropriations increased by approximately \$3.1 million over fiscal year 2017 budgeted totals primarily due to a \$2.6 million increase in operating primarily related to a one time repairs in the terminal building.

The Airport has an operating agreement with the airlines which provides for revenues sufficient to meet operating expenses, debt service payments and capital expenditures. However, it does not provide for any incentives given to the airlines nor depreciation which is reported on the City's financial statements as an operating expense.

### **Current Year Events and Future Year Plans**

The Pensacola City Council approved a fiscal year 2017 budget of \$217,992,000, an increase of \$6,333,800 from the 2016 budget. The General Fund anticipated an increase in revenues of \$1,841,100 (3.6%) due to a \$776,200 increase in property taxes as a result of a 4.2% increase in property valuation, a \$65,400 increase in Sales and Use Taxes due to an improving economy, a \$109,300 increase in Communication Service Taxes based on prior year receipts, a \$326,900 increase in franchise fees and \$322,600 increase in Public Services taxes. The Debt Service Funds anticipated an increase of \$1,469,500 (45.2%) mainly due to increased transfers to cover new debt service. The Special Revenue Funds anticipated an increase in revenues of \$3,391,900 (10.3%) mainly due to increased intergovernmental revenues. The Capital Projects Funds anticipated an increase in revenues of \$214,200 (2.0%) primarily related to increases in Local Option Sales Tax (LOST) revenues. The current LOST expires on December 31, 2017. On November 4, 2014, the citizens of Escambia County voted to extend the LOST through December 31, 2028. The Enterprise Funds anticipated a decrease in revenues of \$339,700. Natural gas sales were projected at \$49,043,500, a decrease of \$1,491,400 or 3.0% from the fiscal year 2016 budget. The decrease is attributed in part to lower gas costs. Offsetting the decrease in \$627,100 in anticipated CNG rebates. Fiscal year 2017 Sanitation and Airport budgeted revenues remained fairly consistent with fiscal year 2016 budget. Sanitation revenues were projected at \$7,322,600, an increase of \$167,400 or 2.3% from the fiscal year 2016 budget and Pensacola International Airport revenues were projected at \$20,094,800, an increase of \$111,800 or 0.6% from the fiscal year 2016 budget. Port revenues were projected at \$2,069,500, an increase of \$169,700 or 8.9% from the fiscal year 2016 budget based historical trend information on vessel activity as well as current lease agreements.

#### Departmental events and plans

**Planning Services** provides the public the opportunity to obtain input from the administrators of Planning Services, Inspection Services, Public Works and Engineering by coordinating a standing weekly development review meeting. Planning Services continues to maintain the City's Comprehensive Plan, which was updated in 2010, and will be going through its next mandatory Evaluation and Appraisal Report cycle in 2018. Planning Services also maintains the current Land Development Code (LDC) and continues to work towards encouraging mixed-use development, and implementing form-based, sustainable development guidelines to create a more walkable-built environment.

***The Pensacola Police Department*** continued its efforts through community policing strategies to improve communication and relationships between officers and the public by fostering a closer police-community relationship during fiscal year 2017. In an effort to achieve this goal, the department participated in numerous town hall meetings to discuss concerns within the community, worked with neighborhood groups to inform residents about problems in their areas, how to try to make their neighborhoods safer and also offer another Citizen's Police Academy, increasing intentional face-to-face contact with the public to open lines of communication and continued periodic Coffee with a Cop days held at various locations.

The department also pursued additional funding sources that would allow the department to improve ways in which police services were provided and further prevent crime. During the past fiscal year, the department received \$179,855 in local, state and federal grants to purchase items necessary to further crime prevention goals as well as improve officer safety. Grant funds were used to purchase items such as bulletproof vests, body cameras as well as provide overtime specifically designated for addressing gun crimes and enforcing DUI laws. In addition, the department received \$59,261 for overtime reimbursement through multi-jurisdictional task forces through the U.S. Marshal's Office; Bureau of Alcohol, Tobacco, Firearms and Explosives; Organized Crime Drug Enforcement Task Force; and the Internet Crimes against Children Task Force.

In fiscal year 2018, the department will continue its efforts to reduce crime by increase concentrated patrols in known problem areas for burglaries, drugs, etc. as well as partner with neighborhood associations to educate them about crime in their areas as a means of helping share information with residents and encourage them to watch for criminal activities.

***The Pensacola Fire Department*** maintained its Insurance Services Organization (ISO) Class 2 rating. A rating based on a class rating scale of 1 (highest) to 10 (lowest) and obtained by evaluating crucial factors such as: fire suppression, which includes fire station locations, personnel, apparatus, and equipment; water supply, which includes fire hydrant spacing, inspections, and fire flow; and communications, which includes station alerting and dispatch, radio communication equipment, and emergency response times.

In fiscal year 2017 the Pensacola Fire Department continues to improve the use of station alerting and communication equipment through unvarying collaboration with dispatch personnel. The revival of the Fire Cadet Program has been tremendously productive and continues to elevate departmental recruiting, improve staffing, and promote diversity. Employee Training has been enhanced through the implementation of a progressive Field Training Officer program that promotes uniformity in training exercises and increased aircraft rescue firefighting (ARFF) response drills to further develop response readiness. Fire incident reporting and record management continue to advance through the implementation of a web based package that allows us to accurately monitor, evaluate, and improve what is occurring within the department. In fiscal year 2017 major projects, such as the purchase of two new fire engines, the construction of a new fire station, and the award of a grant to purchase a state of the art fire training simulator will continue to develop.

In fiscal year 2018 we will strive to continue the advancement of the Fire Cadet Program through a partnership in the area's new Emergency Medical Technician/Fire Academy. We will see major progress that includes the completion of the new Fire Station 3 project. The purchase of an advanced fire training simulator will develop and departmental training will improve. A grant will be prepared in an effort to fund upgraded self-contained breathing apparatus (SCBA) for improved safety of personnel who enter hazardous atmospheres to mitigate emergencies. In fiscal year 2018 the Pensacola Fire Department will continue to provide a wide range of services and programs designed to protect the lives and property of the citizens and visitors to the City of Pensacola from adverse effects of fires, sudden medical emergencies or exposure to dangerous conditions created by either man or nature.

***The Parks and Recreation Department*** continued its committed to improve and promote the quality of life for all citizens and visitors of Pensacola by protecting the heritage of our parks while providing a wide range of recreational, social, and educational opportunities. The City of Pensacola has a total of 93 parks & open spaces, along with resource centers which are maintained by the Parks & Building Maintenance Divisions, programmed by the Recreation Division, and utilized by Pensacola residents and City organizations.

Numerous park improvements occurred in fiscal year 2017. For fiscal year 2018, two completed stormwater projects at Corrine Jones park and Bill Gregory park will enhance these two venues. The department will continue to develop the park master plan based on a parks needs assessment report from University of West Florida (UWF). Sanders Beach-Corrine Jones Center, Fricker Center, Bayview Senior Center, and Gull Point Center are all receiving some much needed improvements this coming year.

Events at the Community Maritime Park continued to increase its participation in fiscal year 2017 with UWF Football for all home games this football season of an attendance of over 6,000. Seasonal events such as Blues on the Bay Concert series and the Hill-Kelly Movies at the Park series stayed constant with participation numbers varying from 700 to 2,500 in attendance. We ended the year with 59 events with a total attendance of 58,198 which is constant with 2016.

Parks and Recreation actively partners with local corporate, non-profit, and community groups to provide service benefits to the entire community. These organizations support the Parks and Recreation Department thru sponsorships for events such as the City's annual Easter Egg Hunt, Blues on the Bay Music Series, Drive-in Movie, and Halloween Egg Haunt as well as providing support for recreational, social and educational programs within the City's Resource Centers and parks.

Organizations are not the only partners the department has developed and grown over the past years. Over 800 volunteers assisted in special events, park and facility maintenance and clean-up projects. There are many small but essential volunteer projects around the City of Pensacola parks.

Parks and Recreation has been active in Americans with Disabilities Act (ADA) improvements to the City's parks in the past fiscal years by having an ADA assessment done on each park to identify deficiencies in each Park. Parks and Recreation plans to use this information to make additional ADA improvements in fiscal year 2018.

***The Public Works and Facilities Department*** continued to meet its mission statement of providing courteous and quality service, while maintaining the City's current infrastructure and constructing new infrastructure. The department maintains 332 miles of roadway, 50 stormwater ponds, 83 various underground stormwater treatment units, 18 ditches, 2,182 drainage inlets and 15 major stormwater outfalls. Approximately 2,298 miles of roadway were swept and approximately 3,280 tons of road debris were removed during fiscal year 2017.

During fiscal year 2017, the department upgraded the street markers within numerous neighborhoods and intersections. The department replaced over 1,300 roadway signs and installed 10 video traffic detection systems for signalized intersection throughout the City. Two studies were performed to analyze the street lighting and sidewalk conditions City wide. Resulting in project allocation for the fiscal year 2018 budget cycle.

The department resurfaced 600 city blocks of asphalt roadway, repaired/replaced approximately 1,900 feet of existing sidewalk, installed 100 handicap ramps, repaired over 1,200 potholes, addressed 320 traffic signal issues, and repaired over 170 city owned streetlights. Several significant capital stormwater projects were also completed that provided enhanced treatment and flooding abatement in numerous areas of the City. Major capital stormwater projects included the installation of a new stormwater vault on Bayou Blvd at Tyler Avenue, on 9th Avenue at Carpenter Creek, construction of the Government Street Regional Stormwater Pond at Corinne Jones Park, and construction of a major slope stabilization project in Baywoods Gully.

Through coordinated efforts with the Florida Department of Transportation, the department facilitated the completion of the 12th Avenue bridge replacement over Bayou Texar and the start of the Pensacola Bay Bridge replacement project. Along with project development for resurfacing of Creighton Road and Airport Blvd.

In fiscal year 2018 the department will complete several stormwater capital improvement projects including 19th Ave and Blackshear Ave Stormwater Treatment Enhancement Project and Clematis Street at Carpenters Creek Stormwater Treatment Enhancement Project as well as several large grant-funded stormwater projects including 'L' Street and Zaragossa Street Stormwater Treatment Enhancement Project, Bayou Chico Restoration - Bill Gregory Park Regional Stormwater Treatment Facility, 'R' Street at Maggie's Ditch Stormwater Treatment Enhancement Project, and Gaberonne Swamp/Pensacola Bay Watershed Improvements - Spanish Trail Retention Pond. In addition, the completion of Phase II and Phase III of the City-wide Street Resurfacing project (approximately 1200 blocks) and the CSX Pedestrian Crossing at 17th Avenue and Bayou Texar Trestle is planned to occur in fiscal year 2018.

***The Community Redevelopment Agency (CRA)***, was established in 1980 to implement the revitalization of a 1,237-block blighted area, referred as the Pensacola Inner City Community Redevelopment Area, that encompasses the entire City from 17th Avenue on the east, Pensacola Bay on the south, Bayou Chico and the City limit line on the west and the City limit line on the north. Within the Pensacola Inner City Community Redevelopment Area, there exists 3 Redevelopment Areas. The Urban Core Community Redevelopment Area, the Urban Infill and Redevelopment Area (commonly referred to as Eastside Community Redevelopment Area) and the Westside Community Redevelopment Area.

The Urban Core Community Redevelopment Area was established in 1984 and has brought a variety of public and private sector redevelopment improvements since its inception. Most recently, public improvements to a 27-acre waterfront parcel on Pensacola Bay in the downtown area which created the Vince Whibbs, Sr. Community Maritime Park, a multi-use athletic stadium, amphitheater, public promenade, and parcels available for private development. In order to make the public improvements the City issued the Redevelopment Revenue Bonds, Series 2009. The majority of future tax increment revenues are currently set aside to pay debt service on the Redevelopment Revenue Bonds, Series 2009 and fund the operations of the CRA.

With the recent growth in tax increment revenues, the City was able to issue the Urban Core Redevelopment Revenue Bond, Series 2017. These bonds focus on several community redevelopment projects and programs aimed at encouraging affordable housing, neighborhood livability and blight removal. These initiatives, slated for implementation during fiscal year 2018, will include residential and commercial improvement programs, streetscape enhancements and the adoption of urban design standards.

The Eastside Community Redevelopment Area was established in 2005. In fiscal year 2017 the Eastside Redevelopment Revenue Bonds, Series 2017, were issued to fund the reconstruction of the historic birth site of General Daniel “Chappie” James, Jr., America’s first African American four star general. The project will accommodate the operation of a commemorative museum and youth flight academy at the site which is listed on the National Register of Historic Places. Completion of the museum and flight academy facilities, with additional parking for the facility, is anticipated to be completed by January 2018. In addition to paying debt service, Eastside tax increment revenues will fund the implementation of affordable housing programs and public improvement projects during 2018.

The Westside Community Redevelopment Area was established in 2007. Tax increment revenues were not received for many years due to the 2008 decline in property values. In order to remedy this, City Council rescinded the 2007 base year for the Westside Community Redevelopment Area taxable property values and established a new base year of 2013. With a new base year set, the CRA started receiving tax increment revenues in 2015. In fiscal year 2017 the Westside Redevelopment Revenue Bonds, Series 2017, were issued to fund critical Westside redevelopment initiatives supporting blight removal and neighborhood livability. Projects include streetscape redevelopment along the West Cervantes Street commercial corridor and infrastructure improvements in the West Moreno/Baptist Hospital district. In addition to paying debt service, Westside tax increment revenues will fund the implementation of affordable housing programs during 2018.

The CRA continues to work with private sector concerns to support a revitalized and blight free community. Investment in the Pensacola Inner City Community Redevelopment Area will assist in removing blight, maintaining housing affordability and strengthening the property tax base and potential for future revenue growth.

*The Housing Division* focused on continuing to meet the community's need for supportive services including providing decent, safe, and affordable housing to enhance the quality of life for all area residents.

In support of the Mayor's initiative to enhance the appearance of the community, 17 families had their homes rehabilitated through the City's Community Development Block Grant (CDBG) Housing Rehabilitation Program during fiscal year 2017. The services of this program include project development and administration to aid moderate and low income homeowners in repairing their homes. The program's successful outcomes include fostering affordable workforce housing and neighborhood reinvestment, providing jobs, and reducing blight while spending program funds with local businesses. The HOME Reconstruction Program provided 2 families with newly reconstructed homes on their own lots after demolition of their existing substandard homes. The HOME Homebuyer Program assisted 9 families in the community reach the goal of homeownership.

Additionally, CDBG funds supported code enforcement inspections at 205 individual addresses within the CDBG target area; 16,758 meals for elderly and/or disabled City residents through the Council on Aging Meals on Wheels and Senior Dining Site Programs; and counseling, guidance, and educational information for 122 families through Homebuyers Club and Foreclosure Prevention Program. This counseling resulted in 65 families purchasing homes within the community.

Funds received through the State Housing Initiatives Partnership (SHIP) program assisted 107 families in the community reach the goal of homeownership, with 18 of these families becoming homeowners within the City. Program funds supported 7 families with repairs to their homes.

The Section 8 Housing Choice Voucher (HCV) Program provided rental assistance for approximately 2,417 extremely and very low income families each month during fiscal year 2017. This reflects approximately \$1.3 million in monthly rental housing assistance in our community, paid out to an estimated 650 local landlords. Housing completed 3,912 inspections of rental units ensuring that families were residing in decent and safe living conditions. The HCV Program stabilizes families and allows them to fulfill their other household obligations, pursue jobs and continue their education, while offering steady monthly rental income to area property owners.

An average of 182 homeless veterans received rental assistance each month through the Veterans Affairs Supportive Housing Program (HUD-VASH). Participants received VA case management services as well as rental assistance from the City to secure housing. During fiscal year 2017, the City submitted a letter of interest to U.S. Department of Housing and Urban Development requesting 50 additional HUD-VASH vouchers. Awards will be announced during fiscal year 2018.

In partnership with EscaRosa Coalition on the Homeless, utilizing an allocation of funds from the Florida Housing Finance Corporation's state administered federal HOME Investment Partnerships Act allocation, the City was able to provide rental assistance to 13 formerly homeless families offering them the opportunity to stabilize their living conditions and employment opportunities.



**Pensacola Energy** continues to expand its distribution system in the area west of Highway 29 with installation of 10.1 miles of natural gas main in eleven new residential developments totaling an estimated 600 dwelling units. The refurbishing and construction of commercial and residential properties in downtown Pensacola has contributed to approximately 15% of Pensacola Energy's new service growth. Pensacola Energy is continuing to aggressively replace cast iron main infrastructure in the downtown area.

Pensacola Energy's last rate increase of 6.9% occurred in fiscal year 2012. The natural gas rate ordinance allows for an annual adjustment in rates based on the Consumer Price Index (CPI), an Infrastructure Recovery Charge as a rate component, a Weather Normalization Adjustment Factor, and a Purchase Gas Adjustment which includes a dedicated component to restore Pensacola Energy's operating reserves. A multi-year infrastructure replacement plan has been developed for the Infrastructure Recovery Charge which allows costs to be collected through rates the year following the expenditures.

**The Sanitation Services and Fleet Management Department** is comprised of three separate activities, including Sanitation Services, Code Enforcement and Fleet Management. In fiscal year 2017, Sanitation Services collected 30,879 tons of solid waste and 4,605 tons of curbside recyclables. As part of the Mayor's initiative to reinvest in City neighborhoods, Sanitation Services provides the Mayor's Neighborhood Cleanup program to each City neighborhood once per year. The ten neighborhood cleanups completed in fiscal year 2016 resulted in the removal of 487 tons of bulk waste, 1,439 old tires and 5,364 cans of old paint.

Sanitation Services has initiated several significant changes to its collection system over the past few years. In 2007, the City contracted with the Allied Waste transfer station, now owned by Escambia County, to provide transfer station services for household garbage. In 2009, Sanitation completed a two-year conversion of its yard trash collection system from three-person shuttle/collection crews to a system utilizing one-man collection trucks. Also in 2009, the City began a citywide recycling program in conjunction with a change to once-a-week garbage collection. These changes have resulted in the elimination of 15 positions that were previously dedicated to the collection of solid waste.

The City's curbside recycling program achieved a 23% diversion rate in fiscal year 2017 by recycling 4,605 tons of materials that would have previously been disposed of in the county landfill. The City's total recycling rate was 50.2%. That rate combines materials recovered from the curbside recycling program with the 13,211 tons of yard trash collected. In March 2017 the City contracted with Tarpon Paper of Loxley, Alabama to provide recyclable processing.

In March 2015, the City of Pensacola and Escambia County entered into an Interlocal Agreement that provides for exchange of services that benefit each entity. The agreement provides the City with no-cost yard trash disposal in exchange for providing ten county neighborhood cleanups.

**The Port of Pensacola's** fiscal year 2017 cargo tonnage was up 15% compared to 2016. However, the number of vessel calls was down 35% and total vessel dockage days showed a 66% decline from prior year numbers. The decline in vessel traffic was largely due to the collapse of the oil market which resulted in fewer offshore construction and supply vessels requiring the mobilization, demobilization and maintenance services performed at the Port. The

slight uptick in cargo volumes is considered a normal year-over-year fluctuation. For fiscal year 2018, the Port anticipates continuation of its existing base book of business. Additionally, there are some signs of slow recovery in the offshore construction and exploration sector which could bode well for the Port's vessel traffic numbers in 2018. With the collapse of the oil market and decline in Port revenues, uses for the 50+ acres currently occupied by the Port of Pensacola will be reviewed in fiscal year 2018. The review is structured to bring forth a plan of action aimed at providing an optimal return on the Port's assets.

***The Pensacola International Airport*** had 1.67 million passengers in fiscal year 2017 utilize the scheduled service of five airlines to seventeen non-stop destinations. In fiscal year 2017, the Airport completed the rehabilitation and expansion of the cargo apron utilized by United Parcel Service Co. located to the north of the terminal facility. The project was funded with Federal Airport Improvement Plan funding, Florida Department of Transportation Strategic Intermodal System funding, and an Airport capital match. The Airport also completed a reconstruction of the fuel farm road to improve the condition of the pavement surface for delivery operations.

In 2004 the Airport started the commerce park land acquisition project in the northwest quadrant of the property. Since this time, the City Council has approved the purchase of 93 residential and 26 commercial parcels. The acquisitions are funded through grants from the Florida Department of Transportation and the Department of Economic Opportunity. Large scale demolition of the structures took place in fiscal year 2016 and fiscal year 2017.

Construction for the Airport's first large scale Maintenance Repair Overhaul (MRO) facility, located in the northeast quadrant off of Runway 17/35, began in in fiscal year 2017. The facility is expected to be operational in 2018. Pooled funding for the project has been provided by Florida Department of Transportation, Escambia County, City of Pensacola, Department of Economic Opportunity, and the tenant.

The Airport's most current Master Plan was completed in 1999. In fiscal year 2015, the Airport solicited qualifications from firms experienced in airport master planning services. During fiscal years 2016 and 2017, the selected consultant reviewed the existing conditions of the Airport and analyzed the future passenger, aircraft, and facility development demands. The consultant will continue to develop alternatives to ensure the future demands can be met from both a financial and an operational standpoint. The project is expected to conclude in fiscal year 2018. The master planning services are funded through Passenger Facility Charges that have already been collected.

The Airport began negotiations in fiscal year 2016 with the airlines serving the facility in order to develop a long-term airline use and lease agreement and replace an agreement that was negotiated and entered into in the late 1990's. This agreement, outlining the operational and financial framework under which airlines will provide service, was implemented October 1, 2017.

For fiscal year 2018, the Airport will continue with the acquisition of property in the Commerce Park, will complete construction of the MRO facility, and will complete the update of the Master Plan.

## Citywide topics

In fiscal year 2017, the City lost one (1) key staff employee: the Police Chief. Tommi Lyter was appointed to the vacant Police Chief position on May 12, 2017. The City experienced a 13.8% turnover rate in fiscal year 2017, a slight increase over the fiscal year 2016 rate of 11.4%. Based on exit interviews, employees cited increased compensation from other job opportunities and retirement as the main reason for their separations.

In May 2010, the CMPA received state and federal New Market Tax Credit (NMTC) allocations through CTA Investment Fund, LLC (the "Investment Fund"), and two other NMTC allocates (collectively the CDEs). In May 2017, the unwind of the NMTC Financing Structure was completed. As part of the unwind process, the City was assigned controlling interest of the Investment Fund which held both a \$39,813,626 loan made by the City to the Investment Fund and a \$54,079,902 loan made by the Investment Fund to the CMPA. In June 2017, the City as the sole member and manager of the Investment Fund cancelled the \$54,079,902 loan the Investment Fund made to the CMPA (which was assigned to the City upon CMPA's dissolution) and the \$39,813,626 loan the City made to the Investment Fund resulting in a net gain to the City of \$14,266,276. The cancellation of these loans can be seen as a special item in the City's fund level and entity-wide level financial statements. A more detailed explanation of the transaction can be found in the Notes to the Financial Statements under Note IV.

In June 2017, prior to the cancellation of the loans mentioned in the preceding paragraph, the CMPA filed its Articles of Dissolution with the Florida Division of Corporations. The CMPA was created in 2005 for the sole purpose of developing the public and private aspects of the Vince J. Whibbs, Sr. Community Maritime Park. As provided for in CMPA's Articles of Incorporation and Bylaws, all assets and liabilities were transferred to the City upon dissolution, including the \$54,079,902 loan from the Investment Fund. In addition, CMPA's contracts and leases were assigned to the City and the operation and management of the Vince J. Whibbs, Sr. Community Maritime Park was assumed by the City. Since the CMPA was a blended component unit of the City, their operations as well as their assets and liabilities are reported in the financial statements of the City.

In August 2009, the CRA entered into an agreement with the Emerald Coast Utilities Authority (ECUA) as a financial commitment to demolishing the Main Street Waste Water Treatment Plant located in the downtown area. The City committed up to \$19.5 million for the project with installments commencing in fiscal year 2013. The City pledged water and sewer franchise fees and beverage license tax revenues in the agreement and subsequently entered in to an agreement with the CRA wherein the annual installments to ECUA will be paid from Tax Increment Financing (TIF) revenues generated by the CRA. If there are insufficient TIF revenues, the City will make the payment and CRA will reimburse the City when funds become available.

The American Federation of State County and Municipal Employees (AFSCME) union agreed to the change in the General Pension and Retirement Plan with a new three year union contract effective October 1, 2012. The changes consisted of increasing the average final compensation calculation from 2 years to 5 years, reducing the benefit multiplier from 2.1% to 1.75%, reducing the Cost of Living Adjustment for new retirees from 1.5% per year to 1% per year with new participants in the Deferred Retirement Option Program (DROP) not receiving a Cost of Living

Adjustment while participating in DROP. Based on current estimates, these changes will result in a reduction of \$680,000 per year in the City's required contributions and decrease the Unfunded Actuarial Accrued Liability by \$5.78 million. In exchange for the reduced benefits, the City agreed to a 5% pay increase effective October 1, 2012; a 3% pay increase effective October 1, 2013; and a 2% pay increase effective October 1, 2014. The AFSCME union negotiated a new contract effective October 1, 2015 with a 1% pay increase effective October 1, 2015, 1.25% pay increase effective October 1, 2016 and 2.25% pay increase effective October 1, 2017.

The City and the three police unions entered into agreements to close the Police Officers' Retirement Fund participants effective January 1, 2013. Police Officers hired on or after January 2, 2013 became participants in the Florida Retirement System (FRS). Current officers were given an opportunity to remain in the Police Officers' Retirement Fund or join the FRS. Also in the agreements were several reductions in benefits for officers with less than twenty (20) years of service. The vesting period, for those participating in the Police Officers' Retirement Fund, increased from ten (10) years to twelve (12) years, the average final compensation changed from two (2) years to five (5) years, the cost of living adjustment reduced from 3% to 2% after ten (10) years of retirement, and pensionable income is calculated on base pay with no overtime. The DROP interest rate reduced to 1.3% effective January 1, 2013 for new participants in DROP and they will not receive a cost of living adjustment while participating in DROP. These changes will result in a reduction in the Unfunded Actuarial Accrued Liability to the Police Officers' Retirement Fund of approximately \$5.6 million and reduce the City's required contribution by approximately \$743,000. In exchange for the reduced benefits, the City agreed to a 3% pay increase effective October 1, 2012; a 5% pay increase effective October 1, 2013; and a 5.5% pay increase effective October 1, 2014 for the Sergeants and Police Officers. Additionally, the Lieutenants pay will be 10% higher than the highest paid Sergeant base pay. The Lieutenants also received a bonus upon ratification of their contract and the pay ranges increased. The City is currently in negotiations for the next union agreement. Effective October 1, 2016 and October 1, 2017, members of the Police Officers' bargaining unit received a 3% pay increase. Sergeants and Lieutenants received bonuses for fiscal years 2016 and 2017. Sergeants will receive a bonus for fiscal year 2018. Lieutenants will not receive a pay increase nor bonus in fiscal year 2018.

The City and International Firefighters' Association (IFFA) entered into an agreement to make the following changes to the Firefighter's Relief and Pension Plan Special Act which became effective June 10, 2015. The agreement reduced several benefits for firefighters with less than twenty (20) years of service. The average final compensation changed from two (2) years to last five (5) years, the cost of living adjustment was reduce from 3% to 2% for the employees hired before June 10, 2015 with less than twenty (20) years of service and 0% for those hired on or after June 10, 2015. Also, pensionable income is calculated on base pay with a maximum of 300 hours overtime per year for those employees vested, a maximum of 200 hours overtime per year for those employees not vested and no overtime for those employees hired on or after June 10, 2015. The DROP interest rate was reduce to 1.3% effective June 10, 2015 for new participants in DROP and they will not receive a cost of living adjustment while participating in DROP. The participant hired after June 10, 2015 has a spousal benefit in the same manner that spousal benefits are available to the Florida Retirement System (FRS) participants. These changes will result in a reduction in the Unfunded Actuarial Accrued Liability to the Firefighters' Relief and Pension Plan of approximately \$3.69 million. In exchange for the reduced benefits, the City

agreed to a pay increase for those not participating in DROP based on a schedule provided in the contract effective October 1, 2014; a 2% pay increase effective October 1, 2015 for those not participating in DROP; and a 3% pay increase effective October 1, 2016 for those not participating in DROP. All union members received a \$1,500.00 bonus upon ratification of the contract and those participating in DROP received a \$1,500.00 bonus effective October 1, 2015 and October 1, 2016. All union members will receive a 3% pay increase in fiscal years 2018, 2019 and 2020.

### **Independent Auditors**

The Florida Statutes and the City's Bond Resolutions require an annual audit of the City's financial records by an independent certified public accountant. The City's fiscal year 2017 financial statements have been audited by the certified public accounting firm of Mauldin & Jenkins. The goal of the independent audit was to provide reasonable assurance that the financial statements are free of material misstatement.

The City is also required to undergo an annual audit to obtain reasonable assurance about compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs and state projects.

### **Reporting Achievements**

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Pensacola for its comprehensive annual financial report for the fiscal year ended September 30, 2016. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such comprehensive annual financial reports must satisfy both accounting principles generally accepted in the United States and applicable legal requirements. The City of Pensacola has been awarded a Certificate of Achievement for thirty-six of its last thirty-seven fiscal years.

## Acknowledgements

The City's accounting staff, as always, is dedicated in preparing a timely and accurate comprehensive annual financial report. Appreciation is expressed to all those who assisted and contributed to its preparation and to City Council for the continued interest and support of a fiscally sound City government.

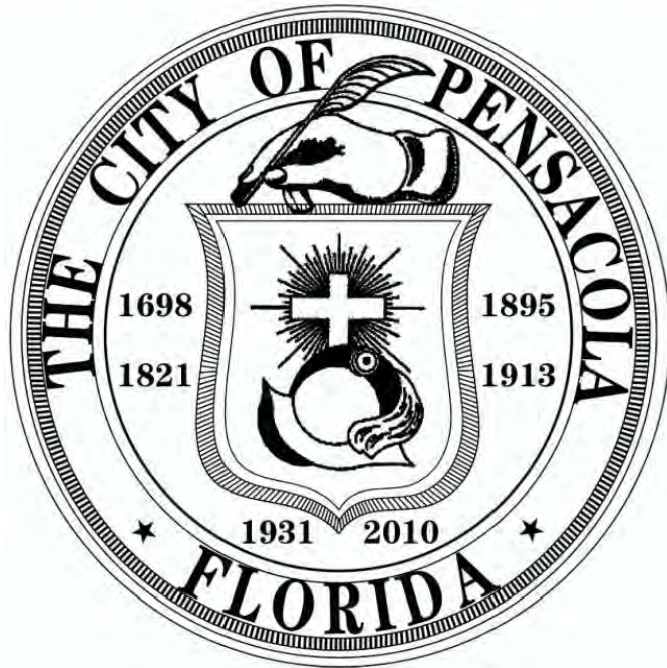
Respectfully submitted,



Ashton J. Hayward, III  
Mayor



Richard Barker, Jr.  
Chief Financial Officer



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Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Pensacola  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

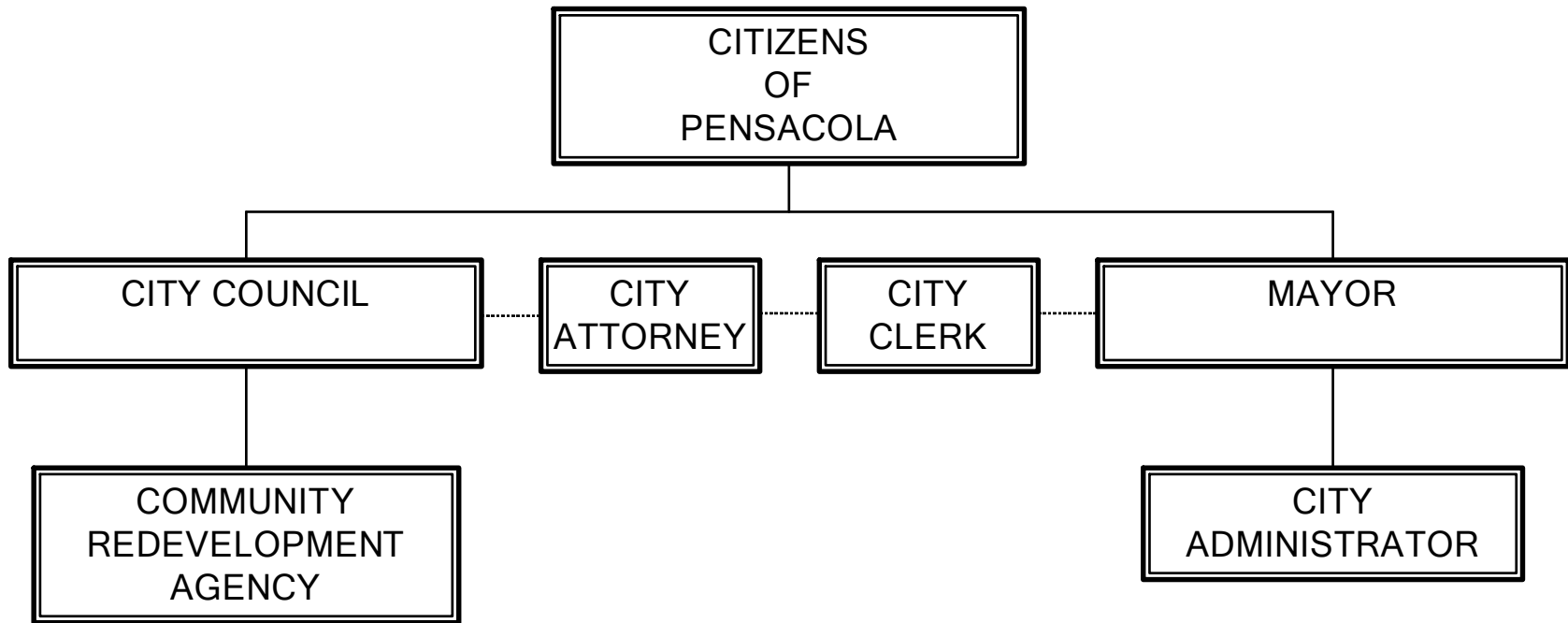
**September 30, 2016**

*Christopher P. Morrill*

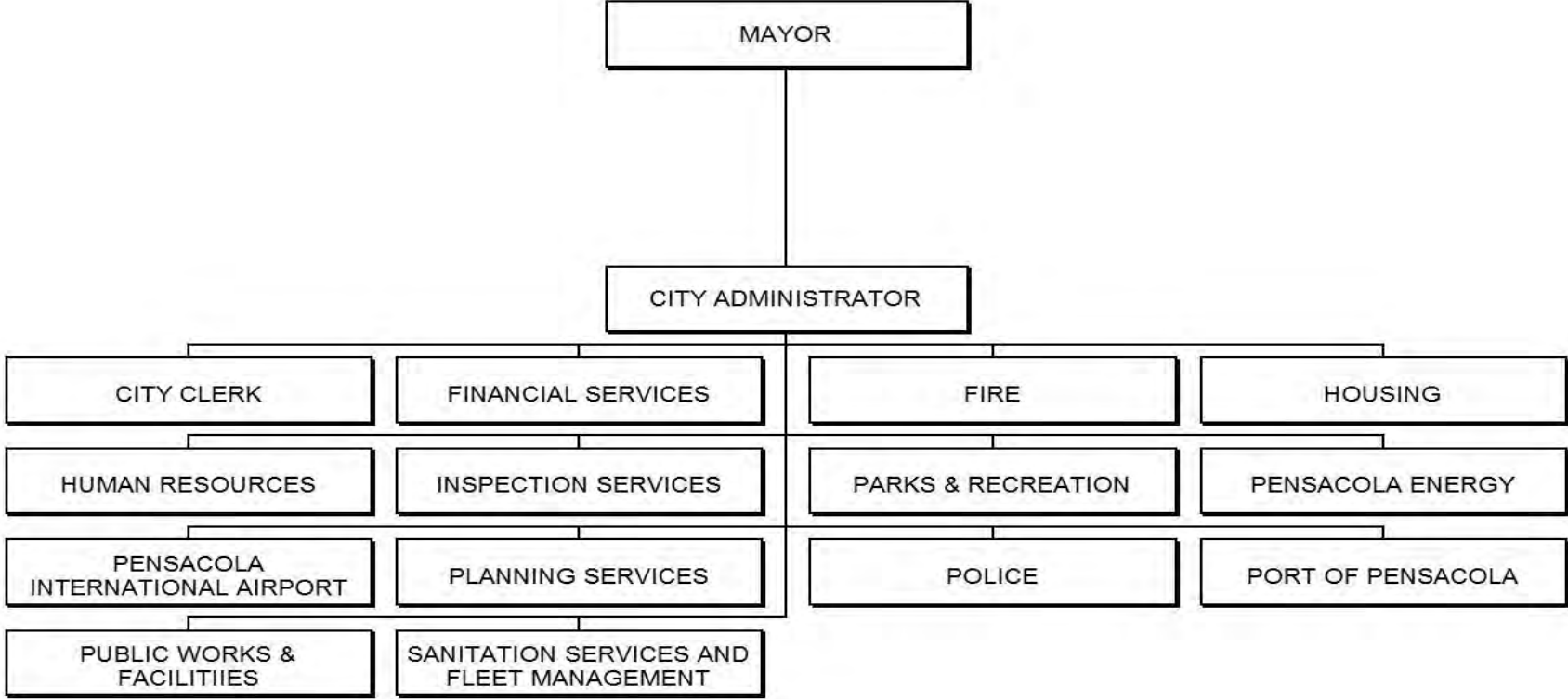
Executive Director/CEO



**CITY OF PENSACOLA  
FISCAL YEAR 2017  
ORGANIZATIONAL CHART**



**CITY OF PENSACOLA  
FISCAL YEAR 2017  
CITY FUNCTIONAL CHART**



**CITY OF PENSACOLA, FLORIDA**  
**LISTING OF ELECTED AND APPOINTED OFFICIALS**

**ELECTED OFFICIALS**  
**FY 2017 MAYOR & CITY COUNCIL**



Ashton J. Hayward, III  
Mayor



P. C. Wu, Ph.D.  
District 1



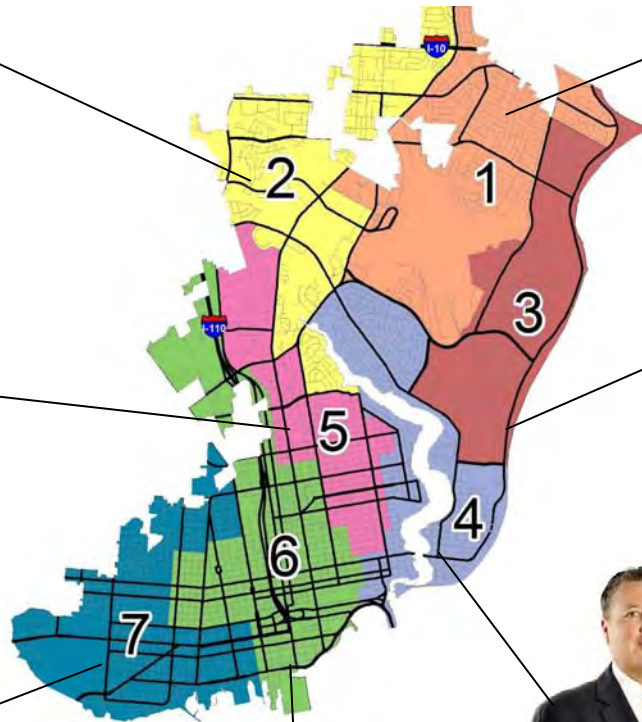
Sherri F. Myers  
District 2



Gerald Wingate  
Council Vice President  
District 5



Andy Terhaar  
District 3



Jewel Cannada-Wynn  
District 7



Larry B. Johnson  
District 4



Brian Spencer  
Council President  
District 6

**CITY OF PENSACOLA, FLORIDA**  
**LISTING OF ELECTED AND APPOINTED OFFICIALS**

**ELECTED OFFICIALS**  
**FY 2018 MAYOR & CITY COUNCIL**



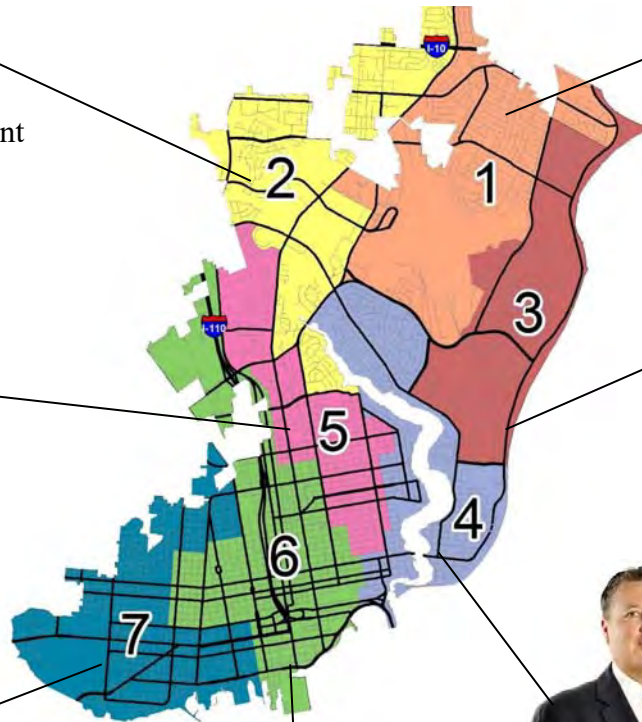
Ashton J. Hayward, III  
Mayor



Sherri F. Myers  
Council Vice President  
District 2



P. C. Wu, Ph.D.  
District 1



Gerald Wingate  
Council President  
District 5



Andy Terhaar  
District 3



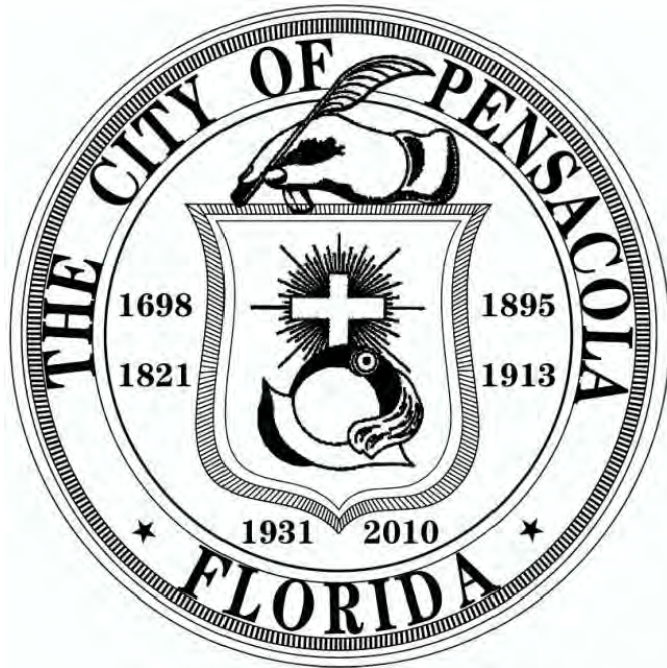
Jewel Cannada-Wynn  
District 7



Larry B. Johnson  
District 4



Brian Spencer  
District 6



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## **FINANCIAL SECTION**

This section contains the following subsections:

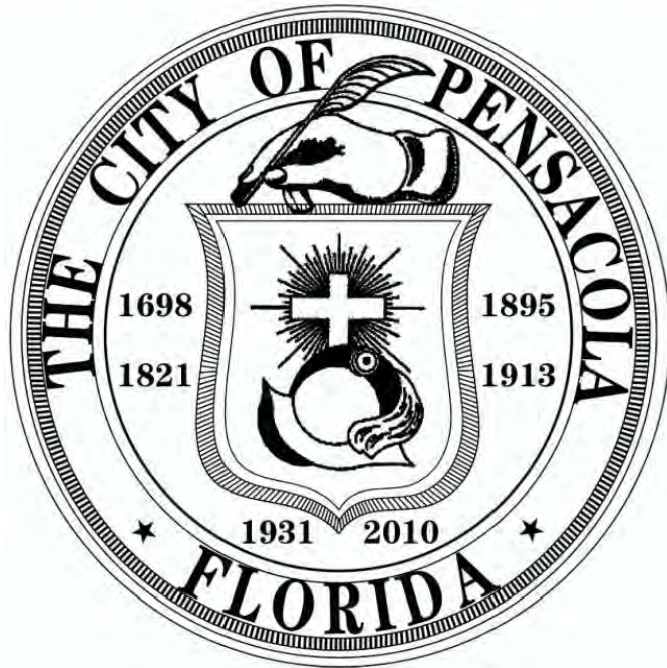
INDEPENDENT AUDITORS' REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS

BASIC FINANCIAL STATEMENTS

REQUIRED SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES



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## INDEPENDENT AUDITOR'S REPORT

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**To the Honorable Mayor and Members  
of the City Council  
City of Pensacola, Florida**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **City of Pensacola, Florida** (the "City"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City of Pensacola, Florida's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Downtown Improvement Board which represents 100% of the assets, net position, and revenues of the City's discretely presented component unit. We also did not audit the financial statements of the Community Maritime Park Associates, Inc. for the eight months ended May 31, 2017, which represents 1.6% of the revenues of the City's aggregate remaining fund information. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Downtown Improvement Board and the Community Maritime Park Associates, Inc. is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, the Community Redevelopment Agency Fund, the Urban Core Redevelopment Trust Fund, the Eastside Tax Increment Financing District Fund, the Westside Tax Increment Financing District Fund, and the Housing Assistance Payments Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (on pages 28 through 51) and the schedules of changes in net pension liability and related ratios, schedules of employer contributions, schedule of investment returns, and schedules of funding progress and employer contributions for other postemployment benefits (on pages 153 through 163) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Pensacola, Florida's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, statistical section, and financial data schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City of Pensacola, Florida. The accompanying schedule of expenditures of federal awards, passenger facility charges, and state financial assistance is presented for purposes of additional analysis as required Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and as specified in the *Passenger Facility Charges Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and by Section 215.97, Florida Statutes, and is also not a required part of the basic financial statements of the City of Pensacola, Florida.

The combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of federal awards, passenger facility charges and state financial assistance, and the financial data schedule are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of federal awards, passenger facility charges and state financial assistance, and the financial data schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

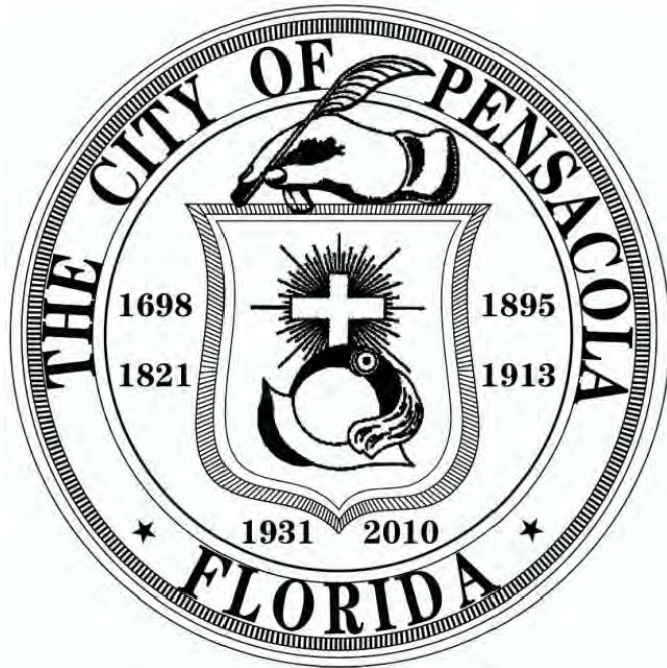
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2018, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Bradenton, Florida  
February 1, 2018



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## Management's Discussion and Analysis

This section will provide a comparative analysis between fiscal year 2017 and 2016. The comparison amounts are shown at a summary level with additional detail provided for explanation. The format is designed to provide the reader a narrative overview of the City's financial activity for the fiscal year ended September 30, 2017. This discussion should be read in conjunction with the Letter of Transmittal located in the Introductory Section.

### Financial Highlights

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources (net position) as of September 30, 2017 by \$360,254,812. Of this amount, the net investment in capital assets totaled \$358,660,646, which is unavailable, and restricted net position totaled \$40,248,810 resulting in a negative unrestricted net position of \$38,654,644. Unrestricted net position is negative primarily due to the implementation of GASB Statement No. 68, which reduced governmental activities unrestricted fund balance by \$62,186,264 and business-type activities by \$17,994,874 for a total reduction of \$80,181,138. GASB Statement No. 68 requires the City to report on the face of the financial statements the deferred inflows, deferred outflows and net pension liabilities for each of the City's pension plans and the City's proportionate share of the Florida Retirement System (FRS). This unfunded pension obligation will continue to negatively impact unrestricted net position for future periods until all plans have been fully funded. For a more detailed explanation of GASB Statement No. 68 refer to the Government-Wide Financial Analysis section of Management's Discussion and Analysis.
- The City's total net position of \$360,254,812 increased \$37,728,252 (11.7%) over the fiscal year 2016 net position of \$322,526,560. Governmental activities increased by \$12,333,969 (8.5%) and business-type activities increased by \$25,394,283 (14.3%). For a detailed explanation of these fluxes refer to the Government-Wide Financial Analysis section of Management's Discussion and Analysis.
- At September 30, 2017 the City's governmental funds reported combined ending fund balances of \$57,590,280, a decrease of \$37,356,020 (39.3%) in comparison to the prior fiscal year. The decrease can be attributed to the cancellation of \$39,813,626 in loans. For a detailed explanation of the fluxes refer to the Government-Wide Financial Analysis section of this report. The unassigned fund balance for the City's General Fund is \$1,721,705. Unassigned fund balance is the portion of fund balance which is not obligated or specifically designated and is available for any purpose.
- Governmental funds' revenues increased by \$1,361,144 (1.6%) over the prior fiscal year total of \$86,701,611. The major increase in governmental funds' revenues stems from increases of \$738,958 in General Fund revenues, \$457,602 in Section 8 Housing Choice Vouchers program funding, \$234,287 in Local Option Sales Tax revenues, \$292,626 in tax increment revenues and \$1,803,073 in intergovernmental revenues and donations recorded in the Special Grants Fund. Offsetting the increases was a \$1,917,544 decrease

in reimbursements related to the Natural Disaster Fund and a \$232,346 decrease in interest revenues.

Governmental funds' expenditures increased by \$5,931,563 (6.2%) over the prior fiscal year total of \$95,979,047. The major increase in governmental funds' expenditures stems from a \$5,247,561 increase in capital expenditures primarily related to an increase in the Local Option Gas Tax Project Fund and Special Grants Fund of which were offset by decreases in the Local Option Sales Tax Fund.

- The City's General Fund fund balance, excluding restricted fund balance, increased by \$2,196,758 from \$13,912,200 to \$16,108,958 in fiscal year 2017 of which \$1,571,491 was due to a increase to the City's Council reserves. Included in the committed fund balance is Council Reserves of \$11,308,640. The Council Reserve balance represents 21.80% of fiscal year 2018 beginning budgeted General Fund appropriations which exceeds the 20% minimum reserve goal stated in the City Council's Fund Balance Policy. The General Fund had an increase in restricted fund balance of \$221,184 related to an increase in contractual obligations. Total fund balance increased by \$2,417,972 (16.6%) from fiscal year 2016.

General Fund revenues increased over fiscal year 2016 by \$738,958 (1.75%) mainly related to a \$468,251 increase in ad valorem tax revenues related to increases in property valuations. Increases in public service taxes, intergovernmental revenues and charges for services also occurred while communication services tax and miscellaneous revenues decreased. Expenditures decreased by \$434,171 (1.0%) mainly as a result of a one-time draw down of prepaid contributions from the Fire Pension Plan which was used to meet the City's required contribution in fiscal year 2016. This drawdown was not required in fiscal year 2017.

- The City's enterprise funds reported combined ending net position of \$202,497,845, an increase of \$25,398,283 (14.3%) in comparison to the prior fiscal year. Of the total net position amount, \$168,168,989 represents net investment in capital assets which increased \$25,326,963 (17.7%). Operating revenues increased by \$1,265,409 (1.7%) from last fiscal year and operating expenses before depreciation increased by \$2,720,244 (5.2%). For a detailed explanation of these fluxes refer to the Government-Wide Financial Analysis section of Management's Discussion and Analysis.

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## **Government-Wide Financial Statements**

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Pensacola's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. The focus of the statement is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental funds current financial resources (short-term spendable resources) with capital assets and long term obligations. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal years (e.g., earned but unused vacation leave and revenue in connection with receivables which are not considered available to liquidate liabilities of the current period).

Both the government-wide financial statements distinguish functions of the City of Pensacola that are principally supported by taxes and intergovernmental revenues (governmental activities such as police, fire, public works, recreation and general administration) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, transportation, culture and recreation, economical and physical environment, and human services. The business-type activities of the City include the airport, seaport, natural gas utility services and sanitation services.

Discretely presented component units, which are legally separate governmental units over which the City can exercise influence, are presented as a separate column in the government-wide statements. The Downtown Improvement Board is the only discretely presented component unit of the City. The focus of the financial statements is the Primary Government, which are the operations of the City.

## **Fund Financial Statements**

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Traditional users of the CAFR will find the Fund Financial Statements presentation more familiar. The focus is on "major" funds, rather than fund types, as reported in the traditional financial statement presentation. All of the City's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This allows readers to better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Governmental fund information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Community Redevelopment Agency Fund, Urban Core Redevelopment Trust Fund, Eastside Tax Increment Financing District Fund, Westside Tax Increment Financing District Fund, CRA Debt Service Fund, Housing Assistance Payments Fund, and CRA Project Fund, all of which are considered to be major funds. All other governmental type funds are considered "nonmajor" and are reported in a single, aggregated column. Individual fund data for each of these nonmajor governmental funds is provided in the form of Combining Statements and Individual Fund Statements and Schedules section of this report.

Blended component units, which are legally separate entities in which the City and the entity have substantially the same governing body or the entity's debt is expected to be repaid almost entirely with resources from the City, are presented as funds of the primary government. The Community Maritime Park Associates (CMPA) and the Community Redevelopment Agency (CRA) are both blended component units of the City. On June 1, 2017, the CMPA dissolved and the assets and liabilities were transferred to the City. The CMPA's partial year of operations is shown in the Combining Statements and Individual Fund Statements and Schedules section of this report as the CMPA O&M Fund and the CMPA Construction Fund.

**Proprietary Funds.** Proprietary funds provide the same type of information as the business-type activities in the government-wide financial statements, only in more detail. The proprietary fund financial statements can be found in the Basic Financial Statements section of this report.

The City of Pensacola maintains two types of proprietary funds: enterprise funds and internal service funds. The City uses enterprise funds to account for the assets, operation and maintenance of the City-owned natural gas service, garbage and trash service, port facility, and airport. Internal service funds are used to account for activities that provide goods and services to other City departments such as computers, telecommunications, fleet maintenance, insurance, mail and engineering. Since internal service funds predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.



**Fiduciary Funds.** The City of Pensacola is the plan sponsor for the General Pension, Firefighters' and Police Officers' retirement fund. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in net position. These activities are excluded from the government-wide financial statements because the assets cannot be used to support or finance the City's programs or operations. During fiscal year 2007, the City closed the General Pension requiring new general employees to participate in the Florida Retirement System (FRS) though the General Pension remains open for existing participants who chose not to participate in the FRS. During fiscal year 2013, the City closed the Police Officers' Retirement fund requiring new police employees to participate in the Florida Retirement System (FRS) though the Police Officers' Retirement fund remains open for existing participants who chose not to participate in the FRS.

### **Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to gain a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found as part of the Basic Financial Statements section of this report.

### **Other information**

This report additionally includes Required Supplementary Information (RSI) containing schedules of the City's pension contributions and an analysis of pension funding. Combining statements for nonmajor governmental funds and internal service funds are included as well as budgetary comparisons for all debt service and nonmajor governmental funds. Additional information about the City can be found in the Statistical Section.

### **Government-Wide Financial Analysis**

The City of Pensacola adopted the government-wide financial statement presentation. This reporting structure and measurement focus using accrual accounting for all of the government's activities was mandated by the Government Accounting Standards Board (GASB) in Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Comparative data for fiscal years ending September 30, 2017 and 2016 is presented.

It is important to note that GASB Statement No. 68, *Accounting and Financial Reporting for Pensions; an amendment of GASB Statement No. 27*, was implemented during fiscal year 2015. GASB Statement No. 68 requires governments that offers defined pension benefits to its employees to report on the face of its financial statements the unfunded pension obligation (the "Net Pension Liability"). In the past, the Net Pension Liability was shown in the notes to the financial statements only.

In addition, GASB Statement No. 68 requires each local government participating in a defined benefit cost-sharing multiple-employer pension plans, such as the Florida Retirement System (FRS), to report on the face of its financial statements their proportionate share of the

“collective” Net Pension Liability. In the past, governments did not directly report information about their proportionate share of these pension obligations. Instead, governments only reported a liability to the extent that they failed to make their required contributions.

The Net Pension Liability is recorded at the fund level for proprietary activities and the allocated amount for governmental activities is presented at the government-wide level. The recording of the deferred inflows, deferred outflows and net pension liabilities for each of the City’s pension plans and the City’s proportionate share of the Florida Retirement System (FRS) negatively impacted the City’s unrestricted net position. The governmental fund-level statements are not affected by this pronouncement which use a modified-accrual basis of accounting.

At year-end, the City is reporting positive balances in two of three categories of net position for governmental activities and all three categories for business-type activities.

### Summary Statement of Net Position As of September 30, 2017

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 67,893,744	\$ 63,817,322	\$ 66,936,632	\$ 53,224,698	\$ 134,830,376	\$ 117,042,020
Internal balances	835,662	861,200	(835,662)	(861,200)	0	0
Noncurrent assets	11,562,762	50,150,090	12,008,031	11,916,385	23,570,793	62,066,475
Capital assets	<u>248,834,253</u>	<u>245,054,821</u>	<u>236,934,358</u>	<u>212,046,447</u>	<u>485,768,611</u>	<u>457,101,268</u>
<b>Total assets</b>	<u>329,126,421</u>	<u>359,883,433</u>	<u>315,043,359</u>	<u>276,326,330</u>	<u>644,169,780</u>	<u>636,209,763</u>
<b>Total deferred outflows of resources</b>	<u>35,356,032</u>	<u>48,319,962</u>	<u>8,352,960</u>	<u>9,730,201</u>	<u>43,708,992</u>	<u>58,050,163</u>
Current and other liabilities	18,692,713	12,789,021	15,531,202	12,470,943	34,223,915	25,259,964
Noncurrent liabilities	<u>186,735,040</u>	<u>247,853,864</u>	<u>104,918,293</u>	<u>95,867,678</u>	<u>291,653,333</u>	<u>343,721,542</u>
<b>Total liabilities</b>	<u>205,427,753</u>	<u>260,642,885</u>	<u>120,449,495</u>	<u>108,338,621</u>	<u>325,877,248</u>	<u>368,981,506</u>
<b>Total deferred inflows of resources</b>	<u>1,297,733</u>	<u>2,137,512</u>	<u>448,979</u>	<u>614,348</u>	<u>1,746,712</u>	<u>2,751,860</u>
Net position:						
Net investment in capital assets,	190,491,657	163,348,312	168,168,989	142,842,026	358,660,646	306,190,338
Restricted	29,751,412	35,352,306	10,497,398	9,956,165	40,248,810	45,308,471
Unrestricted	<u>(62,486,102)</u>	<u>(53,277,620)</u>	<u>23,831,458</u>	<u>24,305,371</u>	<u>(38,654,644)</u>	<u>(28,972,249)</u>
<b>Total net position</b>	<u>\$ 157,756,967</u>	<u>\$ 145,422,998</u>	<u>\$ 202,497,845</u>	<u>\$ 177,103,562</u>	<u>\$ 360,254,812</u>	<u>\$ 322,526,560</u>

The total City’s net investment in capital assets, such as land, roads, parks, buildings, machinery and equipment, is greater than the total net position. The City’s net investment in capital assets is presented less any outstanding debt related to the acquisition and accumulated depreciation of those assets. The City uses these capital assets to provide services to the citizens and consequently these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position are resources subject to external restriction on how they may be used while unrestricted assets may be used to meet the City's ongoing obligations to citizens and creditors. Unrestricted net position represents 11.8% of total net position for business-type activities. Unrestricted net position for governmental activities is negative primarily due to the unfunded pension obligations totaling \$62,186,264. With the implementation of GASB Statement No. 68 in fiscal year 2015 the City is required to report on the face of the financial statements the deferred inflows, deferred outflows and net pension liabilities for each of the City's pension plans and the City's proportionate share of the Florida Retirement System (FRS). This unfunded pension obligation will continue to negatively impact unrestricted net position for future periods until all plans have been fully funded. In addition, the unrestricted net position for governmental activities is negatively impacted due to the recognition of the City's long-term contribution to the Emerald Coast Utilities Authority (ECUA) of \$12,025,000. In March 2007, the CRA approved an amended plan and assisted in the funding of the relocation of the Main Street wastewater treatment plant. The \$19.5 million contribution resulted in a long-term liability which was recognized in fiscal year 2012 and as of the September 30, 2017 has \$13.0 million remaining. Of this commitment \$975,000 is reserved as restricted net position. Since the commitment is a long-term liability and future revenue sources have been pledged for the annual payment of \$1.3 million which began in fiscal year 2013 with the last payment in fiscal year 2027, it is expected that this commitment will continue to negatively impact unrestricted net position for future periods.

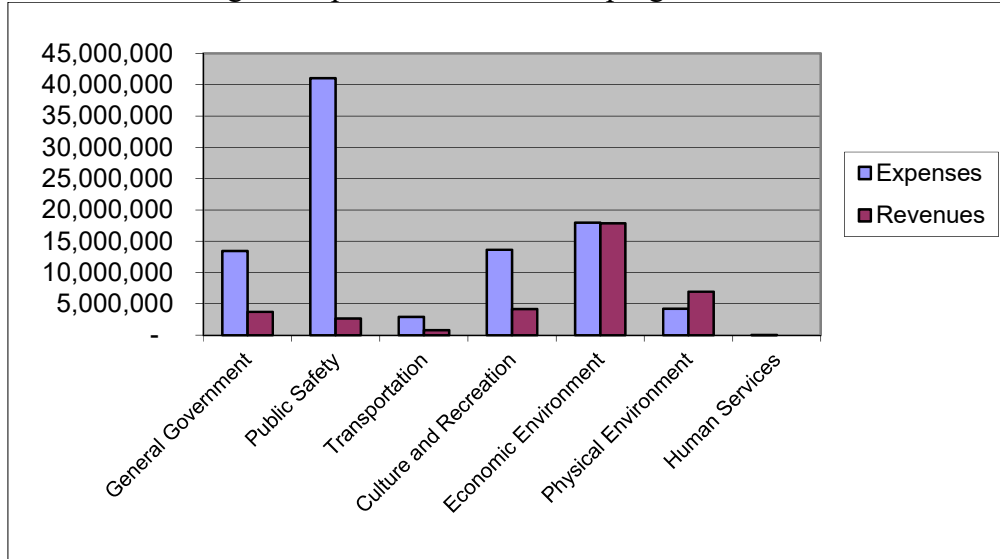
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## Changes in Net Position Year Ended September 30, 2017

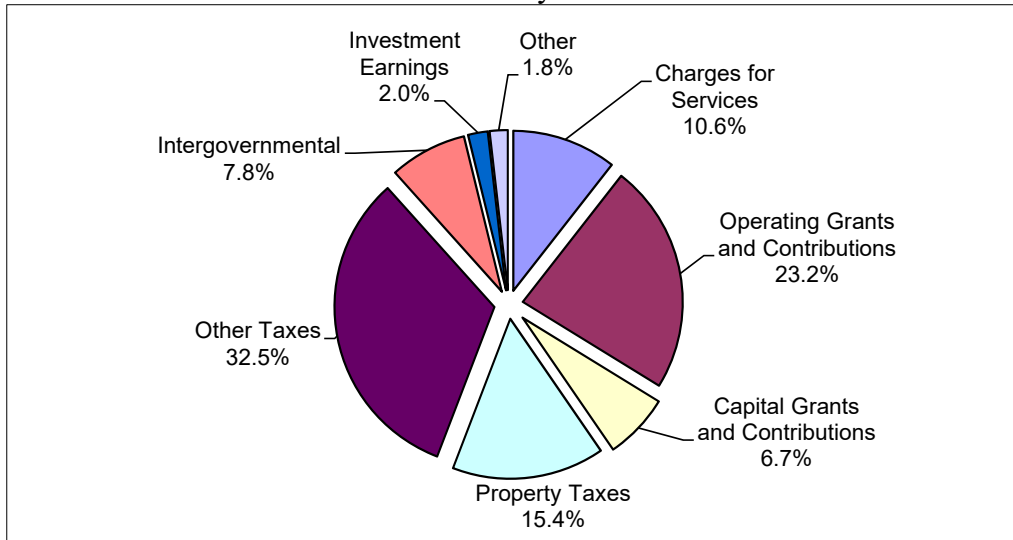
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 9,446,482	\$ 9,277,921	\$ 74,630,268	\$ 73,859,717	\$ 84,076,750	\$ 83,137,638
Operating grants and contributions	20,751,603	20,937,879			20,751,603	20,937,879
Capital grants and contributions	5,952,566	5,240,998	28,704,147	12,843,595	34,656,713	18,084,593
General revenues:						
Property taxes	13,781,024	13,312,773			13,781,024	13,312,773
Other taxes	29,083,854	29,290,543			29,083,854	29,290,543
Intergovernmental	6,999,518	6,846,265			6,999,518	6,846,265
Investment earnings	1,780,315	2,026,216	467,169	215,216	2,247,484	2,241,432
Gain on sale of capital asset	1,496,281		64,870		1,561,151	0
Other	139,669	14,316	919,630	424,772	1,059,299	439,088
<b>Total revenues</b>	<u>89,431,312</u>	<u>86,946,911</u>	<u>104,786,084</u>	<u>87,343,300</u>	<u>194,217,396</u>	<u>174,290,211</u>
<b>Expenses</b>						
General government	13,421,994	10,675,142			13,421,994	10,675,142
Public safety	41,001,683	32,478,560			41,001,683	32,478,560
Transportation	2,896,355	4,051,784			2,896,355	4,051,784
Culture and recreation	13,651,877	13,467,494			13,651,877	13,467,494
Economic environment	17,947,509	16,502,619			17,947,509	16,502,619
Physical environment	4,218,895	3,146,051			4,218,895	3,146,051
Human services	30,000	30,000			30,000	30,000
Unallocated depreciation	4,139,867	3,898,568			4,139,867	3,898,568
Interest on long-term debt	4,514,339	5,139,876			4,514,339	5,139,876
Utility			33,575,070	31,136,870	33,575,070	31,136,870
Sanitation			7,385,517	6,883,649	7,385,517	6,883,649
Port			2,869,779	2,601,580	2,869,779	2,601,580
Airport			25,102,535	25,085,705	25,102,535	25,085,705
<b>Total expenses</b>	<u>101,822,519</u>	<u>89,390,094</u>	<u>68,932,901</u>	<u>65,707,804</u>	<u>170,755,420</u>	<u>155,097,898</u>
Increase (decrease) in net position before transfers and other items	(12,391,207)	(2,443,183)	35,853,183	21,635,496	23,461,976	19,192,313
Transfers in (out)	10,458,900	10,355,500	(10,458,900)	(10,355,500)	0	0
Special items	14,266,276				14,266,276	0
<b>Increase (decrease) in net position</b>	<u>12,333,969</u>	<u>7,912,317</u>	<u>25,394,283</u>	<u>11,279,996</u>	<u>37,728,252</u>	<u>19,192,313</u>
Net position at beginning of year	<u>145,422,998</u>	<u>137,510,681</u>	<u>177,103,562</u>	<u>165,823,566</u>	<u>322,526,560</u>	<u>303,334,247</u>
Net position as restated	<u>145,422,998</u>	<u>137,510,681</u>	<u>177,103,562</u>	<u>165,823,566</u>	<u>322,526,560</u>	<u>303,334,247</u>
<b>Net position at end of year</b>	<u>\$ 157,756,967</u>	<u>\$ 145,422,998</u>	<u>\$ 202,497,845</u>	<u>\$ 177,103,562</u>	<u>\$ 360,254,812</u>	<u>\$ 322,526,560</u>

## Governmental Activities Fiscal Year 2017

Program expenses matched with program revenues



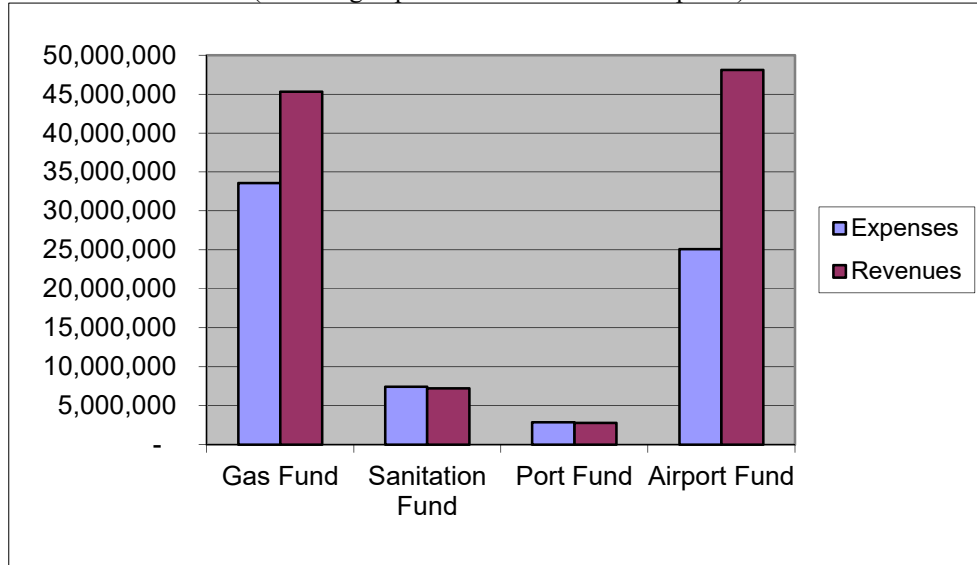
Revenues by source



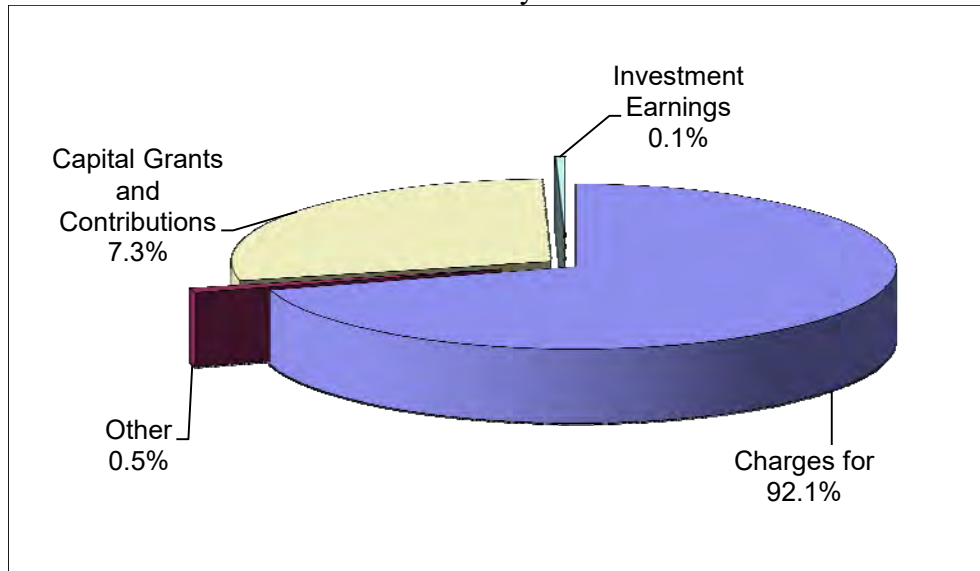
GASB Statement No. 34 reporting requires that functional expenses are matched with revenues that directly support the function. The increase in current year net position for Governmental Activities equaled \$12,333,969. The increase can be attributed to the cancellation of long-term loans in connection with the unwind of the New Market Tax Credit financing structure discussed in detail under Section III, F, of the Notes of this report. The bar chart above gives a clear indication of which functions are dependant on general revenues to support their operations. Excluding General Government, Public Safety has the largest differences as this function is traditionally supported by taxes. Taxes, investment earnings and other revenues are classified as general revenues of the government. Taxes continue to be the largest revenue source for governmental activities.

## Business-type Activities Fiscal Year 2017

Expenses compared to *charges for services* revenues  
(Including depreciation and bad debt expense)



Revenues by Source



The increase in current year net position for Business-type Activities totaled \$25,394,283. The majority of the increase was in the in the Utility Fund, totaling \$30,078,019, and Airport Fund, totaling \$22,645,662. All funds charged fees sufficient to cover operations when excluding depreciation, bad debt expense and other post-employment benefits (OPEB) except for the Port Fund.

## Financial Analysis of the Government's Funds

The City of Pensacola uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

**Governmental funds.** The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of September 30, 2017, the City's governmental funds reported combined fund balances of \$57,590,280, a decrease of \$37,356,020 (39.34%) over the prior fiscal year. The decrease can be attributed to the cancelation of \$39,813,626 in loans. On May 31, 2017, the City unwound the NMTC Financing structure that funded the public improvements at the Community Maritime Park. Subsequently, the loans associated with the NMTC Financing were canceled by the City. Please refer to the Notes to the Financial Statements (Note IV) for a thorough explanation of the transaction.

Non-spendable and restricted governmental funds balance of \$43,273,844 are available to meet current commitments in the next fiscal year; \$3,543,205 of non-spendable for prepaids and inventory; \$329,578 for Saenger capital reserve; \$6,795,503 for debt service requirements; \$8,739,453 for community development projects and \$23,866,105 for other purposes leaving a remaining unrestricted fund balance of \$14,316,436.

Below is a comparative chart for the City's "major" funds; General Fund, Community Redevelopment Agency Fund, Urban Core Redevelopment Trust Fund, Eastside Tax Increment Financing District Fund, Westside Tax Increment Financing District Fund, CRA Debt Service Fund, Housing Assistance Payments Fund and CRA Project Fund.

	<b>Major Fund Information</b>			
	<u>General Fund</u>	<u>Community Redevelopment Agency Fund</u>	<u>Urban Core Redevelopment Trust Fund</u>	<u>Eastside Tax Increment Financing District Fund</u>
<b>Fiscal Year 2017</b>				
Revenues and other sources	\$ 51,538,403	\$ 4,732,212	\$ 4,799,391	\$ 608,411
Expenditures and other outlays	<u>(49,120,461)</u>	<u>(43,423,862)</u>	<u>(4,799,391)</u>	<u>(632,180)</u>
Increase (decrease) in fund balance	<u>\$ 2,417,942</u>	<u>\$ (38,691,650)</u>	<u>\$ 0</u>	<u>\$ (23,769)</u>
<b>Fiscal Year 2016</b>				
Revenues and other sources	\$ 50,255,387	\$ 3,969,408	\$ 4,431,384	\$ 93,714
Expenditures and other outlays	<u>(49,387,323)</u>	<u>(3,782,727)</u>	<u>(4,431,384)</u>	<u>(14,451)</u>
Increase (decrease) in fund balance	<u>\$ 868,064</u>	<u>\$ 186,681</u>	<u>\$ 0</u>	<u>\$ 79,263</u>

**Major Fund Information (continued)**

	<b>Westside Tax Increment Financing District Fund</b>	<b>CRA Debt Service Fund</b>	<b>Housing Assistance Payments Fund</b>	<b>CRA Project Fund</b>
<b>Fiscal Year 2017</b>				
Revenues and other sources	\$ 196,036	\$ 3,767,423	\$ 16,597,741	\$ 5,417,265
Expenditures and other outlays	<u>(205,429)</u>	<u>(4,020,306)</u>	<u>(16,862,190)</u>	<u>(573,230)</u>
Increase (decrease) in fund balance	<u>\$ (9,393)</u>	<u>\$ (252,883)</u>	<u>\$ (264,449)</u>	<u>\$ 4,844,035</u>
<b>Fiscal Year 2016</b>				
Revenues and other sources	\$ 92,773	\$ 3,355,164	\$ 16,134,819	\$ 0
Expenditures and other outlays	<u>(25,731)</u>	<u>(3,601,481)</u>	<u>(15,824,380)</u>	<u>0</u>
Increase (decrease) in fund balance	<u>\$ 67,042</u>	<u>\$ (246,317)</u>	<u>\$ 310,439</u>	<u>\$ 0</u>

**The General Fund** is the main operating fund of the City. At September 30, 2017, total fund balance in the General Fund was \$17,024,154, an increase of \$2,417,942 (16.55%) from beginning fund balance. The unrestricted portion of fund balance was \$16,108,958, however \$11,308,640 is committed for the Council Reserve, \$385,640 is committed for the tree planting trust fund, \$1,296,847 is assigned for general government, \$930,748 is assigned for economic development incentives, \$25,378 is assigned for assessments and \$440,000 is assigned for inner city housing initiatives leaving an unassigned fund balance of \$1,721,705.

As a measure of the General Fund’s liquidity, a comparison of both total and unrestricted fund balances compared with total fund operating expenditures shows percentages of 38.59% and 36.51%, respectively. The Government Finance Officer’s Association (GFOA) Best Practice recommendation is for a government to maintain in its General Fund unrestricted fund balance no less than two months of General Fund operating expenditures. At 36.51% of unrestricted fund balance, this provides more than four months of coverage.

**The Community Redevelopment Agency Fund** was created to account for the development projects in the Urban Core Community Redevelopment Area as well as administrative cost associated with running the program. The Community Redevelopment Agency had a total fund balance at fiscal year-end of \$3,157,658, a decrease of \$38,691,650 (92.45%). The decrease can be attributed to the cancelation of \$39,813,626 in loans. On May 31, 2017, the City unwound the NMTC Financing structure that funded the public improvements at the Community Maritime Park. Subsequently, the loans associated with the NMTC Financing were cancelled by the City. Please refer to the Notes to the Financial Statements for a thorough explanation of the transaction. All funds are restricted to be spent on CRA operations, community development projects in the Urban Core CRA district and repayment of debt.

**The Urban Core Redevelopment Trust Fund** was created to account for the tax increment receipts collected in the Urban Core Community Redevelopment Area. The receipts collected throughout the year are transferred to the Community Redevelopment Agency Fund and the CRA Debt Service Fund in order to pay for CRA operations, debt service and community development projects in the Urban Core CRA district. The Urban Core Redevelopment Trust Fund had a total fund balance at year-end of \$0.



***The Eastside Tax Increment Financing District Fund*** was created to account for the tax increment receipts and development projects in the Urban Infill and Redevelopment Area as well as administrative cost associated with running the program. The Eastside Tax Increment Financing District Fund had a total fund balance at fiscal year-end of \$614,763, a decrease of \$23,769. All funds are restricted to be spent on operations, community development projects and repayment of debt in the Eastside CRA district.

***The Westside Tax Increment Financing District Fund*** was created to account for the tax increment receipts and development projects in the Urban Infill and Redevelopment Area as well as administrative cost associated with running the program. The Westside Tax Increment Financing District Fund had a total fund balance at fiscal year-end of \$123,392, a decrease of \$9,393. All funds are restricted to be spent on operations, community development projects and repayment of debt in the Westside CRA district. In August 2014, Ordinance 31-14 rescinded the 2007 base year for the Westside CRA taxable property values and established a new base year of 2013. The Westside Tax Increment Financing District Fund received its first inflow of tax incremental revenues in fiscal year 2015 due to the change in the taxable property values base year.

***The CRA Debt Service Fund*** had a total fund balance at fiscal year-end of \$3,660,340 which is restricted for debt service payments on the Redevelopment Revenue Bonds, Series 2009, Eastside Redevelopment Revenue Bonds, Series 2017 and Westside Redevelopment Revenue Bonds, Series 2017. The fund balance decrease of \$252,883 is related to a planned drawdown of fund balance to cover current year debt payments.

***The Housing Assistance Payments Fund*** had a total fund balance at year-end of \$3,186,048, a decrease of \$264,449 (7.66%). Fund balance of \$528 is nonspendable and \$3,185,520 is restricted for housing assistance payments as required by the Department of Housing and Urban Development (HUD). Changes to fund balance are a function of federal funding by the HUD and the operating efficiency employed by the City's Housing staff. Fluctuations can be large or small depending on the goals of the federal government programs.

***The CRA Project Fund*** had a total fund balance at fiscal year-end of \$4,844,035. The fund was created to account for the cost of certain community redevelopment capital improvements in the Eastside Neighborhood Redevelopment Area and the Westside Neighborhood Redevelopment Area. The \$1,307,000 Eastside Redevelopment Revenue Bond, Series 2017 and the \$4,082,000 Westside Redevelopment Revenue Bond, Series 2017 were issued on August 15, 2017.

**Proprietary Funds.** Proprietary fund statements provide the same information as in the business-type activities column of the government-wide statements, but in greater detail, and on a fund basis for enterprise funds and the internal service funds. All of the City's enterprise funds are classified as major funds.

## Enterprise Funds.

The City of Pensacola does not budget for depreciation, bad debt expense, unfunded pension obligations or other post-employment benefits. However, personal cost, operating expenses, capital outlay, and principal and interest payments are budgeted.

***The Utility Fund*** had total net position of \$44,575,876 at fiscal year-end, an increase of \$3,078,019 (7.4%) over the prior fiscal year. Pensacola Energy operated at a profit of \$12,545,557 before depreciation expense of \$1,843,258 and an \$8,000,000 transfer to the General Fund; a decrease from last fiscal year by \$646,786. Operating revenue increased by \$1,451,614 (3.3%) during fiscal year 2017 and operating expenses increased by \$2,098,400 (6.9%). The primary reason for the increase in operating revenue is a result of increases in the cost of natural gas; the cost of natural gas is passed on to the customer directly affecting charges for services revenue. In fiscal year 2017, the cost of natural gas increased by \$1,594,632. Excluding the cost of gas, operating expenses increased by \$503,768, the majority of which was related to a multi-year project to cut and cap dormant gas lines older than five years

***The Sanitation Fund*** had total negative net position of \$1,936,237 at fiscal year-end, an increase of \$88,585 (4.8%) over the prior fiscal year. Sanitation Services operated at a profit of \$436,603 before depreciation expense of \$261,445; an increase from last fiscal year by \$378,240. Revenue increased by \$611,812 (8.6%) during fiscal year 2017 and expenses increased by \$233,572 (3.3%). Approximately half of the revenue increase over the prior fiscal year is attributed to \$321,100 of insurance proceeds received from the insurance company for the three damaged trucks. The remaining increase is attributed to the monthly Sanitation rate increase of \$1.26 per month as well as a \$1.00 per month Sanitation Equipment Surcharge approved by City Council effective June 1, 2017. The primary increase in expense can be linked to increased personal costs.

***The Port Fund*** had total net position of \$11,121,200 at fiscal year-end, a decrease of \$240,813 (2.1%) from the prior fiscal year. The Port operated at a loss of \$859,926 before depreciation expense of \$1,076,429; a decrease from last fiscal year by \$816,898. Operating revenues decreased \$555,885 (34.4%) and expenses increased by \$261,013 (15.7%). The majority of the decrease in revenues can be linked to a decrease in storage, dockage and property rental fees attributed to a decline in vessel activity.

***The Airport Fund*** had total net position of \$148,737,006 at fiscal year-end, an increase of \$22,645,662 (18.0%) over the prior fiscal year. The Airport operated at a profit of \$8,125,148 before depreciation expense of \$9,522,687; a decrease from last fiscal year of \$369,391. The Airport Fund's operating revenues decreased by \$242,132 (1.1%) in fiscal year 2017. Airline revenues account decreased by \$953,098 while non-airline revenues increased such as including parking, interest income and rental car revenues. The Airport Fund's operating expenses increased by \$127,259 (0.9%). The increase in expense can be linked to an increase in contractual services. The Airport has an operating agreement with the airlines which provides for revenues sufficient to meet operating expenses, debt service payments and fund a capital reserve account. However, it does not provide for any incentives given to the airlines nor depreciation which is reported on the City's financial statements as an operating expense.

The chart below shows the operating income of each enterprise fund. The chart includes depreciation, bad debt expense and other post-employment benefits.

	<b><u>Operating Income (Loss)</u></b>	
	<u>2017</u>	<u>2016</u>
Utility Fund	\$ 10,702,299	\$ 11,468,544
Sanitation Fund	175,158	(199,063)
Port Fund	(1,936,355)	(1,081,771)
Airport Fund	<u>(1,397,539)</u>	<u>(1,156,837)</u>
Total	<u>\$ 7,543,563</u>	<u>\$ 9,030,873</u>

### Internal Service Funds

The internal service funds are designed to recover the internal costs of general services provided to other city departments. The decrease in total net position for all internal service funds was \$1,240,332. The City's Insurance Retention Fund decreased by \$378,686, the Central Services Fund decreased by \$1,061,646 and the General Stock Account increased by \$200,000. Both the decreases and increases were related to one time planned transfers.

### **General Fund Budgetary Highlights**

In accordance with Chapter 166.241, Florida Statutes, the Mayor or his designee may authorize budget amendments if the total appropriations of the fund are not changed. The Mayor has established budgetary control within each fund at the line item. Amounts may be transferred between departmental line items or between departments within a fund provided no transfer shall be made contrary to Florida Statute. Amounts to be transferred require the approval of the Mayor or his designee; however, amounts appropriated for capital outlay can only be transferred from the capital outlay category with City Council approval. The budgetary changes as described below were a necessary part for overall operations of the City's activities reported in the General Fund.

The final budget as compared with the original budget for the General Fund estimated revenues decreased by \$32,277 (0.08%) during fiscal year 2017. While franchise fees and intergovernmental revenues decreased by \$432,521 and 77,203, respectively, all other revenues increased by \$477,447. The majority of the increase was made up of \$25,947 in taxes, \$253,340 in charges for services, \$72,000 in assessments and \$81,337 in interest income.

The final appropriations in the General Fund as compared with the original budget increased by \$1,645,121 (3.54%) in fiscal year 2017. The primary reason for the increase relates to:

- An increase in appropriations for general government of \$214,972 is primarily related to carryforwards from the prior fiscal year budget to cover open encumbrances and projects. Offsetting the increase was additional overhead cost recovery received by the general fund.
- An increase in appropriations for public safety in the amount of \$26,779 is primarily related to the carryforward from the prior fiscal year budget to cover open encumbrances and projects.
- An increase in appropriations for transportation in the amount of \$301,733 is primarily related to the carryforward from the prior fiscal year budget to cover open encumbrances and projects.
- An increase in appropriations for culture and recreation in the amount of \$687,007 is related to the carryforward from the prior fiscal year budget to cover open encumbrances and projects. Offsetting the increase was a transfer from operating budget to capital for the Saenger Theatre.
- An increase in appropriations for economic environment in the amount of \$293,600. This increase is related to the addition of an inner city housing initiatives program totaling \$440,000. Offsetting the increase was a decrease related to the economic development incentives program of \$146,400 which had no expenditures fiscal year 2017.
- An increase in appropriations for physical environment in the amount of \$72,000 is primarily related to increased costs related to special assessments.
- An increase in capital outlay in the amount of \$49,030 is primarily related to increased capital purchases of irrigation equipment for the Tree Planting Trust Fund program as well as additional capital budget for the Saenger Theatre.

The final budget as compared with the original budget for the General Fund other financing sources (uses) increased by \$282,945 during fiscal year 2017. The primary reason for the increase was an increase in the sale of capital assets of \$494,100. Offsetting the increase was an increase in operating transfers to the Golf Course Fund and the Stormwater Capital Fund. The increase in transfers out totaled \$120,000 and \$89,423, respectively.

## **Capital Asset and Debt Administration**

**Capital Assets.** As of year-end, the City had \$358,660,646 net investment in capital assets. Governmental activities accounted for \$190,491,657 and business-type activities accounted for \$168,168,989. This investment in capital assets includes land, buildings, improvements, machinery and equipment and infrastructure.

Major capital asset additions during the current fiscal year include the following:

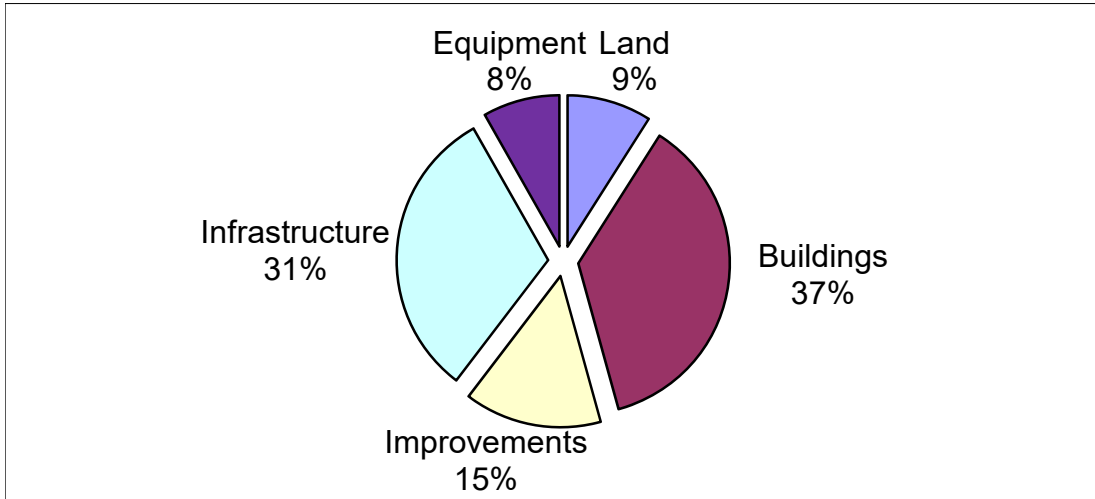
### Governmental Activities

- Stormwater, street and sidewalk capital projects \$3,361,929
- Athletic facility, resource center and park improvements \$635,210
- Police vehicles \$456,948
- HVAC replacement City Hall \$133,274
- Public safety equipment for PPD \$113,500

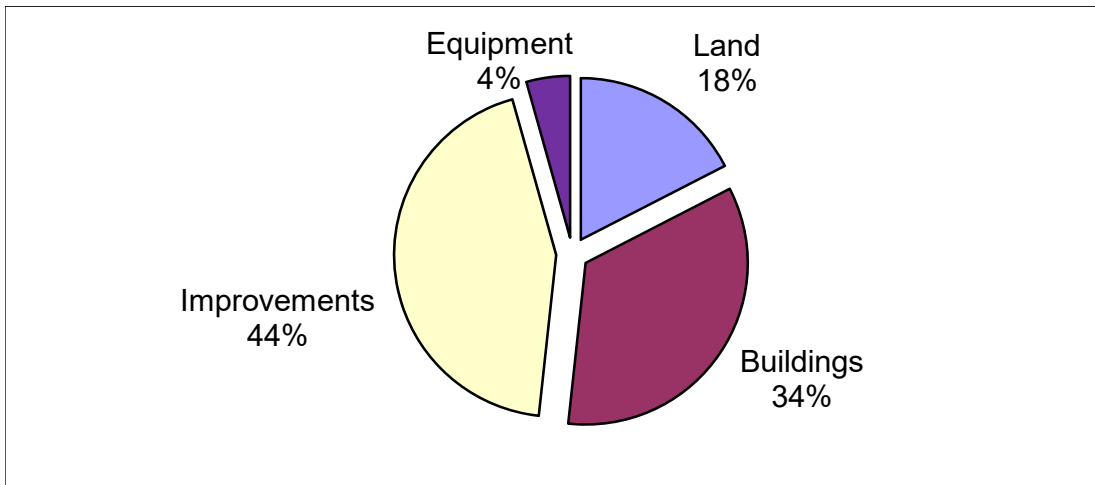
### Business-type Activities

- Pensacola Energy natural gas utility improvements \$7,214,781
- Pensacola Energy vehicles \$244,177
- Pensacola Energy meter reader server upgrade \$139,707
- Pensacola Energy street paver \$129,927
- Sanitation vehicles \$44,485
- Airport north cargo ramp rehabilitation \$8,569,539
- Airport land and building acquisitions for Airport expansion \$2,358,189
- Airport terminal HVAC replacement \$284,185
- Airport farm road reconstruction \$101,831
- Technology Resources network equipment \$108,168
- Technology Resources vehicles \$42,617

**Governmental Activities  
Capital Assets net of depreciation**



**Business-type Activities  
Capital Assets net of depreciation**



Additional details about the City’s capital assets can be found in Section III, C, of the Notes of this report. The City has two capital plans. The first is required by Florida’s growth management legislation and is an element of the City’s comprehensive plan. The second is a broader plan and covers all infrastructure needs of the City. This plan is two-part; the first is transportation funded by the Local Option Gasoline Tax (LOGT) and stormwater funded with a transfer from the General Fund totaling the same amount as the Stormwater Utility Fee collections. The second is referred to as the Penny for Progress Plan and is funded by LOST collections. Additional details of the capital plans are available in the City’s annual budget which is available on the City’s website.

**Long-term Debt.** At the end of fiscal year 2017, the City had total non-self-supporting bonded debt of \$64,999,094. Governmental activities have bonds payable in the amount of \$64,999,094 which includes the unamortized discount of \$162,906. The City also has self-supporting bonded debt of \$79,608,700. Business-type activities have notes payable in the amount of \$44,285,000 and bonds payable in the amount of \$35,323,700 which includes the unamortized discount of \$406,300. The City has no general obligation debt.

The City does not borrow for operating needs. All of its outstanding long-term indebtedness is for capital needs only. The direct debt per capita (population 54,185) as of September 30, 2017 is as follows:

Local Option Sales Tax Debt	\$ 3,415,000	Per capita	\$ 63
Maritime Community Park Debt	42,315,000	Per capita	781
Local Option Gas Tax Debt	14,043,000	Per capita	259
Eastside Redevelopment Area Debt	1,307,000	Per capita	24
Westside Redevelopment Area Debt	4,082,000	Per capita	75
<b>Total</b>	<u>\$ 65,162,000</u>		<u>\$ 1,103</u>

The Local Option Sales Tax Debt is supported by local option sales tax collections. The fund's current unrestricted cash balance has been eliminated; however, projected future revenue collections are sufficient to complete projects underway and those scheduled for future fiscal years, including principal and interest obligations for the Capital Funding Revenue Bonds, Series 2010A-1 and 2010A-2 which mature October 1, 2017.

The Maritime Community Park Debt is supported with Tax Increment Revenues derived from the Urban Core Redevelopment Area, and, with respect to the Series 2009B Bonds, Federal Direct Payments and in the event that these revenues are insufficient to pay debt service, the loan is furthered secured by a covenant to budget and appropriate from non-ad valorem revenues of the City and are payable through 2040.

The Local Option Gas Tax Debt is supported by local option gasoline tax collections. On July 23, 2015 the Board of County Commissioners extended the Six-Cent Local Option Gasoline Tax (LOGT) for an additional 10 years and four months beginning September 1, 2016 through December 31, 2026. In the event that LOGT is insufficient to pay debt service, the loan is furthered secured by a covenant to budget and appropriate from the City's non-ad valorem revenues and are payable through 2026.

The Eastside Redevelopment Area Debt is supported by Tax Increment Revenues derived from the Eastside Redevelopment Area and in the event that these revenues are insufficient to pay debt service, the loan is furthered secured by the Local Business Tax and are payable through 2037.

The Westside Redevelopment Area Debt is supported by Tax Increment Revenues derived from the Westside Redevelopment Area and in the event that these revenues are insufficient to pay debt service, the loan is furthered secured by the Local Business Tax and are payable through 2037.

All required principal and interest payments on outstanding debt were remitted timely and in full. The reserve requirements and deposits into the debt service funds mandated by the bond covenant remain funded at or above the prescribed levels at fiscal year-end.

Prior to July 2008 insurance was purchased for all bonded debt issued by the City of Pensacola. The insured rating for the City's debt will fluctuate because it is dependent on the rating of the insurance provider.

On March 22, 2017 Fitch Ratings ("Fitch") affirmed an implied general obligation rating for the City of "AA+" and on October 16, 2009 Standard & Poor's Ratings Services ("Standard & Poor's") affirmed its "AA" on the City's Issuer Credit Rating.

Also, on March 22, 2017 Fitch affirmed a long-term rating of "AA" on the City's Redevelopment Revenue Bonds, Series 2009A and Series 2009B (the "Series 2009 Redevelopment Bonds") and on October 16, 2009 Standard & Poor's assigned a long-term rating of "AA-".

On July 27, 2016 Standard & Poor's affirmed a long-term rating of "BBB", on September 22, 2016 Fitch affirmed a rating of "BBB-" and on May 30, 2017 Moody's Investors Service, Inc. ("Moody's") affirmed a long-term rating of "Baa1" on the City's Airport Revenue Bonds. Outlook is positive with respect to the Standard & Poor's and stable with respect to, Moody's and Fitch ratings.

The City was a participant and the only borrower pursuant to Participant Loan Agreements with the City of Gulf Breeze, Florida ("Gulf Breeze"), executed and delivered in connection with the City's Capital Improvement Revenue Bonds, Series 2010A-1 and Series 2010A-2 (collectively, the "2010A Loan Agreements") and the City's Gas System Revenue Bonds, Series 2010B-1 and Series 2010B-2 (collectively, the "2010B Loan Agreements"). Gulf Breeze issued its Capital Funding Revenue Bonds, Series 2010A and Series 2010B (the "Gulf Breeze Bonds") to fund the 2010A Loan Program ("2010A Program") and the 2010B Loan Program ("2010B Program" and together with the 2010A Program, the "Gulf Breeze 2010 Loan Program"), respectively. As the City is the only borrower from the Gulf Breeze 2010 Loan Program, Moody's assigned an underlying rating of "Aa3" to both series of the Gulf Breeze Bonds based upon the City's pledge of the Local Option Sales Tax (also referred to in this report as the "Infrastructure Sales Tax" all as more fully described herein) to repayment of the obligations under the 2010A Loan Agreements and based on the City's pledge of net revenues of the Gas System to repayment of its obligations under the 2010B Loan Agreements.

The fluctuations of the financial market and downgrades or potential downgrades of bond insurers' ratings have had no material effect on principal and interest payments made by the City, or the City's underlying bond ratings. All required principal and interest payments have been remitted timely and in full.

Additional detail about long-term debt can be found in the Notes to the Financial Statements; Note III, Long-term debt.



## **Economic Factors and Next Year's Budgets and Rates**

The City's fiscal year 2018 budget totals \$228,848,800. Of this \$52 million is for the General Fund, \$94 million for enterprise funds, and the remaining \$82 million to various special revenue, debt service, capital projects, and internal services funds. The fiscal year 2018 \$51,877,900 proposed General Fund budget is \$976,700, or 1.92% percent greater than last year's beginning budget. The estimated 5.79% growth in property valuations will amount to an additional \$582,400 in Property Tax revenue. The Communication Services Tax is anticipated to increase \$30,300 or 1.005% which is based on amounts collected during fiscal year 2017. Franchise Fees and Public Service Tax Revenues are projected to increase 1.17% or \$191,800 in anticipation of a normal winter as well as the cost of energy. Based on the most recent agreement the State Street Light and Traffic Signal Maintenance will increase \$246,000 or 64.03%. Offsetting these increases is a decrease of \$110,800 from State Revenue Sharing based on revenue received in fiscal year 2017. The Escambia County School Board contracts with the City to provide School Resource Officers decreased \$54,500 for the fiscal year 2018 budget year. During fiscal year 2013 the Pensacola Fire Academy was created to provide a local academy for prospective firefighters. Beginning in 2017 George Stone Technical Center will begin providing an academy so that prospective applicants can utilize Pell Grant funding as well as G.I. Bill funding. Therefore \$20,000 has been reduced in revenue from the Fire Academy. No fund balance drawdown is necessary in fiscal year 2018. The General Fund consists of governmental services such as general administration, public safety, parks and recreation, and public works.

The Utility, Sanitation and Airport Funds are expected to be self-supporting, on a cash-flow basis, from user fees for services. As mentioned in the Letter of Transmittal, uses for the 50+ acres currently occupied by the Port of Pensacola will be reviewed in fiscal year 2018. The review is structured to bring forth a plan of action aimed at providing an optimal return on the Port's assets. Depending on the outcome of the review and implementation of the plan of action, the Port may not be self-supporting, on a cash-flow basis, based on user fees for services alone.

Personnel costs account for \$63,188,600 of the City's fiscal year 2018 budget (27.61%). Since taking office in January 2011, the Mayor has reduced a total of 90 positions through the fiscal year 2017 budget. The fiscal year 2018 budget maintains the same overall level of executive branch positions as in the fiscal year 2017 budget with the exception of the deletion of one position at the Port of Pensacola and the addition of six Fire Cadet Positions that were added during fiscal year 2017 with the reinstatement of the Fire Cadet Program.

Beginning with fiscal year 2007 funding for General Fund capital items was programmed for funding in the Local Option Sales Tax Series III (also known as Penny for Progress) which will end on December 31, 2018. The fiscal year 2018 budget provides Local Option Sales Tax Series IV funding of \$1,346,500 in capital equipment for General Fund departments, including Fire, Police, Public Works and Parks & Recreation. Fiscal year 2018 revenues project a 0.88% growth from the fiscal year 2017 beginning budget. Though revenues have not grown as initially anticipated, the budget for capital items remains on target because of conservative estimates put in place at the beginning of the Local Option Sales Tax plans.

Property tax revenues are based upon historical trends, projected increase (decrease) in assessed values and any change in the adopted millage rate. The fiscal year 2018 approved budget

maintained the same millage rate as fiscal year 2017 and estimating a 5.79% increase in property valuation based on the Property Appraiser's July 1st estimated valuation. The increase in growth will result in estimated property tax revenue of \$14,370,800, an additional \$582,400 in Property Tax Revenue for fiscal year 2018. While this increase is a positive indication that the property valuations in the City of Pensacola are rebounding, they have not reached the fiscal year 2008 Property Tax collections of \$14,963,000. Property tax revenues began to decline in fiscal year 2008 when the State Legislature began Property Tax Reform measures. Further reductions were experienced when Amendment 1 was approved by referendum in January 2008. The millage rate would need to be 4.4663 to collect the same Property Tax revenue as was collected in fiscal year 2008. The State of Florida mandated a formula to determine the maximum millage rate that a governmental entity can levy by a majority vote. Based on that calculation and the estimated property valuation, the maximum millage rate that the City could impose could be 7.0948 which equates to an additional \$9.37 million in potential Property Tax Revenue. However, the maximum millage rate that the City of Pensacola can levy is 10 mils (including the Downtown Improvement District's 2.0 mils) which requires a unanimous vote of the City Council. The fiscal year 2018 budget has been prepared maintaining the same millage rate since fiscal year 2012 budget. The proposed millage rate of 4.2895 is below the calculated projected maximum millage rate allowed of 7.0948 mils.

On June 09, 2010, the City Council approved Resolution No. 31-10 which established the Fund Balance Policy of Governmental Funds as well as committed the Council Reserves Fund Balance in the General Fund. On October 9, 2014, the City Council approved the same Council Reserve Policy by Ordinance, amending chapter 3-1 of the Code of the City of Pensacola, Florida; creating section 3-1-13. On March 9, 2017, City Council amended chapter 3-1-13 of the Code of the City of Pensacola, Florida, increasing the minimum reserve from 15 percent to 20 percent. The Fund Balance Policy states that a minimum reserve of 20 percent of beginning adopted appropriations should be maintained in the General Fund as a Council Reserve. The minimum reserve was initially adopted as part of the Financial Planning and Administration Policy on July 23, 1998. The existing General Fund reserve balance (shown on the face of the financial statements as "Council Reserve") increased from \$9.70 million to \$11.3 million in fiscal year 2017. The \$11.30 million balance represents 21.80% of fiscal year 2018 budgeted General Fund appropriations. This marks the tenth consecutive year the minimum reserve has been accomplished since the initial adoption of the reserve policy.

The City's financial policy states that non-recurring revenues should be used only to finance non-recurring expenditures. City Council revised the Financial Planning and Administration Policy in fiscal year 2007 to stipulate that the General Fund's maximum amount of appropriated beginning fund balance should not be more than three percent of budgeted revenues.

## **Request for Information**

This financial report is designed to provide a general overview of the City of Pensacola's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Chief Financial Officer, PO Box 12910, Pensacola, Florida 32521. The City of Pensacola's website address is [www.cityofpensacola.com](http://www.cityofpensacola.com).

## **BASIC FINANCIAL STATEMENTS**

**CITY OF PENSACOLA, FLORIDA  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2017**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Improvement Board
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 10,448,904	\$ 6,685,363	\$ 17,134,267	\$ 537,126
Other cash	123,921		123,921	
Investments	31,974,333	20,465,818	52,440,151	
Accrued interest	190,116		190,116	
Receivables (net of allowances)				
Accounts	3,388,107	7,177,666	10,565,773	103,937
Special assessments	91,090		91,090	
Internal balances	426,183	(426,183)	0	
Due from other governments	2,415,106	5,729,247	8,144,353	
Inventory	806,945	19,282	826,227	
Capital lease receivable		296,387	296,387	
Prepays and deposits	3,786,399	1,837,306	5,623,705	18,079
Restricted assets				
Restricted cash and cash equivalents	2,857,755	6,088,110	8,945,865	
Other cash	21,894		21,894	
Investments	8,750,089	18,637,453	27,387,542	
Due from other governments	3,039,085		3,039,085	
Total current assets	68,319,927	66,510,449	134,830,376	659,142
<b>Noncurrent assets</b>				
Internal balances	409,479	(409,479)	0	
Intangible asset		50,190	50,190	
Capital lease receivable		1,460,442	1,460,442	
Restricted assets				
Cash and cash equivalents	2,371,438	2,584,746	4,956,184	
Investments	7,259,654	7,912,653	15,172,307	
Notes receivable	1,931,670		1,931,670	
Capital assets				
Non-depreciable	37,134,359	63,130,327	100,264,686	
Depreciable (net)	211,699,894	173,804,031	385,503,925	263,814
Total noncurrent assets	260,806,494	248,532,910	509,339,404	263,814
Total assets	\$ 329,126,421	\$ 315,043,359	\$ 644,169,780	\$ 922,956
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred loss on early retirement	279,588	412,771	692,359	
Deferred pension	35,076,444	7,940,189	43,016,633	
Total deferred outflows of resources	35,356,032	8,352,960	43,708,992	0

(continued)

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2017**

	Primary Government			Component Unit Downtown Improvement Board
	Governmental Activities	Business-type Activities	Total	
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 1,274,251	\$ 2,326,782	\$ 3,601,033	\$ 33,769
Contracts payable	2,317,073	4,817,769	7,134,842	
Contracts payable - retainage	1,220,448	1,131,509	2,351,957	
Due to other governments	263,632		263,632	
Wages and benefits payable	1,131,012		1,131,012	
Compensated absences payable	69,032	45,849	114,881	4,213
Deposits	318,560	444,059	762,619	
Notes payable			0	31,593
Unearned revenue	1,542,049		1,542,049	5,000
Capital lease payable	1,546,418		1,546,418	
Loans payable	20,000		20,000	
Payable from restricted assets				
Due to other governments	1,300,000		1,300,000	
Notes payable		1,730,000	1,730,000	
Revenue bonds payable	6,049,000	3,700,000	9,749,000	
Accrued interest payable	1,641,238	1,335,234	2,976,472	
Total current liabilities	18,692,713	15,531,202	34,223,915	74,575
<b>Noncurrent liabilities</b>				
Due to other governments	11,700,000		11,700,000	
Compensated absences payable	2,664,749	1,368,406	4,033,155	
Claims and judgments payable	2,538,710		2,538,710	
Notes payable		42,555,000	42,555,000	2,581
Revenue bonds payable	58,950,094	31,623,700	90,573,794	
Capital lease payable	4,914,536		4,914,536	
Loans payable	80,000		80,000	
Interest rate swap liability		14,709	14,709	
Net OPEB liability	9,921,976	3,870,394	13,792,370	
Net Pension liability	95,964,975	25,486,084	121,451,059	
Other liabilities			0	1,000
Total noncurrent liabilities	186,735,040	104,918,293	291,653,333	3,581
Total liabilities	205,427,753	120,449,495	325,877,248	78,156
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred pension	1,297,733	448,979	1,746,712	
Total deferred outflows of resources	1,297,733	448,979	1,746,712	0
<b>NET POSITION</b>				
Net investment in capital assets	190,491,657	168,168,989	358,660,646	229,640
Restricted for				
Capital projects	10,338,403		10,338,403	
Debt service	6,795,503	4,741,398	11,536,901	
Community redevelopment	1,931,670		1,931,670	
Federal housing program	3,186,048		3,186,048	
Other purposes	4,704,818		4,704,818	
Disaster recovery	2,794,970		2,794,970	
Renewal and replacement		3,256,000	3,256,000	
Operations and maintenance		2,500,000	2,500,000	
Unrestricted	(62,486,102)	23,831,458	(38,654,644)	615,160
<b>Total net position</b>	\$ 157,756,967	\$ 202,497,845	\$ 360,254,812	\$ 844,800

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

<u>Function/Programs</u>	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary government</b>				
<b>Governmental activities:</b>				
General government	\$ 13,421,994	\$ 492,954	\$ 3,207,444	\$
Public safety	41,001,683	2,434,239	121,187	111,545
Transportation	2,896,355	808,801		
Culture and recreation	13,651,877	2,996,558	116,906	1,055,264
Economic environment	17,947,509		17,301,764	548,893
Physical environment	4,218,895	2,713,930	4,302	4,236,864
Human services	30,000			
Unallocated depreciation	4,139,867			
Interest on long-term debt	4,514,339			
Total governmental activities	<u>101,822,519</u>	<u>9,446,482</u>	<u>20,751,603</u>	<u>5,952,566</u>
<b>Business-type activities:</b>				
Utility	33,575,070	44,741,994		555,301
Sanitation	7,385,517	7,190,675		1,414
Port	2,869,779	1,058,964		1,694,590
Airport	25,102,535	21,638,635		26,452,842
Total business-type activities	<u>68,932,901</u>	<u>74,630,268</u>	<u>0</u>	<u>28,704,147</u>
<b>Total primary government</b>	<u>\$ 170,755,420</u>	<u>\$ 84,076,750</u>	<u>\$ 20,751,603</u>	<u>\$ 34,656,713</u>
<b>Component unit:</b>				
Downtown Improvement Board	\$ 1,525,531	\$ 1,022,935	\$ 198,365	\$
Total component units	<u>\$ 1,525,531</u>	<u>\$ 1,022,935</u>	<u>\$ 198,365</u>	<u>\$ 0</u>

(continued)

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

Function/Programs	Net (Expenses) Revenue and Changes in Net Position			Component Unit Downtown Improvement Board
	Primary Government		Total	
	Governmental Activities	Business-type Activities		
<b>Primary government</b>				
<b>Governmental activities:</b>				
General government	\$ (9,721,596)		\$ (9,721,596)	
Public safety	(38,334,712)		(38,334,712)	
Transportation	(2,087,554)		(2,087,554)	
Culture and recreation	(9,483,149)		(9,483,149)	
Economic environment	(96,852)		(96,852)	
Physical environment	2,736,201		2,736,201	
Human services	(30,000)		(30,000)	
Unallocated depreciation	(4,139,867)		(4,139,867)	
Interest on long-term debt	(4,514,339)		(4,514,339)	
Total governmental activities	<u>(65,671,868)</u>		<u>(65,671,868)</u>	
<b>Business-type activities:</b>				
Utility		\$ 11,722,225	11,722,225	
Sanitation		(193,428)	(193,428)	
Port		(116,225)	(116,225)	
Airport		22,988,942	22,988,942	
Total business-type activities		<u>34,401,514</u>	<u>34,401,514</u>	
<b>Total primary government</b>	<u>(65,671,868)</u>	<u>34,401,514</u>	<u>(31,270,354)</u>	
<b>Component unit:</b>				
Downtown Improvement Board				\$ (304,231)
Total component units				
<b>General revenues:</b>				
Property taxes	13,781,024		13,781,024	357,177
Public service taxes	7,873,643		7,873,643	
Franchise fees	8,218,881		8,218,881	
Communication service tax	2,853,565		2,853,565	
Local business tax	902,333		902,333	
Local option gasoline tax	1,353,590		1,353,590	
Local option sales tax	7,881,842		7,881,842	
Unrestricted intergovernmental revenue	6,999,518		6,999,518	
Unrestricted investment earnings	1,780,315	467,169	2,247,484	
Gain on sale of capital asset	1,496,281	64,870	1,561,151	
Miscellaneous	139,669	919,630	1,059,299	
<b>Transfers</b>	8,000,000	(8,000,000)	0	
<b>Overhead transfers</b>	2,458,900	(2,458,900)	0	
Total general revenues, transfers, and	<u>63,739,561</u>	<u>(9,007,231)</u>	<u>54,732,330</u>	<u>357,177</u>
<b>Special item- NMTC Unwind</b>	14,266,276		14,266,276	
<b>Change in net position</b>	<u>12,333,969</u>	<u>25,394,283</u>	<u>37,728,252</u>	<u>52,946</u>
<b>Net position at beginning of year</b>	<u>145,422,998</u>	<u>177,103,562</u>	<u>322,526,560</u>	<u>791,854</u>
<b>Net position September 30, 2017</b>	<u>\$ 157,756,967</u>	<u>\$ 202,497,845</u>	<u>\$ 360,254,812</u>	<u>\$ 844,800</u>

The accompanying notes are an integral part of these financial statements.



**CITY OF PENSACOLA, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2017**

	<b>General Fund</b>	<b>Community Redevelopment Agency</b>	<b>Urban Core Redevelopment Trust</b>	<b>Eastside Tax Increment Financing District</b>	<b>Westside Tax Increment Financing District</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 3,758,003	\$ 543,667	\$	\$	\$
Other cash					
Investments	11,493,226	1,664,322			
Accrued interest	190,116				
Accounts receivable	1,366,741	826			
Special assessments receivable	91,090				
Due from other funds	351,864				
Due from other governments	1,072,788				
Prepays and deposits	23,339	395			
Inventories					
Restricted assets					
Cash and cash equivalents	519,871	244,185		151,511	30,522
Other cash					
Investments	1,591,474	747,519		463,818	93,436
Due from other funds					
Due from other governments					
Advances to other funds					
Notes receivable					
<b>Total assets</b>	<b>\$ 20,458,512</b>	<b>\$ 3,200,914</b>	<b>\$ 0</b>	<b>\$ 615,329</b>	<b>\$ 123,958</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 798,796	\$ 22,926	\$	\$ 84	\$ 84
Contracts payable	274,448	12,106			
Contracts payable - retainage					
Due to other funds		7,224		482	482
Due to other governments					
Advances from other funds					
Compensated absences payable	61,343				
Wages and benefits payable	1,131,012				
Unearned revenue	915,769				
Deposits	72,678	1,000			
<b>Total liabilities</b>	<b>3,254,046</b>	<b>43,256</b>	<b>0</b>	<b>566</b>	<b>566</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	180,312				
<b>Total deferred inflows of resources</b>	<b>180,312</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

(continued)

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2017**

	<u>General Fund</u>	<u>Community Redevelopment Agency</u>	<u>Urban Core Redevelopment Trust</u>	<u>Eastside Tax Increment Financing District</u>	<u>Westside Tax Increment Financing District</u>
<b>FUND BALANCE (DEFICITS)</b>					
Non-spendable	23,339	395			
Restricted					
Saenger capital	329,578				
Community Development Projects		3,157,263		614,763	123,392
Debt Service Payments					
Other restricted	562,279				
Committed					
Tree landscape	385,640				
Council Reserve	11,308,640				
Other committed					
Assigned	2,692,973				
Unassigned	1,721,705				
Total fund balances	<u>17,024,154</u>	<u>3,157,658</u>	<u>0</u>	<u>614,763</u>	<u>123,392</u>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<b>\$ <u>20,458,512</u></b>	<b>\$ <u>3,200,914</u></b>	<b>\$ <u>0</u></b>	<b>\$ <u>615,329</u></b>	<b>\$ <u>123,958</u></b>

(continued)

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2017**

	<b>CRA Debt Service</b>	<b>Housing Assistance Payments</b>	<b>CRA Project Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$	\$ 735,344	\$	\$ 4,038,498	\$ 9,075,512
Other cash		123,921			123,921
Investments		2,249,418		12,363,010	27,769,976
Accrued interest					190,116
Accounts receivable		408,543		487,072	2,263,182
Special assessments receivable					91,090
Due from other funds				867,649	1,219,513
Due from other governments				1,228,662	2,301,450
Prepays and deposits		528		3,514,646	3,538,908
Inventories				4,297	4,297
Restricted assets					
Cash and cash equivalents	1,013,400	24,397	1,218,184	1,105,874	4,307,944
Other cash				21,894	21,894
Investments	3,102,310	76,368	3,729,210	3,385,400	13,189,535
Due from other funds				1,335,536	1,335,536
Due from other governments				3,039,085	3,039,085
Advances to other funds				1,317,705	1,317,705
Notes receivable				1,931,670	1,931,670
<b>Total assets</b>	<b>\$ 4,115,710</b>	<b>\$ 3,618,519</b>	<b>\$ 4,947,394</b>	<b>\$ 34,640,998</b>	<b>\$ 71,721,334</b>
<b>LIABILITIES</b>					
Accounts payable	\$	\$ 5,662	\$ 1,695	\$ 355,921	\$ 1,185,168
Contracts payable		400	14,907	1,995,204	2,297,065
Contracts payable - retainage			86,757	1,133,691	1,220,448
Due to other funds		17,866		2,245,435	2,271,489
Due to other governments				263,632	263,632
Advances from other funds				1,317,705	1,317,705
Compensated absences payable				7,689	69,032
Wages and benefits payable					1,131,012
Unearned revenue	455,370			170,910	1,542,049
Deposits				237,401	311,079
<b>Total liabilities</b>	<b>455,370</b>	<b>23,928</b>	<b>103,359</b>	<b>7,727,588</b>	<b>11,608,679</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue		408,543		1,933,520	2,522,375
<b>Total deferred inflows of resources</b>	<b>0</b>	<b>408,543</b>	<b>0</b>	<b>1,933,520</b>	<b>2,522,375</b>

(continued)

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2017**

	<b>CRA Debt Service</b>	<b>Housing Assistance Payments</b>	<b>CRA Project Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>FUND BALANCE (DEFICITS)</b>					
Non-spendable		528		3,518,943	3,543,205
Restricted					
Saenger capital					329,578
Community Development Projects			4,844,035		8,739,453
Debt Service Payments	3,660,340			3,135,163	6,795,503
Other restricted		3,185,520		20,118,306	23,866,105
Committed					
Tree landscape					385,640
Council Reserve					11,308,640
Other committed				5,888,016	5,888,016
Assigned				867,343	3,560,316
Unassigned				(8,547,881)	(6,826,176)
Total fund balances	<u>3,660,340</u>	<u>3,186,048</u>	<u>4,844,035</u>	<u>24,979,890</u>	<u>57,590,280</u>

**Total liabilities, deferred inflows of resources and fund balances (deficits)**    \$ 4,115,710    \$ 3,618,519    \$ 4,947,394    \$ 34,640,998

Capital assets used in governmental activities are not financial resources to the governmental funds. The cost of the assets is \$366,393,554 and the accumulated depreciation is \$119,529,733. 246,863,821

Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds. 2,522,375

The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 6,785,924

Net other post employment benefits (OPEB) liability, as required by Governmental Accounting Standards Statement No. 45, are not due and payable in the current period and therefore are not reported in the governmental funds. (9,094,816)

Net pension liability (NPL), as required by Governmental Accounting Standards Statement No. 68, is not due and payable in the current period and therefore is not reported in the governmental funds. (58,537,569)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

Loans payable	(100,000)
Notes payable	(19,432,000)
Bonds payable	(45,730,000)
Unamortized bond premium	(94,924)
Unamortized bond discount	257,830
Deferred loss on early retirement	279,588
Due to other governments	(13,000,000)
Compensated absences	(2,451,350)
Capital lease	(6,460,954)
Accrued interest payable	(1,641,238)
	<u>(88,373,048)</u>

**Net position of governmental activities** \$ 157,756,967

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	General Fund	Community Redevelopment Agency	Urban Core Redevelopment Trust	Eastside Tax Increment Financing District	Westside Tax Increment Financing District
<b>Revenues:</b>					
Taxes	\$ 25,524,771	\$	\$	\$	\$
Licenses and permits	93,077				
Franchise fees	8,218,881				
Intergovernmental	6,984,570		2,986,579	63,344	118,244
Charges for services	1,199,540	36,449			
Fines and forfeits	130,833				
Assessments	78,741				
Interest income	113,981	28,936	5,204	4,001	1,134
Donations					
Other	649,951				
<b>Total revenues</b>	<u>42,994,345</u>	<u>65,385</u>	<u>2,991,783</u>	<u>67,345</u>	<u>119,378</u>
<b>Expenditures:</b>					
<b>Current -</b>					
General government	5,034,004	2,189,177		30,231	25,429
Public safety	29,943,876				
Transportation	2,441,672				
Culture and recreation	6,291,398				
Economic environment	325,000				
Physical environment	9,744				
Human services	30,000				
Capital outlay	40,512			418,199	
<b>Debt service -</b>					
Principal retirement					
Interest				3,750	
Issuance Cost					
<b>Total expenditures</b>	<u>44,116,206</u>	<u>2,189,177</u>	<u>0</u>	<u>452,180</u>	<u>25,429</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(1,121,861)</u>	<u>(2,123,792)</u>	<u>2,991,783</u>	<u>(384,835)</u>	<u>93,949</u>
<b>Other financing sources (uses):</b>					
Transfers in	8,000,000	3,736,393	1,807,608	541,066	76,658
Transfers (out)	(5,004,255)	(1,421,059)	(4,799,391)	(180,000)	(180,000)
Loan proceeds					
Sale of capital assets	544,058	930,434			
Bonds issued					
Insurance recoveries					
<b>Total other financing sources (uses)</b>	<u>3,539,803</u>	<u>3,245,768</u>	<u>(2,991,783)</u>	<u>361,066</u>	<u>(103,342)</u>
<b>Special item - NMTC Unwind</b>		<u>(39,813,626)</u>			
<b>Net Change in fund balances</b>	<u>2,417,942</u>	<u>(38,691,650)</u>	<u>0</u>	<u>(23,769)</u>	<u>(9,393)</u>
<b>Fund balances at beginning of year</b>	<u>14,606,212</u>	<u>41,849,308</u>	<u>0</u>	<u>638,532</u>	<u>132,785</u>
<b>Fund balances at end of year</b>	<u>\$ 17,024,154</u>	<u>\$ 3,157,658</u>	<u>\$ 0</u>	<u>\$ 614,763</u>	<u>\$ 123,392</u>

(continued)

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

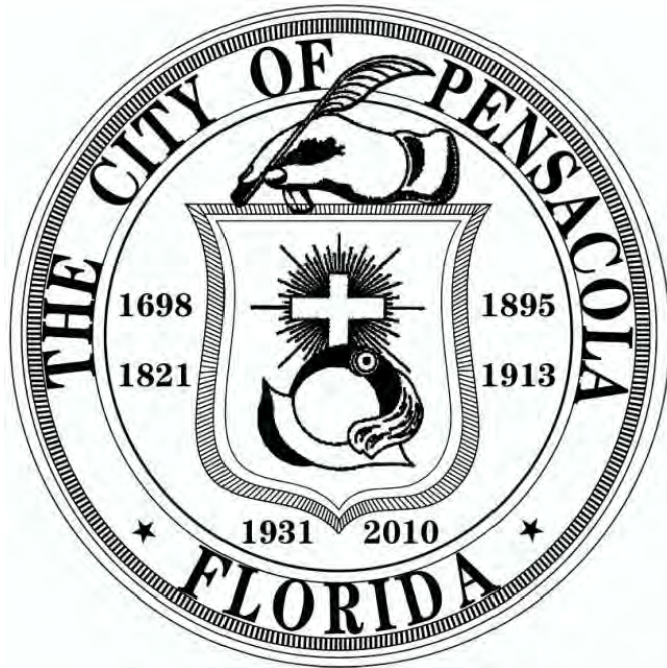
	CRA	Housing Assistance	CRA	Nonmajor Governmental	Total Governmental
	Debt Service	Payments	Project Fund	Funds	Funds
<b>Revenues:</b>					
Taxes	\$	\$	\$	\$ 9,358,478	\$ 34,883,249
Licenses and permits				1,678,772	1,771,849
Franchise fees					8,218,881
Intergovernmental	911,230	16,554,693		3,729,938	31,348,598
Charges for services				5,772,105	7,008,094
Fines and forfeits				22,815	153,648
Assessments					78,741
Interest income	1,411,371	33,772	28,265	186,028	1,812,692
Donations				2,011,038	2,011,038
Other		3,956		122,058	775,965
<b>Total revenues</b>	<u>2,322,601</u>	<u>16,592,421</u>	<u>28,265</u>	<u>22,881,232</u>	<u>88,062,755</u>
<b>Expenditures:</b>					
<b>Current -</b>					
General government				1,477,398	8,756,239
Public safety				1,748,215	31,692,091
Transportation				159,434	2,601,106
Culture and recreation				2,609,718	8,901,116
Economic environment		16,825,834		689,889	17,840,723
Physical environment				4,080,206	4,089,950
Human services					30,000
Capital outlay		36,356	528,408	17,187,490	18,210,965
<b>Debt service -</b>					
Principal retirement	1,045,000			3,516,000	4,561,000
Interest	2,975,306			2,203,542	5,182,598
Issuance Cost			44,822		44,822
<b>Total expenditures</b>	<u>4,020,306</u>	<u>16,862,190</u>	<u>573,230</u>	<u>33,671,892</u>	<u>101,910,610</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(1,697,705)</u>	<u>(269,769)</u>	<u>(544,965)</u>	<u>(10,790,660)</u>	<u>(13,847,855)</u>
<b>Other financing sources (uses):</b>					
Transfers in	1,444,822			7,090,952	22,697,499
Transfers (out)				(1,803,698)	(13,388,403)
Loan proceeds				100,000	100,000
Sale of capital assets		5,320		7,553	1,487,365
Bonds issued			5,389,000		5,389,000
Insurance recoveries				20,000	20,000
<b>Total other financing sources (uses)</b>	<u>1,444,822</u>	<u>5,320</u>	<u>5,389,000</u>	<u>5,414,807</u>	<u>16,305,461</u>
<b>Special item - NMTC Unwind</b>					<u>(39,813,626)</u>
<b>Net Change in fund balances</b>	<u>(252,883)</u>	<u>(264,449)</u>	<u>4,844,035</u>	<u>(5,375,853)</u>	<u>(37,356,020)</u>
<b>Fund balances at beginning of year</b>	<u>3,913,223</u>	<u>3,450,497</u>	<u>0</u>	<u>30,355,743</u>	<u>94,946,300</u>
<b>Fund balances at end of year</b>	<u>\$ 3,660,340</u>	<u>\$ 3,186,048</u>	<u>\$ 4,844,035</u>	<u>\$ 24,979,890</u>	<u>\$ 57,590,280</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

<b>Net change in fund balances - total governmental funds</b>		<b>\$ (37,356,020)</b>
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.		
Expenditures for capital assets	18,210,965	
Less current year depreciation	<u>(12,094,887)</u>	6,116,078
Issuance of long-term debt provides current financial resources to governmental funds, but the issuance increases long-term liabilities in the statement of net position.		(5,489,000)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		4,561,000
NMTC Unwind - forgiveness of long-term debt is not reported in the governmental funds, but reduces long-term liabilities in the statement of net position.		54,079,902
Repayment of long-term amounts due to other governments are expenditures in the governmental funds, but the repayment reduces the liability in the statement of net position.		1,300,000
Some revenues reported in the statement of activities do not provide current financial resources, therefore, those revenues are not reported as revenues in governmental funds.		(381,646)
Compensated absences, reported in the statement of activities, does not require the use of current financial resources, therefore, it is not reported as an expenditure in governmental funds.		(58,335)
Accrued interest expense, reported in the statement of activities, does not require the use of current financial resources in governmental funds. Included is the amortization of bond discounts and premiums of \$352,754.		668,259
The change in annual other post employment benefits (OPEB) cost, as required by Governmental Accounting Standards Statement No. 45, does not require the use of current financial resources, therefore; the change is not reported as an expenditure in governmental funds.		(779,493)
The change in annual net pension liability (NPL) cost, as required by Governmental Accounting Standards Statement No. 68, does not require the use of current financial resource; therefore, the change is not reported as an expenditure in governmental funds.		(6,974,835)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		(1,240,332)
The proceeds from the sale of capital assets are reported as revenue in the governmental funds. However, the cost of capital assets disposed must be offset against the sale proceeds resulting in a gain/(loss) on sale of capital assets in the statement of activities. Donations of capital assets do not provide current financial resources to the governmental funds.		
Donations of capital assets	159,534	
Net book value of capital assets disposed	<u>(2,271,143)</u>	<u>(2,111,609)</u>
<b>Change in net position of governmental activities</b>		<b>\$ <u>12,333,969</u></b>

The accompanying notes are an integral part of these financial statements.



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**CITY OF PENSACOLA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Taxes	\$ 25,511,800	\$ 25,537,747	\$ 25,524,771	\$ (12,976)
Licenses and permits	78,500	93,077	93,077	0
Franchise fees	8,651,400	8,218,879	8,218,881	2
Intergovernmental	7,061,800	6,984,597	6,984,570	(27)
Charges for services	946,200	1,199,540	1,199,540	0
Fines and forfeits	106,500	117,806	130,833	13,027
Assessments	0	72,000	78,741	6,741
Interest income	30,000	111,837	113,981	2,144
Other	621,400	639,840	649,951	10,111
Total revenues	<u>43,007,600</u>	<u>42,975,323</u>	<u>42,994,345</u>	<u>19,022</u>
<b>Expenditures:</b>				
Current -				
General government	6,148,600	6,363,572	5,034,004	1,329,568
Public safety	31,089,000	31,115,779	29,943,876	1,171,903
Transportation	2,291,200	2,592,933	2,441,672	151,261
Culture and recreation	6,412,300	7,099,307	6,291,398	807,909
Economic environment	471,400	765,000	325,000	440,000
Physical environment	3,000	75,000	9,744	65,256
Human services	30,000	30,000	30,000	0
Capital outlay	0	49,030	40,512	8,518
Total expenditures	<u>46,445,500</u>	<u>48,090,621</u>	<u>44,116,206</u>	<u>3,974,415</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,437,900)</u>	<u>(5,115,298)</u>	<u>(1,121,861)</u>	<u>3,993,437</u>
<b>Other financing sources (uses):</b>				
Transfers in	8,000,000	8,000,000	8,000,000	0
Transfers (out)	(4,793,100)	(5,004,255)	(5,004,255)	0
Sale of capital assets	50,000	544,100	544,058	(42)
Total other financing sources (uses)	<u>3,256,900</u>	<u>3,539,845</u>	<u>3,539,803</u>	<u>(42)</u>
<b>Net change in fund balances</b>	<u>\$ (181,000)</u>	<u>\$ (1,575,453)</u>	<u>2,417,942</u>	<u>\$ 3,993,395</u>
<b>Fund balances at beginning of year</b>			<u>14,606,212</u>	
<b>Fund balances at end of year</b>			<u>\$ 17,024,154</u>	

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**COMMUNITY REDEVELOPMENT AGENCY FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services	\$ 87,200	\$ 36,053	\$ 36,449	\$ 396
Interest income	5,000	11,716	28,936	17,220
Other	5,100	0	0	0
Total revenues	<u>97,300</u>	<u>47,769</u>	<u>65,385</u>	<u>17,616</u>
<b>Expenditures:</b>				
Current -				
General government	2,385,800	3,207,865	2,189,177	1,018,688
Public safety				
Transportation				
Culture and recreation				
Economic environment				
Physical environment				
Human services				
Capital outlay				
Total expenditures	<u>2,385,800</u>	<u>3,207,865</u>	<u>2,189,177</u>	<u>1,018,688</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,288,500)</u>	<u>(3,160,096)</u>	<u>(2,123,792)</u>	<u>1,036,304</u>
<b>Other financing sources (uses):</b>				
Transfers in	3,708,900	3,736,393	3,736,393	0
Transfers (out)	(1,420,400)	(1,421,059)	(1,421,059)	0
Sale of capital assets	0	930,434	930,434	0
Total other financing sources (uses)	<u>2,288,500</u>	<u>3,245,768</u>	<u>3,245,768</u>	<u>0</u>
<b>Special item - NMTC Unwind</b>	<u>0</u>	<u>(39,813,626)</u>	<u>(39,813,626)</u>	<u>0</u>
<b>Net change in fund balances</b>	<u>\$ 0</u>	<u>\$ (39,727,954)</u>	<u>(38,691,650)</u>	<u>\$ 1,036,304</u>
<b>Fund balances at beginning of year</b>			<u>41,849,308</u>	
<b>Fund balances at end of year</b>			<u>\$ 3,157,658</u>	

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**URBAN CORE REDEVELOPMENT TRUST FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 2,984,300	\$ 2,986,579	\$ 2,986,579	0
Interest income	0	5,204	5,204	0
Total revenues	<u>2,984,300</u>	<u>2,991,783</u>	<u>2,991,783</u>	<u>0</u>
<b>Expenditures:</b>				
Current -				
General government				
Public safety				
Transportation				
Culture and recreation				
Economic environment				
Physical environment				
Human services				
Capital outlay				
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,984,300</u>	<u>2,991,783</u>	<u>2,991,783</u>	<u>0</u>
<b>Other financing sources (uses):</b>				
Transfers in	1,806,400	1,807,608	1,807,608	0
Transfers (out)	(4,790,700)	(4,799,391)	(4,799,391)	0
Total other financing sources (uses)	<u>(2,984,300)</u>	<u>(2,991,783)</u>	<u>(2,991,783)</u>	<u>0</u>
<b>Net change in fund balances</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>	<u>\$ 0</u>
<b>Fund balances at beginning of year</b>			<u>0</u>	
<b>Fund balances at end of year</b>			<u>\$ 0</u>	

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**EASTSIDE TAX INCREMENT FINANCING DISTRICT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 63,800	\$ 63,344	\$ 63,344	\$ 0
Interest income	0	499	4,001	3,502
Total revenues	<u>63,800</u>	<u>63,843</u>	<u>67,345</u>	<u>3,502</u>
<b>Expenditures:</b>				
Current -				
General government	105,200	581,415	30,231	551,184
Public safety				
Transportation				
Culture and recreation				
Economic environment				
Physical environment				
Human services				
Capital outlay	0	418,199	418,199	0
<b>Debt service -</b>				
Principal retirement				
Interest	0	63,750	3,750	60,000
Total expenditures	<u>105,200</u>	<u>1,063,364</u>	<u>452,180</u>	<u>611,184</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(41,400)</u>	<u>(999,521)</u>	<u>(384,835)</u>	<u>614,686</u>
<b>Other financing sources (uses):</b>				
Transfers in	41,400	541,066	541,066	0
Transfers (out)	0	(180,000)	(180,000)	0
Total other financing sources (uses)	<u>41,400</u>	<u>861,066</u>	<u>361,066</u>	<u>(500,000)</u>
<b>Net change in fund balances</b>	<u>\$ 0</u>	<u>\$ (138,455)</u>	<u>(23,769)</u>	<u>\$ 114,686</u>
<b>Fund balances at beginning of year</b>			<u>638,532</u>	
<b>Fund balances at end of year</b>			<u>\$ 614,763</u>	

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**WESTSIDE TAX INCREMENT FINANCING DISTRICT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 116,900	\$ 118,244	\$ 118,244	\$ 0
Interest income	0	500	1,134	634
Total revenues	<u>116,900</u>	<u>118,744</u>	<u>119,378</u>	<u>634</u>
<b>Expenditures:</b>				
Current -				
General government	192,700	138,521	25,429	113,092
Public safety				
Transportation				
Culture and recreation				
Economic environment				
Physical environment				
Human services				
Capital outlay				0
Total expenditures	<u>192,700</u>	<u>138,521</u>	<u>25,429</u>	<u>113,092</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(75,800)</u>	<u>(19,777)</u>	<u>93,949</u>	<u>113,726</u>
<b>Other financing sources (uses):</b>				
Transfers in	75,800	76,658	76,658	0
Transfers (out)	0	(185,000)	(180,000)	
Total other financing sources (uses)	<u>75,800</u>	<u>(108,342)</u>	<u>(103,342)</u>	<u>0</u>
<b>Net change in fund balances</b>	<u>\$ 0</u>	<u>\$ (128,119)</u>	<u>(9,393)</u>	<u>\$ 113,726</u>
<b>Fund balances at beginning of year</b>			<u>132,785</u>	
<b>Fund balances at end of year</b>			<u>\$ 123,392</u>	

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**HOUSING ASSISTANCE PAYMENTS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues :</b>				
Intergovernmental	\$ 18,542,700	\$ 16,872,400	\$ 16,554,693	\$ (317,707)
Interest income	8,000	10,600	33,772	23,172
Other	20,000	0	3,956	3,956
Total revenues	<u>18,570,700</u>	<u>16,883,000</u>	<u>16,592,421</u>	<u>(290,579)</u>
<b>Expenditures :</b>				
Current -				
Economic environment	18,646,000	16,966,053	16,825,834	140,219
Capital outlay	45,000	45,000	36,356	8,644
Total expenditures	<u>18,691,000</u>	<u>17,011,053</u>	<u>16,862,190</u>	<u>148,863</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(120,300)</u>	<u>(128,053)</u>	<u>(269,769)</u>	<u>(141,716)</u>
<b>Other financing sources (uses):</b>				
Sale of capital assets		5,320	5,320	0
Total other financing sources (uses):	<u>0</u>	<u>5,320</u>	<u>5,320</u>	<u>0</u>
<b>Net change in fund balances</b>	<u>\$ (120,300)</u>	<u>\$ (122,733)</u>	<u>(264,449)</u>	<u>\$ (141,716)</u>
<b>Fund balances at beginning of year</b>			<u>3,450,497</u>	
<b>Fund balances at end of year</b>			<u>\$ 3,186,048</u>	

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2017**

	<b>Business-type Activities - Enterprise Funds</b>					<b>Governmental Activities- Internal Service Funds</b>
	<b>Utility Fund</b>	<b>Sanitation Fund</b>	<b>Port Fund</b>	<b>Airport Fund</b>	<b>Total Enterprise Funds</b>	
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	\$ 2,718,835	\$ 606,099	\$	\$ 3,360,429	\$ 6,685,363	\$ 1,373,392
Investments	8,323,138	1,855,445		10,287,235	20,465,818	4,204,357
Accounts receivable (net)	3,584,666	682,002	333,410	2,577,588	7,177,666	1,124,925
Due from other funds	131,300				131,300	193,601
Due from other governments			204,518	5,524,729	5,729,247	113,656
Prepaid expenses	1,767,742	811	12,598	56,155	1,837,306	47,491
Inventory	19,282				19,282	802,648
Capital lease receivable	296,387				296,387	
Restricted assets						
Cash and cash equivalents	2,800,926		82,868	3,204,316	6,088,110	
Investments	8,574,439		253,680	9,809,334	18,637,453	
Total current assets	<u>28,216,715</u>	<u>3,144,357</u>	<u>887,074</u>	<u>34,819,786</u>	<u>67,067,932</u>	<u>7,860,070</u>
<b>Noncurrent assets</b>						
Intangible asset	50,190				50,190	
Prepaid expenses					0	200,000
Advances to other funds	553,800				553,800	411,036
Capital lease receivable	1,460,442				1,460,442	
Restricted assets						
Cash and cash equivalents	99,894			2,484,852	2,584,746	921,249
Investments	305,806			7,606,847	7,912,653	2,820,208
Capital assets						
Non-depreciable	423,829	41,093	3,065,573	59,599,832	63,130,327	
Depreciable (net)	46,621,705	1,465,118	8,596,123	117,121,085	173,804,031	1,970,432
Total noncurrent assets	<u>49,515,666</u>	<u>1,506,211</u>	<u>11,661,696</u>	<u>186,812,616</u>	<u>249,496,189</u>	<u>6,322,925</u>
Total assets	<u>77,732,381</u>	<u>4,650,568</u>	<u>12,548,770</u>	<u>221,632,402</u>	<u>316,564,121</u>	<u>14,182,995</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred loss on early retirement				412,771	412,771	
Deferred pension	3,628,388	1,903,368	323,789	2,084,644	7,940,189	1,684,041
Total deferred outflows of resources	<u>3,628,388</u>	<u>1,903,368</u>	<u>323,789</u>	<u>2,497,415</u>	<u>8,352,960</u>	<u>1,684,041</u>

(continued)

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2017**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Total Enterprise Funds</b>	<b>Governmental Activities- Internal Service Funds</b>
	<b>Utility Fund</b>	<b>Sanitation Fund</b>	<b>Port Fund</b>	<b>Airport Fund</b>		
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Accounts payable	1,514,918	168,956	70,644	572,264	2,326,782	89,083
Contracts payable	497,779		67,697	4,252,293	4,817,769	20,008
Contracts payable - retainage				1,131,509	1,131,509	
Due to other funds	199,485	278,330	8,734	70,934	557,483	50,978
Deposits		105	371,857	72,097	444,059	7,481
Compensated absences payable	12,922	32,927			45,849	
Payable from restricted assets						
Notes payable	805,000			925,000	1,730,000	
Revenue bonds payable	1,720,000			1,980,000	3,700,000	
Accrued interest payable	175,286			1,159,948	1,335,234	
Total current liabilities	<u>4,925,390</u>	<u>480,318</u>	<u>518,932</u>	<u>10,164,045</u>	<u>16,088,685</u>	<u>167,550</u>
<b>Noncurrent liabilities</b>						
Compensated absences payable	641,858	281,099	61,358	384,091	1,368,406	213,399
Advances from other funds	344,752	601,041		17,486	963,279	1,557
Claims and judgments payable						2,538,710
Notes payable	16,830,000			25,725,000	42,555,000	
Revenue bonds payable				31,623,700	31,623,700	
Interest rate swap liability				14,709	14,709	
Net OPEB liability	1,994,164	746,574	159,166	970,490	3,870,394	827,160
Net pension liability	11,838,792	6,288,023	989,735	6,369,534	25,486,084	5,223,666
Total noncurrent liabilities	<u>31,649,566</u>	<u>7,916,737</u>	<u>1,210,259</u>	<u>65,105,010</u>	<u>105,881,572</u>	<u>8,804,492</u>
Total liabilities	<u>36,574,956</u>	<u>8,397,055</u>	<u>1,729,191</u>	<u>75,269,055</u>	<u>121,970,257</u>	<u>8,972,042</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred pension	209,937	93,118	22,168	123,756	448,979	109,070
Total deferred outflows of resources	<u>209,937</u>	<u>93,118</u>	<u>22,168</u>	<u>123,756</u>	<u>448,979</u>	<u>109,070</u>
<b>NET POSITION</b>						
Net investment in capital assets	38,135,803	1,506,211	11,661,696	116,865,279	168,168,989	1,970,432
Restricted						
Debt service	405,700			4,335,698	4,741,398	
Renewal and replacement				3,256,000	3,256,000	
Operations and maintenance				2,500,000	2,500,000	
Unrestricted	6,034,373	(3,442,448)	(540,496)	21,780,029	23,831,458	4,815,492
<b>Total net (deficit) position</b>	<u>\$ 44,575,876</u>	<u>\$ (1,936,237)</u>	<u>\$ 11,121,200</u>	<u>\$ 148,737,006</u>	<u>\$ 202,497,845</u>	<u>\$ 6,785,924</u>

The accompanying notes are an integral part of these financial statements.



**CITY OF PENSACOLA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<b>Business-type Activities - Enterprise Funds</b>					<b>Governmental Activities- Internal Service Funds</b>
	<b>Utility Fund</b>	<b>Sanitation Fund</b>	<b>Port Fund</b>	<b>Airport Fund</b>	<b>Total</b>	
<b>Operating revenues:</b>						
Charges for services	\$ 44,741,994	\$ 7,301,665	\$ 1,058,964	\$ 21,638,635	\$ 74,741,258	\$ 4,646,069
Insurance					-	15,456,173
Other	352,262	443,433	160	12,785	808,640	276,200
Total operating revenues	<u>45,094,256</u>	<u>7,745,098</u>	<u>1,059,124</u>	<u>21,651,420</u>	<u>75,549,898</u>	<u>20,378,442</u>
<b>Operating expenses:</b>						
Gas purchases	16,339,643				16,339,643	
Salaries and employee benefits	7,520,061	3,555,959	888,069	4,373,051	16,337,140	3,318,950
Materials and supplies	877,411	380,087	20,506	241,134	1,519,138	117,420
Repairs and maintenance	473,892	988,773	179,533	1,102,163	2,744,361	103,406
Contractual services	4,558,666	240,903	187,794	4,831,050	9,818,413	1,062,731
Office and utilities	1,529,826	550,974	517,448	2,393,574	4,991,822	353,575
Land fill fees		1,093,099			1,093,099	
Overhead allocation	1,249,200	498,700	125,700	585,300	2,458,900	
Premiums and claims expense						15,041,477
Total operating expenses before depreciation	<u>32,548,699</u>	<u>7,308,495</u>	<u>1,919,050</u>	<u>13,526,272</u>	<u>55,302,516</u>	<u>19,997,559</u>
Operating income (loss) before depreciation	12,545,557	436,603	(859,926)	8,125,148	20,247,382	380,883
Depreciation	<u>1,843,258</u>	<u>261,445</u>	<u>1,076,429</u>	<u>9,522,687</u>	<u>12,703,819</u>	<u>393,741</u>
<b>Operating income (loss)</b>	<u>10,702,299</u>	<u>175,158</u>	<u>(1,936,355)</u>	<u>(1,397,539)</u>	<u>7,543,563</u>	<u>(12,858)</u>
<b>Nonoperating revenues (expenses):</b>						
Investment interest	220,827	17,200		229,235	467,262	74,388
Interest expense	(379,403)	(16,823)	(93)	(2,584,523)	(2,980,842)	(1,682)
Amortization of bond expense	80,084			(19,348)	60,736	
Issuance Cost	(108,077)			(35,005)	(143,082)	
Gain (loss) on disposal of capital assets	6,988	(265,534)	1,045		(257,501)	8,916
Total nonoperating revenues (expenses)	<u>(179,581)</u>	<u>(265,157)</u>	<u>952</u>	<u>(2,409,641)</u>	<u>(2,853,427)</u>	<u>81,622</u>
Income (loss) before contributions and transfers	<u>10,522,718</u>	<u>(89,999)</u>	<u>(1,935,403)</u>	<u>(3,807,180)</u>	<u>4,690,136</u>	<u>68,764</u>
<b>Contributions and transfers:</b>						
Contributions						
Federal and state grants	555,301		366,590	16,495,867	17,417,758	
Passenger facility charge				3,267,741	3,267,741	
Passenger facility charge - Interest				31,581	31,581	
Contributed capital from other funds		1,414			1,414	
Donations			1,328,000	6,657,653	7,985,653	
Transfers in (out)	(8,000,000)				(8,000,000)	(1,309,096)
Total contributions and transfers	<u>(7,444,699)</u>	<u>1,414</u>	<u>1,694,590</u>	<u>26,452,842</u>	<u>20,704,147</u>	<u>(1,309,096)</u>
<b>Change in net position</b>	<u>3,078,019</u>	<u>(88,585)</u>	<u>(240,813)</u>	<u>22,645,662</u>	<u>25,394,283</u>	<u>(1,240,332)</u>
<b>Net position at beginning of year</b>	<u>41,497,857</u>	<u>(1,847,652)</u>	<u>11,362,013</u>	<u>126,091,344</u>	<u>177,103,562</u>	<u>8,026,256</u>
<b>Net position at end of year</b>	<u>\$ 44,575,876</u>	<u>\$ (1,936,237)</u>	<u>\$ 11,121,200</u>	<u>\$ 148,737,006</u>	<u>\$ 202,497,845</u>	<u>\$ 6,785,924</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Business-type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Utility Fund	Sanitation Fund	Port Fund	Airport Fund	Total	
<b>Cash flows from operating activities:</b>						
Cash received from customers	\$ 45,118,718	\$ 7,612,167	\$ 1,289,786	\$ 22,922,631	\$ 76,943,302	\$ 20,497,333
Cash payments to suppliers for goods and services	(25,056,495)	(3,700,670)	(990,461)	(8,984,515)	(38,732,141)	(16,281,111)
Cash payments to employees for services	(7,245,256)	(3,249,786)	(688,982)	(3,996,718)	(15,180,742)	(3,365,732)
Net cash provided by (used for) operating activities	<u>12,816,967</u>	<u>661,711</u>	<u>(389,657)</u>	<u>9,941,398</u>	<u>23,030,419</u>	<u>850,490</u>
<b>Cash flows from noncapital financing activities:</b>						
Advance from (to) other funds	176,996	(184,099)		(3,061)	(10,164)	510,165
Net transfers	(8,000,000)				(8,000,000)	(1,309,096)
Net cash provided by (used for) noncapital financing activities	<u>(7,823,004)</u>	<u>(184,099)</u>	<u>0</u>	<u>(3,061)</u>	<u>(8,010,164)</u>	<u>(798,931)</u>
<b>Cash flows from capital and related financing activities:</b>						
Acquisition of capital assets	(7,826,790)	(51,223)	(63,054)	(904,516)	(8,845,583)	(177,637)
Acquisition of capital assets with grant monies			(386,700)	(24,826,973)	(25,213,673)	
Rebate on prior year capital asset acquisition	555,301				555,301	
Principal paid on capital lease obligation					0	(39,999)
Interest paid on capital lease obligation					0	(1,682)
Proceeds from sale of assets	31,905	31,920	1,045		64,870	8,916
Contributions from other governments			588,671	14,404,147	14,992,818	
Donations from other entities				6,657,653	6,657,653	
Contributions from customers				3,299,322	3,299,322	
Principal paid on capital debt	(2,155,000)			(2,835,000)	(4,990,000)	
Interest paid on capital debt	(229,310)	(16,823)		(2,699,593)	(2,945,726)	
Proceeds from capital debt	15,000,000				15,000,000	
Proceeds from capital lease	290,262				290,262	
Other debt service	(108,077)			(35,005)	(143,082)	
Net cash provided by (used for) capital and related financing activities	<u>5,558,291</u>	<u>(36,126)</u>	<u>139,962</u>	<u>(6,939,965)</u>	<u>(1,277,838)</u>	<u>(210,402)</u>
<b>Cash flows from investing activities:</b>						
Purchase of investments	(17,203,383)	(1,855,445)	(253,680)	(27,703,416)	(47,015,924)	(7,024,565)
Sale of investments	8,425,381	1,400,407	408,128	23,441,105	33,675,021	6,575,079
Interest on investments	220,827	17,200	2,539	229,235	469,801	74,388
Net cash provided by (used for) investing activities	<u>(8,557,175)</u>	<u>(437,838)</u>	<u>156,987</u>	<u>(4,033,076)</u>	<u>(12,871,102)</u>	<u>(375,098)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>1,995,079</u>	<u>3,648</u>	<u>(92,708)</u>	<u>(1,034,704)</u>	<u>871,315</u>	<u>(533,941)</u>
<b>Cash and cash equivalents at beginning of year</b>	<u>3,624,576</u>	<u>602,451</u>	<u>175,576</u>	<u>10,084,301</u>	<u>14,486,904</u>	<u>2,828,582</u>
<b>Cash and cash equivalents at end of year</b>	<u>\$ 5,619,655</u>	<u>\$ 606,099</u>	<u>\$ 82,868</u>	<u>\$ 9,049,597</u>	<u>\$ 15,358,219</u>	<u>\$ 2,294,641</u>

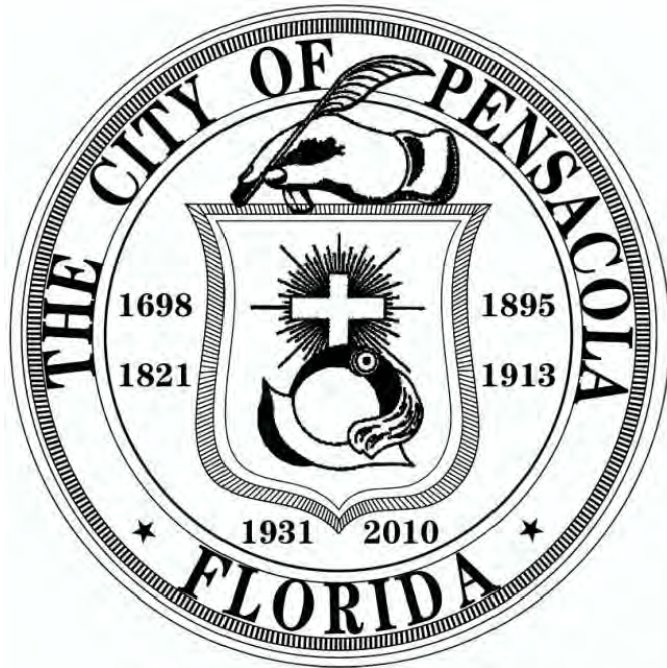
(continued)

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA**  
**RECONCILIATION OF OPERATING INCOME (LOSS)**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Business-type Activities - Enterprise Funds</u>					<u>Governmental Activities- Internal Service Funds</u>
	<u>Utility Fund</u>	<u>Sanitation Fund</u>	<u>Port Fund</u>	<u>Airport Fund</u>	<u>Total</u>	
<b>Operating income (loss)</b>	\$ 10,702,299	\$ 175,158	\$ (1,936,355)	\$ (1,397,539)	\$ 7,543,563	\$ (12,858)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b>						
Depreciation	1,843,258	261,445	1,076,429	9,522,687	12,703,819	393,741
<b>Change in assets and liabilities:</b>						
(Increase) decrease in accounts receivable	385,109	(31,626)	412,477	1,220,960	1,986,920	76,861
(Increase) decrease in inventory	2,309				2,309	(150,228)
(Increase) decrease in due from other funds	(2,600)				(2,600)	36,997
(Increase) decrease in due from other governments					0	(113,656)
(Increase) decrease in prepaid expense	(59,351)	179	1,231	10,737	(47,204)	3,897
Increase (decrease) in accounts payable	31,494	51,687	38,598	155,463	277,242	(91,425)
Increase (decrease) in contracts payable	(172,758)		691	130,709	(41,358)	(37,512)
Increase (decrease) in due to other funds	(11,191)	(5,495)	(888)	4,801	(12,773)	(12,011)
Increase (decrease) in deposits				50,251	50,251	5,033
Increase (decrease) in claims and judgments					0	627,229
Increase (decrease) in deferred revenue	(129,609)				(129,609)	
Increase (decrease) in compensated absences	(40,463)	812	(8,938)	(12,969)	(61,558)	(11,960)
Increase (decrease) in net OPEB obligation	177,502	65,351	13,708	77,406	333,967	68,307
Increase (decrease) in net pension liability	90,968	144,200	13,390	178,892	427,450	68,075
<b>Net cash provided by (used for) operating activities:</b>	<u>\$ 12,816,967</u>	<u>\$ 661,711</u>	<u>\$ (389,657)</u>	<u>\$ 9,941,398</u>	<u>\$ 23,030,419</u>	<u>\$ 850,490</u>
<b>Noncash investing, capital, and financing activities:</b>						
	<u>Utility Fund</u>	<u>Sanitation Fund</u>	<u>Port Fund</u>	<u>Airport Fund</u>	<u>Total</u>	<u>Internal Service Funds</u>
Amortization of bond expense	\$ 72,568			\$ (18,595)	\$ 53,973	
Contribution of capital assets from other funds		1,415			1,415	
Gain (loss) on disposal of capital assets	(24,916)	(297,454)			(322,370)	
Donation of capital assets			1,328,000		1,328,000	
Debt Refunding				6,300,000	6,300,000	

The accompanying notes are an integral part of these financial statements.



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**CITY OF PENSACOLA, FLORIDA**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2017**

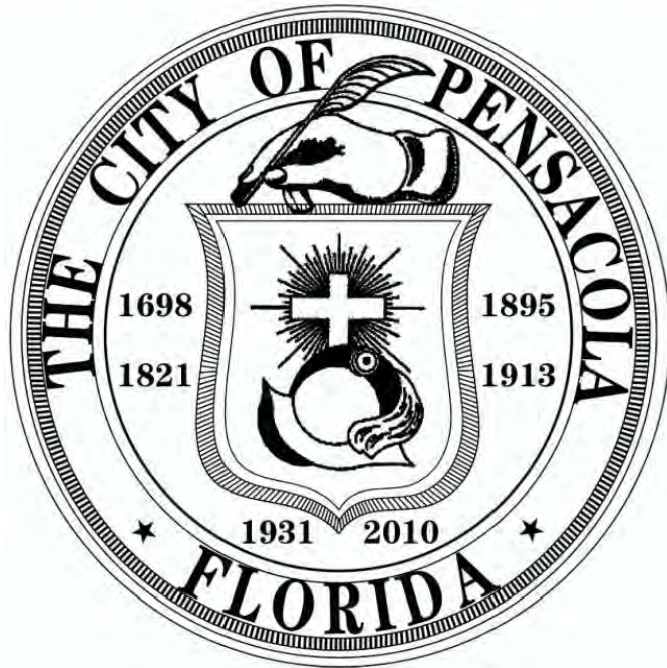
		<u><b>Total Pension Trust Funds</b></u>
<b>ASSETS</b>		
Other cash	\$	263,389
<b>Receivables:</b>		
Employer		4,369
Employee		16,647
Due from other governments		9,650
Total receivables		<u>30,666</u>
<b>Investments:</b>		
Short term investments		6,250,105
Debt Securities & Bond Mutual Funds		76,068,423
Convertible Corporate Bonds		19,030,449
Stock Mutual Funds		38,488,731
Mortgage Backed Securities		48,060,260
Commingled Trust Fund		7,398,698
Domestic Stocks		136,141,251
Preferred Stocks		4,408,197
Foreign Stocks		22,114,382
Total investments		<u>357,960,496</u>
<b>Total assets</b>	<b>\$</b>	<b><u>358,254,551</u></b>
<b>LIABILITIES</b>		
Accounts payable	\$	1,521,715
Total liabilities		<u>1,521,715</u>
<b>NET POSITION</b>		
Restricted for pension benefits	\$	<u>356,732,836</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF PENSACOLA, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

		<u><b>Total Pension Trust Funds</b></u>
<b>Additions:</b>		
Contributions - city	\$	12,917,283
Contributions - employee		1,008,902
Contributions - employee buy back		41,367
Commission recapture		15,947
Insurance proceeds - State of Florida		1,080,937
Other		81,471
Total contributions		<u>15,145,907</u>
Investment income		
Net appreciation		
in fair value of investments		32,302,704
Interest and dividends		8,498,534
		<u>40,801,238</u>
Less investment expense		1,725,546
Net investment income		<u>39,075,692</u>
Total additions		<u>54,221,599</u>
<b>Deductions:</b>		
Pensions paid - employees		22,043,349
Pensions paid - widows		3,517,645
Pensions paid - children		6,452
Refunds to employees		46,760
Deferred retirement option plan		5,855,736
Health insurance assistance		126,812
Administrative expenses		359,448
Total deductions		<u>31,956,202</u>
<b>Change in net position</b>		22,265,397
<b>Net position held in trust for pension benefits:</b>		
<b>Beginning of year</b>		<u>334,467,439</u>
<b>End of year</b>	\$	<u><u>356,732,836</u></u>

The accompanying notes are an integral part of these financial statements.



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**NOTES TO  
FINANCIAL STATEMENTS**



**CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017**

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**CITY OF PENSACOLA, FLORIDA  
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CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE I. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Pensacola (the “City”) have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. Statements and Interpretations of the GASB have been applied in the preparation of these financial statements.

**A. Reporting Entity**

On November 24, 2009 voters approved amendments to the City Charter that changed the form of government from a Council-Manager to a Mayor-Council structure commonly referred to as a “Strong Mayor” form of government. The amended Charter became effective January 2010. With the new structure, the Council shall be the governing body of the City with all legislative powers of the City vested therein, consisting of nine (9) Council Members, one (1) to be elected from each of the seven (7) election districts of the City, and two Council members to be elected at large. On June 11, 2013, voters approved amendments to the City Charter that eliminated the two at-large City Council seats, upon the completion of the current terms. The number of City Council seats was reduced to seven (7) with the elimination of the two at-large seats in November 2014 and November 2016. Members of Council and Mayor are limited to 3 consecutive 4 year terms. The Mayor is elected at large, has a 4 year term in office, will exercise the executive powers of the City and shall not be a member of Council.

In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may or may not be financially accountable and, as such, be includable within the City’s financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization’s governing board and 1) it is able to impose its will on the organization or 2) there is a potential for the organization to impose a specific financial benefit or burden to the City. Additionally, the primary government is required to consider other organizations for which exclusion of the nature and significance of their relationship with the City would cause the reporting entity’s financial statements to be misleading or incomplete.

The accompanying financial statements represent the City and its component units and entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City’s operation. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE I. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Blended Component Unit**

**Community Redevelopment Agency (CRA)** - On September 25, 1980, the Pensacola City Council declared itself the CRA pursuant to the provisions of Chapter 163, Part III, Florida Statutes. This action, adopted by Resolution Number 55-80, also outlined the rights, powers, duties, privileges and immunities invested in the seven member City Council, acting as the CRA. The City Council selects a chair and a vice-chair from the seven-members of the CRA and approves the annual operating budget. The CRA is considered a blended component unit since the CRA and City has same governing body and management of the primary government has operational responsibility for CRA. The CRA is reported as a special revenue fund of the City. Florida Statute Section 163.387(8) requires an independent audit of the fund each fiscal year, and submission of a report of such audit. The City has presented the CRA as a major fund of the City to satisfy this requirement, simply due to the fact that the scope of an audit for a major fund is broader than that of a nonmajor fund.

**Community Maritime Park Associates, Inc. (CMPA)** - The CMPA, a non-profit corporation under the provisions of Chapter 617, Florida Statutes, was created in 2005 for the sole purpose of developing the public and private aspects of the Vince J. Whibbs, Sr. Community Maritime Park. With the implementation of GASB Statement No. 61, "*The Financial Reporting Entity: Omnibus*" in fiscal year 2013, the CMPA changed from a discretely-presented to a blended component unit. The CMPA is considered a blended component unit since the CRA, which is a component unit of the City, provides funding through the project supports payments which are used to repay CMPA's outstanding debt resulting in a financial benefit or burden relationship between CMPA and the City. On June 1, 2017, CMPA's Articles of Dissolution were filed with the Florida Division of Corporations. As provided for in CMPA's Articles of Incorporation and Bylaws, all assets and liabilities were transferred to the City upon dissolution. In addition, CMPA's contracts and leases were assigned to the City and the operation and management of the Vince J. Whibbs, Sr. Community Maritime Park was assumed by the City. The CMPA's partial year of operations is shown in the Combining Statements and Individual Fund Statements and Schedules section of this report as the CMPA O&M Fund and the CMPA Construction Fund.

Complete financial statements of the CMPA can be obtained from their administrative office as follows: Community Maritime Park Associates, Inc., 222 West Main St., Pensacola, Florida 32502.

**Discretely Presented Component Unit**

The component unit column in the combined financial statements include the financial data of the City's discretely presented component unit. It is reported in a separate column to emphasize that it is legally separate from the City. The accounting policies of this discretely presented component units is the same as those detailed for the City. The City's only discretely presented component unit is the Downtown Improvement Board.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE I. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Downtown Improvement Board (DIB)** - The DIB was created in April 1972 by Chapter 72-655, Laws of Florida. The DIB is considered a component unit since the Mayor of the City appoints and the Council approves the five member board. In addition, the City Council approves the budget of the Board, including the proposed millage rate. Complete financial statements of the DIB can be obtained from their administrative office as follows: Downtown Improvement Board, Post Office Box 653, Pensacola, Florida 32593.

**Joint Ventures Excluded From the Reporting Entity**

The following joint ventures do not meet the criteria for inclusion in the City's financial statements since no financial benefit or burden exists, nor can the City impose its will on the entities.

**Escambia - Pensacola Human Relations Commission (HRC)** - Created by an interlocal agreement between the Escambia County Board of County Commissioners and the Pensacola City Council in 1974, pursuant to Florida Statutes, for the purpose of promoting fair treatment and equal opportunity to all citizens of the community. The Commission is composed of nine members: four selected by the Escambia County Board of County Commissioners, four selected by the City Council, and one selected by the other eight members. There is no current or long-term debt nor does the City control the financial operations of the Commission.

Complete financial statements of HRC can be obtained from their administrative office as follows: Escambia - Pensacola Human Relations Commission, 2257 North Baylen Street, Pensacola, Florida, 32501.

**Pensacola - Escambia County Promotion and Development Commission (PEDC)** - Created in 1967 by Chapter 67-1365, Laws of Florida, amended in 1989 by House Bill 984, for the purpose of promoting and developing the industrial, commercial and tourist potential of the County, increasing employment opportunities, improving the economic environment, and expanding the tax base. The nine member commission consists of representatives from the Escambia County Board of County Commissioners, the Pensacola City Council, the Pensacola Area Chamber of Commerce, and the Town of Century and Tourist Advisory Council. Escambia County and the City of Pensacola each contribute to the operation and maintenance of the PEDC, but neither has control over the financial operations of the PEDC nor can it impose its will.

Complete financial statements of PEDC can be obtained from their administrative office as follows: Pensacola - Escambia County Promotion and Development Commission, 117 West Garden Street, Pensacola, Florida, 32502.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE I. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Summary financial statements including fiduciary funds of these entities are as follows:

<b>Statement of Net Position</b>		
<b>September 30, 2017</b>		
	<b>HRC</b>	<b>PEDC</b>
Assets	\$ <u>23,826</u>	\$ <u>7,475,323</u>
Liabilities	<u>4,074</u>	<u>3,019,538</u>
Net Position:		
Restricted		61,198
Unrestricted	<u>19,752</u>	<u>4,394,587</u>
Total Net Position	<u>19,752</u>	<u>4,455,785</u>
Total Liabilities and Net Position	\$ <u><u>23,826</u></u>	\$ <u><u>7,475,323</u></u>

<b>Statement of Revenues, Expenses</b>		
<b>and Changes in Net Position</b>		
<b>for the Fiscal Year Ended September 30, 2017</b>		
	<b>HRC</b>	<b>PEDC</b>
Revenue	\$ 193,281	\$ 2,477,425
Expenses	<u>188,029</u>	<u>2,450,553</u>
Excess of revenue over (under) expenses	<u>5,252</u>	<u>26,872</u>
Net position Beginning of Year	<u>14,500</u>	<u>4,428,913</u>
Net position at End of Year	\$ <u><u>19,752</u></u>	\$ <u><u>4,455,785</u></u>

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units. The City's fiduciary funds are not presented in the government-wide financial statements since by definition, the assets cannot be used to address activities or obligations of the City (i.e., the assets are being held for the benefit of pension participants). The purpose of the government-wide financial statements is to provide a consolidated financial picture of all City activities. The internal service funds provide services to departments throughout the City; therefore, their direct expenses are eliminated functionally on the government-wide financial statements with the exception of internal payments that qualify as interfund services provided and used. Governmental activities, supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges to customers for support. Likewise, the primary government is reported separately from the discretely presented component units for which the primary government is financially accountable.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE I. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. The purpose of categorizing direct expenses according to function and revenues according to program is to provide an analysis of activities that are revenue sufficient and those that use the support of general revenues. Direct expenses are those expenses that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as general revenues.

Individual fund financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All other funds (nonmajor) are combined according to their category, governmental or business-type are reported in a single column. Combining statements for nonmajor funds are found in the Combining Financial Statements section.

**C. Basis of Accounting, Measurement Focus and Financial Presentation**

The basis of accounting refers to when revenues, expenditures/expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE I. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Property taxes, franchise fees, public service taxes, communication service tax, local business tax, local option gasoline tax, local option sales tax, lease revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and therefore have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received.

The City reports the following major governmental funds:

General Fund - used to account for all financial resources except those required to be accounted for in another fund. All general property taxes, fines, property rentals and certain intergovernmental revenues are recorded in this fund. Typical expenditures are for administration, planning, parks and recreation, public works and public safety.

Community Redevelopment Agency - to account for the tax increment development receipts and the expenditures thereof.

Urban Core Redevelopment Trust - to account for the tax increment development receipts and the expenditures thereof.

Eastside Tax Increment Financing District - to account for the tax increment revenues associated with programs and projects identified in Eastside Community Redevelopment Area.

Westside Tax Increment Financing District - to account for the tax increment revenues associated with programs and projects identified in Westside Community Redevelopment Area.

CRA Debt Service Fund - to provide monies for payment of the Redevelopment Revenue Bond(s) financed with tax increment financing revenues derived from the Urban Core, Eastside and Westside Tax Increment Financing Districts.

Housing Assistance Payments - a special revenue fund that accounts for the proceeds awarded from federal and state agencies that are legally restricted to expenditures for specific purposes.

CRA Project Fund - a capital project fund that accounts for various community development projects within the Pensacola Inner City Community Redevelopment Area. Financing is provided by amounts received from the Eastside Redevelopment Bond, Series 2017 and the Westside Redevelopment Bond, Series 2017.

The City reports the following major proprietary funds:

Utility Fund - accounts for the assets, operation and maintenance of the City-owned natural gas service.



CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE I. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Sanitation Fund – accounts for the assets, operation and maintenance of the City-owned garbage and trash services.

Port Fund – accounts for the assets, operation and maintenance of the City-owned port facility.

Airport Fund – accounts for the assets, operation and maintenance of the City-owned airport.

Additionally, the government reports the following fund types:

*Internal Service Funds* (ISF) account for services provided to various City departments on a cost reimbursement basis. The services provided include a central warehouse inventory, fleet maintenance, engineering, management information services and a risk management (insurance) program. ISFs are reported as a governmental activity within the government-wide financial statements. Individual fund statements are provided in the Combining Financial Statements section.

*Fiduciary Funds* are trust funds that account for assets held by the City in a trustee capacity for individuals, other governmental units and/or other funds and include the City's General, Firemen's and Police Officers' pension funds. Fiduciary funds are not included in government-wide financial statements, however, a statement of net position and a statement of changes in net position are included as part of the basic financial statements with individual fund statements presented in the Combining Financial Statements section.

Amounts reported as program revenues include 1) charges to customers for goods, services, or privileges provided, and fines and forfeitures, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Those revenues not clearly defined as program revenues are categorized as general revenue. General revenues include resources such as taxes, franchise fees, interest and sale of assets. As a general rule, the effect of interfund activity is eliminated from the government-wide financial statements.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses that do not meet this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE I. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Liabilities, and Net Position or Equity**

**1. Cash and Cash Equivalents/Investments**

The City of Pensacola has defined *cash and cash equivalents* as cash held at a depository and cash on hand for operating purposes and those investments which are short term and highly liquid. Generally, those investments have original maturities of three (3) months or less. Cash equivalents normally consist of treasury bills, certificates of deposit and money market funds.

All monies, which are not legally restricted to separate administration, are pooled together for investment purposes while each individual fund and/or account is maintained on a daily transaction basis. Investment earnings are distributed in accordance with the participating funds' relative equity.

**2. Investments**

All investments held by the City of Pensacola, including defined benefit pension plans and debt securities are reported at fair value.

**3. Interfund Receivables/Payables**

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected as "due to/from other funds" for the current portion of the receivable/payable or as "advance to/from other funds" for the noncurrent portion of the receivable/payable. Government-wide financial statements eliminate transactions occurring within like-kind activities (i.e., governmental to governmental or business-type to business-type). The residual balance between activities is reported in the government-wide financial statements as "internal balances". Fund financial statements present the entire transaction on the balance sheet as "due to/from other funds" and/or "advance to/from other funds".

**4. Inventories**

Inventories included in the internal service fund's General Stock Fund consist primarily of utility stores, automotive supplies and fuel for purchase by City departments. Inventories included in the Golf Fund consist of inventories held for resale to the public. All inventories are accounted for by the consumption method and are valued at cost, which approximates market, using the first in, first out method. Appropriate allowances have been made for obsolete and surplus items.

**5. Prepaid Insurance**

The City of Pensacola accounts for property insurance premiums using the consumption method. Property insurance premiums for both governmental and enterprise funds are paid quarterly, with a term year beginning May 1<sup>st</sup> resulting in a prepaid insurance premium for the month of October.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE I. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**6. Restricted Assets**

Certain assets of both governmental and business-type activities are restricted by specific provisions of bond resolutions, grant agreements, or other agreements with outside parties. Assets such as these are restricted since their use is limited.

**7. Capital Assets**

Capital assets, which include land, buildings, equipment, improvements other than buildings, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets, works of art and similar items, and capital assets received in service concession arrangements are reported at acquisition value as of the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

The City does not capitalize interest on borrowings used to finance the construction of general capital assets. Interest on capital assets is capitalized for proprietary funds; however, when the expense during construction is netted against the related income, the resulting amount is typically immaterial.

The Utility Fund reports an intangible asset on the face of the financial statements. The intangible asset is recorded as the excess of the purchase price over the fair market value of assets acquired and is amortized on a straight-line basis over an estimated useful life of forty years.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	15 - 50 years
Improvements other than buildings	15 - 50 years
Infrastructure	15 - 50 years
Machinery and equipment	3 - 10 years
Utility lines and extensions	40 - 50 years
Vehicles and heavy equipment	5 - 25 years

**8. Deferred outflows/inflows of resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has two items that qualify for reporting in this category.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE I. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

One is the deferred charge on refunding reported in the proprietary statement of net position as well as the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is deferred charge on pension contribution made by the employer after measurement date and changes in benefits, assumptions, and differences between actual and expected returns.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized an inflow of resources (revenue) until that time. The government has three items that qualify for reporting in this category. Unavailable revenue which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from sources such as: special assessments, lease receivables and note receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second is a deferred gain on refunding reported in the proprietary statement of net position as well the government-wide statement of net position. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its requisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The third is deferred pension and pension expense as a result in changes benefits, assumptions, and differences between actual and expected returns.

**9. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension and pension expense, information about the fiduciary net position of the City's pension plans and additions to/deductions from these plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

**10. Compensated Absences**

It is the policy of the City to permit general employees to accumulate up to 500 hours of earned but unused leave benefits (Paid Time Off - PTO), fire employees may accumulate up to 720 hours of PTO, police sergeants, lieutenants and captains may accumulate up to 500 hours PTO and police officers may accumulate up to 900 hours PTO, which can be paid to the employee upon separation from service. Employees who separate service in good standing can be paid the balance of their accrued PTO. Unpaid compensated absences are recorded as a liability when the benefits are earned in both the government-wide financial statements and proprietary fund financial statements. Governmental funds within the fund financial statements are not required to record a liability of accumulated amounts of unused leave benefits.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE I. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**11. Bond Discounts, Issuance Cost, and Refunding Gains and Losses**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Capital appreciation bonds are reported at their accreted value which is computed at the end of each fiscal year. Bond premiums and discounts, as well as prepaid insurance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are expensed when paid. Bonds payable are reported net of the applicable bond premium or discount. Bond refunding gains and losses are deferred and amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, using the effective interest method. Bond refunding gains are presented as noncurrent liabilities while losses are presented as noncurrent assets.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs (whether or not withheld from the actual debt proceeds received), during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

**12. Fund Balance**

GASB Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes fund balance classifications based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications are non-spendable, restricted, committed, assigned and unassigned. Each classification reflects the nature and extent to which a restriction is placed upon fund balance.

**13. Net Position**

The government-wide and business-type fund financial statements utilize a net asset presentation. Net position are categorized as net investment in capital assets, restricted and unrestricted.

**Net Investment in Capital Assets** is intended to reflect the portion of net position which is associated with non-liquid, capital assets less outstanding capital asset related debt.

**Restricted Net Position** are liquid assets (generated from revenues and net bond proceeds) which are not accessible for general use because of third-party (statutory, bond covenant or granting agency) limitations.

**Unrestricted Net Position** represents unrestricted liquid assets.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE I. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**14. Method Used to Value Investments**

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Real estate assets are reported at fair value utilizing an income approach to valuation. By contract, an independent appraisal is obtained once every year to determine the fair market value of the real estate assets.

**15. New Accounting Pronouncements**

*GASB Statement No. 77*

In August 2015, the GASB issued Statement No. 77, "Tax Abatement Disclosures." This Statement establishes financial reporting standards for tax abatement agreements entered into by state and local governments. The definition of tax abatement is a reduction in tax revenues that results from an agreement between one or more governments promising to forgo tax revenues to which they are otherwise entitled and the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments. As such, implementation of the Statement occurred in the City's fiscal year ending September 30, 2017.

**NOTE II. – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**General Budget Policies**

In accordance with the City Charter, the Mayor prepares and submits the annual budget and capital program to City Council. Once the budget is adopted by City Council, budget amendments are administered in accordance with Chapter 166.241, Florida Statutes, and the procedure established in the Financial Planning and Administration Policy adopted by City Council Resolution.

The Budget Policies outlined in the Financial Planning and Administration Policy allow the Mayor (or designee) to authorize budget amendments if the total appropriations of the fund are not changed. Specifically, the Mayor (or designee) shall have the authority to transfer appropriations between expenditure categories and between departments or programmatic activities except that amounts appropriated for capital outlay cannot be transferred to any other expenditure category provided no transfer shall be made from the appropriations that are contrary to Florida Law. Further, management has established budgetary control within each fund at the line item level.

Authorized staff within each department may request budget amendments between line items or between departments within a fund subject to final determination by the Chief Financial Officer as the Mayor's designee.

Additionally, in accordance with Chapter 166.241, Florida Statutes, appropriations within a fund may only be decreased or increased by resolution with City Council approval. Expenditures for each fund may not legally exceed the total fund appropriation.

CITY OF PENSACOLA, FLORIDA  
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SEPTEMBER 30, 2017

**NOTE II. – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)**

A legally adopted budget is employed as a control device for the General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds with the exception of the City’s blended component unit, CMPA. CMPA is a 501(c)(3) and as such is not required by Florida Statue to adopt a legal budget. The CMPA Board does adopt a budget as required by the Master Lease agreement between CMPA and the City which is used for internal monitoring purposes. Enterprise, Capital Projects and Internal Service Funds are budgeted on a limited non-GAAP basis for management control purposes.

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General, Special Revenue and Capital Projects Funds. The budget for the subsequent year provides a re-appropriation of funds to complete transactions for outstanding encumbrances.

**NOTE III. - DETAIL NOTES ON ALL FUNDS**

**A. Deposits and Investments**

**1. Pension Funds**

The City’s pension funds contain certain bonds that are actually mortgage-backed and asset-backed securities which could be classified as “derivative” investments under GASB Technical Bulletin No. 94-1. These securities are based on cash flows from interest and principal payments on underlying mortgages. Therefore, they are sensitive to prepayments by mortgagees, which may result in a decline of interest rates. The City invests in interest and principal securities (a form of mortgage-backed and asset-backed securities) in part to maximize yields and in part to hedge against a rise in interest rates. These investments are within the investment policy guidelines for the pension funds.

**Interest Rate Risk.** The City’s General, Fire and Police Pension Plans each have funds invested in bond mutual funds. Each plan has its own investment policy, which restricts the investments that the mutual funds can hold. The policy limits the percentage of plan assets invested in bonds but does not place limits on the length of the maturities.

**Credit Risk.** The risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City’s General, Fire and Police Pension Plans investment policies do not address restrictions on the credit risk of investments.

**Custodial Credit Risk.** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City’s retirement plans will not be able to recover the value of their investments that are in the possession of an outside party. The Retirement Plans’ Board of Trustees has contracts with each of their money managers which include a requirement that coverage be provided to protect the City’s retirement plans from any losses incurred arising out of the money manager’s negligence. Therefore, the City does not have a custodial credit risk.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

The General Pension and Retirement investment plan weighted average maturities, amounts and ratings are as follows:

General Pension Investment	Weighted Average Maturity	Amount	Rating
Short term investments	Current	\$ 2,949,468	N/A
Debt Securities & Bond Mutual Funds			
Corporate Bonds	3.24 years	8,296,738	A1 - A3
Corporate Bonds	4.23 years	6,087,453	Aaa
Corporate Bonds	3.62 years	1,340,366	Aa1 - Aa3
Corporate Bonds	4.75 years	7,296,443	Baa1 - Baa3
Corporate Bonds	2.65 Years	2,169,707	Rating Unavailable
Limited Partnerships	Current	2,053,440	N/A
Convertible Corporate Bonds			
Corporate Bonds	11.07 years	321,263	A1 - A3
Corporate Bonds	8.28 years	181,316	B1 - B2
Corporate Bonds	7.21 years	479,745	Ba1 - Ba3
Corporate Bonds	2.02 years	74,953	Baa1 - Baa3
Corporate Bonds	8.96 years	62,390	Caa3
Corporate Bonds	6.87 years	7,469,818	Rating Unavailable
Stock Mutual Funds	Current	25,385,608	N/A
Mortgage Backed Securities			
Mortgage Backed Securities	13.25 years	6,322,639	Aaa
Real Estate Investment Trust	Current	16,106,432	N/A
Domestic Stocks	Current	49,646,331	N/A
Commingled Trust Fund	Current	342,444	N/A
Preferred Stocks	Current	1,968,249	N/A
Foreign Stocks	Current	<u>4,324,025</u>	N/A
<b>Total General Pension Investments</b>		<b><u>\$ 142,878,828</u></b>	



CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

The Firefighters' Relief and Pension investment plan weighted average maturities, amounts and ratings are as follows:

Fire Pension	Weighted Average Maturity	Amount	Rating
Short term investments	Current	\$ 2,080,867	N/A
Debt Securities & Bond Mutual Funds			
Corporate Bonds	6.83 years	6,837,945	A1 - A3
Corporate Bonds	3.72 years	6,787,344	Aaa
Corporate Bonds	3.33 years	1,198,834	Aa1 - Aa3
Corporate Bonds	4.71 years	5,916,429	Baa1 - Baa3
Corporate Bonds	2.65 years	2,010,020	Rating Unavailable
Limited Partnerships	Current	1,880,920	N/A
Convertible Corporate Bonds			
Corporate Bonds	11.23 years	401,438	A1 - A3
Corporate Bonds	8.29 years	216,125	B1-B2
Corporate Bonds	7.21 years	602,325	Ba1-Ba3
Corporate Bonds	2.04 years	92,249	Baa1 - Baa3
Corporate Bonds	8.96 years	72,483	Caa1
Corporate Bonds	6.56 years	9,056,344	Rating Unavailable
Stock Mutual Funds	Current	13,103,123	N/A
Mortgage Backed Securities			
Mortgage Backed Securities	3.14 years	5,455,516	Rating Unavailable
Real Estate Investment Trust	Current	7,483,933	N/A
Commingled Trust Fund	Current	7,056,254	N/A
Domestic Stocks	Current	45,724,042	N/A
Preferred Stocks	Current	2,439,948	N/A
Foreign Stocks	Current	2,599,949	N/A
<b>Total Fire Pension Investments</b>		<b><u>\$ 121,016,088</u></b>	

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

The Police Officers' Retirement investment plan weighted average maturities, amounts and ratings are as follows:

Police Pension	Weighted Average Maturity	Amount	Rating
Short term investments	Current	\$ 1,219,770	N/A
Debt Securities & Bond Mutual Funds			
Corporate Bonds	7.33 years	4,958,848	A1 - A3
Corporate Bonds	9.92 years	8,323,275	Aaa
Corporate Bonds	3.62 years	1,021,516	Aa1 -Aa3
Corporate Bonds	4.51 years	5,998,212	Baa1-Baa3
Corporate Bonds	2.96 years	1,242,636	WR
Bond Mutual Funds		2,648,297	Rating Unavailable
Mortgage Backed Securities			
Mortgage Backed Securities	13.48 years	3,398,573	Rating Unavailable
Real Estate Investment Trust	Current	9,293,167	N/A
Domestic Stocks	Current	40,770,878	N/A
Foreign Stocks	Current	15,190,408	N/A
<b>Total Police Pension Investments</b>		<b><u>\$ 94,065,580</u></b>	

The gross unrealized gains and losses for the marketable equity securities in the pension funds for the fiscal year ended were as follows:

	General Pension and Retirement Fund	Firefighters' Relief and Pension Fund	Police Officers' Retirement Fund	Totals
Unrealized Gains	\$ 18,094,123	\$ 14,874,220	\$ 14,034,602	\$ 47,002,945
Unrealized Losses	<u>(5,846,040)</u>	<u>(5,204,716)</u>	<u>(6,551,726)</u>	<u>(17,602,482)</u>
Net Unrealized Gains	<u>\$ 12,248,083</u>	<u>\$ 9,669,504</u>	<u>\$ 7,482,876</u>	<u>\$ 29,400,463</u>

The average cost method is used in computing realized gains and losses on the sale of marketable equity securities.

**CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017**

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

Fair Value Measurements. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of September 30, 2017.

<u>General Pension Investment</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>9/30/2017</u>
<b>Investments by Fair Value Level</b>				
Short Term Investments	\$	\$ 2,949,468	\$	\$ 2,949,468
Debt Securities & Bond Mutual Funds:				
Corporate Bonds		25,190,707		25,190,707
Limited Partnerships	2,053,440			2,053,440
Total Debt Securities & Bond Mutual Funds	<u>2,053,440</u>	<u>25,190,707</u>	<u>-</u>	<u>27,244,147</u>
Convertible Corporate Bonds		8,589,485		8,589,485
Stock Mutual Funds	25,385,608			25,385,608
Mortgage Backed Securities:				
Mortgage Backed Securities		6,322,639		6,322,639
Real Estate Investment Trust			16,106,432	16,106,432
Total Mortgage Baked Securities	<u>-</u>	<u>6,322,639</u>	<u>16,106,432</u>	<u>22,429,071</u>
Domestic Stocks	49,646,331			49,646,331
Commingled Trust Fund	342,444			342,444
Preferred Stocks	1,968,249			1,968,249
Foreign Stocks	4,324,025			4,324,025
Total Investments by Fair Value	<u>\$ 83,720,097</u>	<u>\$ 43,052,299</u>	<u>\$ 16,106,432</u>	<u>\$ 142,878,828</u>

Debt and equity securities, stock mutual funds, commingled trust fund and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Shor term investments, debt securities, convertible corporate bonds and mortgage backed securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Real Estate Investment Trusts classified in Level 3 are valued using valuation methodologies including pricing models and discounted cash flow models. Level 3 valuations incorporate subjective judgements and consider assumptions including capitalization rates, discount rates, cash flows and other factors that are not observable in the market.

**CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017**

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

<u>Fire Pension Investment</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>9/30/2017</u>
<b>Investments by Fair Value Level</b>				
Short Term Investments	\$	\$ 2,080,867	\$	\$ 2,080,867
Debt Securities & Bond Mutual Funds:				
Corporate Bonds		22,750,572		22,750,572
Limited Partnerships	1,880,920			1,880,920
Total Debt Securities & Bond Mutual Funds	<u>1,880,920</u>	<u>22,750,572</u>	<u>-</u>	<u>24,631,492</u>
Convertible Corporate Bonds		10,440,964		10,440,964
Stock Mutual Funds	2,017,972	11,085,151		13,103,123
Mortgage Backed Securities:				
Mortgage Backed Securities		5,455,516		5,455,516
Real Estate Investment Trust			7,483,933	7,483,933
Total Mortgage Baked Securities	<u>-</u>	<u>5,455,516</u>	<u>7,483,933</u>	<u>12,939,449</u>
Domestic Stocks	45,724,042			45,724,042
Commingled Trust Fund	7,056,254			7,056,254
Preferred Stocks	2,439,948			2,439,948
Foreign Stocks	2,599,949			2,599,949
Total Investments by Fair Value	<u>\$ 59,701,113</u>	<u>\$ 51,813,070</u>	<u>\$ 7,483,933</u>	<u>\$ 121,016,088</u>

Debt and equity securities, stock mutual funds, commingled trust fund and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Short term investments, debt securities, convertible corporate bonds, stock mutual funds and mortgage backed securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Real Estate Investment Trusts classified in Level 3 are valued using valuation methodologies including pricing models and discounted cash flow models. Level 3 valuations incorporate subjective judgements and consider assumptions including capitalization rates, discount rates, cash flows and other factors that are not observable in the market.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

<u>Police Pension Investment</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>9/30/2017</u>
<b>Investments by Fair Value Level</b>				
Short Term Investments	\$	\$ 1,219,770	\$	\$ 1,219,770
Debt Securities & Bond Mutual Funds:				
Corporate Bonds		11,803,828		11,803,828
Government Obligations		9,740,659		9,740,659
Bond Mutual Funds			2,648,297	2,648,297
Total Debt Securities & Bond Mutual Funds	-	21,544,487	2,648,297	24,192,784
Mortgage Backed Securities:				
Mortgage Backed Securities		3,398,573		3,398,573
Real Estate Investment Trust			9,293,167	9,293,167
Total Mortgage Baked Securities	-	3,398,573	9,293,167	12,691,740
Domestic Stocks		34,864,877		40,770,878
Foreign Stocks		816,850		15,190,408
Total Investments by Fair Value	\$	\$ 35,681,727	\$	\$ 94,065,580

Equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Short term investments, debt securities and mortgage backed securities and equity securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Real Estate Investments Trusts and bond mutual funds classified in Level 3 are valued using valuation methodologies including pricing models and discounted cash flow models. Level 3 valuations incorporate subjective judgements and consider assumptions including capitalization rates, discount rates, cash flows and other factors that are not observable in the market.

**2. Investments**

The City's investments of \$95,000,000 are money markets and certificates of deposits with maturities that range from January 2018 to September 2018 and have a weighted average maturity of one year. These investments are not subject to level disclosure in the fair value hierarchy.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

**B. Accounts Receivable**

**1. Unbilled Utility Services**

All utility billing is performed on a cyclical basis which gives rise to unbilled gas services at the end of any given period. The City has recorded estimated accounts receivable and the related revenues based on the number of days of unbilled services for each cycle as of the end of the fiscal year.

**2. Property Tax Calendar and Revenue Recognition**

Escambia County Constitutional Officers perform all appraisals, assessments and collections of City property taxes as an agent for the City of Pensacola. Property valuations are determined each year as of January 1. All property taxes are levied and become due and payable on November 1. The collection period is from November 1 through March 31, with discounts allowed of 4, 3, 2 and 1 percent for early payment in November through February, respectively. All taxes become delinquent on April 1 in the year following assessment, and tax certificates are sold on all real property with unpaid taxes as of June 1. Property tax revenue recognition occurs during the fiscal year of levy (the year the property tax revenue was intended to finance).

As of November 2001, the City of Pensacola assessed a stormwater fee to provide additional revenue for stormwater management improvements. The fee is billed annually by the Escambia County Property Tax Collector on the November property tax roll with the exception of government owned property which is billed directly by the City. The stormwater fee is subject to the same collection laws, discounts and penalties as are property taxes. Stormwater revenues are recognized during the fiscal year in which it is billed.

**3. Accounts Receivable**

Accounts receivable are shown net of allowances for doubtful accounts as follows:

	<u>Accounts Receivable</u>	<u>Allowance</u>	<u>Net</u>
<b>Governmental activities:</b>			
General Fund	\$ 1,366,741	\$	\$ 1,366,741
Housing Assistance Payments Fund	1,389,386	980,843	408,543
Community Redevelopment Agency	826		826
Nonmajor Governmental Funds	487,072		487,072
Internal Service Fund	1,124,925		1,124,925
Total governmental activities	<u>\$ 4,368,950</u>	<u>\$ 980,843</u>	<u>\$ 3,388,107</u>
<b>Business-type activities:</b>			
Utility Fund	\$ 4,203,469	\$ 618,803	\$ 3,584,666
Sanitation Fund	774,915	92,913	682,002
Port Fund	729,416	396,006	333,410
Airport Fund	2,577,588		2,577,588
Total business-type activities	<u>\$ 8,285,388</u>	<u>\$ 1,107,722</u>	<u>\$ 7,177,666</u>

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

**4. Unavailable/Unearned Revenue**

Governmental funds report a deferred inflow of resources in connection with receivables for revenues that are not considered available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not-yet earned. Amounts that are “unavailable” are not reported as a deferred inflow of resources in entity-wide statements. At the end of the current fiscal year, the various components of unavailable revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
General Fund		
Special assessments	\$ 121,237	\$
Leases – Land/ROW receivables	59,075	
Prepaid lease payments		245,234
Occupational license fees and fines received for subsequent year		670,535
Special Revenue Funds		
HUD – Fraud Recovery	408,543	
CDBG Housing Rehab Project notes receivable	1,042,939	
Golf Course- Lease receivables	1,500	
Tennis Center- Lease receivables	350	
Build America Bonds subsidy		455,370
CMPA - Use Fee		71,875
CMPA - Unearned office rent		43,537
Grant request and draws prior to meeting all requirements	888,731	55,498
	<u>\$ 2,522,375</u>	<u>\$ 1,542,049</u>

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CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

**C. Capital Assets**

Capital asset activity for governmental activities for the fiscal year ended September 30, 2017 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Non-depreciable assets:				
Land	\$ 22,801,838	\$ 225,432	\$ (2,089,508)	\$ 20,937,762
Construction in progress	3,614,052	16,999,960	(4,417,415)	16,196,597
Total Non-depreciable assets	<u>26,415,890</u>	<u>17,225,392</u>	<u>(6,506,923)</u>	<u>37,134,359</u>
Depreciable assets:				
Buildings	117,374,593	0	(503,631)	116,870,962
Improvements	57,630,909	218,238	(18,040)	57,831,107
Infrastructure	108,718,089	3,213,830	0	111,931,919
Equipment	50,003,451	2,355,976	(1,865,957)	50,493,470
Total Depreciable assets	<u>333,727,042</u>	<u>5,788,044</u>	<u>(2,387,628)</u>	<u>337,127,458</u>
Less accumulated depreciation for:				
Buildings	29,222,167	2,565,350	(331,435)	31,456,082
Improvements	21,645,055	2,209,511	(18,040)	23,836,526
Infrastructure	34,567,645	4,139,866	0	38,707,511
Equipment	29,653,244	3,424,110	(1,649,909)	31,427,445
Total accumulated depreciation	<u>115,088,111</u>	<u>12,338,837</u>	<u>(1,999,384)</u>	<u>125,427,564</u>
Total depreciable assets net of depreciation	<u>218,638,931</u>	<u>(6,550,793)</u>	<u>(388,244)</u>	<u>211,699,894</u>
<b>Governmental activities net capital assets</b>	<u>\$ 245,054,821</u>	<u>\$ 10,674,599</u>	<u>\$ (6,895,167)</u>	<u>\$ 248,834,253</u>

The preceding schedule includes capital assets and accumulated depreciation for both governmental funds and the internal services funds. Per GASB 34 requirements, the internal service funds are reported on the entity-wide statements as a governmental activity. In fiscal year 2017, the net book value of assets held by Internal Service Funds is \$1,970,432. Total depreciation expense for governmental activities for fiscal year 2017 is \$12,488,626. The difference between depreciation expense of \$12,488,626 and the \$12,338,837 increase in accumulated depreciation is \$149,789, which is result of capital assets transferred from business-type to governmental activities that are different from the assets transferred from governmental to business-type activities.



CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

Capital asset activity for business-type activities for the fiscal year ended September 30, 2017 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b><u>Business-type activities:</u></b>				
Non-Depreciable Assets:				
Land	\$ 34,344,193	\$ 2,358,189	\$ 0	\$ 36,702,382
Construction in Progress	9,213,253	28,641,424	(11,426,732)	26,427,945
Total Non-depreciable assets	<u>43,557,446</u>	<u>30,999,613</u>	<u>(11,426,732)</u>	<u>63,130,327</u>
Depreciable Assets:				
Buildings	146,830,667	1,328,000	0	148,158,667
Improvements	175,758,278	15,935,343	(456,594)	191,237,027
Equipment	31,772,814	1,278,683	(1,948,365)	31,103,132
Total Depreciable assets	<u>354,361,759</u>	<u>18,542,026</u>	<u>(2,404,959)</u>	<u>370,498,826</u>
Less accumulated depreciation for:				
Building	70,995,411	5,002,407	0	75,997,818
Improvements	93,166,642	6,027,191	(431,678)	98,762,155
Equipment	21,710,705	1,824,010	(1,599,893)	21,934,822
Total accumulated depreciation	<u>185,872,758</u>	<u>12,853,608</u>	<u>(2,031,571)</u>	<u>196,694,795</u>
Total depreciable assets net of depreciation	<u>168,489,001</u>	<u>5,688,418</u>	<u>(373,388)</u>	<u>173,804,031</u>
<b>Business-type activities net capital assets</b>	<u>\$ 212,046,447</u>	<u>\$ 36,688,031</u>	<u>\$ (11,800,120)</u>	<u>\$ 236,934,358</u>

Total depreciation expense for business-type activities for fiscal year 2017 is \$12,703,819. The difference between depreciation expense and the increase in accumulated depreciation is \$149,789, which is a result of capital assets transferred from governmental to business-type activities that are different from the assets transferred from business-type to governmental activities.

An intangible asset is reported in the Utility Fund representing the excess of the purchase price paid over the fair market value of assets acquired. The intangible asset is amortized on a straight-line basis over an estimated useful life of forty years.

CITY OF PENSACOLA, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

Depreciation expense was charged to functions/programs of the primary government as follows:

**Governmental activities:**

General Government	\$ 703,278
Public Safety	2,236,716
Physical Environment	90,262
Transportation	259,956
Economic Environment	44,037
Culture and Recreation	4,620,771
Unallocated Infrastructure	4,139,865
Capital assets held by governmental type internal service funds are charged to the various functions based on their usage	393,741
<b>Total depreciation expense- governmental activities</b>	<b>\$ <u><u>12,488,626</u></u></b>

Infrastructure reported per requirement of GASB 34 is presented as a separate line item instead of a specific function/program.

**Business-type activities:**

Gas	\$ 1,843,258
Sanitation	261,445
Port	1,076,429
Airport	9,522,687
<b>Total depreciation expense- business-type activities</b>	<b>\$ <u><u>12,703,819</u></u></b>

The fifteen year lease agreement for the City owned Amtrak Station expired May 14, 2008. Rail services for the Sunset Limited route which passes through Northwest Florida have been suspended since 2005 as a result of the damages suffered by Hurricane Katrina. The carrying value for the land and building is approximately \$ 567,575 as reported in the governmental activities.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

**D. Interfund Receivables, Payables, and Transfers**

Interfund receivables/payables balances as of September 30, 2017, are as follows:

	<u>Due To</u>	<u>Due From</u>	<u>Advance To</u>	<u>Advance From</u>
<b>Governmental activities:</b>				
General Fund	\$	\$ 351,864	\$	\$
Housing Assistance Fund	17,866			
Community Redevelopment Agency	7,224			
Eastside Tax Increment Financing District	482			
Westside Tax Increment Financing District	482			
Nonmajor Governmental Funds	2,245,435	2,203,185	1,317,705	1,317,705
Internal Service Funds	50,978	193,601	411,036	1,557
Total Governmental activities	<u>2,322,467</u>	<u>2,748,650</u>	<u>1,728,741</u>	<u>1,319,262</u>
<b>Business-type activities:</b>				
Utility Fund	199,485	131,300	553,800	344,752
Sanitation Fund	278,330			601,041
Port Fund	8,734			
Airport Fund	70,934			17,486
Total Business-type activities	<u>557,483</u>	<u>131,300</u>	<u>553,800</u>	<u>963,279</u>
Total governmental and business-type activities	<u>\$ 2,879,950</u>	<u>\$ 2,879,950</u>	<u>\$ 2,282,541</u>	<u>\$ 2,282,541</u>

*Internal balances-current* reported in the government-wide statement of net position in the amount of \$426,183 represents the amounts receivable/payable between government and business-type activities for end of year payroll liabilities, risk management claims and inter-fund transfers.

*Internal balances-noncurrent* reported in the government-wide statement of net position in the amount of \$409,479 represents the long-term portion of future claims payable by the governmental-type funds to the business type funds. The Insurance Retention Fund and the Central Service Fund are reported in the government-wide statement as governmental activities. Due to/from and Advance to/from are reported in fund financial statements as shown in the schedule above.

**CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017**

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

For the year ended September 30, 2017, interfund transfers are as follows:

<b>Governmental activities:</b>			
<i>Major Governmental Funds</i>	<b>Transfer In</b>	<b>Transfer Out</b>	<b>Purpose</b>
General Fund	\$ 8,000,000	\$ 5,004,255	Transfer from Utility Fund UCRT, Golf, CMPA O&M, Eastside TIF, Westside TIF, Stormwater Capital
Community Redevelopment Agency (CRA)	3,736,393	1,421,059	Transfer from UCRT and CMPA O&M Transfer to CMPA O&M Fund and project support payments to CMPA Construction Fund
Urban Core Redevelopment Trust (UCRT)	1,807,608	4,799,391	City's required contribution Transfer to CRA and CRA Debt Service
Eastside Tax Increment Financing District	541,066	180,000	City's required contribution and transfer from Risk Fund Transfer from CRA Debt
Westside Tax Increment Financing District	76,658	180,000	City's required contribution Transfer from CRA Debt
CRA Debt Service	1,444,822		Transfer from UCRT, Eastside TIF and Westside TIF
<i>Nonmajor Governmental Funds</i>			
Local Option Gasoline Tax (LOGT)		1,497,927	Transfer to Local Option Gas Tax Debt Service
Golf Course Fund	220,000		Transfer from General Fund
Recreation Fund		126,332	Transfer to CMPA O&M and CMP Management Services
CMP Management Services	743,913	149,135	Transfer from Recreation Fund and Risk Fund Transfer to CMPA O&M
CMPA O&M Fund	271,116	21,824	Transfer from General Fund, Recreation Fund, CMP Management Services and CMPA Construction Fund Transfer from CRA Fund
Local Option Gasoline Tax Debt Service Fund	1,497,927		Transfer from LOGT Fund
Local Option Sales Tax Fund	188,014		Transfer from Internal Service Fund
Stormwater Capital Fund	2,748,923		Transfer from General Fund
CMPA Construction	1,421,059	8,480	Transfer from CRA Fund Transfer from CMPA O&M Fund
Internal Service Fund (ISF)		1,309,096	Transfer to Eastside TIF, CMP Management Services and Local Option Sales Tax
<b>Business-type activities:</b>			
Utility Fund		8,000,000	Transfer to General Fund
<b>Total</b>	<b>\$ 22,697,499</b>	<b>\$ 22,697,499</b>	

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

*Transfers* reported in the government-wide statement of activities in the amount of \$8,000,000 represent the net amount of transfers between government and business type activities. Fund financial statements report transfers without eliminations within same type activity and are reported as on the prior page.

**E. Fund Balance/Net Position Deficit**

The Sanitation Fund has a negative fund balance of \$1,936,237 for the year ended September 30, 2017. This amount is the result of the implementation of GASB No. 68, "Accounting and Financial Reporting for Pensions; an amendment of GASB Statement No. 27." As an enterprise fund of the City, a combination of rate adjustments and operating transfers will be used to build up the fund balance in future years.

**F. Special Item – NMTC Unwind**

The CMPA was created to construct and subsequently own the public improvements of the Vince Whibbs Sr. Community Maritime Park (Park). In order to finance the development and construction of the public improvements of the Park, the City issued the Redevelopment Revenue Bonds, Series 2009. The City loaned \$39,813,626 of the bond proceeds to CTA Investment Fund, LLC (the "Investment Fund") which combined the loan proceeds with other funds to make equity investments in three community development entities ("CDEs"). The CDEs leveraged those investments to receive an additional \$11,891,231 in state and federal New Market Tax Credit (NMTC) allocations. The NMTC allocations together with the leveraged funds, totaling \$54,079,902, were loaned by the Investment Fund to the CMPA on May 27, 2010.

On May 31, 2017, the unwind of the NMTC Financing Structure was complete and the CDEs assigned all note agreements to the Investment Fund. Thru a put option exercised by the Investment Fund all controlling interest in the Investment Fund was subsequently assigned to the City. Therefore, as of May 31, 2017, the City was the sole manager and member of the Fund which holds both the \$39,813,626 loan made by the City to the Investment Fund and the \$54,079,902 loan made by the Investment Fund to the CMPA.

On June 1, 2017, CMPA's Articles of Dissolution were filed with the Florida Division of Corporations. As provided for in CMPA's Articles of Incorporation and Bylaws, all assets and liabilities were transferred to the City upon dissolution, including the \$54,079,902 loan from the Investment Fund.

On June 28, 2017, the City as the sole member and manager of the Investment Fund cancelled the \$54,079,902 loan the Investment Fund made to the CMPA (which was assigned to the City) and the \$39,813,626 loan the City made to the Investment Fund resulting in a net gain to the City of \$14,266,276. The \$39,813,626 loan forgiveness is shown on the City's Governmental Funds Statement of Revenues, Expenditure, and Changes in Fund Balance as a special item in the Community Redevelopment Agency Fund. The \$54,079,902 loan forgiveness is shown on the City's government-wide Statement of Activities as a special item and is netted with the \$39,813,626 special item from the governmental fund statements, resulting in a net gain of \$14,266,276. In August 2017, the Investment Fund was dissolved.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

**G. Long-term Debt**

**Individual Bond Issues and Notes Payable**

Below are the City's individual long-term debt issues which were outstanding at September 30, 2017:

**Governmental activities:**

\$45,640,000 Redevelopment Revenue Bonds, Series 2009A and 2009B:

\$6,715,000 Redevelopment Revenue Bonds, Series 2009A, serial bonds have a fixed interest rate of 4% - 4.25% with annual principal installments beginning April 1, 2013. Debt service payments are secured with Tax Increment Financing (TIF) revenues derived from the Urban Core Community Redevelopment Area and in the event that these revenues are insufficient to pay debt service a covenant to budget and appropriate non-ad valorem revenues of the City. Final maturity of principal occurs on April 1, 2020.

\$ 3,390,000

\$38,925,000 Redevelopment Revenue Bonds, Series 2009B (federally taxable Build America Bonds), \$5,235,000 of term bonds with a fixed interest rate of 6.829% with annual principal installments beginning April 2021 and maturing April 2024, \$15,890,000 of term bonds with a fixed interest rate of 7.263% maturing April 2033 and \$17,800,000 of term bonds with a fixed interest rate of 7.21% maturing April 2040. Debt service payments are secured with Tax Increment Financing (TIF) revenues derived from the Urban Core Community Redevelopment Area, Federal Subsidy Payments and in the event that these revenues are insufficient to pay debt service a covenant to budget and appropriate non-ad valorem revenues of the City. Final maturity of principal occurs on April 1, 2040.

38,925,000

\$1,307,000 Eastside Redevelopment Revenue Bond, Series 2017 was issued for the purpose of financing certain community redevelopment capital improvements in the Eastside Neighborhood Redevelopment Area included in the Eastside Neighborhood Plan and the costs of issuance on the borrowing. The bond has a fixed interest rate of 3.33% commencing April 1, 2018, to and including April 1, 2037, payable each April 1 and October 1 of each year. Principal payments commence on April 1, 2018, payable April 1 of each year. Debt service payments are secured with Tax Increment Financing (TIF) revenues derived from the Eastside Redevelopment Area and in the event that these revenues are insufficient, the Local Business Tax. Final maturity of principal occurs on April 1, 2037.

1,307,000

CITY OF PENSACOLA, FLORIDA  
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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

\$4,082,000 Westside Redevelopment Revenue Bond, Series 2017 was issued for the purpose of financing certain community redevelopment capital improvements in the Westside Neighborhood Redevelopment Area included in the Westside Neighborhood Plan and the costs of issuance on the borrowing. The bond has a fixed interest rate of 3.33% commencing April 1, 2018, to and including April 1, 2037, payable each April 1 and October 1 of each year. Principal payments commence on April 1, 2018, payable April 1 of each year. Debt service payments are secured with Tax Increment Financing (TIF) revenues derived from the Westside Redevelopment Area and in the event that these revenues are insufficient, the Local Business Tax. Final maturity of principal occurs on April 1, 2037.

4,082,000

Unamortized discounts and premiums

(162,906)

Total Major Fund Types

47,541,094

**Nonmajor Funds**

\$14,314,000 Local Option Gas Tax Revenue Bond, Series 2016 was issued for the purpose of financing the cost of the acquisition and construction of capital improvements to the road system of the City of Pensacola and the costs of issuance on the borrowing. The bond has a fixed interest rate of 1.83% commencing December 31, 2016, to and including December 31, 2026, payable each December 31 and June 30 of each year. Principal payments commence on December 31, 2016, payable December 31 of each year. Debt service payments are secured with Local Option Gasoline Tax revenues. Final maturity of principal occurs on December 31, 2026.

14,043,000

18,190,000 Capital Funding Revenue Bonds, Series 2010A-1 and 2010A-2:

\$5,910,000 Capital Funding Revenue Bonds, Series 2010A-1 were derived from participation in the Gulf Breeze Loan Pool which refinanced the existing Capital Improvement Revenue Bonds, Series 2000A. The 2010A-1 bonds are all serial bonds with a rate of 4.00% - 5.00% with annual principal installments beginning October 1, 2012. Debt service payments are secured with the Infrastructure Sales Tax revenues and to the extent of any deficiency, Communications Services Tax revenues. Final maturity of principal occurs on October 1, 2017.

1,110,000

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

\$12,280,000 Capital Funding Revenue Bonds, Series 2010A-2 were derived from participation in the Gulf Breeze Loan Pool which refinanced the existing Capital Improvement Revenue Bonds, Series 2000B. The 2010A-2 bonds are all serial bonds with a rate of 4.00% - 5.00% with annual principal installments beginning October 1, 2012. Debt service payments are secured with the Infrastructure Sales Tax revenues and to the extent of any deficiency, Communications Services Tax revenues. Final maturity of principal occurs on October 1, 2017. 2,305,000

Total Nonmajor Fund Types 17,458,000

Total Governmental Activities \$ 64,999,094

**Business-type Activities:**

**Utility Enterprise**

\$12,255,000 Capital Funding Revenue Bonds, Series 2010B-1 and 2010B-2:

\$5,345,000 Capital Funding Revenue Bonds, Series 2010B-1 were derived from participation in the Gulf Breeze Loan Pool which refinanced the existing loan for the Gas System Revenue Bonds, 2008. The 2010B-1 bonds are all serial bonds with a rate of 3.00% - 4.00% with annual principal installments beginning October 1, 2010. Debt service payments are secured with Net Revenues of the Utility System. Final maturity of principal occurs on October 1, 2017. \$ 755,000

\$6,910,000 Capital Funding Revenue Bonds, Series 2010B-2 refunded the outstanding principal of Gas System Revenue Bonds, Series 1999. The 2010B-2 bonds are all serial bonds with a rate of 3.00% - 4.00% with annual principal installments beginning October 1, 2010. Debt service payments are secured with Net Revenues of the Utility System. Final maturity of principal occurs on October 1, 2017. 965,000

\$5,000,000 Gas System Revenue Note, Series 2011 was issued for the primary purpose of (i) financing the 2011 Project described in the authorizing resolution as including the purchase of five (5) compressed natural gas refuse trucks and the acquisition, construction and rehabilitation of capital improvements to the System and (ii) paying certain costs of issuance of the 2011 Gas System Note. The taxable note has a fixed interest rate of 2.09% with annual principal installments beginning October 1, 2012. Debt service payments are secured with Net Revenues of the Utility System. Final maturity of principal occurs on October 1, 2021. 2,635,000



CITY OF PENSACOLA, FLORIDA  
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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

\$15,000,000 Gas System Revenue Note, Series 2016 was issued for the primary purpose of financing and/or reimbursing the cost of the design, permitting, acquisition, construction, rehabilitation and equipping of certain capital improvements to the system. The note has a fixed interest rate of 1.97% with annual principal installments beginning October 1, 2017. Debt service payments are secured with Net Revenues of the Utility System. Final maturity of principal occurs on October 1, 2026. 15,000,000

Total Utility Enterprise 19,355,000

**Airport Enterprise**

\$35,780,000 Airport Capital Improvement Revenue Bonds, Series 2008A and 2008B:

\$29,060,000 Airport Capital Improvement Revenue Bonds, Series 2008A. \$4,805,000 of serial bonds have a fixed interest rate of 5% - 5.5% with annual principal installments beginning October 2009 and maturing October 2018, \$8,630,000 of term bonds with a fixed interest rate of 6% maturing October 2028 and \$15,625,000 with a fixed interest rate of 6.25%. Debt service payments are secured with Net Revenues of the Airport. Final maturity of principal occurs on October 1, 2038. 25,465,000

\$6,720,000 Airport Capital Improvement Revenue Bonds, Series 2008B. \$995,000 of serial bonds have a fixed interest rate of 5% - 5.5% with annual principal installments beginning October 2011 and maturing October 2018, \$2,040,000 of term bonds with a fixed interest rate of 6% maturing October 2028 and \$3,685,000 with a fixed interest rate of 6.25%. Debt service payments are secured with Net Revenues of the Airport. Final maturity of principal occurs on October 1, 2038. 6,010,000

\$11,800,000 Airport Taxable Customer Facility Charge Revenue Note, Series 2008 was issued for the primary purpose of financing the construction and equipping of a rental car service center to serve the Airport. Proceeds were derived from a Bank of America loan. Interest is paid on the first of every month and is calculated using 30 day LIBOR plus .75% per annum. Debt service payments are secured with an additional \$2.50 Customer Facility Charge (CFC). The loan agreement calls for interest only payments through December 2018 at which point the loan expires and principal is due in full. 8,800,000

CITY OF PENSACOLA, FLORIDA  
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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

<p>\$12,310,000 Airport Refunding Revenue Note, Series 2010 refunded the outstanding principal of the Airport Revenue Bonds, Series 1997B and Airport Revenue Refunding Bonds, Series 1998A. The 2010 bonds are all swap rate serial bonds with a rate of 2.39% with annual principal installments beginning October 1, 2011. Debt service payments are secured with Net Revenues of the Airport. Final maturity of principal occurs on October 1, 2018.</p>	2,535,000
<p>\$12,465,000 Airport Refunding Revenue Note, Series 2015 refunded the outstanding principal of the Airport Refunding Revenue Bonds (Non-AMT), Series 2005A. Note has a fixed interest rate of 2.55% commencing April 1, 2016, to and including October 1, 2027, payable each April 1 and October 1 of each year. Principal payments commence on October 1, 2016, payable October 1 of each year. Debt service payments are secured with Net Revenues of the Airport. Final maturity of principal occurs on October 1, 2027.</p>	11,550,000
<p>\$6,300,000 Airport Refunding Revenue Note, Series 2017 refunded the outstanding principal of the Airport Revenue Bonds, Series 2012. Note has a fixed interest rate of 2.51% commencing April 1, 2018, to and including October 1, 2027, payable each April 1 and October 1 of each year. Principal payments commence on October 1, 2018, payable October 1 of each year. Debt service payments are secured with Net Revenues of the Airport. Final maturity of principal occurs on October 1, 2027.</p>	6,300,000
<p>Unamortized discounts</p>	<u>(406,300)</u>
<p>Total Airport Enterprise</p>	<u>60,253,700</u>
<p>Total Business-type Activities</p>	<p><u>\$ 79,608,700</u></p>

**CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017**

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

**Changes in Long-Term Liabilities**

Following is a summary of changes in the long-term liabilities for the City as well as the material liabilities for the City's component unit year ended September 30, 2017:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
Due to other governments	\$ 14,300,000	\$	\$ (1,300,000)	\$ 13,000,000	\$ 1,300,000
Bonds payable	64,163,772	5,389,000	(4,553,678)	64,999,094	6,049,000
Claims and judgments	1,911,481	2,218,879	(1,591,650)	2,538,710	
Compensated absences	2,822,246	8,216,381	(8,304,846)	2,733,781	69,032
Notes payable	54,079,902		(54,079,902)	-	
Loans payable	-	100,000		100,000	20,000
Capital lease payable	6,500,953		(39,999)	6,460,954	1,546,418
OPEB	9,074,176	847,800		9,921,976	
Pension liability	101,477,458	8,371,323	(13,883,806)	95,964,975	
Governmental activity long-term liabilities	<u>\$ 254,329,988</u>	<u>\$ 25,143,383</u>	<u>\$ (83,753,881)</u>	<u>\$ 195,719,490</u>	<u>\$ 8,984,450</u>
<b>Business-type activities</b>					
Bonds payable	\$ 38,884,353	\$	\$ (3,560,653)	\$ 35,323,700	\$ 3,700,000
Notes payable	30,695,000	21,300,000	(7,710,000)	44,285,000	1,730,000
Compensated absences	1,475,813	1,040,216	(1,101,774)	1,414,255	45,849
OPEB	3,536,427	333,967		3,870,394	
Pension liability	26,305,088	2,225,289	(3,044,293)	25,486,084	
Business-type activity long-term liabilities	<u>\$ 100,896,681</u>	<u>\$ 24,899,472</u>	<u>\$ (15,416,720)</u>	<u>\$ 110,379,433</u>	<u>\$ 5,475,849</u>

Bonds payable for governmental activities includes \$257,830 of unamortized discounts and unamortized premium of \$94,924. Bonds payable for business-type activities is reported net of unamortized discounts in the amount of \$406,300. Reductions of Bonds payable include principal payments and amortization of discounts.

Due to other governments includes an Interlocal agreement between the City of Pensacola and the Emerald Coast Utilities Authority (ECUA) which committed the City to contribute to the Main Street Waste Water Treatment Plant Replacement Project (the Project). The City committed \$19.5 million for the project and agreed to budget and appropriate water and sewer franchise fees and the beverage license tax revenues. Annual installments of \$1.3 million began in January 2013. For accounting purposes, this is a voluntary non-exchange transaction. In December 2012, ECUA provided documentation which showed all eligibility criteria had been met as of September 30, 2012. Therefore, the long-term liability and expenditure was recorded in the City's government-wide financial statements. Since the long-term liability is not due and payable in the current period it is not recorded in the fund financial statements. Related to this transaction, the City entered in an agreement with the Community Redevelopment Agency (CRA) wherein the annual installments to ECUA will be paid from CRA revenues and any shortfall paid by the City will be reimbursed.

CITY OF PENSACOLA, FLORIDA  
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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

Compensated absences are estimated at year end only. In addition, for the governmental activities, claims and judgments are liquidated by the insurance retention fund and compensated absences are liquidated primarily by the general fund.

Other Postemployment Benefits (OPEB) were calculated by an independent consultant which provided an actuarial valuation of post-employment benefits as required by GASB 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*.

Pension liability was calculated by an independent consultant which provided an actuarial valuation of pension benefits as required by GASB 67, *Financial Reporting for Pension Plans*, and GASB 68, *Accounting and Financial Reporting for Pensions*. Net pension liability is liquidated primarily by the general fund.

**Summary of Debt Service Requirements to Maturity**

Annual debt service requirements to maturity for the City's long-term bonds and notes as well as the material long-term bonds and notes for the City's component units are as follows; includes both fixed and variable interest rate bonds/notes:

**Governmental Long-Term Debt**

Fiscal Year Ending September 30,	Principal	Interest	Total Principal and Interest
2018	\$ 6,049,000	\$ 3,378,829	\$ 9,427,829
2019	2,644,000	3,282,319	5,926,319
2020	2,720,000	3,206,223	5,926,223
2021	2,801,000	3,124,708	5,925,708
2022	2,888,000	3,008,819	5,896,819
2023-2027	15,856,000	13,125,875	28,981,875
2028-2032	10,621,000	9,672,816	20,293,816
2033-2037	13,253,000	5,756,453	19,009,453
2038-2040	8,330,000	1,219,572	9,549,572
<b>Total</b>	<u>65,162,000</u>	<u>45,775,614</u>	<u>110,937,614</u>
Less: Current	<u>(6,049,000)</u>	<u>-</u>	<u>(6,049,000)</u>
<b>Total government debt</b>	<u><u>\$ 59,113,000</u></u>	<u><u>\$ 45,775,614</u></u>	<u><u>\$ 104,888,614</u></u>

Principal is shown in gross, excluding unamortized discounts of \$162,906. Interest shown does not include the \$14,732,349 BAB subsidy on the Redevelopment Revenue Bonds, Series 2008.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

Business-Type Activities Long-Term Debt

Fiscal Year Ending September 30,	Principal	Interest	Total Principal and Interest
2018	\$ 5,430,000	\$ 3,185,728	\$ 8,615,728
2019	14,060,000	2,773,463	16,833,463
2020	4,094,000	2,476,721	6,570,721
2021	4,225,000	2,351,740	6,576,740
2022	4,357,000	2,221,887	6,578,887
2023-2027	23,969,000	8,985,000	32,954,000
2028-2032	9,190,000	5,798,945	14,988,945
2033-2037	9,840,000	3,128,125	12,968,125
2038-2039	4,850,000	307,500	5,157,500
<b>Total</b>	<u>80,015,000</u>	<u>31,229,109</u>	<u>111,244,109</u>
Less: Current	<u>(5,430,000)</u>	<u>-</u>	<u>(5,430,000)</u>
<b>Total business-type debt</b>	<u>\$ 74,585,000</u>	<u>\$ 31,229,109</u>	<u>\$ 105,814,109</u>

Principal is shown in gross, excluding unamortized discounts \$406,300.

Business-type activities long-term debt includes the 2008 Airport Taxable Customer Facility Charges Revenue Note dated February 4, 2008 for \$19,000,000. The note is variable rate debt with interest calculated on 30 day LIBOR plus .75% per annum. Interest is due through December 2018 with a one-time principal payment due at that time. For purposes of the Debt Service Requirement Summary, interest is computed at 5.55%; however, actual interest rates for fiscal year 2017 ranged between 1.27% and 1.98% resulting in interest expense of \$146,197. As of September 30, 2017 the outstanding balance of the Note is \$8,800,000.

**Debt Issuances and Refundings**

*Issuance of the Gas System Revenue Note, Series 2016.* On November 30, 2016 the City issued its \$15,000,000 Gas System Revenue Note, Series 2016 through a loan with Regions Capital Advantage, Inc. The note was issued for the purpose of financing and/or reimbursing the cost of the design, permitting, acquisition, construction, rehabilitation and equipping of certain capital improvements to the utility system. The note matures on October 1, 2026 and has a fixed interest rate of 1.97%. Pledged revenues for the repayment of the principal and interest will be derived from the Net Revenues of the Utility System.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

*Issuance of the Eastside Redevelopment Revenue Bond, Series 2017.* On August 15, 2017 the City issued its \$1,307,000 Eastside Redevelopment Revenue Bond, Series 2017 through a loan with SmartBank Corporation. The bond was issued for the purpose of financing certain community redevelopment capital improvements in the Eastside Neighborhood Redevelopment Area included in the Eastside Neighborhood Plan and the costs of issuance on the borrowing. The bond matures on April 1, 2037 and has a fixed interest rate of 3.33%. Pledged revenues for the repayment of the principal and interest will be Tax Increment Revenue derived from the Eastside Redevelopment Area. In the event that these revenues are insufficient to pay debt service, the loan is further secured by the Local Business Tax.

*Issuance of the Westside Redevelopment Revenue Bond, Series 2017.* On August 15, 2017 the City issued its \$4,082,000 Westside Redevelopment Revenue Bond, Series 2017 through a loan with SmartBank Corporation. The bond was issued for the purpose of financing certain community redevelopment capital improvements in the Westside Neighborhood Redevelopment Area included in the Westside Neighborhood Plan and the costs of issuance on the borrowing. The bond matures on April 1, 2037 and has a fixed interest rate of 3.33%. Pledged revenues for the repayment of the principal and interest will be Tax Increment Revenue derived from the Westside Redevelopment Area. In the event that these revenues are insufficient to pay debt service, the loan is further secured by the Local Business Tax.

*Refunding of the Airport Revenue Bonds, Series 2012.* On September 20, 2017 the City refunded the Airport Revenue Bonds, Series 2012 through a loan from Compass Bank. The outstanding par amount of the bonds was \$6,300,000. The newly issued Airport Refunding Revenue Note, Series 2017 matures on October 1, 2027 and has a fixed rate of 2.51 percent. The issued rate on the 2012 Series bonds had a fixed interest rate until October 1, 2017 of 2.50% and a variable rate through maturity on October 1, 2027. Pledged revenues for the repayment of the principal and interest will be derived from the net revenues of the Pensacola International Airport.

**Interest Rate Swap Agreements**

**Business-Type Activities**

In compliance with GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, the following disclosure is made to highlight the key components of the derivative instrument used by the City to lock in interest rates. On September 29, 2010 the City issued \$12,310,000 Airport Revenue Refunding Bonds, Series 2010 (2010 Bonds) and on September 23, 2016 the City issued \$6,299,000 draw-down Airport Facilities Grant Anticipation Note, Series 2016 (2016 Note) both with a commitment from Compass Mortgage Corporation, an Alabama corporation and the "lender", to purchase the 2010 Bonds and 2016 Note. Compass Bank, an Alabama banking corporation and the "counterparty", entered into interest rate swap agreements with the City for the purpose of hedging the financial risk of increased interest costs attributable to a notional amount equal to the principal amounts of the 2010 Bonds and 2016 Note to enable the City to achieve the economic result of fixed interest rates on the 2010 Bonds and 2016 Note. As of September 30, 2017, no funds have been drawn-down on the 2016 Note.

CITY OF PENSACOLA, FLORIDA  
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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

**Objectives.** The City's objective for entering into the swap agreements was to effectively change its new variable interest rate bonds/note to a synthetic fixed rate of 2.39% for the 2010 Bonds and 3.01% for the 2016 Note. The City issued variable rate debt and simultaneously entered into an interest rate swap agreements to serve as a hedge against swings in the cash flows that would be required for the 2010 Bonds and 2016 Note.

**Terms.** The significant terms of the interest rate swap agreements are as follows:

Swap Related To	Notional Amount	Effective Date	Fixed Rate Paid	Variable Rate Received	Fair Value at 9/30/2017	Termination Date
Series 2010	\$ 12,310,000	9/29/10	2.39%	65% of Libor + 98 bps	(\$14,709)	10/1/18
Series 2016	\$ 6,299,600	9/23/16	3.01%	Libor + 178 bps	\$41,363	10/1/19

**Credit risk.** The interest rate swap for the 2010 Bonds and the 2016 Note are held by a single counterparty whose credit rating is currently "Baa3" by Moody's Investors Service and "BBB+" by Standard & Poor's. The credit risk is also mitigated by the City's right to "set-off".

**Interest rate risk.** The city is not exposed to interest rate risk. If LIBOR decreases then the net swap payment increases while the loan interest decreases. As LIBOR increases the net swap payment decreases and loan interest increases. When the swap is in place there is a locked rate of interest subject to LIBOR being greater or equal to zero.

**Early Termination risk.** For the 2010 Bonds and the 2016 Note, the City has the right to "set off" which both eliminates the credit risk and termination risk. If the counterparty is unable to make their payment, then the City can withhold its payment on the loan for all amounts in excess of 2.39% for the 2010 Bonds and 3.01% for the 2016 Note.

The table below presents the debt service obligation for the 2010 Bonds using the loan rate at September 30, 2017 (1.63%-floor) and the net swap payment. As rates vary, variable-rate bond interest payments and net swap payments will vary. The 2016 Note is not presented as no funds have been drawn-down as of September 30, 2017.

<b>Airport Revenue Refunding Bonds, Series 2010 Variable-Rate Bonds</b>				
<b>Fiscal Year Ending September 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Interest Rate Swaps, Net</b>	<b>Total</b>
2018	\$ 1,250,000	\$ 31,133	\$ 14,516	\$ 1,295,649
2019	1,285,000	10,473	4,883	1,300,356
<b>Total</b>	<b>\$ 2,535,000</b>	<b>\$ 41,606</b>	<b>\$ 19,399</b>	<b>\$ 2,596,005</b>

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

**Debt Restriction**

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions. The City has no legal debt margin.

**Disclosure Undertakings**

On March 28, 2016, the City filed a Notice of Failure to File Annual Report, for Fiscal Year 2015, on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System (EMMA). Such Annual Report, including the City's audited financial statements for Fiscal Year 2015, was required to be filed on EMMA by March 28, 2016, pursuant to the City's continuing disclosure undertakings with its bond underwriters with respect to the below-named bonds. The City's late filing was caused by a delay in receiving required audit information from the State of Florida for pension disclosure under GASB 68.

The required audit information was received in mid-April 2016 from the State, and the complete Annual Report, including audited financial statements for Fiscal Year 2015, was filed on EMMA simultaneously with the release of the audited financial statements for Fiscal Year 2015, which filed along with the above mentioned Notice cured the violation.

The bonds affected included the Airport Refunding Revenue Bonds, Series 2005A, Airport Revenue Bonds, Series 2008 (AMT), Redevelopment Revenue Bonds, Series 2009A, Redevelopment Revenue Bonds, Series 2009B

**Revenues Pledged for Debt Repayment**

The City has pledged future Tax Increment Revenues derived from the Urban Core Redevelopment Area to repay \$45,640,000 in Bonds issued in 2009. Proceeds of the bonds provided financing for the construction of a Community Maritime Park. The bonds are secured by Tax Increment Revenues derived from the Urban Core Redevelopment Area, and with respect to the Series 2009B Bonds Federal Direct Payments, and in the event that these revenues are insufficient a Covenant to Budget and Appropriate, and are payable through 2040. Principal and interest paid for the current year were \$4,020,306 and Tax Increment Revenues and Federal Direct Payments for the current year were \$4,794,187 and \$911,230, respectively.

The City has pledged future Tax Increment Revenues derived from the Eastside Redevelopment Area to repay a \$1,307,000 Bond issued in 2017. Proceeds of the bond will provide financing for certain community redevelopment capital improvements in the Eastside Neighborhood Redevelopment Area included in the Eastside Neighborhood Plan. The bond is secured by Tax Increment Revenues derived from the Eastside Redevelopment Area and in the event that these revenues are insufficient, the Local Business Tax and are payable through 2037. Principal and interest paid for the current year were \$0 as the first interest payment is due April 1, 2018 and Tax Increment Revenues for the current year were \$104,410.



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NOTES TO FINANCIAL STATEMENTS  
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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

The City has pledged future Tax Increment Revenues derived from the Westside Redevelopment Area to repay a \$4,082,000 Bond issued in 2017. Proceeds of the bond will provide financing for certain community redevelopment capital improvements in the Westside Neighborhood Redevelopment Area included in the Westside Neighborhood Plan. The bond is secured by Tax Increment Revenues derived from the Westside Redevelopment Area and in the event that these revenues are insufficient, the Local Business Tax, and are payable through 2037. Principal and interest paid for the current year were \$0 as the first interest payment is due April 1, 2018 and Tax Increment Revenues for the current year were \$194,902.

The City has pledged future Infrastructure Sales Tax to repay \$18,190,000 in Bonds issued in 2010. Proceeds of the bonds were used to refinance its Capital Improvement Revenue Bond, Series 2000. Debt service payments are secured with the Infrastructure Sales Tax revenues and to the extent of any deficiency, Communications Services Tax revenues through 2017. Principal and interest paid for the current year were \$3,503,172 and Infrastructure Sales Tax revenues for the current year were \$7,881,843.

The City has pledged future Local Option Gasoline Tax (LOGT) revenues to repay \$14,314,000 in Bond issued in 2016. Proceeds of the bond will be used to finance the cost of the acquisition and construction of capital improvements to the road system of the City of Pensacola and the costs of issuance on the borrowing. Debt service payments are secured with the LOGT revenues through 2026. In the event that LOGT is insufficient to pay debt service, the loan is further secured by a covenant to budget and appropriate from the City's non-ad valorem revenues. Principal and interest paid for the current year were \$513,003 and LOGT revenues for the current year were \$1,476,635 (additional information can be found in Citywide topics under Letter of Transmittal).

The City has pledged future Net Revenues of the Utility System to repay \$32,255,000 in Bonds and Notes issued in 2010, 2011 and 2016. Proceeds of the bonds were used to refinance its Gas System Revenue Bond, Series 1999 and 2008 as well as provided financing for the construction of and rehabilitation of capital improvements to the gas system. Debt service payments are secured with the Net Revenues of the Utility System through 2026. Principal and interest paid (cash basis) for the current year were \$2,417,962 and net revenues for the current year were \$12,545,557.

The City has pledged future Net Revenues of the Airport to repay \$37,795,000 in Bonds and Notes issued between 2008 through 2017. Proceeds of the bonds were used to finance the acquisition, construction and rehabilitation improvements to the Airport Facilities as well as refinance its Airport Revenue Refunding Bond, Series 2005A, Airport Improvement Revenue Bonds, Series 2006 and Airport Revenue Bonds, Series 2012. Debt service payments are secured with the Net Revenues of the Airport through 2038. Principal and interest paid (cash basis) for the current year were \$3,260,670 and net revenues for the current year were \$6,365,116. Net Revenues excludes CFC revenues of \$2,540,022 pledged towards the Airport Taxable Customer Facility Charge Revenue Note, Series 2008, operating expenses of \$679,000 and grant operating expenses of \$100,990.

CITY OF PENSACOLA, FLORIDA  
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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

The City has pledged future Customer Facility Charge (CFC) Revenues of the Airport to repay \$11,800,000 in Notes issued in 2008. Proceeds of the bonds were used to finance the construction of a rental car service center. Debt service payments are secured with the Customer Facility Charge (CFC) Revenues through 2018. Principal and interest paid (cash basis) for the current year were \$141,261 and net revenues for the current year were \$1,861,022.

The City has pledged anticipated future grant proceeds of the Airport to repay up to \$6,299,600 in possible draw-downs for a Note issued in 2016. Proceeds of the note will be used to finance a portion of the cost of the construction of a hanger and related facilities at the Pensacola International Airport. Debt service payments are secured with the anticipated future grant proceeds through 2019. The City may make draws of principal through January 1, 2018. As of September 30, 2017, no funds have been drawn-down.

The City has pledged future Passenger Facility Charge (PFC) revenue (to the extent they are deposited into the Bond Fund) of the Airport to refinance its Airport Improvement Revenue Bonds, Series 2006. Proceeds of the bonds were used to finance acquisition, construction and rehabilitation improvements to the Airport Facilities. Debt service payments are secured with the Passenger Facility Charge (PFC) revenue to the extent they are deposited into the Bond Fund through 2038. Principal and interest paid (cash basis) for the current year were \$2,132,663 and net revenues for the current year were \$3,299,322.

**Florida Ports Finance Commission Agreement**

Florida Ports Financing Commission Revenue Bonds, Series 1999 – On July 17, 1996, the Florida Ports Financing Commission (the “Commission”) was created pursuant to Section 320.20(3) and Chapter 163, Part I, Florida Statutes through an Interlocal Agreement among Canaveral Port Authority, Jacksonville Port Authority and Panama City Port Authority. The Commission’s purpose is to provide a cost-effective means of financing various capital projects for the State of Florida’s ports by issuing bonds and transferring the proceeds thereof to the individual ports. The Commission and SunTrust Bank, Central Florida, National Association, Orlando, Florida (the “Trustee”) entered into an Indenture of Trust, dated September 1, 1999 (the “Indenture”), which authorized the issuance of \$153,115,000 Florida Ports Financing Commission Revenue Bonds (State Transportation Trust Fund), Series 1999 (the Bonds”). The Bonds were refunded in 2011 with principal and interest payments through October 1, 2029.

On October 14, 1999, the Bonds were issued to provide funds to finance the costs of acquiring and constructing capital projects undertaken by 10 ports located in the State of Florida (the “Ports”), including the City. The amount allocated to the City was not to exceed \$3,000,000, which was available for approved expenditures. The Commission loaned the proceeds of the Bonds (the “Loans”) to the Ports pursuant to separate loan agreements (the “Loan Agreements”) entered into between each of the Ports individually and the Commission.

CITY OF PENSACOLA, FLORIDA  
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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

The Loan Agreement entered into by the City provides that the City will repay its Loan solely from moneys due from the State Transportation Trust Funds. Pursuant to Section 320.20(4), Florida Statutes, \$10,000,000 of the revenues received by the State of Florida from motor vehicle registration fees is to be deposited annually in the State Transportation Trust Fund for funding Projects (the "State Moneys"). Basic Payments under the Loan Agreement are payable solely from moneys on deposit in the State Transportation Trust Fund. The Department of Transportation and the Commission entered into a Master Agreement pursuant to which the Department of Transportation agrees to transfer the State Moneys annually into an escrow account held by the State Department of Insurance, Division of Treasury, on behalf of the Trustee which may be drawn upon by the Trustee in order to pay the debt service on the Bonds as the same becomes due. The City has assigned all of its right, title and interest to the moneys allocated to the City from State Moneys to the Trustee on behalf of the Commission, to pay its portion of debt service on the Bonds.

In addition to the Basic Payments, the City agreed to pay on demand of the Commission or the Trustee additional payments constituting (a) its proportionate share of certain ongoing fees, costs and expenses related to the financing program, (b) all reasonable fees and expenses of the Commission and the administrator of the financing program, (c) its proportionate share of rebate obligations relating to the Bonds pursuant to Section 149 of the Internal Revenue Code of 1986, and (d) any unallowable costs required to be repaid by the Borrower under the Loan Agreement (the "Additional Payments"). The City has agreed to pay from legally available non-ad valorem revenues of its Port facilities (the "Port Revenues") sufficient moneys to make such Additional Payments. Such agreement is applicable solely to the Additional Payments and does not cover the Basic Payments.

The Bonds do not create nor constitute an obligation or debt of the State of Florida or any political subdivision thereof or any public corporation, port or governmental agency existing under the laws of the State of Florida other than the Commission. The Bonds do not constitute the giving, pledging or loan of the faith and credit of the State of Florida or any political subdivision thereof or any public corporation, port or governmental agency existing under the laws of the State of Florida. The Bonds are payable solely from State Moneys as the Basic Payments of the Borrowers.

The financing program of the Commission described above is in substance a grant program, inasmuch as all debt service payments on the Bonds are payable solely from moneys in the State Transportation Trust Fund. The program was structured with Loan Agreements in order to satisfy certain legal requirements. Bondholders have no recourse to the Borrowers, including the City, for payment of the principal and interest on the Bonds.

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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

The City has not recorded a liability for the loan since it does not have any obligation except for moneys due it from the State Transportation Trust Fund. As discussed above, all of such moneys have been assigned to the Trustee to pay the debt. Except to the extent the City is obligated to pay Additional Payments from the Port Revenues, the City has no other obligation on the debt and no other moneys of the Authority have been pledged, or are obligated for payment of the debt. As expenditures were incurred for the approved projects, the City recorded a receivable from the Commission for 50% of qualified amounts and records the amount to be reimbursed as contributed capital. Monies not expended on approved projects by individual ports (excess project funds) are returned to the funding pool and reallocated. The amount expended by the City in excess of the allocated \$2.7 million was made possible through the excess funding reallocation program. The bond proceeds have since been fully expended by the ports to which they were allocated. The City has incurred in total \$3,904,251 of eligible expenditures.

**Loans Payable**

In February 2017, the CMPA agreed to pay NFPB \$100,000 under a non-interest bearing promissory note to share costs associated with a new video scoreboard. With the dissolution of CMPA on June 1, 2017, all CMPA's contracts and leases were assigned to the City including the \$100,000 outstanding balance of the promissory note. Annual debt service payments are \$20,000 and the loan matures on October 1, 2021.

**H. Fund Balance Disclosure**

Fund Balance information is used to identify the available resources to repay long-term debt, reduce property taxes, add new governmental programs, expand existing ones, or enhance the financial position of the City, in accordance with policies established by the City Council. In accordance with Governmental Accounting and Financial Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies fund balance as follows.

Non-Spendable Fund Balance – Amounts that are not in a spendable form or are required to be maintained intact (such as inventory or prepaids).

Restricted Fund Balance – Amounts that can be spent only for the specific purposes stipulated by external resource providers (such as grantors), or enabling legislation. Restrictions may be changed or lifted only with the consent of the resource providers.

Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision making authority. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally. An Ordinance adopted by Council establishes a fund balance commitment.

CITY OF PENSACOLA, FLORIDA  
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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

Assigned Fund Balance – Amounts the City intends to use for a specific purpose. The City Council via resolution or the Mayor, as authorized by City Council Policy (enacted through resolution), establishes fund balance assignments.

Unassigned Fund Balance – The residual classification for the General Fund and includes amounts that are not contained in the other classifications. Unassigned amounts are the portion of fund balance which is not obligated or specifically designated and is available for any purpose. The general fund is the only fund that reports a positive unassigned balance amount.

For classification of fund balance 1) when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, restricted fund balance is considered to have been spent first 2) when expenditures are incurred for purposes for which amounts in any of unrestricted fund balance classifications can be used, committed amounts should be reduced first, followed by assigned amounts and then unassigned amounts.

In June 2010, the City Council approved Resolution No. 31-10 which established the Fund Balance Policy of Governmental Funds as well as committed the Council Reserves Fund Balance in the General Fund. On September 25, 2014, the City Council approved the same Council Reserve Policy by Ordinance, amending chapter 3-1 of the Code of the City of Pensacola, Florida; creating section 3-1-13. On March 9, 2017, City Council amended chapter 3-1-13 of the Code of the City of Pensacola, Florida, increasing the minimum reserve from 15 percent to 20 percent. The Council Reserve, which is required to be a minimum of 20 percent of the General Fund beginning adopted appropriations, is reported as committed fund balance in the General Fund. The Council Reserve shall not be used until current year revenues decrease by 5 percent or more of the total adopted beginning estimated revenues, including transfers and all efforts have been exhausted to fund unanticipated needs and/or emergencies, such as implementing a modified hiring freeze and expenditure reductions. Upon determination of the need, the Mayor may initiate use of the reserves through written communication to the City Council, explaining the nature of the emergency with approval by a two-thirds vote of City Council. Proceeds from the sale of City (general government) owned surplus real property, specifically approved by City Council for such purpose, and any other funds identified in the annual budget (and amendments thereto) will be used to increase the reserve. Interest earnings will be applied on the reserve balance each fiscal year.

The City does not have a formal minimum fund balance policy for unassigned fund balance. A schedule of City fund balances is provided in the following pages.

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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

	Major Funds			
	General Fund	Community Redevelopment Agency	Urban Core Redevelopment Trust	Eastside Tax Increment Financing District
<i><b>Fund Balance</b></i>				
Non-spendable				
Inventories	\$	\$	\$	\$
Prepays	23,339	395		
Subtotal non-spendable fund balance	<u>23,339</u>	<u>395</u>	-	-
Restricted				
Wastewater treatment plant relocation		975,000		
Redevelopment Rev Bond(s) debt payments				
Stormwater projects				
Section 8 program administrative				
Natural disaster projects				
General government	299,404			
Transportation	11,270			
Physical Environment				
Saenger capital	329,578			
DOJ Equitable Sharing Agreement				
Public safety	132,654			
Community development projects		2,182,263		614,763
Culture and recreation	118,951			
Building inspections				
Subtotal restricted fund balance	<u>891,857</u>	<u>3,157,263</u>	-	<u>614,763</u>
Committed				
Council Reserve	11,308,640			
Tree landscape	385,640			
Stormwater projects				
Subtotal committed fund balance	<u>11,694,280</u>	-	-	-
Assigned				
General government	1,296,847			
Lien amnesty	25,378			
Inner City Housing Initiatives	440,000			
Economic Development	930,748			
Culture and recreation				
Other assigned				
Subtotal assigned fund balance	<u>2,692,973</u>	-	-	-
Unassigned				
	1,721,705			
<i>Total Fund Balance</i>	<u>\$ 17,024,154</u>	<u>\$ 3,157,658</u>	<u>\$ -</u>	<u>\$ 614,763</u>

CITY OF PENSACOLA, FLORIDA  
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**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

	<b>Major Funds</b>			
	<b>Westside Tax Increment Financing District</b>	<b>CRA Debt Service</b>	<b>Housing Assistance Payments</b>	<b>CRA Project Fund</b>
<b><i>Fund Balance</i></b>				
Non-spendable				
Inventories	\$	\$	\$	\$
Prepays			528	
Subtotal non-spendable fund balance	-	-	528	-
Restricted				
Wastewater treatment plant relocation				
Redevelopment Rev Bond(s) debt payments		3,660,340		
Stormwater projects				
Section 8 program administrative			3,185,520	
Natural disaster projects				
General government				
Transportation				
Physical Environment				
Saenger capital				
DOJ Equitable Sharing Agreement				
Public safety				
Community development projects	123,392			4,844,035
Culture and recreation				
Building inspections				
Subtotal restricted fund balance	123,392	3,660,340	3,185,520	4,844,035
Committed				
Council Reserve				
Tree landscape				
Stormwater projects				
Subtotal committed fund balance	-	-	-	-
Assigned				
General government				
Lien amnesty				
Inner City Housing Initiatives				
Economic Development				
Culture and recreation				
Other assigned				
Subtotal assigned fund balance	-	-	-	-
Unassigned				
<b><i>Total Fund Balance</i></b>	<b>\$ 123,392</b>	<b>\$ 3,660,340</b>	<b>\$ 3,186,048</b>	<b>\$ 4,844,035</b>

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

	Nonmajor Funds			
	Special Revenue Funds			
	Special Grants	Local Option Gasoline Tax	Community	
			Development Block Grant	Stormwater Utility Fund
<i><b>Fund Balance</b></i>				
Non-spendable				
Inventories	\$	\$	\$	\$
Prepays				694
Subtotal non-spendable fund balance	-	-	-	694
Restricted				
Wastewater treatment plant relocation				
Redevelopment Rev Bond(s) debt payments				
Stormwater projects				10,850
Section 8 program administrative				
Natural disaster projects				
General government				
Transportation		125,870		
Physical Environment	1,305,358			
Saenger capital				
DOJ Equitable Sharing Agreement				
Public safety				
Community development projects			574	
Culture and recreation				
Building inspections				
Subtotal restricted fund balance	1,305,358	125,870	574	10,850
Committed				
Council Reserve				
Tree landscape				
Stormwater projects				874,191
Subtotal committed fund balance	-	-	-	874,191
Assigned				
General government				
Lien amnesty				
Inner City Housing Initiatives				
Economic Development				
Culture and recreation				
Other assigned				
Subtotal assigned fund balance	-	-	-	-
Unassigned	(1,124,680)		(574)	
Total Fund Balance	\$ 180,678	\$ 125,870	\$ -	\$ 885,735



CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

	Nonmajor Funds			
	Special Revenue Funds			
<i>Fund Balance</i>	Law Enforcement Trust	Natural Disaster Fund	Golf Course Fund	Inspections Fund
Non-spendable				
Inventories	\$	\$	\$ 4,297	\$
Prepays			2,412	
Subtotal non-spendable fund balance	-	-	6,709	-
Restricted				
Wastewater treatment plant relocation				
Redevelopment Rev Bond(s) debt payments				
Stormwater projects				
Section 8 program administrative				
Natural disaster projects		2,794,970		
General government				
Transportation				
Physical Environment				
Saenger capital				
DOJ Equitable Sharing Agreement	71,851			
Public safety	102,307			
Community development projects				
Culture and recreation			4,454	
Building inspections				1,378,354
Subtotal restricted fund balance	174,158	2,794,970	4,454	1,378,354
Committed				
Council Reserve				
Tree landscape				
Stormwater projects				
Subtotal committed fund balance	-	-	-	-
Assigned				
General government				
Lien amnesty				
Inner City Housing Initiatives				
Economic Development				
Culture and recreation			46,178	
Other assigned				
Subtotal assigned fund balance	-	-	46,178	-
Unassigned				
<i>Total Fund Balance</i>	<u>\$ 174,158</u>	<u>\$ 2,794,970</u>	<u>\$ 57,341</u>	<u>\$ 1,378,354</u>

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

	Nonmajor Funds			
	Special Revenue Funds			
			CMP	
	Recreation Fund	Tennis Fund	Management Services Fund	CMPA O&M Fund
<b><i>Fund Balance</i></b>				
Non-spendable				
Inventories	\$	\$	\$	\$
Prepays	984	1,005	7,042	
Subtotal non-spendable fund balance	984	1,005	7,042	-
Restricted				
Wastewater treatment plant relocation				
Redevelopment Rev Bond(s) debt payments				
Stormwater projects				
Section 8 program administrative				
Natural disaster projects				
General government				
Transportation				
Physical Environment				
Saenger capital				
DOJ Equitable Sharing Agreement				
Public safety				
Community development projects				
Culture and recreation	8,282		748,585	
Building inspections				
Subtotal restricted fund balance	8,282	-	748,585	-
Committed				
Council Reserve				
Tree landscape				
Stormwater projects				
Subtotal committed fund balance	-	-	-	-
Assigned				
General government				
Lien amnesty				
Inner City Housing Initiatives				
Economic Development				
Culture and recreation	395,791	81,817		
Other assigned				
Subtotal assigned fund balance	395,791	81,817	-	-
Unassigned				
<b><i>Total Fund Balance</i></b>	<b>\$ 405,057</b>	<b>\$ 82,822</b>	<b>\$ 755,627</b>	<b>\$ -</b>

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

	Nonmajor Funds			
	Debt Service Fund	Capital Projects Funds		
	Local Option Gasoline Tax Debt Service	Local Option Sales Tax	Local Option Gas Tax Project Fund	Local Option Sals Tax Project Fund
<b><i>Fund Balance</i></b>				
Non-spendable				
Inventories	\$	\$	\$	\$
Prepays		3,502,509		
Subtotal non-spendable fund balance	-	3,502,509		
Restricted				
Wastewater treatment plant relocation				
Redevelopment Rev Bond(s) debt payments				
Stormwater projects				
Section 8 program administrative				
Natural disaster projects				
General government				
Transportation	3,135,163	100,933	7,169,546	
Physical Environment				
Saenger capital				
DOJ Equitable Sharing Agreement				
Public safety		4,237,283		
Community development projects				
Culture and recreation		874,158		
Building inspections				
Subtotal restricted fund balance	3,135,163	5,212,374	7,169,546	-
Committed				
Council Reserve				
Tree landscape				
Stormwater projects				
Subtotal committed fund balance	-	-		
Assigned				
General government				
Lien amnesty				
Inner City Housing Initiatives				
Economic Development				
Culture and recreation				
Other assigned				
Subtotal assigned fund balance	-	-		
Unassigned		(6,247,731)		(1,174,896)
<b><i>Total Fund Balance</i></b>	<b>\$ 3,135,163</b>	<b>\$ 2,467,152</b>	<b>\$ 7,169,546</b>	<b>\$ (1,174,896)</b>

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)**

	<u>Nonmajor Funds</u>			
	<u>Capital Projects Funds</u>			
	<u>Deeptwater Horizon Incident</u>	<u>Stormwater Capital</u>	<u>CMPA Construction Fund</u>	<u>Total All Funds</u>
<b><i>Fund Balance</i></b>				
Non-spendable				
Inventories	\$	\$	\$	\$ 4,297
Prepays				3,538,908
Subtotal non-spendable fund balance	-	-	-	3,543,205
Restricted				
Wastewater treatment plant relocation				975,000
Redevelopment Rev Bond(s) debt payments				3,660,340
Stormwater projects		1,171,576		1,182,426
Section 8 program administrative				3,185,520
Natural disaster projects				2,794,970
General government				299,404
Transportation				10,542,782
Physical Environment	13,355			1,318,713
Saenger capital				329,578
DOJ Equitable Sharing Agreement				71,851
Public safety				4,472,244
Community development projects				7,765,027
Culture and recreation				1,754,430
Building inspections				1,378,354
Subtotal restricted fund balance	13,355	1,171,576	-	39,730,639
Committed				
Council Reserve				11,308,640
Tree landscape				385,640
Stormwater projects		5,013,825		5,888,016
Subtotal committed fund balance	-	5,013,825	-	17,582,296
Assigned				
General government				1,296,847
Lien amnesty				25,378
Inner City Housing Initiatives				440,000
Economic Development				930,748
Culture and recreation				523,786
Other assigned	343,557			343,557
Subtotal assigned fund balance	343,557	-	-	3,560,316
Unassigned				
				(6,826,176)
<b><i>Total Fund Balance</i></b>	<b>\$ 356,912</b>	<b>\$ 6,185,401</b>	<b>\$ -</b>	<b>\$ 57,590,280</b>

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION**

**A. Risk Management**

The City is self-insured with respect to general, auto liability and workers' compensation claims. An excess liability policy for workers' compensation has been purchased. In any given fiscal year, insurance settlements have not exceeded insurance coverage. (Coverage limits have remained relatively constant over the past five years.) The coverage limits and deductibles are as follows:

Primary Coverage	Coverage (in millions)	Deductible
Port operations	50	10,000
Airport operations	75	0
Police officers	2	100,000
Public officials	2	50,000

Excess Liability Coverage	Coverage (in millions)	Self Insured Retentions
Workers' compensation (W/C)	Per Florida Statutory Limits	500,000 Per Occurrence
W/C -Police & Fire	Per Florida Statutory Limits	750,000 Per Occurrence
Airport Operations	Per Florida Statutory Limits	750,000 Per Occurrence
Gas Operation	35	200,000 Per Occurrence
Gas Operation - Pollution	35	500,000 Per Occurrence

The City has established reserves of \$1,727,082 in the Insurance Retention Fund representing a contract between the City and its employees regarding health, life, dental and survivor disability insurance; a majority of which is survivor disability insurance. This amount is not available for city-wide catastrophic losses.

All departments of the City participate in the self-insurance program and make payments to the Insurance Retention Fund. Claims liability of \$2,538,710 at September 30, 2017 is based on the requirements of *Governmental Accounting Standards Board* (GASB) Statements No. 10 and No. 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is a) probable that a liability has been incurred at the date of the financial statements and b) the amount of the loss can be reasonably estimated.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION (Continued)**

Claim liabilities, including incurred but not reported (IBNR) claims, are based on the estimated ultimate cost of settling the claim (including the effects of inflation and other societal and economic factors), using past experience adjusted for current trends, and any other factors that would modify past experience. Claim liabilities also include specific, incremental claim adjustment expenses. In addition, estimated amounts of salvage and subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Expenses and liabilities are estimated through a case-by-case review of all claims and the application of historical experience of the outstanding claims. Estimates of IBNR losses are based on historical experience and are stratified to general, automobile and workers' compensation liabilities.

At September 30, 2017, the claims liability for automobile, general and workers' compensation liability were \$163,108, \$365,930 and \$2,009,672 respectively. The City's insurance administrators do not calculate or report discounted amounts for automobile and general liability. Workers' compensation liability is discounted at a rate of 8%. Each claim under workers' compensation is calculated independently using the monthly payment amount and the present value factor. The undiscounted amount is not calculated, therefore unavailable for disclosure.

Changes in the Fund's claims liability amount in fiscal year 2016 and 2017 were:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End
2016	\$2,159,440	1,046,080	(1,294,039)	\$1,911,481
2017	\$1,911,481	2,218,879	(1,591,650)	\$2,538,710

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CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION (Continued)**

**B. Pension Plans**

The financial statements for the General, Fire and Police Pension Plans are presented below:

**STATEMENT OF NET POSITION  
SEPTEMBER 30, 2017**

	<u>General Pension and Retirement Fund</u>	<u>Firefighter's Relief and Pension Fund</u>	<u>Police Officers' Retirement Fund</u>	<u>Total Pension Trust Funds</u>
<b>ASSETS</b>				
Other cash	\$ 41,326	\$ 169,414	\$ 52,649	\$ 263,389
<b>Receivables:</b>				
Employer	116	88	4,165	4,369
Employee	6,030	9,249	1,368	16,647
Due from other governments		9,650		9,650
Total receivables	<u>6,146</u>	<u>18,987</u>	<u>5,533</u>	<u>30,666</u>
<b>Investments :</b>				
Short term investments	2,949,468	2,080,867	1,219,770	6,250,105
Debt Securities & Bond Mutual Funds	27,244,147	24,631,492	24,192,784	76,068,423
Convertible Corporate Bonds	8,589,485	10,440,964		19,030,449
Stock Mutual Funds	25,385,608	13,103,123		38,488,731
Mortgage Backed Securities	22,429,071	12,939,449	12,691,740	48,060,260
Commingled Trust Fund	342,444	7,056,254		7,398,698
Domestic Stocks	49,646,331	45,724,042	40,770,878	136,141,251
Preferred Stocks	1,968,249	2,439,948		4,408,197
Foreign Stocks	4,324,025	2,599,949	15,190,408	22,114,382
Total investments	<u>142,878,828</u>	<u>121,016,088</u>	<u>94,065,580</u>	<u>357,960,496</u>
<b>Total assets</b>	<u>\$ 142,926,300</u>	<u>\$ 121,204,489</u>	<u>\$ 94,123,762</u>	<u>\$ 358,254,551</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 436,830	\$ 578,583	\$ 506,302	\$ 1,521,715
Total liabilities	<u>436,830</u>	<u>578,583</u>	<u>506,302</u>	<u>1,521,715</u>
<b>NET POSITION</b>				
Restricted for pension benefits	<u>\$ 142,489,470</u>	<u>\$ 120,625,906</u>	<u>\$ 93,617,460</u>	<u>\$ 356,732,836</u>

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION (Continued)**

**STATEMENT OF CHANGES IN NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<b>General Pension and Retirement Fund</b>	<b>Firefighter's Relief and Pension Fund</b>	<b>Police Officers' Retirement Fund</b>	<b>Total Pension Trust Funds</b>
<b>Additions:</b>				
Contributions - city	\$ 6,788,208	\$ 1,797,885	\$ 4,331,190	\$ 12,917,283
Contributions - employee	341,314	449,131	218,457	1,008,902
Contributions - employee buy back			41,367	41,367
Commission recapture	7,885	5,236	2,826	15,947
Insurance proceeds - State of Florida		538,660	542,277	1,080,937
Other		81,471		81,471
Total contributions	<u>7,137,407</u>	<u>2,872,383</u>	<u>5,136,117</u>	<u>15,145,907</u>
Investment income				
Net appreciation in fair value of investments	12,347,841	10,016,623	9,938,240	32,302,704
Interest and dividends	3,313,059	3,194,529	1,990,946	8,498,534
	<u>15,660,900</u>	<u>13,211,152</u>	<u>11,929,186</u>	<u>40,801,238</u>
Less investment expense	704,920	668,419	352,207	1,725,546
Net investment income	<u>14,955,980</u>	<u>12,542,733</u>	<u>11,576,979</u>	<u>39,075,692</u>
Total additions	<u>22,093,387</u>	<u>15,415,116</u>	<u>16,713,096</u>	<u>54,221,599</u>
<b>Deductions:</b>				
Pensions paid - employees	10,637,897	6,261,216	5,144,236	22,043,349
Pensions paid - widows	1,970,625	935,097	611,923	3,517,645
Pensions paid - children		6,452		6,452
Refunds to employees		40,394	6,366	46,760
Deferred retirement option plan	1,594,694	1,268,494	2,992,548	5,855,736
Health insurance assistance	126,812			126,812
Administrative expenses	139,030	139,286	81,132	359,448
Total deductions	<u>14,469,058</u>	<u>8,650,939</u>	<u>8,836,205</u>	<u>31,956,202</u>
<b>Change in net position</b>	7,624,329	6,764,177	7,876,891	22,265,397
<b>Net position restricted for pension benefits:</b>				
<b>Beginning of year</b>	<u>134,865,141</u>	<u>113,861,729</u>	<u>85,740,569</u>	<u>334,467,439</u>
<b>End of year</b>	<u>\$ 142,489,470</u>	<u>\$ 120,625,906</u>	<u>\$ 93,617,460</u>	<u>\$ 356,732,836</u>

The State Insurance proceeds are based on Chapter 185.08 and Chapter 175.101 of the Laws of Florida.



CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION (Continued)**

**Plan Description**

*Plan administration.* The City maintains three contributory, defined benefit, single employer pension plans which are administered by the City's Chief Financial Officer. The Firefighters' Relief and Pension Plan covers full-time firefighters; the Police Officers' Retirement Fund covers full-time police officers hired prior to January 1, 2013; the General Pension and Retirement Plan covers non-public safety, full-time employees hired prior to June 18, 2007. The administrative costs are included in the City's cost and contribution rate provided in the actuarial valuation. Benefits and refunds of the defined pension plan are recognized when due and payable in accordance with the terms of the plan.

As of June 18, 2007 the General Pension and Retirement Plan was closed to new participants. Existing non-public safety, full-time employees were given an option to remain in the General Pension and Retirement Plan or join the Florida Retirement System (FRS), multiple-employer, cost sharing public employee retirement system.

The Police Officers' Retirement Fund is for all full-time sworn officers. The Police Officers' Retirement Fund was closed on January 1, 2013 to new participants. The existing participants were given the opportunity to remain in the current plan or participate in the FRS. New officers hired after January 1, 2013 are required to participate in FRS.

Management of all three retirement plans is vested in a Board of Trustees for each plan. The General Pension and Retirement Plan Board consists of six members, two which are elected by the participants and four are appointed by the City Council. The Firefighters' Relief and Pension Plan and the Police Officers' Retirement Fund Board consist of five members, two which are elected by the participants, two are appointed by the City Council and the fifth member is elected by the other four members.

The City also participates in the Florida Retirement System (FRS). The FRS provides two cost sharing, multiple-employer defined benefit plans which are administered by Florida Department of Management Services, Division of Retirement (division), including the FRS Pension Plan ("FRS Plan") and Retiree Health Insurance Subsidy ("HIS Plan"). These two plans covers non-public safety, full-time employees hired after June 18, 2007 and new police officers hired after January 1, 2013. Unlike the City's three contributory, defined benefit, single employer pension plans, FRS requires employees to participate in the Federal Social Security Program. The FRS Plan was established and is administered in accordance with Chapter 121, Florida Statutes. The HIS Plan was established and administered in accordance with section 112.363, Florida Statutes.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION (Continued)**

The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. That report may be obtained by writing to the Florida Division of Retirement, P.O. Box 9000, Tallahassee, Florida 32399, calling 1-877-377-1737 or from the web site:

[http://www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications).

*Plan Membership.* Actuarial reports for the General Pension and Retirement plan, Firefighters’ Relief and Pension plan and Police Officers’ Retirement plan are required to be updated every three years per State Statute Chapter 112.63(2), 175.261(1)(b) and 185.221(2)(b), respectively. Membership of the General Pension and Retirement Plan and the Firefighters’ Relief and Pension Plan (GASB Updates), at September 30, 2016 as well as the Police Officers’ Retirement plan as of September 30, 2015 consisted of the following:

	<u>General Pension and Retirement</u>	<u>Firefighters’ Relief and Pension</u>	<u>Police Officers’ Retirement</u>
Retirees and beneficiaries receiving benefits	611	168	138
Terminated plan members entitled to but not yet receiving benefits	60	3	13
DROP plan members	27	20	21
Active plan members	136	88	88
Total	<u>834</u>	<u>279</u>	<u>260</u>
Number of participating Employers	1	1	1

The General Pension and Retirement Plan was closed to new participants hired on or after June 18, 2007. The Police Officers’ Retirement Fund was closed to new participants hired after January 1, 2013.

**CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017**

**NOTE IV. – OTHER INFORMATION (Continued)**

*Benefits Provided.* For the HIS Plan ended fiscal year ended June 30, 2017, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide subsidy benefits to all participants, benefits may be reduced or cancelled. All other pension plan benefits are shown in the chart below.

	<u>FRS Plan</u>	<u>General Pension and Retirement</u>	<u>Firefighters' Relief and Pension</u>	<u>Police Officers' Retirement</u>
Vesting	Prior to 7/1/2011 6 years; On or after 07/1/2011 8 years	6 years	10 years	12 years
Eligibility for retirement	Age 62 with (w/o) 30 yrs of svc or 30 yrs of svc w/no age requirement	Age 55 w/ 20 yrs of svc or 30 yrs of svc w/no age requirement	Age 52 w/10 yrs of svc or 25 yrs of svc w/no age requirement	Age 55 w/12 yrs of svc or 25 yrs of svc w/ no age requirement
Monthly retirement benefit	Based on final average earnings (highest 5 yrs):  Regular Class - Age 62 1.6% - Age 63 1.63% - Age 64 1.65% - Age 65 1.68%  Senior Mgmt - Age 62 2%  Elected Officials - Age 62 3%  Special Risk - Age 62 - 2% if hired between 12/1/70 and 9/30/74 - 3% if hired after 10/1/74	Based on final average earnings (last 5 yrs):  - 75% of 1st \$2,400 - 50% of next \$1,200 - 40% of excess or 2.1% times yrs of svc prior to 10/1/12 and 1.75% times yrs of svc after 10/1/12 (30 yrs max) times final monthly average earnings (whichever formula provides the greater benefit) but not less than \$25 per yr of svc	Based on final average earnings (highest 2 of last 5 yrs) or last 5 yrs if less than 20 yrs on 6/10/2015:  75% of final monthly average earnings for normal retirements with 25 or more yrs of svc or: - 75% of 1st \$2,400 - 70% of next \$1,200 - 65% of any add'l amount for disability retirements and normal retirements w/less than 25 yrs of svc	Based on final average earnings (highest 2 of last 5 yrs or last 5 if less than 20 yrs on 1/1/2013):  Percentage of average final compensation for each full year of credited service: - Hired before 10/1/79 receive 2% - Hired on or after 10/1/79 who elected to participate receive 3%
Other Benefits	- Early retirement - Deferred retirement - Disability retirement - Health insurance subsidy - Death benefits - Deferred retirement option program	- Early retirement - Deferred retirement - Disability retirement - Health ins. subsidy - Death benefits - Deferred retirement option program	- Early retirement - Deferred retirement - Disability retirement - Death benefits - Deferred retirement option program	- Early retirement - Deferred retirement - Disability retirement - Death benefits - Deferred retirement option program
Post-retirement COLA	3% per year if retired prior to 7/1/2011; if retired on or after 07/1/2011, years of service before 7/1/2011 divided by total years of service times 3%	Retired prior to 10/1/12 up to 1.5% annually and retired on or after 10/1/12 up to 1% w/a corresponding increase in the CPI	Up to 3% annually w/a corresponding increase in the CPI for those hired prior to 7/1/99; hired between 7/1/99 and 6/10/15 up to 2% annually w/a corresponding increase in CPI; hired after 6/10/15 no COLA	Retired Prior to 1/1/13 up to 3% annually; retired on or after 1/1/13 up to 3% first ten years and not to exceed 2% thereafter w/a corresponding increase in the CPI (Increase at the discretion of Pension Bd)

**CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017**

**NOTE IV. – OTHER INFORMATION (Continued)**

*Contributions.* For the three contributory, defined benefit, single employer pension plans, the Boards of Trustees establishes contributions based on an actuarially determined rate recommended by an independent actuary. The rate is the estimated cost of benefits earned by employees during the year, with an additional amount to finance the unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate, the contribution rate of employees and any Chapter 175/185 funds applied.

The City is required to make contributions to FRS Plan based on state-wide contribution rates, established by the Florida Legislature. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the FRS Plan. The rates are updated as of July 1 of each year. As reported by the FRS, the City’s contributions, including employee’s three percent contribution to the FRS plan totaled \$1,178,853 for the State’s fiscal year ended June 30, 2017.

The HIS Plan is funded by required contributions from FRS participating employers. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the HIS Program. The City’s contributions are a percentage of gross compensation for all active FRS members. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. As reported by the FRS, the City’s contributions to the plan totaled \$231,909 for the State’s fiscal year ended June 30, 2017.

For the year ended September 30, 2017, the contribution rates were as follows:

	FRS Plan	HIS Plan	General Pension and Retirement	Firefighters' Relief and Pension	Police Officers' Retirement
Contributions					
Employee	3.00%	N/A	5.50%	11.00%	5.20%
Employer	See Below	1.66%	109.39%	44.03%	70.72%
Regular Class	7.92%	N/A	N/A	N/A	N/A
Senior Mgmt	22.71%	N/A	N/A	N/A	N/A
Elect Officials	45.50%	N/A	N/A	N/A	N/A
DROP	13.26%	N/A	N/A	N/A	N/A
Special Risk	23.27%	N/A	N/A	N/A	N/A
Retired	4.96%	N/A	N/A	N/A	N/A
Sr.Mgmt Ret.	18.36%	N/A	N/A	N/A	N/A
Sp Risk Ret.	11.35%	N/A	N/A	N/A	N/A
State	N/A	N/A	N/A	13.19%	08.85%

All employee contributions to the pension plans are based on a percentage of pay. The remaining contribution percentages shown above are reported as a percentage of pay for comparative purposes only. The General Pension and Retirement and the Police Officers’ Retirement plans are closed plans therefore the percentage of pay will continue to increase as participants retire.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION (Continued)**

**Investments**

*Investment policy.* The City’s three contributory, defined benefit, single employer pension plans investment policy for the allocation of invested assets is established and may be amended by their respective Board of Trustees by a majority vote of its members. It is the policy of the Boards of Trustees to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Board’s policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Boards’ adopted asset allocation policy as of September 30, 2017 and the State Board of Administrations policy as of June 30, 2017.

	Florida Retirement System (FRS)	General Pension and Retirement	Firefighters' Relief and Pension	Police Officers' Retirement
Asset Class:				
Global Equity	53.0%			
Domestic Equity		40%	40%	45%
International Eq		15%	15%	15%
Master Limited Partnerships		5%	5%	
Real Estate	10.0%	8%	5%	
Convertible Sec		7%	10%	
Fixed Income	18.0%	25%	25%	25%
Private Equity	6.0%			
Strategic Investments				
Cash Equivalents/	12.0%			
Short Term	1.0%			
TIPS				5%
Alternatives				10%
Total	100%	100%	100%	100%

*Concentrations.* The plans did not hold assets in any one organization that exceeded five percent or more of the pension plan’s fiduciary net position.

*Rate of Return.* For the year ended September 30, 2017, the annual money-weighted rate of return on pension plan investments for the General Pension and Retirement Plan was 11.2 percent, the Firefighters’ Relief and Pension Plan was 11.3 and the Police Officers’ Retirement Fund was 13.89. This reflects the changing amounts actually invested.

**Receivables.** The pension plans do not have receivables from long-term contracts.

**Allocated Insurance Contracts.** The pension plans do not have allocated insurance contracts.

CITY OF PENSACOLA, FLORIDA  
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**NOTE IV. – OTHER INFORMATION (Continued)**

**Reserves.** The Police Officers' Retirement Fund has a small portion of funds deposited in a Contribution Surplus Account (\$806,396) and a Chapter Funds account (\$396,897) as of September 30, 2015. These funds can be used to fund required contributions and possibly for benefit improvements respectively. Since mutual consent was agreed upon for the use of State Insurance Proceeds in the collective bargaining agreement, the Chapter Funds (\$396,897) are being used in fiscal years 2017 and 2018. Also, for fiscal years 2017 and 2018 \$198,345 of the Contribution Surplus Account are anticipated to be used.

**Deferred Retirement Option Program (DROP)**

The City has a DROP for each of the defined benefit plans established by City ordinance. A participant may join when he/she is eligible to receive a retirement benefit. The DROP provides for an accrual of interest at a 4% rate for all participants in the Firefighters' Relief and Pension Plan who entered prior to June 10, 2015 and 1.3% for those who enter thereafter, 4% for the Police Officers' Retirement Fund who entered prior to January 1, 2013 and 1.3% for those who enter thereafter and 4% for the General Pension and Retirement Plan who entered prior to October 1, 2012 and 1.3% for those who enter thereafter.

The DROP ordinance provides that all participants who entered DROP prior to October 1, 2012 may receive a Cost of Living Adjustment (COLA) while in DROP. However, those in the Firefighters' Relief and Pension Plan hired after July 1, 1999 and who enter DROP on or after June 10, 2015, those in the Police Officers' Retirement Fund who enter DROP on or after January 1, 2013 and those in the General Pension and Retirement Plan who entered on or after October 1, 2012 receive no COLA while in DROP.

Drop balances as of September 30, 2017 for the General Pension and Retirement Plan, Firefighters' Relief and Pension Plan and Police Officers' Retirement Fund were \$2,208,196, \$3,327,126 and \$1,047,691, respectively.

The FRS Plan has a DROP available for eligible employees. A participant may join upon reaching normal retirement. Each month the participant defers joining reduces the length of eligible participation. FRS DROP participants accrue interest at a rate of 1.3%.

**Net Pension Liability**

The General Pension and Retirement Plan, the Firefighters' Relief and Pension Plan and the Police Officers' Retirement Fund do not issue audited stand-alone financial statements but rely on the audit performed for the City. All three of the defined benefit pension plans are included within this financial report. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the FRS.

The funded status of the General Pension and Retirement Plan as of September 30, 2016, the Firefighters' Relief and Pension Plan as of October 1, 2016, the Police Officers' Retirement Fund as of October 1, 2016, and the Florida Retirement System and HIS Plan as of June 30, 2017 are provided in the table on the following page.

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**NOTE IV. – OTHER INFORMATION (Continued)**

	<u>General Pension</u>	<u>Fire Pension</u>	<u>Police Pension</u>	<u>FRS Plan</u>	<u>HIS Plan</u>	<u>Total</u>
Total Pension Liability	\$ 178,562,608	\$ 128,507,886	\$ 129,621,504	\$ 83,156,095	\$ 4,763,599	\$ 524,611,692
Plan Fiduciary Net Position	<u>(134,865,141)</u>	<u>(113,883,891)</u>	<u>(84,572,059)</u>	<u>(69,761,406)</u>	<u>(78,136)</u>	<u>(403,160,633)</u>
City Net Pension Liability	<u>43,697,467</u>	<u>14,623,995</u>	<u>45,049,445</u>	<u>13,394,689</u>	<u>4,685,463</u>	<u>121,451,059</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.53%	88.62%	65.20%	83.89%	1.64%	

*Basis for Allocation.* The City’s proportion of the net pension liability for the FRS Plan and HIS plan was calculated based on contributions for each of the fiscal years 2016 and 2017 relative to the contributions of all participates.

At June 30, 2017 the City’s FRS Plan proportionate share of net pension liability was .0453%, which was an increase of .0004% from its proportionate share of .0413% measured as June 30, 2016. The City’s HIS proportionate share of net pension liability was .0438% which was an increase of .0022% from its proportionate share .0416% measured as of June 30, 2016.

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

In accordance with GASB 68, paragraphs 54 and 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current reporting period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

*Differences between expected and actual experience with regard to economic and demographic factors* – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees).

*Changes of assumptions or other inputs* – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees).

*Changes in proportion and differences between contributions and proportionate share of contributions* – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees).

**CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017**

**NOTE IV. – OTHER INFORMATION (Continued)**

*Differences between expected and actual earnings on pension plan investments – amortized over five years.*

The actuarial recognized pension expense, calculated in accordance with GASB 68, for the year ended September 30, 2017 is as follows: General Pension and Retirement Plan \$6,451,528; Firefighters’ Relief and Pension Plan \$6,290,598; and Police Officers’ Retirement Fund \$6,881,991. For the year ended September 30, 2017, the City recognized pension expense of \$1,934,652 for its proportionate share of the FRS Plan and \$334,658 for its proportionate share of the HIS plan.

Contributions made after the measurement date for the year ended September 30, 2017 is as follows: General Pension and Retirement Plan \$6,788,208; Firefighters’ Relief and Pension Plan \$2,336,555; Police Officers’ Retirement Fund \$4,873,467; City’s proportionate share of the FRS Plan \$353,647 and City’s proportionate share of the HIS plan \$66,929. Contributions made after the measurement date are not included as a deferred outflow of resources in the table below. At September 30, 2017, the City reported deferred outflows of resources, excluding contributions made after the measurement date, and deferred inflows of resources related to pension from the following sources:

	General Pension		Fire Pension		Police Pension		FRS		HIS		Total	Total				
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources				
Differences between expected and actual experience	\$	563,928	\$	15,292	361,719	\$	381,712	\$	1,229,310	74,200	\$	9,756	\$	1,626,314	\$	1,009,603
Changes of assumptions		667,895		3,890,234		3,840,455		4,501,561		658,616		405,155		13,558,761		405,155
Net difference between projected and actual investment earnings		4,431,291		4,014,445		2,505,007				331,954		2,598		10,953,341		331,954
Differences in Proportionate Share of Contributions								1,813,373		646,038				2,459,411		-
<b>Total</b>	\$	<u>5,099,186</u>	\$	<u>7,919,971</u>	<u>361,719</u>	\$	<u>6,727,174</u>	\$	<u>7,544,244</u>	<u>406,154</u>	\$	<u>1,307,252</u>	\$	<u>30,344,539</u>	\$	<u>55,589,892</u>

Amounts reported as the net of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	General Pension		Police Pension		FRS	HIS				
September 30:										
2018	\$	1,336,268	\$	3,108,072	\$	3,738,725	\$	931,704	\$	278,180
2019		1,232,301		3,108,072		2,398,144		2,476,401		276,397
2020		2,257,052		1,679,849		1,131,866		1,731,502		275,542
2021		(290,363)		(337,741)		(541,561)		353,787		206,577
2022								1,196,581		81,465
Thereafter								448,115		(225,820)
<b>Total</b>	\$	<u>4,535,258</u>	\$	<u>7,558,252</u>	\$	<u>6,727,174</u>	\$	<u>7,138,090</u>	\$	<u>892,341</u>



**CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017**

**NOTE IV. – OTHER INFORMATION (Continued)**

*Actuarial assumptions.* The General Pension and Retirement Plan as of September 30, 2016, the Firefighters’ Relief and Pension Plan as of October 1, 2016, and the Police Officers’ Retirement Fund as of October 1, 2016 total pension liability was determined by an actuarial valuation and the Florida Retirement System was determined by actuarial assumptions as of June 30, 2017, using the following actuarial assumptions, applied to all periods included in the measurement.

	General Pension and Retirement	Firefighters’ Relief and Pension	Police Officers’ Retirement	FRS Plan	HIS Plan
Actuarial Assumptions:					
Inflation	3.00%	2.70%	2.50%	2.60%	2.60%
Salary increases	4.50% - 9.50%	5%-12.68%	4.00%	3.25%	3.25%
Investment rate of return	7.60%	7.75%	7.13%	7.10%	
Municipal bond rate					3.58%
Mortality	RP-2000 Generational Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB	RP-2000 Generational Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB	RP-2000 Generational Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB	Generational RP- 2000 with Projection Scale BB tables	Generational RP- 2000 with Projection Scale BB tables

For the City three defined benefit plans, the long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The long-term expected rate of return on the FRS plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption.

The long-term expected rate of return for each major asset class are summarized in the table below:

Asset Class:	General Pension and Retirement	Firefighters’ Relief and Pension	Police Officers’ Retirement	Florida Retirement System
Domestic Equity	11.1%	8.0%	5.4%	N/A
International Equity	6.4%	3.0%	5.5%	N/A
Global Equity	N/A	N/A	N/A	7.8%
Private Equity	N/A	N/A	N/A	11.5%
Master Limited Partnerships	16.9%	10.4%	N/A	N/A
Real Estate	7.9%	4.6%	4.5%	6.6%
Convertible Sec	9.5%	6.4%	N/A	N/A
Strategic Investments	N/A	N/A	N/A	6.1%
Fixed Income	7.6%	4.4%	1.3%	4.5%
Global Fixed Income	N/A	N/A	1.4%	N/A
Cash	N/A	N/A	N/A	3.0%

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION (Continued)**

*Discount rate.* The projection of cash flows used to determine the General Pension and Retirement Plan’s 7.6% discount rate, the Firefighters’ Relief and Pension Plan’s 7.75% discount rate, the Police Officers’ Retirement Fund’s 7.125% discount rate, FRS Plan’s 7.10% discount rate and HIS Plan’s 3.58% discount rate assumed that contributions will continue at the current rates. The fiduciary net position was projected to cover all future benefit payments of current plan members. Therefore, the discount rate for calculation of the total pension liability is equal to the long-term expected rate of return.

<b>General Pension</b>			
<b>Changes in the Net Pension Liability</b>			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balances at 09/30/16</b>	177,061,219	130,446,568	46,614,651
<b>Changes for the year:</b>			
Service Cost	960,937		960,937
Interest	13,265,393		13,265,393
Differences between expected and Actual Experience	(6,829,727)		(6,829,727)
Contributions - employer		6,788,559	(6,788,559)
Contributions - employee		360,693	(360,693)
New investment income		11,356,088	(11,356,088)
Benefit payments, including refunds of employee contributions	(13,984,162)	(13,984,162)	
Administrative expense		(102,605)	102,605
Assumption changes	8,088,948		8,088,948
<b>Net changes</b>	<u>1,501,389</u>	<u>4,418,573</u>	<u>(2,917,184)</u>
<b>Balances at 09/30/17</b>	<u>178,562,608</u>	<u>134,865,141</u>	<u>43,697,467</u>

<b>Fire Pension</b>			
<b>Changes in the Net Pension Liability</b>			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balances at 09/30/16</b>	126,136,793	108,697,588	17,439,205
<b>Changes for the year:</b>			
Service Cost	1,340,661		1,340,661
Interest	9,595,671		9,595,671
Differences between expected and Actual Experience	(482,293)		(482,293)
Contributions - employer		3,826,740	(3,826,740)
Contributions - employee		465,838	(465,838)
New investment income		9,928,990	(9,928,990)
Benefit payments, including refunds of employee contributions	(8,929,344)	(8,929,344)	
Administrative expense		(105,921)	105,921
Other changes	846,398		846,398
<b>Net changes</b>	<u>2,371,093</u>	<u>5,186,303</u>	<u>(2,815,210)</u>
<b>Balances at 09/30/17</b>	<u>128,507,886</u>	<u>113,883,891</u>	<u>14,623,995</u>

CITY OF PENSACOLA, FLORIDA  
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**NOTE IV. – OTHER INFORMATION (Continued)**

<b>Police Pension</b>			
<b>Changes in the Net Pension Liability</b>			
	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balances at 09/30/16</b>	128,575,515	80,130,799	48,444,716
<b>Changes for the year:</b>			
Service Cost	912,596		912,596
Interest	8,876,315		8,876,315
Contributions - employer		4,364,219	(4,364,219)
Contributions - employee		227,357	(227,357)
New investment income		8,651,676	(8,651,676)
Benefit payments, including refunds of employee contributions	(7,539,629)	(7,539,629)	
Administrative expense		(93,853)	93,853
Other changes	(1,203,293)	(1,168,510)	(34,783)
<b>Net changes</b>	<b>1,045,989</b>	<b>4,441,260</b>	<b>(3,395,271)</b>
<b>Balances at 09/30/17</b>	<b>129,621,504</b>	<b>84,572,059</b>	<b>45,049,445</b>

*Sensitivity of the net pension liability to changes in the discount rate.* Below represents the net pension liability of the City, calculated using the current discount rate as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percent-point lower or 1-percent-point higher than the current rate:

<b><u>General Pension</u></b>	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
City's net pension liability	\$ 61,796,083	\$ 43,697,467	\$ 28,369,974

<b><u>Fire Pension</u></b>	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
City's net pension liability	\$ 29,674,834	\$ 14,623,996	\$ 2,217,567

<b><u>Police Pension</u></b>	1% Decrease 6.13%	Current Discount Rate 7.13%	1% Increase 8.13%
City's net pension liability	\$ 66,464,791	\$ 48,444,716	\$ 33,930,529

<b><u>FRS</u></b>	1% Decrease 6.10%	Current Discount Rate 7.10%	1% Increase 8.10%
City's net pension liability	\$ 24,243,578	\$ 13,394,689	\$ 4,386,720

<b><u>HIS</u></b>	1% Decrease 2.58%	Current Discount Rate 3.58%	1% Increase 4.58%
City's net pension liability	\$ 5,346,734	\$ 4,685,463	\$ 4,134,661

CITY OF PENSACOLA, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
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**NOTE IV. – OTHER INFORMATION (Continued)**

**Payable to the Pension Plan**

As of September 30, 2017, the City reported a payable of \$6,146 to the General Pension and Retirement Plan, \$9,337 to the Firefighters’ Relief and Pension Plan, \$5,533 to the Police Officers’ Retirement Fund, \$277,081 to the FRS Plan, and \$27,672 to HIS Plan for the outstanding amount of contributions to the pension plans required for the year ended September 30, 2017.

**Retiree Benefits**

In addition to providing pension benefits, the City of Pensacola provides a health insurance benefit for retired employees who worked for the City for a continuous six or more years and had health insurance coverage at the time of their retirement. Retirees may keep the same level of insurance coverage (single or family) they had as an active employee or they may reduce the level of coverage from family to single coverage. However, they cannot increase coverage from single to family after retirement. Approximately 325 retirees and/or families were covered during the fiscal year ended September 30, 2017. The city does not cover the cost of any retiree insurance.

**Other Postemployment Benefits (OPEB)**

*Plan Description.* The City of Pensacola administers a single-employer defined benefit plan which offers three plans for health care through Blue Cross Blue Shield of Florida; Health Options HMO, Blue Options PPO Health Savings Account and BlueMedicare Group PPO. Insurance is offered to both active employees and retirees; however, only active employees receive a premium contribution.

Membership of the plan consisted of the following at December 31, 2016, the date of the latest actuarial valuation:

Retirees and beneficiaries currently receiving benefits	349
Terminated employees entitled to benefits but not yet receiving benefits	-0-
Active members	583
Total	<u>932</u>

CITY OF PENSACOLA, FLORIDA  
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**NOTE IV. – OTHER INFORMATION (Continued)**

In order to comply with requirements of GASB 45, the City contracted with a recognized and certified actuarial firm to provide an actuarial valuation of post-employment benefits (a copy of this report can be obtained by contacting the City of Pensacola’s Financial Services Department). Post-employment benefits, such as health care, will continue to be offered on a retiree pay all basis with no premium subsidy. The State of Florida, per Statute 112.08(01), requires claims experience of the retiree group to be co-mingled with that of active employees in determining the health plan cost. According to GASB 45, the co-mingling of claims requirement equates to an implicit subsidy to retirees which creates an OPEB liability on the part of the City.

*Basis of Accounting.* The net OPEB obligation and ARC is recorded at the fund level for proprietary activities and the allocated amount for governmental activities is presented at the government-wide level. The annual OPEB cost is included in the line item of *salaries* for proprietary fund statements and is allocated by function for governmental activities on the government-wide financial statements. In the year of implementation the Net OPEB Obligation and the ARC are the same amount. The Net OPEB Obligation will continue to increase if the obligation is not funded.

Annual OPEB Cost	
Governmental Activities	\$ 779,493
Utility Fund	177,501
Sanitation Fund	65,352
Port Fund	13,709
Airport Fund	77,406
Insurance Retention Fund	9,218
Central Services	59,088
Total ARC Expense	\$ 1,181,767

*Annual OPEB Cost and Required Contributions.* The City does not intend to fund the actuarial liability; therefore, no employer or employee contributions were made. The contribution status and annual OPEB cost as of December 31, 2016, the date of the latest actuarial valuation and the preceding years, are as follows:

<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS, ANNUAL COST AND NET OBLIGATION</b>					
YEAR ENDED	ANNUAL REQUIRED CONTRIBUTION	ANNUAL OPEB COST	ACTUAL CONTRIBUTIONS	PERCENTAGE CONTRIBUTED	NET OPEB OBLIGATION
9/30/2015	\$992,862	\$1,037,628	-0-	-0-	\$11,665,042
9/30/2016	\$896,425	\$945,561	-0-	-0-	\$12,610,602
9/30/2017	\$1,128,648	\$1,181,767	-0-	-0-	\$13,792,370

**CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017**

**NOTE IV. – OTHER INFORMATION (Continued)**

*Funding Status and Funding Progress.* The funding status as of December 31, 2016, the date of the latest actuarial valuation and the preceding years, are as follows:

FISCAL YEAR	ACTUARIAL VALUATION DATE	ACTUARIAL VALUE OF ASSETS (A)	ACTUARIAL ACCRUED LIABILITY (AAL) PROJECTED UNIT CREDIT		FUNDED RATIO (A/B)	COVERED PAYROLL (C)	UAAL AS OF PERCENT COVERED PAYROLL ((B - A) / C)
			(B)	(B - A)			
2015	12/31/2014	-0-	\$18,535,342	\$18,535,342	-0-	\$23,802,271	77.87%
2016	12/31/2015	-0-	\$23,934,988	\$23,934,988	-0-	\$23,047,995	103.85%
2017	12/31/2016	-0-	\$18,274,483	\$18,274,483	-0-	\$25,604,274	71.37%

*Actuarial Methods and Assumptions.* Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. As such, amounts regarding the funding status of the plan and the annual required contributions of the employer are subject to revision as actual results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Significant accrual methods and assumptions for the reporting period of September 30, 2017 were as follows:

	FISCAL YEAR 2017
Valuation Date	12/31/2016
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, open
Remaining amortization period	30 years
Asset valuation method	Market value of assets
Actuarial assumptions:	
Investment rate of return*	4.50%
Medical cost trend rate*	6.50%
Ultimate trend rate	5.00%
Year of ultimate trend rate	2020
*Includes inflation at 3.00%	

**CITY OF PENSACOLA, FLORIDA  
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**NOTE IV. – OTHER INFORMATION (Continued)**

The calculation produced an unfunded obligation of \$18,274,483 and an annual required contribution (ARC) as 3.50% of active payroll projected to be \$1,128,648. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liability over a period not to exceed thirty years.

Annual required contribution (ARC)	\$	1,128,648
Interest on net OPEB obligation		567,477
Adjustment to ARC		514,358
Annual OPEB cost		1,181,767
Contributions made		-
Increase in net OPEB obligation		1,181,767
Net OPEB obligation-beginning of year		12,610,603
Net OPEB obligation-end of year	\$	13,792,370

The required schedule of funding progress presented as required supplementary information provides multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liability for benefits.

**Deferred Compensation/Replacement Benefit Program**

The City of Pensacola also has four retirement plans which are defined contribution pension plans. These plans provide benefits at retirement to general and public safety employees of the City. At September 30, 2017 there were 480 active plan members. The plan provisions and contribution requirements are established and may be amended by the City of Pensacola City Council. The following is a schedule of employee and employer contributions.

	Fire, General & Police Social Security Replacement Plan	Pension Replacement Plan	Non-Social Security Plan	Elected Officers & Part-time Employees Plan
Employee Contribution	1.0%, 4.7%, 5.7% or 6.7%	5.5%	\$10 minimum	7.5%
City Contributions	Matches employee's contribution up to 6.7%	0-5 yrs of service 1.5% 5-10 yrs of service 2.5% 10 or more years 6.5%	None	None
Employee Contribution for 9/30/17	\$1,125,222.41	\$69,593	\$405,769	\$624
City Contribution for 9/30/17	\$769,028.51	\$68,855	N/A	N/A

Employer and plan member contributions are recognized in the period that the contributions are due.

CITY OF PENSACOLA, FLORIDA  
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**NOTE IV. – OTHER INFORMATION (Continued)**

As required by Internal Revenue Code Section 457, the assets are held in trust for the employees’ benefit. The Chief Financial Officer, selected by the government as the administrator, is responsible for the administration of the plan, including approval of certain investment alternatives (funds) which are made available to plan participants. The government has a fiduciary duty to administer the plan properly and to assure that the investment alternatives made available are reasonable. However, since plan participants select the investment fund or funds in which their deferred compensation accounts are invested, the government has no liability for investment losses which occur as a result of the investments selected by the plan participants.

**Termination Benefits**

The City of Pensacola does not offer any termination benefits to employees. Therefore, GASB Statement No. 47, *Accounting for Termination Benefits*, does not apply.

**C. Litigation**

The City is contingently liable with respect to other lawsuits and other claims incidental to the ordinary course of its operations. Although the outcome of these lawsuits is not presently determinable, in the opinion of management, based on the advice of counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

**Grant Contingencies**

The City has received numerous state and federal grants. The disbursement of funds received under these programs is subject to review and audit by grantor agencies. Any disbursements disallowed by these agencies could become a liability of the City. In the opinion of management, any such claims should not have a material adverse effect on the financial position of the City.

**D. Contractual, Construction, and Equipment Commitments**

The City has outstanding commitments for contractual services and for the construction and acquisition of property, plant and equipment at year end. The commitments represent the difference between the contract prices of the various projects and the amounts paid on each contract. Outstanding commitments by fund at September 30, 2017 were:

General Fund	\$	555,287
Housing Assitances Payments		27,364
Community Redevelopment Fund		4,926
Community Redevelopment Project Fund		203,017
Utility Fund		8,937,595
Sanitation Fund		780,520
Port Fund		232,198
Airport Fund		18,646,734
Nonmajor Government		10,374,371
Internal Service Fund		13,865
Total	\$	39,775,877



CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION (Continued)**

**E. Lease obligations**

**1. Compressed Natural Gas (CNG) station capital lease.** In October 2012, the City, as lessor, entered into a ten year non-cancelable contract to lease the CNG Station to ECUA. The CNG station is financed for a principal amount of \$1,898,743 at 2.09% for ten years. In August 2014, the City and ECUA amended the agreement to finance an additional principal amount of \$96,400 at 2.09% for the remaining original lease term. The amendment was to fund the construction of a protective enclosure around the equipment at the CNG station. The monthly payments have been increased from \$17,548 to \$18,599 and are paid to the City at the beginning of each month until the end of the term, at which time ECUA will receive ownership of the building. As of September 30, 2017, the outstanding balance is \$1,075,431. This lease agreement qualifies as a capital lease for accounting purposes.

**2. Compressed Natural Gas (CNG) station capital lease.** In August 2014, the City, as lessor, entered into a ten year non-cancelable contract to lease a second CNG Station to ECUA. The CNG station is financed for a principal amount of \$965,655 at 2.09% for ten years. The monthly payments of \$8,924 are paid to the City at the beginning of each month until the end of the term, at which time ECUA will receive ownership of the building. As of September 30, 2017, the outstanding balance is \$681,398. This lease agreement qualifies as a capital lease for accounting purposes.

**3. Motorola capital lease.** In June 2015, the City entered into a lease agreement as lessee for financing the acquisition of technology related equipment valued at \$6,460,954 at 2.91% over six years. The equipment has a ten-year estimated useful life. Depreciation expense for the fiscal year 2017 totaled \$648,211. This lease agreement qualifies as a capital lease for accounting purposes. The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2017, were as follows:

Year ended September 30,	Governmental Activities
2018	\$ 1,734,432
2019	1,734,432
2020	1,734,432
2021	1,734,432
Total minimum lease payments	6,937,728
Less: amount representing interest	(476,774)
Present value of minimum lease payments	\$ 6,460,954

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION (Continued)**

**F. Tax Abatements**

The City of Pensacola provides tax abatements under the Economic Development Ad Valorem Tax Exemption (EDATE) program. The EDATE program provides tax abatements to attract and/or expand businesses within the City limits. The program was established by ordinance in accordance with Florida Statute Chapter 196.1995. The abatements are up to 100% of the assessed value of all improvements to real property made by or for the use of a new business and all tangible personal property of such new business, or up to 100% of the assessed value of all added improvements to real property made to facilitate the expansion of an existing business and the net increase in all tangible personal property acquired to facilitate such expansion of an existing business through a direct reduction of the business's property bill. Tax abatements may be granted to any new or expanding business as defined in Florida Statute Chapter 196. The agreements include recapture provisions should the business receiving the tax abatement fail to meet its commitments, such as the submittal of the annual renewal application. No other commitments were made by the City as part of those agreements.

For the fiscal year ended September 30, 2017, the City abated real and tangible property taxes totaling \$39,686 under the EDATE program, including the following tax abatement agreement that exceed 10 percent of the total amount abated:

A 100% real property tax abatement to a real estate company for opening a location in the enterprise zone. The abatement amounted to \$28,888.

**G. Other Significant Commitments**

**1. City Land Lease – Port Royal.** On May 1, 1997, the City entered into an agreement with Port Royal Phase II, Inc. (the Developer), a Florida corporation regarding real property known as the Baylen Street Property, Phase II. The Developer has entered into a lease term for a period of 86 years for the purpose of developing a residential project consisting of lots for sixteen single-family residences and eight carriage house units and parking areas. The Developer paid a lump sum of \$420,000 for the initial 50 year lease. Annual lease revenue will be recognized over the 50 year period. For years 51 through 86 the Developer will make annual installments not to be less than \$4,120 adjusted every five years by a factor of the Consumer Price Index. There is a renewal term of 100 years after the initial 86-year term.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION (Continued)**

2. *Pensacola Energy Contract – Natural Gas Purchases.* Pensacola Energy has the option under its contract with its natural gas supplier, BP Corporation North America, to exercise several hedging options for the purchase of natural gas. This hedging strategy allows Pensacola Energy to purchase a percentage of its natural gas at specified prices for future delivery. Pensacola Energy, in concurrence with its commodities consultant, decide on pricing strategies due to the volatility in the market price of natural gas. Pensacola Energy enters into these hedging contracts to protect itself against volatility in the market price of natural gas. However due to the instability of the market, the market price to purchase natural gas may be lower than the price at which Pensacola Energy is committed to buy. Should the natural gas supplier fail to fulfill the gas hedging contracts, the terms of the contract include provisions for recovering the cost in excess of the guaranteed price from the natural gas supplier should Pensacola Energy have to procure natural gas on the open market.

3. *Port Leases.* The Port of Pensacola has entered into several long term leases of land and warehouse space. Listed below is a summary of the current lease terms.

TENANT	TYPE OF PROPERTY	TERM	ANNUAL RENT
CEMEX Ready Mix Effective 10/25/03; Rent Effective 1/1/14	Warehouse	5 years with (3) 5 year renewals	\$222,394
Sine Qual Non Holdings Effective 11/07/2012	Parking Lots	3 years	\$32,880
Offshore Inland Marine (WH1) Effective 5/1/10	Warehouse	2 years with (2) 5 year and (1) 2- year renewal	\$106,697
Siddiqi Investments, LLC Effective 11/7/15	Parking Lots	3 years with (6) 3-year renewals	\$32,880

While all lease payments due from Offshore Inland Marine are current as of the fiscal year end, dockage and other vessel fees (which Offshore Inland recovers from each customer then remits to the Port) had a past due balance of \$538,000. On November 9, 2017, City Council approved an amendment to the Offshore Inland Marine lease authorizing them to make monthly installment payments of \$10,000 until \$175,000 is repaid. The remaining balance of \$363,000 in invoices is being held in abeyance pending construction of an overhead crane facility in Port Warehouse 1 and final reconciliation of project-related grant expenses, including expenses incurred by Offshore Inland.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION (Continued)**

4. *City Agreement – Master Development Agreement.* On March 27, 2006, the City entered into a Master Development Agreement with Community Maritime Park Associates, Inc. (CMPA) regarding the terms and conditions for the development of the real property commonly referred to as the Community Maritime Park. The parties' agreed that the City would pay the cost of design and construction of public improvements to be completed under the terms of the Master Lease. The City complied with the conditions precedent contained in the Agreement by providing project funding of \$40 million through the issuance of the Redevelopment Revenue Bonds, Series 2009. The Agreement should be read in its entirety to obtain a full understanding of the terms and conditions. With the dissolution of the CMPA on June 1, 2017, the Master Development Agreement was terminated.

5. *City Land Lease – Master Lease Agreement.* On March 27, 2006, the City entered into a Master Lease Agreement with CMPA regarding 27 acres of waterfront property located at the 300 block of Main Street, for the purpose of developing the Community Maritime Park. CMPA's lease term is for 60 years with annual installments of \$1. The master lease allows the CMPA to enter into agreements for use and lease of the public improvements. The CMPA also has the right to enter into sub-leases for any components of the private improvements portion of the Park, subject to approval by the City. Sub-leases must be at fair value, and the sub-lease revenues must be paid to the City. The Agreement should be read in its entirety to obtain a full understanding of the terms and conditions.

The CMPA entered into two ground sub-lease agreements for office buildings which provide for annual common area maintenance (CAM) charges relating to the Private Improvements. With the dissolution of the CMPA on June 1, 2017, the Master Lease Agreement as well as the two ground sub-lease agreements were assigned to the City.

Community Redevelopment Agency (CRA)

1. *CRA Interlocal Agreement – Project Support Payments.* In May 2010, the CRA of the City of Pensacola entered into an Amended and Restated Interlocal Agreement with the CMPA whereby CRA shall pay monthly Project Support Payments to CMPA through 2040. Project Support Payments were paid with Tax Increment Financing (TIF) revenues of the CRA. With the dissolution of the CMPA on June 1, 2017, the Amended and Restated Interlocal Agreement was terminated, therefore, the Original Interlocal Agreement, without the Project Support Payment provisions, remains in effect.

2. *CRA Interlocal Agreement.* In March 2012, CMPA entered into a promissory note with CRA to borrow up to \$500,000 to fund additional costs of the Park. The note was modified on September 15, 2013 to combine the total borrowed amount of \$471,931 and accrued unpaid interest of \$14,708, into one note totaling \$486,639 bearing interest fixed at 3% for 20 years. Annual debt service payments are \$33,321 with the loan maturing on April 1, 2033. With the dissolution of CMPA on June 1, 2017, all CMPA's contracts and leases were assigned to the City including the \$418,545 outstanding balance of the promissory note. Upon receipt of the liability, the City repaid the note to the CRA in full.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION (Continued)**

3. *CRA Interlocal Agreement.* In October 2014, CMPA entered into a separate promissory note with CRA to borrow up to \$210,000 to fund additional costs incurred related to the breakwater project. For the fiscal year ended September 30, 2016, the full \$210,000 was borrowed. The note bears interest at 3% and matures on April 1, 2033. Annual debt service payments are \$16,124 with repayment beginning October 1, 2016. With the dissolution of CMPA on June 1, 2017, all CMPA's contracts and leases were assigned to the City including the \$202,538 outstanding balance of the promissory note. Upon receipt of the liability, the City repaid the note to the CRA in full.

4. *CRA Interlocal Agreement - Main Street Wastewater Treatment Plant.* In March 2007, the CRA approved assisting in the funding of the relocation of the Main Street Wastewater Treatment Plant. The City committed to the Emerald Coast Utilities Authority \$19.5 million for the project and agreed to budget and appropriate franchise fees received from the Authority and the beverage license tax revenues for the project. The obligation was recorded in fiscal year 2012 upon project completion. Annual installments to the Authority of \$1.3 million began in fiscal year 2013 and will extend through fiscal year 2027. Related to this transaction, the City entered in an agreement with the CRA wherein the annual installments to the Authority will be paid from Tax Increment Revenues and any shortfall paid by the City will be reimbursed by the CRA when funds are available.

5. *CRA Interlocal Agreement – Eastside Redevelopment Loan.* In August 2017, City Council approved Resolution 17-34 authorizing an amended and restated interlocal agreement which changed the provisions of a loan from the City's Insurance Retention Fund of \$500,000 (the Loan) to the Community Redevelopment Agency's (CRA's) Eastside TIF District from an eight (8) year term to a thirty (30) year term. In addition, the repayment schedule of the Loan was extended with interest only being paid until the twenty (20) year Eastside Redevelopment Revenue Bond, Series 2017 has matured, at which time principal payments begin. While it is expected for this loan to be repaid in full, since the principal repayment on the loan does not start until December 31, 2037, the full interfund balance was reduced and a transfer between the Eastside TIF District Fund and the Insurance Retention Fund was recorded.

Community Maritime Park Associates, Inc. (CMPA)

1. *CMPA – New Market Tax Credits.* New Market Tax Credits (NMTC) were established in 2000 as part of the Community Renewal Tax Relief Act of 2000. The Program provides tax credit incentives to investors who invest in certified Community Development Entities (CDE). The Tax Credit equals 39% of the investment paid out and is earned over a seven (7) year period. NMTC Program is administered by the Community Development Financial Institutions (CDFI) Fund, a division of the Treasury Department, and governed by Internal Revenue Code 45D.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION (Continued)**

In December 2009 the City of Pensacola issued \$45.6 million in Redevelopment Revenue Bonds to, among other things, provide \$40 million for the construction and development of the Vince Whibbs Sr. Community Maritime Park (Park). The CMPA, a nonprofit instrumentality of the City, was created to construct and subsequently own the public improvements of the Park. The land, however, is owned by the City and leased to CMPA for a \$1 per year. See Note III Detailed Notes on all Funds, Debt Issuances and Refundings for additional detail on these bonds.

In May 2010, the CMPA received state and federal NMTC allocations through CTA Investment Fund, LLC (the “Investment Fund”), and two other NMTC allocates (collectively the CDEs). These allocations and the related benefits were made because the development and operation of the Park is a “qualified active low-income community business” or “QALICB” under Federal law. To leverage these allocations and generate approximately \$12 million of net additional proceeds for the Park by the sale of NMTC, the City lent approximately \$40 million of 2009 bond proceeds to the NMTC investor (as a result of its loan to the investor entity, the City receives monthly interest payments until the loan matures in 2040 or is prepaid at the end of the 7-year NMTC compliance period).

The proceeds of this loan, together with approximately \$12 million of net markets tax credit equity provided by the NMTC investor, were invested by the NMTC investor in CMPA via the CDEs and was drawn, subject to City approval, to pay project costs.

In connection with the 2009 Redevelopment Bonds, the City entered into a “put and call” agreement with U.S. Bancorp Community Development Corporation (“USBCDC”), the owner of 100% of the CTA Investment Fund. In September 2014, USBCDC made a permitted assignment of its interest in the CTA Investment Fund to a USBCDC managed affiliate, CMPA (the “Flip fund”). The agreement allows the Flip Fund to “put” its interest in the CTA Investment Fund to the City of Pensacola. On May 31, 2017, the CDEs assigned all note agreements to the Investment Fund and the USB Flip Fund excised the option to “put” its interest in the Investment Fund to the City of Pensacola for \$1,000. Therefore, as of May 31, 2017, the City of Pensacola was the sole manager and member of the Fund which holds the note receivable agreements for the \$54,079,902 owed by the CMPA.

On June 28, 2017, the City as the sole member and manager of the Investment Fund which holds the NMTC loan agreements with CMPA cancelled the debt for each of the notes, totaling \$54,079,902. In August 2017, the Investment Fund was dissolved.

**2. CMPA-Multi-Use Facility Agreement.** On July 20, 2011, CMPA and Northwest Florida Professional Baseball (NFPB), the owner of the Blue Wahoos “AA” minor league baseball franchise, entered into an agreement for NFPB’s use of the baseball stadium at the Park. The term of the agreement is for 10 years, with two optional 5 year renewal periods, and requires NFPB to pay an annual use fee of \$175,000 to CMPA.

CITY OF PENSACOLA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**NOTE IV. – OTHER INFORMATION (Continued)**

In April 2015, NFPB exercised the option to purchase the naming rights to the multi-use facility. After payment of costs and expenses associated with the sale of the naming rights, CMPA was entitled to receive 50% of the revenue generated from the sale which totaled to \$787,500. CMPA will receive these funds over the course of 7 years in annual payments of \$112,500.

With the dissolution of the CMPA on June 1, 2017, the Multi-Use Facility Agreement was assigned to the City.

**3. Intergovernmental Appropriations.** The City and CMPA entered into an agreement in August 2012 for the City to pay \$75,000 to CMPA for the operation of the public amenities and public spaces at the Park. The appropriation will commence with the adoption of the fiscal year 2014 budget and end on termination of the Master Lease. With the dissolution of the CMPA on June 1, 2017, the Intergovernmental Appropriations were terminated. For the year ended September 30, 2017, the City paid \$75,000 to the CMPA under this agreement.

The City and the CMPA entered into another agreement in September 2013 for the City to pay \$35,000 to CMPA per fiscal year for the operation of public amenities and public spaces at the Park. The appropriation will commence with the adoption of the fiscal year 2015 budget and end on termination of the Master Lease. With the dissolution of the CMPA on June 1, 2017, the Intergovernmental Appropriations were terminated. For the year ended September 30, 2017, the City paid \$35,000 to the CMPA under this agreement.

**NOTE V. - SUBSEQUENT EVENTS**

On October 18, 2017, the City issued its \$25,000,000 Infrastructure Sales Surtax Revenue Bond, Series 2017 (“LOST IV Series 2017 Bond”). The LOST IV Series 2017 Bond was issued for the primary purpose of financing infrastructure capital improvements in the City. The bond matures on October 1, 2028 and has a fixed interest rate of 2.15%. Pledged revenues for the repayment of the principal and interest will be the Infrastructure Sales Surtax.

On November 15, 2017, the City issued its \$8,000,000 Urban Core Redevelopment Revenue Bond, Series 2017 (“Series 2017 Bond”). The Series 2017 Bond was issued for the primary purpose of financing certain community redevelopment capital improvements in the Urban Core Neighborhood Redevelopment Area included in the Urban Core Neighborhood. The bond matures on April 1, 2040 and has a fixed interest rate of 3.60%. Pledged revenues for the repayment of the principal and interest will be Tax Increment Revenue derived from the Urban Core Redevelopment Area. In the event that these revenues are insufficient to pay debt service, the loan is further secured by certain Non-Ad Valorem Revenues budgeted and appropriated for such purposes.

## **REQUIRED SUPPLEMENTARY INFORMATION**

PENSION FUNDS SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND  
RELATED RATIOS, PROPORTIONATE SHARE OF THE NET PENSION LIABILITY,  
EMPLOYER CONTRIBUTIONS AND  
INVESTMENT RETURNS

OTHER POST EMPLOYEMENT BENIFITS  
SCHEDULE OF EMPLOYER CONTRIBUTIONS AND  
ANALYSIS OF FUNDING PROGRESS



**CITY OF PENSACOLA, FLORIDA  
GENERAL PENSION & RETIREMENT FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
AND RELATED RATIOS**

	Fiscal Year		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total pension liability</b>			
Service Cost (BOY)	\$ 960,937	\$ 875,872	\$ 875,872
Interest	13,265,393	13,080,194	13,039,418
Difference between Expected & Actuarl Experience	(6,829,727)		
Changes in Assumptions	8,088,948		
Changes of benefit terms		1,929,586	
Benefit payments, including refunds of member contributions	(13,902,080)	(13,007,151)	(13,664,554)
Refunds of contributions	<u>(82,082)</u>	<u>(31,304)</u>	<u>(82,048)</u>
Net change in total pension liability	1,501,389	2,847,197	168,688
Total pension liability - beginning	<u>177,061,219</u>	<u>174,214,022</u>	<u>174,045,334</u>
<b>Total pension liability - ending (a)</b>	<b><u>\$ 178,562,608</u></b>	<b><u>\$ 177,061,219</u></b>	<b><u>\$ 174,214,022</u></b>
 <b>Plan fiduciary net position</b>			
Contributions - employer	\$ 6,788,559	\$ 6,586,144	\$ 6,586,424
Contributions - member	360,693	375,026	388,789
Net investment income	11,356,088	(2,230,201)	14,895,032
Benefit payments, including refunds of member contributions	(13,902,080)	(13,007,151)	(13,664,554)
Health insurance assistance			
Refunds of Contributions	(82,082)	(31,304)	(82,048)
Administrative expense	(102,605)	(126,054)	(103,765)
Other		2,149,812	
Net change in plan fiduciary net position	4,418,573	(6,283,728)	8,019,878
Plan fiduciary net position - beginning	<u>130,446,568</u>	<u>136,730,296</u>	<u>128,710,418</u>
<b>Plan fiduciary net position - ending</b>	134,865,141	130,446,568	136,730,296
 <b>Total plan fiduciary net position (b)</b>	<b><u>\$ 134,865,141</u></b>	<b><u>\$ 130,446,568</u></b>	<b><u>\$ 136,730,296</u></b>
 <b>City's net pension liability - ending (a)-(b)</b>	<b><u>\$ 43,697,467</u></b>	<b><u>\$ 46,614,651</u></b>	<b><u>\$ 37,483,726</u></b>
 Plan fiduciary net position as a percentage of the total pension liability	75.53%	73.67%	78.48%
 <b>Covered-employee payroll</b>	6,347,558	6,901,570	6,757,461
<b>City's pension liability as a percentage of covered-employee payroll</b>	688.41%	675.42%	554.70%

NOTE: Information is presented for those years in which information is available. The General Pension and Retirement Plan is a closed plan therefore the percentage of covered employee payroll will continue to increase as participants retire.

**CITY OF PENSACOLA, FLORIDA  
GENERAL PENSION & RETIREMENT FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS</b>										
<b>Last 10 Fiscal Years</b>										
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined employer contribution	\$ 6,788,208	\$ 6,788,560	\$ 7,515,167	\$ 7,448,089	\$ 7,157,167	\$ 7,157,167	\$ 7,162,033	\$ 7,094,735	\$ 6,942,271	\$ 5,936,524
Actual employer contribution	<u>6,788,208</u>	<u>6,788,560</u>	<u>7,515,167</u>	<u>7,448,089</u>	<u>7,157,167</u>	<u>7,157,167</u>	<u>7,162,033</u>	<u>7,094,735</u>	<u>6,942,271</u>	<u>5,936,524</u>
Annual contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered-employee payroll	\$ 6,205,709	\$ 6,347,558	\$ 6,901,570	\$ 6,757,461	\$ 6,961,827	\$ 7,834,617	\$ 11,280,207	\$ 12,090,613	\$ 13,546,116	\$ 14,806,933
Actual contributions as a % of covered-employee payroll	109.39%	106.95%	108.89%	110.22%	102.81%	91.35%	63.49%	58.68%	51.25%	40.09%
2014 actuarially determined employer contribution includes \$553,997 in prepaid reserves and excludes \$71,761 in health care contributions.										
2016 covered-employee payroll is not actuarially determined therefore subject to change in future years.										

**Notes to Schedule:**

*Method and assumptions used in calculations of actuarially determined contributions.* The actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine contribution rates reported in the schedules:

	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
Valuation Date	9/30/2016	9/30/2015	9/30/2014
Actuarial Cost Method	Entry Age	Entry Age	Entry Age
Amortization Method	Level Dollar Closed	Level Dollar Closed	Level Dollar Closed
Remaining Amortization Period	11 years	12 years	13 years
Asset Valuation Method	5 year smoothed market	5 year smoothed market	5 year smoothed market
Actuarial Assumptions:			
Inflation	3.00%	3.00%	3.00%
Salary increase	4.50% - 9.50%	4.50% - 9.50%	4.50% - 9.50%
Investment rate of return	7.6%, net of pension plan investment expense, including inflation	7.8%, net of pension plan investment expense, including inflation	7.8%, net of pension plan investment expense, including inflation
Cost of living adjustments	1.0-1.5%	1.0-1.5%	1.0-1.5%
Mortality Rates	RP-2000 Generational Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB	RP 2000 Combined Healthy set forward 5 years for males and RP 2000 combined Healthy for females	RP 2000 Combined Healthy set forward 5 years for males and RP 2000 combined Healthy for females

NOTE: The amounts presented were determined as of September 30, the end of the City's fiscal year. Information is presented for those years in which information is available.

**CITY OF PENSACOLA, FLORIDA  
FIREFIGHTER'S RELIEF & PENSION FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
AND RELATED RATIOS**

	Fiscal year		
	2017	2016	2015
<b>Total Pension Liability</b>			
Service Cost (BOY)	\$ 1,340,661	\$ 1,189,882	\$ 1,578,578
Interest	9,595,671	9,016,289	9,116,288
Difference between Expected and Actual Experience	(482,293)	30,585	
Changes in Assumptions		7,780,467	
Changes in Benefit Terms	802,334	(4,080,439)	
Contributions - Buy Back	44,064		
Benefit payments, including refunds of member contributions	(8,929,344)	(6,788,324)	(8,163,106)
Net change in total pension liability	2,371,093	7,148,460	2,531,760
Total pension liability - beginning	126,136,793	118,988,333	116,456,573
<b>Total pension liability - ending (a)</b>	<b>\$ 128,507,886</b>	<b>\$ 126,136,793</b>	<b>\$ 118,988,333</b>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ 3,826,740	\$ 4,334,264	\$ 3,649,568
Contributions - member	421,774	474,193	457,362
Contributions - Buy Back	44,064		
Net investment income	9,928,990	(1,770,463)	10,980,094
Benefit payments, including refunds of member contributions	(8,929,344)	(6,788,324)	(8,163,106)
Administrative expense	(105,921)	(92,822)	(131,563)
Net change in plan fiduciary net position			
Plan fiduciary net position - beginning	5,186,303	(3,843,152)	6,792,355
<b>Plan fiduciary net position - ending</b>	<b>108,697,588</b>	<b>112,540,740</b>	<b>106,396,777</b>
LESS RESERVE ACCOUNTS	113,883,891	108,697,588	113,189,132
<b>Total plan fiduciary net position (b)</b>	<b>\$</b>	<b>\$</b>	<b>\$ 648,392</b>
<b>City's net pension liability - ending (a)-(b)</b>	<b>\$ 113,883,891</b>	<b>\$ 108,697,588</b>	<b>\$ 112,540,740</b>
Plan fiduciary net position as a percentage of the total pension liability	<b>14,623,995</b>	<b>17,439,205</b>	<b>6,447,593</b>
<b>Covered-employee payroll</b>	88.62%	86.17%	94.58%
<b>City's pension liability as a percentage of covered-employee payroll</b>	3,834,292	7,494,388	4,157,835
	381.40%	232.70%	155.07%

NOTE: Information is presented for those years in which information is available.

**CITY OF PENSACOLA, FLORIDA  
FIREFIGHTER'S RELIEF & PENSION FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

<b>FIREFIGHTERS' RELIEF &amp; PENSION FUND SCHEDULE OF EMPLOYER CONTRIBUTIONS</b>										
<b>Last 10 Fiscal Years</b>										
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined employer contribution	\$ 2,336,555	\$ 3,822,480	\$ 4,334,264	\$ 3,097,587	\$ 3,234,358	\$ 3,494,389	\$ 3,286,284	\$ 3,441,454	\$ 3,691,271	\$ 3,704,687
Actual employer contribution	<u>2,336,555</u>	<u>3,826,740</u>	<u>4,334,264</u>	<u>3,097,587</u>	<u>3,234,358</u>	<u>3,562,977</u>	<u>3,321,453</u>	<u>3,441,454</u>	<u>3,699,133</u>	<u>3,741,734</u>
Annual contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ (4,260)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (68,588)</u>	<u>\$ (35,169)</u>	<u>\$ 0</u>	<u>\$ (7,862)</u>	<u>\$ (37,047)</u>
Covered-employee payroll	\$ 4,083,012	\$ 3,834,292	\$ 7,494,388	\$ 4,157,835	\$ 4,574,063	\$ 4,847,354	\$ 4,695,857	\$ 5,009,434	\$ 5,175,498	\$ 5,512,891
Actual contributions as a % of covered-employee payroll	57.23%	99.80%	57.83%	74.50%	70.71%	73.50%	70.73%	68.70%	71.47%	67.87%
2014 actuarially determined employer contribution excludes \$551,981 in current year prepaid reserves.										
2016 covered-employee payroll is not actuarially determined therefore subject to change in future years.										

**Notes to Schedule:**

*Method and assumptions used in calculations of actuarially determined contributions.* The actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine contribution rates reported in the schedules:

	<u>Fiscal Year 2017</u>	<u>Fiscal Year 2016</u>	<u>Fiscal Year 2015</u>
Valuation Date	10/1/2016	10/1/2015	10/1/2014
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed
Remaining Amortization Period	30 years	30 years	30 years
Asset Valuation Method	5 year phased in period	5 year phased in period	5 year phased in period
Actuarial Assumptions:			
Inflation	2.70%	3.00%	3.00%
Salary increase	5.5%-12.68%	5.5%-12.68%	5.5%-13.95%
Investment rate of return	7.75%	7.75%	8.00%
Cost of living adjustments	2.875%	2.875%	2.875%
Mortality:	RP-2000 Generational Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB	RP 2000 Combined Healthy Projected to 2011 Sex Distinct	1994 UP Mortality Projected to 2006 - Sex Distinct

NOTE: The amounts presented were determined as of September 30, the end of the City's fiscal year. Information is presented for those years in which information is available.

**CITY OF PENSACOLA, FLORIDA  
POLICE OFFICERS' RETIREMENT FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
AND RELATED RATIOS**

	Fiscal Year		
	2017	2016	2015
<b>Total Pension Liability</b>			
Service Cost (BOY)	\$ 912,596	\$ 818,742	\$ 860,340
Interest	8,876,315	8,390,513	8,151,071
Differences between expected and actual experience		312,274	866,959
Changes of assumptions		6,217,609	3,431,350
Benefit payments, including refunds of member contributions	(7,539,629)	(6,446,003)	(5,994,107)
Net change in total pension liability	2,249,282	9,293,135	7,315,613
Total pension liability - beginning	127,372,222	118,079,087	110,763,474
<b>Total pension liability - ending (a)</b>	<u>\$ 129,621,504</u>	<u>\$ 127,372,222</u>	<u>\$ 118,079,087</u>
 <b>Plan fiduciary net position</b>			
Contributions - employer	\$ 3,830,736	\$ 3,830,839	\$ 3,825,656
Contributions - member	227,357	240,097	156,000
Net investment income	8,651,676	(2,362,487)	6,881,022
Benefit payments, including refunds of member contributions	(7,539,629)	(6,446,003)	(5,994,107)
Administrative expense	(93,853)	(82,441)	(69,051)
State Insurance	533,483	512,808	473,283
Member buybacks	-	-	12,024
Net change in plan fiduciary net position	5,609,770	(4,307,187)	5,284,827
Plan fiduciary net position - beginning	80,130,799	84,437,986	79,153,159
<b>Plan fiduciary net position - ending</b>	85,740,569	80,130,799	84,437,986
LESS RESERVE ACCOUNTS	1,168,510	1,203,293	1,097,405
<b>Total Plan fiduciary net position (b)</b>	<u>\$ 84,572,059</u>	<u>\$ 78,927,506</u>	<u>\$ 83,340,581</u>
<b>City's net pension liability - ending (a)-(b)</b>	<u>\$ 45,049,445</u>	<u>\$ 48,444,716</u>	<u>\$ 34,738,506</u>
 Plan fiduciary net position as a percentage of the total pension liability	65.2%	62.0%	70.6%
 <b>Covered-employee payroll</b>	\$ 4,372,250	\$ 4,423,864	4,466,862
<b>City's pension liability as a percentage of covered-employee payroll</b>	2964.6%	2879.2%	2643.4%

NOTE: Information is presented for those years in which information is available. The Police Officers' Retirement Fund is a closed plan therefore the percentage of covered employee payroll will continue to increase as participants retire.

**CITY OF PENSACOLA, FLORIDA  
POLICE OFFICERS' RETIREMENT FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS</b>										
<b>Last 10 Fiscal Years</b>										
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined employer contribution	\$ 4,873,467	\$ 5,256,803	\$ 4,452,427	\$ 4,298,939	\$ 2,832,155	\$ 3,356,717	\$ 4,017,967	\$ 3,133,416	\$ 3,278,441	\$ 3,484,299
Actual employer contribution	4,873,467	5,256,803	4,452,427	4,298,939	2,832,155	3,356,717	4,017,967	3,133,416	3,278,441	3,484,299
Annual contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered-employee payroll	\$ 4,201,100	\$ 4,372,250	\$ 4,423,864	\$ 4,466,862	\$ 4,870,112	\$ 5,296,929	\$ 6,766,158	\$ 6,966,752	\$ 7,093,224	\$ 7,577,663
Actual contributions as a % of covered-employee payroll	116.00%	120.23%	100.65%	96.24%	58.15%	63.37%	59.38%	44.98%	46.22%	45.98%
2016 covered-employee payroll is not actuarially determined therefore subject to change in future years.										

**Notes to Schedule:**

*Method and assumptions used in calculations of actuarially determined contributions.* The actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine contribution rates reported in the schedules:

	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
Valuation Date	10/1/2016	10/1/2015	10/1/2014
Actuarial cost method	Individual Entry Age	Individual Entry Age	Individual Entry Age
Amortization method	Level Dollar Amount	Level Dollar Amount	Level Dollar Amount
Remaining Amortization Period	15 years	16 years	17 years
Asset Valuation Method	5 year weighted index	5 year weighted index	5 year weighted index
Actuarial Assumptions:			
Inflation	2.50%	2.50%	2.50%
Salary increase	4.00%	4.00%	4.00%
Investment rate of return	7.125%	7.125%	7.25%
Cost of living adjustments	2.50%	2.50%	2.50%
Mortality Rates	RP-2000 Healthy Annuitant for Males or Females with adjustments for mortality improvements based on Scale BB	RP-2000 Healthy Annuitant for Males or Females with adjustments for mortality improvements based on Scale BB	RP-2000 Healthy Annuitant for Males or Females with adjustments for mortality improvements based on Scale BB

NOTE: The amounts presented were determined as of September 30, the end of the City's fiscal year. Information is presented for those years in which information is available.

**CITY OF PENSACOLA, FLORIDA  
FLORIDA RETIREMENT SYSTEM PENSION PLAN  
REQUIRED SUPPLEMENTARY INFORMATION**

<b>SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY</b>				
	<b>Fiscal Year</b>			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the FRS net pension liability (asset)	0.045283952%	0.041335299%	0.039418763%	3.376052900%
City's proportion of the FRS net pension liability (asset) \$	13,394,689	\$ 10,437,195	\$ 5,091,462	\$ 2,059,889
City's covered-employee payroll				
<b>Covered-employee payroll</b>	<b>15,295,017</b>	<b>12,840,904</b>	<b>12,296,508</b>	<b>10,685,417</b>
<b>City's pension liability as a percentage of covered-employee payroll</b>	<b>87.6%</b>	<b>81.3%</b>	<b>41.4%</b>	<b>19.3%</b>

NOTE: The amounts presented were determined as of June 30, the end of the State of Florida's fiscal year. Information is presented for those years in which information is available.

<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS Last 4 Fiscal Years</b>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined employer contribution	\$ 1,210,082	\$ 1,099,355	\$ 978,143	\$ 739,499
Actual employer contribution	<u>1,210,082</u>	<u>1,099,355</u>	<u>978,143</u>	<u>739,499</u>
Annual contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered-employee payroll	\$ 15,295,017	\$ 12,840,904	\$ 12,296,508	\$ 10,685,417
Actual contributions as a % of covered-employee payroll	7.91%	8.56%	7.95%	6.92%

NOTE: The amounts presented were determined as of September 30, the end of the City of Pensacola's fiscal year. Information is presented for those years in which information is available.

**CITY OF PENSACOLA, FLORIDA  
FLORIDA RETIREMENT SYSTEM PENSION PLAN  
REQUIRED SUPPLEMENTARY INFORMATION**

**Notes to Schedule:**

*Method and assumptions used in calculations of actuarially determined contributions.* The following actuarial methods and assumptions were used to determine contribution rates reported in the schedules:

	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015	Fiscal Year 2014
Valuation Date	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Actuarial Cost Method	Ultimate Entry Age Normal	Individual Entry Age	Individual Entry Age	Individual Entry Age
Asset Valuation Method	Level Percentage Closed, Layered	Level Dollor Amount Closed	Level Dollor Amount Closed	Level Dollor Amount Closed
Asset Valuation Method	30 years	30 years	30 years	30 years
Actuarial Assumptions:				
Inflation	2.60%	2.60%	2.60%	2.60%
Salary increase	3.25%	3.25%	3.25%	3.25%
Investment rate of return	7.10%	7.60%	7.65%	7.65%
Cost of living adjustments	0.00%	0.00%	0.00%	0.00%
Mortality Rates	Generational RP-2000 with Projection Scale BB tables	Generational RP-2000 with Projection Scale BB tables	Generational RP-2000 with Projection Scale BB tables	Generational RP-2000 with Projection Scale BB tables

NOTE: The amounts presented were determined as of June 30, the end of the State of Florida's fiscal year. Information is presented for those years in which information is available.



**CITY OF PENSACOLA, FLORIDA  
FRS RETIREE HEALTH INSURANCE SUBSIDY (HIS) PROGRAM  
REQUIRED SUPPLEMENTARY INFORMATION**

<b>SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY</b>				
<b>Fiscal Year</b>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the HIS net pension liability (asset)	0.043820246%	0.041586882%	0.040531215%	3.743067500%
City's proportion of the HIS net pension liability (asset)	\$ 4,685,463	\$ 4,846,779	\$ 4,133,546	\$ 3,499,859
City's covered-employee payroll				
<b>Covered-employee payroll</b>	13,972,362	12,840,904	12,296,508	10,685,417
<b>City's pension liability as a percentage of covered-employee payroll</b>	33.5%	37.7%	33.6%	32.8%

NOTE: The amounts presented were determined as of June 30, the end of the State of Florida's fiscal year. Information is presented for those years in which information is available.

<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS</b>				
<b>Last 4 Fiscal Years</b>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined employer contribution	\$ 241,173	\$ 221,345	\$ 169,762	\$ 128,225
Actual employer contribution	<u>241,173</u>	<u>221,345</u>	<u>169,762</u>	<u>128,225</u>
Annual contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered-employee payroll	\$ 13,972,362	\$ 12,840,904	\$ 12,296,508	\$ 10,685,417
Actual contributions as a % of covered-employee payroll	1.73%	1.72%	1.38%	1.20%

NOTE: The amounts presented were determined as of September 30, the end of the City of Pensacola's fiscal year. Information is presented for those years in which information is available.

**CITY OF PENSACOLA, FLORIDA  
FRS RETIREE HEALTH INSURANCE SUBSIDY (HIS) PROGRAM  
REQUIRED SUPPLEMENTARY INFORMATION**

**Notes to Schedule:**

*Method and assumptions used in calculations of actuarially determined contributions.* The following actuarial methods and assumptions were used to determine contribution rates reported in the schedules:

	<u>Fiscal Year 2017</u>	<u>Fiscal Year 2016</u>	<u>Fiscal Year 2015</u>	<u>Fiscal Year 2014</u>
Valuation Date	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age
Asset Valuation Method	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value
Actuarial Assumptions:				
Inflation	2.60%	2.60%	2.60%	2.60%
Salary increase	3.25%	3.25%	3.25%	3.25%
Discount rate	3.58%	2.85%	3.80%	4.29%
Cost of living adjustments	0.00%	0.00%	0.00%	0.00%
Mortality Rates	Generational RP-2000 with Projection Scale BB tables	Generational RP-2000 with Projection Scale BB tables	Generational RP-2000 with Projection Scale BB tables	Generational RP-2000 with Projection Scale BB tables

NOTE: The amounts presented were determined as of June 30, the end of the State of Florida's fiscal year. Information is presented for those years in which information is available.

**CITY OF PENSACOLA, FLORIDA  
OTHER POST EMPLOYMENT BENEFITS (OPEB)  
REQUIRED SUPPLEMENTARY INFORMATION**

	<u>FY 2017</u>	<u>FY 2016</u>	<u>FY 2015</u>
Retirees and beneficiaries currently receiving benefits	349	389	376
Terminated employees entitled to benefits but not yet receiving benefits	-0-	-0-	-0-
Active members	583	553	567
<b>Total</b>	<u>932</u>	<u>942</u>	<u>943</u>

**SCHEDULE OF FUNDING PROGRESS**

FISCAL YEAR	ACTUARIAL VALUATION DATE	ACTUARIAL VALUE OF ASSETS (A)	ACTUARIAL ACCRUED LIABILITY (AAL)		UNFUNDED AAL (UAAL) (B - A)	FUNDED RATIO (A/B)	COVERED PAYROLL (C)	UAAL AS OF PERCENT COVERED PAYROLL ((B - A) / C)
			PROJECTED UNIT CREDIT (B)					
2015	12/31/2014	-0-	\$18,535,342		\$18,535,342	-0-	\$23,802,271	77.87%
2016	12/31/2015	-0-	\$23,934,988		\$23,934,988	-0-	\$23,047,995	103.85%
2017	12/31/2016	-0-	\$18,274,483		\$18,274,483	-0-	\$25,604,274	71.37%

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

YEAR ENDED	ANNUAL REQUIRED CONTRIBUTION	ACTUAL CONTRIBUTIONS	PERCENTAGE CONTRIBUTED
9/30/2015	\$992,862	-0-	-0-
9/30/2016	\$896,425	-0-	-0-
9/30/2017	\$1,128,648	-0-	-0-

	<u>FISCAL YEAR 2017</u>	<u>FISCAL YEAR 2016</u>	<u>FISCAL YEAR 2015</u>
Valuation Date	12/31/2016	12/31/2015	12/31/2014
Actuarial cost method	Projected unit credit	Projected unit credit	Projected unit credit
Amortization method	Level percent of pay, open	Level percent of pay, open	Level percent of pay, open
Remaining amortization period	30 years	30 years	30 years
Asset valuation method	Market value of assets	Market value of assets	Market value of assets
Actuarial assumptions:			
Investment rate of return*	4.50%	4.50%	4.50%
Medical cost trend rate*	6.50%	6.50%	6.50%
Ultimate trend rate	5.00%	5.00%	5.00%
Year of ultimate trend rate	2020	2019	2018

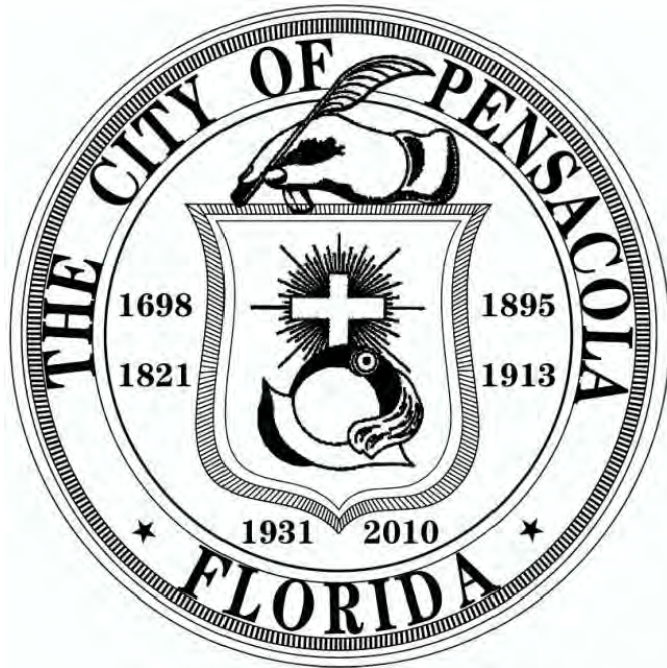
\*Includes inflation at 3.00%

**COMBINING FINANCIAL STATEMENTS**

NONMAJOR GOVERNMENTAL FUNDS

INTERNAL SERVICE FUNDS

FIDUCIARY FUNDS



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# NONMAJOR GOVERNMENTAL FUNDS

## Special Revenue Funds

*Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.*

**Special Grants Fund** – to account for various private, state and federal grant receipts and the expenditures thereof.

**Local Option Gasoline Tax Fund** - to account for the receipt and expenditures of gasoline tax revenue.

**Community Development Block Grant Fund** - to account for the community development block grant and the housing rehabilitation program federal grant receipts and the expenditures thereof.

**Stormwater Utility Fund** – to account for the receipt and expenditures for the operating and maintenance activities related to stormwater.

**Law Enforcement Trust Fund** - to account for proceeds from the sale of confiscated property. Expenditure of such funds is restricted to law enforcement purposes.

**Natural Disaster Fund (formally Hurricane Damage Fund)** - to account for federal and state monies received and expended for disaster relief as a result of natural disasters.

**Golf Course Fund** - to account for the revenues and expenditures of the Osceola Golf Course and Pro Shop.

**Inspections Fund** – to account for the revenues and expenditures of collections as regulated under Florida Statute 553 referred to as the ‘Florida Building Code’.

**Recreation Fund** – to account for the revenues and expenditures of recreation center and athletic activities.

**Tennis Fund** – to account for the revenues and expenditures of the Roger Scott Tennis Center.

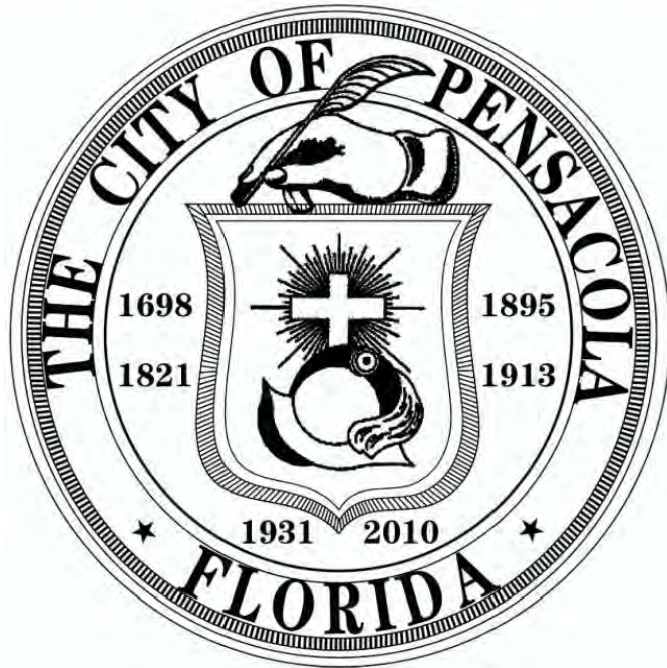
**CMP Management Services Fund** – to account for the revenues and expenditures related to the Community Maritime Park.

**CMPA O&M Fund** – to account for the City’s blended component unit, Community Maritime Park Associates’ user fee proceeds which are restricted for specific purposes of operations and capital maintenance of the Vince J. Whibbs, Sr. Community Maritime Park.

## Debt Service Fund

*Debt service funds are used to account for resources accumulated and payments made for principal and interest on long-term debt of governmental funds.*

**Local Option Gas Tax Debt Service Fund** – to provide monies for the payment of the 2016 Local Option Gas Tax Bond. Financing is provided from future Local Option Gasoline Tax proceeds.



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## Capital Projects Funds

*Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.*

**Local Option Sales Tax** - a capital projects fund that accounts for the local option infrastructure sales surtax (pursuant to Florida Statutes 212.055) to provide for the construction of various infrastructure improvements including park and recreation improvements, street resurfacing and reconstruction, and payment of associated debt.

**Local Option Gas Tax Project Fund** – to account for the construction of various infrastructure improvements. Financing is provided by amounts received from Local Option Gas Tax Revenue Bond, Series 2016.

**Local Option Sales Tax Project Fund** – to account for the construction of various infrastructure improvements. Financing is provided by amounts received from Infrastructure Sales Surtax Revenue Bond, Series 2017.

**Deepwater Horizon Incident Fund** – to account for cost related to the City’s BP Deepwater Horizon Oil Spill claim, stormwater projects and flood projects. Also, to replenishment the cash in the City’s Natural Disaster Fund depleted due to the FEMA local match requirement associated with the April 2014 Flood Event. Financing is provided by the release of funds related to the City’s BP Deepwater Horizon Oil Spill claim.

**Stormwater Capital Fund** – to account for the expenditures of stormwater improvements. Financing is provided by a transfer from the General Fund of matching receipts collected by the stormwater utility fee.

**CMPA Construction Fund** – to account for the City’s blended component unit, Community Maritime Park Associates’ financial resources which are earmarked or segregated for the acquisition and construction of the Vince J. Whibbs, Sr. Community Maritime Park and other project-oriented activities and the debt service payments during the construction phase.



**CITY OF PENSACOLA, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2017**

	Special Revenue Funds			
	Special Grants	Local Option Gasoline Tax	Community Development Block Grant	Stormwater Utility Fund
<b>ASSETS</b>				
Cash and cash equivalents	\$	\$	\$	\$ 239,482
Investments				733,120
Accounts receivable				
Due from other funds				
Due from other governments				34,261
Prepays and deposits				694
Inventory				
Restricted assets				
Cash and cash equivalents				
Other cash			21,894	
Investments				
Due from other funds				
Due from other governments	2,206,715	125,870	21,093	
Advances to other funds				
Notes receivable	888,731		1,042,939	
<b>Total assets</b>	<b>\$ 3,095,446</b>	<b>\$ 125,870</b>	<b>\$ 1,085,926</b>	<b>\$ 1,007,557</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 505	\$	\$ 21,731	\$ 90,870
Contracts payable	232,931		82	7,775
Contracts payable - retainage	251,657			
Due to other funds	1,319,256		21,174	20,951
Due to other governments	166,190			
Advances from other funds				
Compensated absences payable				2,226
Unearned revenue	55,498			
Deposits				
<b>Total liabilities</b>	<b>2,026,037</b>	<b>0</b>	<b>42,987</b>	<b>121,822</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	888,731		1,042,939	
<b>Total deferred inflows of resources</b>	<b>888,731</b>	<b>0</b>	<b>1,042,939</b>	<b>0</b>
<b>FUND BALANCE (DEFICITS)</b>				
Non-spendable				694
Restricted	1,305,358	125,870	574	10,850
Committed				874,191
Assigned				
Unassigned	(1,124,680)		(574)	
<b>Total fund balances</b>	<b>180,678</b>	<b>125,870</b>	<b>0</b>	<b>885,735</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 3,095,446</b>	<b>\$ 125,870</b>	<b>\$ 1,085,926</b>	<b>\$ 1,007,557</b>

(continued)

**CITY OF PENSACOLA, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2017**

	Special Revenue Funds					
	Law Enforcement Trust	Natural Disaster Fund	Golf Course Fund	Inspections Fund	Recreation Fund	Tennis Fund
<b>ASSETS</b>						
Cash and cash equivalents	\$ 43,006	\$	\$ 20,309	\$ 381,653	\$ 139,108	\$ 23,766
Investments	131,652		62,173	1,168,349	425,851	72,758
Accounts receivable			1,500			5,697
Due from other funds						
Due from other governments						
Prepays and deposits			2,412		984	1,005
Inventory			4,297			
Restricted assets						
Cash and cash equivalents		215,748				
Other cash						
Investments		660,468				
Due from other funds		1,335,536				
Due from other governments		685,407				
Advances to other funds						
Notes receivable						
<b>Total assets</b>	<u>\$ 174,658</u>	<u>\$ 2,897,159</u>	<u>\$ 90,691</u>	<u>\$ 1,550,002</u>	<u>\$ 565,943</u>	<u>\$ 103,226</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 500	\$	\$ 26,436	\$ 22,122	\$ 50,286	\$ 20,054
Contracts payable		4,747			7,386	
Contracts payable - retainage						
Due to other funds			3,344	11,868	578	
Due to other governments		97,442				
Advances from other funds						
Compensated absences payable				5,463		
Unearned revenue						
Deposits			2,070	132,195	102,636	
Total liabilities	<u>500</u>	<u>102,189</u>	<u>31,850</u>	<u>171,648</u>	<u>160,886</u>	<u>20,054</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue			1,500			350
Total deferred inflows of resources	<u>0</u>	<u>0</u>	<u>1,500</u>	<u>0</u>	<u>0</u>	<u>350</u>
<b>FUND BALANCE (DEFICITS)</b>						
Non-spendable			6,709		984	1,005
Restricted	174,158	2,794,970	4,454	1,378,354	8,282	
Committed						
Assigned			46,178		395,791	81,817
Unassigned						
Total fund balances	<u>174,158</u>	<u>2,794,970</u>	<u>57,341</u>	<u>1,378,354</u>	<u>405,057</u>	<u>82,822</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 174,658</u>	<u>\$ 2,897,159</u>	<u>\$ 90,691</u>	<u>\$ 1,550,002</u>	<u>\$ 565,943</u>	<u>\$ 103,226</u>

(continued)

**CITY OF PENSACOLA, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2017**

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>
	<u>CMP Management Services Fund</u>	<u>CMPA O&amp;M Fund</u>	<u>Local Option Gas Tax Debt Service</u>	<u>Local Option Sales Tax</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$	\$	\$	\$
Investments				
Accounts receivable	479,875			
Due from other funds				
Due from other governments				590,697
Prepays and deposits	7,042			3,502,509
Inventory				
Restricted assets				
Cash and cash equivalents	118,163		771,963	
Other cash				
Investments	361,732		2,363,200	
Due from other funds				
Due from other governments				
Advances to other funds				
Notes receivable				
<b>Total assets</b>	<u>\$ 966,812</u>	<u>\$ 0</u>	<u>\$ 3,135,163</u>	<u>\$ 4,093,206</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 94,658	\$	\$	\$ 1,190
Contracts payable				293,205
Contracts payable - retainage				13,954
Due to other funds	615			
Due to other governments				
Advances from other funds				1,317,705
Compensated absences payable				
Unearned revenue	115,412			
Deposits	500			
Total liabilities	<u>211,185</u>	<u>0</u>	<u>0</u>	<u>1,626,054</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue				
Total deferred inflows of resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCE (DEFICITS)</b>				
Non-spendable	7,042			3,502,509
Restricted	748,585		3,135,163	5,212,374
Committed				
Assigned				
Unassigned				(6,247,731)
Total fund balances	<u>755,627</u>	<u>0</u>	<u>3,135,163</u>	<u>2,467,152</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 966,812</u>	<u>\$ 0</u>	<u>\$ 3,135,163</u>	<u>\$ 4,093,206</u>

(continued)

**CITY OF PENSACOLA, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2017**

	Capital Projects Funds					Total Nonmajor Governmental Funds
	Local Option Gas Tax Project Fund	Local Option Sales Tax Project Fund	Deepwater Horizon Incident	Stormwater Capital	CMPA Construction Fund	
<b>ASSETS</b>						
Cash and cash equivalents	\$ 1,942,849	\$	\$ 161,383	\$ 1,086,942	\$	\$ 4,038,498
Investments	5,947,621		494,043	3,327,443		12,363,010
Accounts receivable						487,072
Due from other funds				867,649		867,649
Due from other governments	603,704					1,228,662
Prepays and deposits						3,514,646
Inventory						4,297
Restricted assets						
Cash and cash equivalents						1,105,874
Other cash						21,894
Investments						3,385,400
Due from other funds						1,335,536
Due from other governments						3,039,085
Advances to other funds				1,317,705		1,317,705
Notes receivable						1,931,670
<b>Total assets</b>	<u>\$ 8,494,174</u>	<u>\$ 0</u>	<u>\$ 655,426</u>	<u>\$ 6,599,739</u>	<u>\$ 0</u>	<u>\$ 34,640,998</u>
<b>LIABILITIES</b>						
Accounts payable	\$	\$	\$ 401	\$ 27,168	\$	\$ 355,921
Contracts payable	772,837	253,421	62,778	360,042		1,995,204
Contracts payable - retainage	551,791	53,826	235,335	27,128		1,133,691
Due to other funds		867,649				2,245,435
Due to other governments						263,632
Advances from other funds						1,317,705
Compensated absences payable						7,689
Unearned revenue						170,910
Deposits						237,401
Total liabilities	<u>1,324,628</u>	<u>1,174,896</u>	<u>298,514</u>	<u>414,338</u>	<u>0</u>	<u>7,727,588</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue						1,933,520
Total deferred inflows of resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,933,520</u>
<b>FUND BALANCE (DEFICITS)</b>						
Non-spendable						3,518,943
Restricted	7,169,546		13,355	1,171,576		23,253,469
Committed				5,013,825		5,888,016
Assigned			343,557			867,343
Unassigned		(1,174,896)				(8,547,881)
Total fund balances	<u>7,169,546</u>	<u>(1,174,896)</u>	<u>356,912</u>	<u>6,185,401</u>	<u>0</u>	<u>24,979,890</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 8,494,174</u>	<u>\$ 0</u>	<u>\$ 655,426</u>	<u>\$ 6,599,739</u>	<u>\$ 0</u>	<u>\$ 34,640,998</u>

**CITY OF PENSACOLA, FLORIDA**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Special Revenue Funds			
	Special Grants	Local Option Gasoline Tax	Community Development Block Grant	Stormwater Utility Fund
<b>Revenues:</b>				
Taxes	\$	\$ 1,476,635	\$	\$
Licenses and permits				
Intergovernmental	2,973,161		611,206	
Charges for services				2,843,910
Fines and forfeits				4,660
Interest income		1,164	8,113	7,551
Donations	1,990,153			
Other		113,583	2,208	
Total revenues	<u>4,963,314</u>	<u>1,591,382</u>	<u>621,527</u>	<u>2,856,121</u>
<b>Expenditures:</b>				
Current -				
General government			624,235	
Public safety	127,987			
Transportation		37,900		
Culture and recreation	29,328			
Economic environment	689,889			
Physical environment	4,302			2,793,170
Capital outlay	4,093,458	27,238		
Debt service -				
Principal retirement				
Interest				
Total expenditures	<u>4,944,964</u>	<u>65,138</u>	<u>624,235</u>	<u>2,793,170</u>
Excess (deficiency) of revenues over (under) expenditures	<u>18,350</u>	<u>1,526,244</u>	<u>(2,708)</u>	<u>62,951</u>
<b>Other financing sources (uses):</b>				
Transfers in				
Transfers (out)		(1,497,927)		
Loan Proceeds				
Sale of capital assets			2,708	
Insurance recoveries				
Total other financing sources (uses)	<u>0</u>	<u>(1,497,927)</u>	<u>2,708</u>	<u>0</u>
<b>Net Change in fund balances</b>	<u>18,350</u>	<u>28,317</u>	<u>0</u>	<u>62,951</u>
<b>Fund balances at beginning of year</b>	<u>162,328</u>	<u>97,553</u>	<u>0</u>	<u>822,784</u>
<b>Fund balances at end of year</b>	<u>\$ 180,678</u>	<u>\$ 125,870</u>	<u>\$ 0</u>	<u>\$ 885,735</u>

(continued)

**CITY OF PENSACOLA, FLORIDA**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Special Revenue Funds					
	Law Enforcement Trust	Natural Disaster Fund	Golf Course Fund	Inspections Fund	Recreation Fund	Tennis Fund
<b>Revenues:</b>						
Taxes	\$	\$	\$	\$	\$	\$
Licenses and permits				1,678,772		
Intergovernmental		130,623				
Charges for services			518,125		998,845	228,701
Fines and forfeits	18,155					
Interest income	1,313	16,097	532	10,624	4,888	668
Donations					2,385	
Other					570	
Total revenues	<u>19,468</u>	<u>146,720</u>	<u>518,657</u>	<u>1,689,396</u>	<u>1,006,688</u>	<u>229,369</u>
<b>Expenditures:</b>						
Current -						
General government		294,945				
Public safety	99,506			1,230,164		
Transportation					15,840	
Culture and recreation			713,440		967,198	282,875
Economic environment						
Physical environment		30,264				
Capital outlay	70,218	149,205		54,534		
Debt service -						
Principal retirement						
Interest						
Total expenditures	<u>169,724</u>	<u>474,414</u>	<u>713,440</u>	<u>1,284,698</u>	<u>983,038</u>	<u>282,875</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(150,256)</u>	<u>(327,694)</u>	<u>(194,783)</u>	<u>404,698</u>	<u>23,650</u>	<u>(53,506)</u>
<b>Other financing sources (uses):</b>						
Transfers in			220,000			
Transfers (out)					(126,332)	
Loan Proceeds						
Sale of capital assets				4,845		
Insurance recoveries						
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>220,000</u>	<u>4,845</u>	<u>(126,332)</u>	<u>0</u>
<b>Net Change in fund balances</b>	<u>(150,256)</u>	<u>(327,694)</u>	<u>25,217</u>	<u>409,543</u>	<u>(102,682)</u>	<u>(53,506)</u>
<b>Fund balances at beginning of year</b>	<u>324,414</u>	<u>3,122,664</u>	<u>32,124</u>	<u>968,811</u>	<u>507,739</u>	<u>136,328</u>
<b>Fund balances at end of year</b>	<u>\$ 174,158</u>	<u>\$ 2,794,970</u>	<u>\$ 57,341</u>	<u>\$ 1,378,354</u>	<u>\$ 405,057</u>	<u>\$ 82,822</u>

(continued)

**CITY OF PENSACOLA, FLORIDA**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Project Funds</u>
	<u>CMP Management Services Fund</u>	<u>CMPA O&amp;M Fund</u>	<u>Local Option Gas Tax Debt Service</u>	<u>Local Option Sales Tax</u>
<b>Revenues:</b>				
Taxes	\$	\$	\$	\$ 7,881,843
Licenses and permits				14,948
Intergovernmental				
Charges for services	826,068	356,456		
Fines and forfeits				
Interest income	28		20,275	
Donations	18,500			
Other	5,070	627		
<b>Total revenues</b>	<u>849,666</u>	<u>357,083</u>	<u>20,275</u>	<u>7,896,791</u>
<b>Expenditures:</b>				
Current -				
General government		542,020		7,644
Public safety				290,558
Transportation				
Culture and recreation	616,877			
Economic environment				
Physical environment				
Capital outlay	62,624	100,000		1,544,450
Debt service -				
Principal retirement			271,000	3,245,000
Interest	9,316		242,003	446,186
<b>Total expenditures</b>	<u>688,817</u>	<u>642,020</u>	<u>513,003</u>	<u>5,533,838</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>160,849</u>	 <u>(284,937)</u>	 <u>(492,728)</u>	 <u>2,362,953</u>
<b>Other financing sources (uses):</b>				
Transfers in	743,913	271,116	1,497,927	188,014
Transfers (out)	(149,135)	(21,824)		
Loan Proceeds		100,000		
Sale of capital assets				
Insurance recoveries		20,000		
<b>Total other financing sources (uses)</b>	<u>594,778</u>	<u>369,292</u>	<u>1,497,927</u>	<u>188,014</u>
 <b>Net Change in fund balances</b>	 <u>755,627</u>	 <u>84,355</u>	 <u>1,005,199</u>	 <u>2,550,967</u>
<b>Fund balances at beginning of year</b>	<u>0</u>	<u>(84,355)</u>	<u>2,129,964</u>	<u>(83,815)</u>
<b>Fund balances at end of year</b>	<u>\$ 755,627</u>	<u>\$ 0</u>	<u>\$ 3,135,163</u>	<u>2,467,152</u>

(continued)

**CITY OF PENSACOLA, FLORIDA**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Capital Projects Fund				CMPA Construction Fund	Total Nonmajor Governmental Funds
	Local Option Gas Tax Project Fund	Local Option Sales Tax Project Fund	Deepwater Horizon Incident	Stormwater Capital		
<b>Revenues:</b>						
Taxes	\$	\$	\$	\$	\$	\$ 9,358,478
Licenses and permits						1,678,772
Intergovernmental						3,729,938
Charges for services						5,772,105
Fines and forfeits						22,815
Interest income	60,199		5,195	49,381		186,028
Donations						2,011,038
Other						122,058
Total revenues	<u>60,199</u>	<u>0</u>	<u>5,195</u>	<u>49,381</u>	<u>0</u>	<u>22,881,232</u>
<b>Expenditures:</b>						
Current -						
General government					8,554	1,477,398
Public safety						1,748,215
Transportation	105,694					159,434
Culture and recreation						2,609,718
Economic environment						689,889
Physical environment			156,819	1,095,651		4,080,206
Capital outlay	6,637,138	1,174,896	1,331,487	1,942,242		17,187,490
Debt service -						
Principal retirement						3,516,000
Interest					1,506,037	2,203,542
Total expenditures	<u>6,742,832</u>	<u>1,174,896</u>	<u>1,488,306</u>	<u>3,037,893</u>	<u>1,514,591</u>	<u>33,671,892</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,682,633)</u>	<u>(1,174,896)</u>	<u>(1,483,111)</u>	<u>(2,988,512)</u>	<u>(1,514,591)</u>	<u>(10,790,660)</u>
<b>Other financing sources (uses):</b>						
Transfers in				2,748,923	1,421,059	7,090,952
Transfers (out)					(8,480)	(1,803,698)
Loan Proceeds						100,000
Sale of capital assets						7,553
Insurance recoveries						20,000
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,748,923</u>	<u>1,412,579</u>	<u>5,414,807</u>
<b>Net Change in fund balances</b>	<u>(6,682,633)</u>	<u>(1,174,896)</u>	<u>(1,483,111)</u>	<u>(239,589)</u>	<u>(102,012)</u>	<u>(5,375,853)</u>
<b>Fund balances at beginning of year</b>	<u>13,852,179</u>	<u>0</u>	<u>1,840,023</u>	<u>6,424,990</u>	<u>102,012</u>	<u>30,355,743</u>
<b>Fund balances at end of year</b>	<u>\$ 7,169,546</u>	<u>(1,174,896)</u>	<u>\$ 356,912</u>	<u>\$ 6,185,401</u>	<u>\$ 0</u>	<u>\$ 24,979,890</u>



**CITY OF PENSACOLA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**COMMUNITY REDEVELOPMENT AGENCY DEBT SERVICE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 909,300	\$ 911,300	\$ 911,230	\$ (70)
Interest income	<u>1,385,900</u>	<u>1,389,900</u>	<u>1,411,371</u>	<u>21,471</u>
Total revenues	<u>2,295,200</u>	<u>2,301,200</u>	<u>2,322,601</u>	<u>21,401</u>
<b>Expenditures:</b>				
Debt service -				
Principal retirement	1,045,000	1,045,000	1,045,000	0
Interest	<u>2,975,400</u>	<u>2,980,400</u>	<u>2,975,306</u>	<u>5,094</u>
Total expenditures	<u>4,020,400</u>	<u>4,025,400</u>	<u>4,020,306</u>	<u>5,094</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,725,200)</u>	<u>(1,724,200)</u>	<u>(1,697,705)</u>	<u>26,495</u>
<b>Other financing sources (uses):</b>				
Transfers in	<u>1,081,800</u>	<u>1,449,822</u>	<u>1,444,822</u>	<u>(5,000)</u>
Total other financing sources (uses)	<u>1,081,800</u>	<u>1,449,822</u>	<u>1,444,822</u>	<u>(5,000)</u>
<b>Net change in fund balances</b>	<u>\$ (643,400)</u>	<u>\$ (274,378)</u>	<u>(252,883)</u>	<u>\$ 21,495</u>
<b>Fund balances at beginning of year</b>			<u>3,913,223</u>	
<b>Fund balances at end of year</b>			<u>\$ 3,660,340</u>	



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**CITY OF PENSACOLA, FLORIDA  
SCHEDULES OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL (GAAP BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Special Grants</u>		Variance Positive/ (Negative)
	<u>Budget</u>	<u>Actual</u>	
<b>Revenues:</b>			
Taxes	\$	\$	\$
Licenses and permits			
Intergovernmental	4,970,648	2,973,161	(1,997,487)
Charges for services			
Fines and forfeits			
Interest income			
Donations	4,066,918	1,990,153	(2,076,765)
Other			
Total revenues	<u>9,037,566</u>	<u>4,963,314</u>	<u>(4,074,252)</u>
<b>Expenditures:</b>			
Current -			
General government			
Public safety	331,114	127,987	203,127
Transportation			
Culture and recreation	65,117	29,328	35,789
Economic environment	1,001,074	689,889	311,185
Physical environment	19,261	4,302	14,959
Capital outlay	7,643,212	4,093,458	3,549,754
Debt service -			
Principal retirement			
Interest			
Total expenditures	<u>9,059,778</u>	<u>4,944,964</u>	<u>4,114,814</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(22,212)</u>	<u>18,350</u>	<u>40,562</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers (out)			
Loan Proceeds			
Sale of capital assets			
Insurance recoveries			
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net change in fund balances</b>	<u>\$ (22,212)</u>	<u>18,350</u>	<u>\$ 40,562</u>
<b>Fund balances at beginning of year</b>		<u>162,328</u>	
<b>Fund balances at end of year</b>		<u>\$ 180,678</u>	

(continued)

**CITY OF PENSACOLA, FLORIDA  
SCHEDULES OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL (GAAP BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Local Option Gasoline Tax			Community Development Block Grant		
	Budget	Actual	Variance Positive/ (Negative)	Budget	Actual	Variance Positive/ (Negative)
<b>Revenues:</b>						
Taxes	\$ 1,469,200	\$ 1,476,635	\$ 7,435	\$	\$	\$
Licenses and permits						
Intergovernmental				820,534	611,206	(209,328)
Charges for services						
Fines and forfeits						
Interest income	1,700	1,164	(536)	0	8,113	8,113
Donations						
Other	113,600	113,583	(17)	0	2,208	2,208
Total revenues	1,584,500	1,591,382	6,882	820,534	621,527	(199,007)
<b>Expenditures:</b>						
Current -						
General government				820,534	624,235	196,299
Public safety						
Transportation	37,900	37,900	0			
Culture and recreation						
Economic environment						
Physical environment						
Capital outlay	46,600	27,238	19,362			
Debt service -						
Principal retirement						
Interest						
Total expenditures	84,500	65,138	19,362	820,534	624,235	196,299
Excess (deficiency) of revenues over (under) expenditures	1,500,000	1,526,244	26,244	0	(2,708)	(2,708)
<b>Other financing sources (uses):</b>						
Transfers in						
Transfers (out)	(1,500,000)	(1,497,927)	(2,073)			
Loan Proceeds						
Sale of capital assets				0	2,708	2,708
Insurance recoveries						
Total other financing sources (uses)	(1,500,000)	(1,497,927)	(2,073)	0	2,708	2,708
<b>Net change in fund balances</b>	\$ 0	28,317	\$ 24,171	\$ 0	0	0
<b>Fund balances at beginning of year</b>		97,553			0	
<b>Fund balances at end of year</b>		\$ 125,870			\$ 0	

(continued)

**CITY OF PENSACOLA, FLORIDA  
SCHEDULES OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL (GAAP BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<b>Stormwater Utility Fund</b>		
	Budget	Actual	Variance Positive/ (Negative)
<b>Revenues:</b>			
Taxes	\$	\$	\$
Licenses and permits			
Intergovernmental			
Charges for services	2,844,907	2,843,910	(997)
Fines and forfeits	3,616	4,660	1,044
Interest income	2,000	7,551	5,551
Donations			
Other			
Total revenues	2,850,523	2,856,121	5,598
<b>Expenditures:</b>			
Current -			
General government			
Public safety			
Transportation			
Culture and recreation			
Economic environment			
Physical environment	2,850,523	2,793,170	57,353
Capital outlay			
Debt service -			
Principal retirement			
Interest			
Total expenditures	2,850,523	2,793,170	57,353
Excess (deficiency) of revenues over (under) expenditures	0	62,951	62,951
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers (out)			
Loan Proceeds			
Sale of capital assets			
Insurance recoveries			
Total other financing sources (uses)	0	0	0
<b>Net change in fund balances</b>	\$ 0	62,951	\$ 62,951
<b>Fund balances at beginning of year</b>		822,784	
<b>Fund balances at end of year</b>		\$ 885,735	

(continued)

**CITY OF PENSACOLA, FLORIDA  
SCHEDULES OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL (GAAP BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Law Enforcement Trust</u>			<u>Natural Disaster Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
<b>Revenues:</b>						
Taxes	\$	\$	\$	\$	\$	\$
Licenses and permits						
Intergovernmental				2,861,875	130,623	(2,731,252)
Charges for services						
Fines and forfeits	18,155	18,155	0			
Interest income	315	1,313	998	0	16,097	16,097
Donations						
Other						
<b>Total revenues</b>	<u>18,470</u>	<u>19,468</u>	<u>998</u>	<u>2,861,875</u>	<u>146,720</u>	<u>(2,715,155)</u>
<b>Expenditures:</b>						
Current -						
General government				325,210	294,945	30,265
Public safety	214,308	99,506	114,802			
Transportation						
Culture and recreation				2,650	0	2,650
Economic environment						
Physical environment				130,265	30,264	100,001
Capital outlay	98,995	70,218	28,777	2,828,960	149,205	2,679,755
Debt service -						
Principal retirement						
Interest						
<b>Total expenditures</b>	<u>313,303</u>	<u>169,724</u>	<u>143,579</u>	<u>3,287,085</u>	<u>474,414</u>	<u>2,812,671</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(294,833)</u>	<u>(150,256)</u>	<u>144,577</u>	<u>(425,210)</u>	<u>(327,694)</u>	<u>97,516</u>
<b>Other financing sources (uses):</b>						
Transfers in						
Transfers (out)						
Loan Proceeds						
Sale of capital assets						
Insurance recoveries						
<b>Total other financing sources (uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net change in fund balances</b>	<u>\$ (294,833)</u>	<u>(150,256)</u>	<u>\$ 144,577</u>	<u>\$ (425,210)</u>	<u>(327,694)</u>	<u>\$ 97,516</u>
<b>Fund balances at beginning of year</b>		<u>324,414</u>			<u>3,122,664</u>	
<b>Fund balances at end of year</b>		<u>\$ 174,158</u>			<u>\$ 2,794,970</u>	

(continued)

**CITY OF PENSACOLA, FLORIDA  
SCHEDULES OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL (GAAP BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Golf Course Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
<b>Revenues:</b>			
Taxes	\$	\$	\$
Licenses and permits			
Intergovernmental			
Charges for services	519,800	518,125	(1,675)
Fines and forfeits			
Interest income	100	532	432
Donations			
Other			
Total revenues	<u>519,900</u>	<u>518,657</u>	<u>(1,243)</u>
<b>Expenditures:</b>			
Current -			
General government			
Public safety			
Transportation			
Culture and recreation	771,808	713,440	58,368
Economic environment			
Physical environment			
Capital outlay			
Debt service -			
Principal retirement			
Interest			
Total expenditures	<u>771,808</u>	<u>713,440</u>	<u>58,368</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(251,908)</u>	<u>(194,783)</u>	<u>57,125</u>
<b>Other financing sources (uses):</b>			
Transfers in	220,000	220,000	0
Transfers (out)			
Loan Proceeds			
Sale of capital assets			
Insurance recoveries			
Total other financing sources (uses)	<u>220,000</u>	<u>220,000</u>	<u>0</u>
<b>Net change in fund balances</b>	<u>\$ (31,908)</u>	<u>25,217</u>	<u>\$ 57,125</u>
<b>Fund balances at beginning of year</b>		<u>32,124</u>	
<b>Fund balances at end of year</b>		<u>\$ 57,341</u>	

(continued)

**CITY OF PENSACOLA, FLORIDA  
SCHEDULES OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL (GAAP BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Inspections Fund</u>			<u>Recreation Fund</u>		
	<u>Budget</u>	<u>Actual</u>	Variance Positive/ (Negative)	<u>Budget</u>	<u>Actual</u>	Variance Positive/ (Negative)
<b>Revenues:</b>						
Taxes	\$	\$	\$	\$	\$	\$
Licenses and permits	1,669,750	1,678,772	9,022			
Intergovernmental						
Charges for services				1,002,700	998,845	(3,855)
Fines and forfeits						
Interest income	3,000	10,624	7,624	0	4,888	4,888
Donations				0	2,385	2,385
Other				0	570	570
<b>Total revenues</b>	<u>1,672,750</u>	<u>1,689,396</u>	<u>16,646</u>	<u>1,002,700</u>	<u>1,006,688</u>	<u>3,988</u>
<b>Expenditures:</b>						
Current -						
General government						
Public safety	1,357,145	1,230,164	126,981			
Transportation				37,500	15,840	21,660
Culture and recreation				1,229,750	967,198	262,552
Economic environment						
Physical environment						
Capital outlay	67,500	54,534	12,966			
Debt service -						
Principal retirement						
Interest						
<b>Total expenditures</b>	<u>1,424,645</u>	<u>1,284,698</u>	<u>139,947</u>	<u>1,267,250</u>	<u>983,038</u>	<u>284,212</u>
Excess (deficiency) of revenues over (under) expenditures	<u>248,105</u>	<u>404,698</u>	<u>156,593</u>	<u>(264,550)</u>	<u>23,650</u>	<u>288,200</u>
<b>Other financing sources (uses):</b>						
Transfers in						
Transfers (out)				(150,000)	(126,332)	23,668
Loan Proceeds						
Sale of capital assets	4,845	4,845	0			
Insurance recoveries						
<b>Total other financing sources (uses)</b>	<u>4,845</u>	<u>4,845</u>	<u>0</u>	<u>(150,000)</u>	<u>(126,332)</u>	<u>23,668</u>
<b>Net change in fund balances</b>	<u>\$ 252,950</u>	<u>409,543</u>	<u>\$ 156,593</u>	<u>\$ (414,550)</u>	<u>(102,682)</u>	<u>\$ 311,868</u>
<b>Fund balances at beginning of year</b>		968,811			507,739	
<b>Fund balances at end of year</b>		<u>\$ 1,378,354</u>			<u>\$ 405,057</u>	

(continued)



**CITY OF PENSACOLA, FLORIDA  
SCHEDULES OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL (GAAP BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Tennis Fund		
	Budget	Actual	Variance Positive/ (Negative)
<b>Revenues:</b>			
Taxes	\$	\$	\$
Licenses and permits			
Intergovernmental			
Charges for services	223,200	228,701	5,501
Fines and forfeits			
Interest income	100	668	568
Donations			
Other			
Total revenues	223,300	229,369	6,069
<b>Expenditures:</b>			
Current -			
General government			
Public safety			
Transportation			
Culture and recreation	304,000	282,875	21,125
Economic environment			
Physical environment			
Capital outlay			
Debt service -			
Principal retirement			
Interest			
Total expenditures	304,000	282,875	21,125
Excess (deficiency) of revenues over (under) expenditures	(80,700)	(53,506)	27,194
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers (out)			
Loan Proceeds			
Sale of capital assets			
Insurance recoveries			
Total other financing sources (uses)	0	0	0
<b>Net change in fund balances</b>	\$ (80,700)	(53,506)	\$ 27,194
<b>Fund balances at beginning of year</b>		136,328	
<b>Fund balances at end of year</b>		\$ 82,822	

(continued)

**CITY OF PENSACOLA, FLORIDA  
SCHEDULES OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL (GAAP BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	CMP Management Services Fund			CMPA O&M Fund		
	Budget	Actual	Variance Positive/ (Negative)	Budget	Actual	Variance Positive/ (Negative)
<b>Revenues:</b>						
Taxes	\$	\$	\$	\$	\$	\$
Licenses and permits						
Intergovernmental						
Charges for services	919,100	826,068	(93,032)	703,900	356,456	(347,444)
Fines and forfeits						
Interest income	100	28	72			
Donations	18,500	18,500	0			
Other	5,200	5,070	(130)	0	627	627
Total revenues	<u>942,900</u>	<u>849,666</u>	<u>(93,090)</u>	<u>703,900</u>	<u>357,083</u>	<u>(346,817)</u>
<b>Expenditures:</b>						
Current -						
General government				1,400,170	542,020	858,150
Public safety						
Transportation						
Culture and recreation	728,165	616,877	111,288			
Economic environment						
Physical environment						
Capital outlay	126,000	62,624	63,376	100,000	100,000	0
Debt service -						
Principal retirement	20,200	0	20,200			
Interest	29,400	9,316	20,084			
Total expenditures	<u>903,765</u>	<u>688,817</u>	<u>214,948</u>	<u>1,500,170</u>	<u>642,020</u>	<u>858,150</u>
Excess (deficiency) of revenues over (under) expenditures	<u>39,135</u>	<u>160,849</u>	<u>121,858</u>	<u>(796,270)</u>	<u>(284,937)</u>	<u>511,333</u>
<b>Other financing sources (uses):</b>						
Transfers in	771,100	743,913	(27,187)	116,500	271,116	154,616
Transfers (out)	(149,135)	(149,135)	0	(51,400)	(21,824)	29,576
Loan Proceeds				100,000	100,000	0
Sale of capital assets						
Insurance recoveries				20,000	20,000	0
Total other financing sources (uses)	<u>621,965</u>	<u>594,778</u>	<u>(27,187)</u>	<u>185,100</u>	<u>369,292</u>	<u>184,192</u>
<b>Net change in fund balances</b>	<u>\$ 661,100</u>	<u>755,627</u>	<u>\$ 94,671</u>	<u>\$ (611,170)</u>	<u>84,355</u>	<u>\$ 695,525</u>
<b>Fund balances at beginning of year</b>		<u>0</u>			<u>(84,355)</u>	
<b>Fund balances at end of year</b>		<u>\$ 755,627</u>			<u>\$ 0</u>	

(continued)

**CITY OF PENSACOLA, FLORIDA  
SCHEDULES OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL (GAAP BASIS)  
NONMAJOR DEBT SERVICE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Local Option Gas Tax Debt Service</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
<b>Revenues:</b>			
Taxes	\$	\$	\$
Licenses and permits			
Intergovernmental			
Charges for services			
Fines and forfeits			
Interest income	5,000	20,275	(15,275)
Donations			
Other			
Total revenues	<u>5,000</u>	<u>20,275</u>	<u>(15,275)</u>
<b>Expenditures:</b>			
Current -			
General government			
Public safety			
Transportation			
Culture and recreation			
Economic environment			
Physical environment			
Capital outlay			
Debt service -			
Principal retirement	1,262,900	271,000	991,900
Interest	242,100	242,003	97
Total expenditures	<u>1,505,000</u>	<u>513,003</u>	<u>991,997</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,500,000)</u>	<u>(492,728)</u>	<u>976,722</u>
<b>Other financing sources (uses):</b>			
Transfers in	1,500,000	1,497,927	2,073
Transfers (out)			
Loan Proceeds			
Sale of capital assets			
Insurance recoveries			
Total other financing sources (uses)	<u>1,500,000</u>	<u>1,497,927</u>	<u>2,073</u>
<b>Net change in fund balances</b>	<u>\$ 0</u>	<u>1,005,199</u>	<u>\$ 978,795</u>
<b>Fund balances at beginning of year</b>		<u>2,129,964</u>	
<b>Fund balances at end of year</b>		<u>\$ 3,135,163</u>	

## **INTERNAL SERVICE FUNDS**

*Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the government on a cost reimbursement basis.*

**General Stock Account** - to account for the cost of operating a central warehouse facility used by other City departments. Material purchases are recovered from the users.

**Insurance Retention Fund** - to account for the City's self-insurance program.

**Central Services Fund** - to account for the operation of the City Mail Room, Management Information Services, Engineering, and City Garage Facilities.

**CITY OF PENSACOLA, FLORIDA**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**SEPTEMBER 30, 2017**

	<u>General Stock Account</u>	<u>Insurance Retention Fund</u>	<u>Central Services Fund</u>	<u>Total</u>
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 14,951	\$ 907,281	\$ 451,160	\$ 1,373,392
Investments	45,771	2,777,454	1,381,132	4,204,357
Accounts receivable (net)		1,124,925		1,124,925
Due from other funds		193,601		193,601
Due from other governments		113,656		113,656
Prepaid expenses		16,413	31,078	47,491
Inventory	802,648			802,648
Total current assets	<u>863,370</u>	<u>5,133,330</u>	<u>1,863,370</u>	<u>7,860,070</u>
<b>Noncurrent assets:</b>				
Prepaid expense		200,000		200,000
Advances to other funds		411,036		411,036
<b>Restricted assets</b>				
Cash and cash equivalents		921,249		921,249
Investments		2,820,208		2,820,208
<b>Capital assets</b>				
Depreciable (net)			1,970,432	1,970,432
Total noncurrent assets	<u>0</u>	<u>4,352,493</u>	<u>1,970,432</u>	<u>6,322,925</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred pension		243,927	1,440,114	1,684,041
Total deferred outflows of resources	<u>0</u>	<u>243,927</u>	<u>1,440,114</u>	<u>1,684,041</u>
<b>Total assets and deferred outflows</b>	<u>\$ 863,370</u>	<u>\$ 9,729,750</u>	<u>\$ 5,273,916</u>	<u>\$ 15,867,036</u>
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Accounts payable	\$	\$ 62,322	\$ 26,761	\$ 89,083
Contracts payable		20,008		20,008
Due to other funds		6,316	44,662	50,978
Deposits		7,481		7,481
Total current liabilities	<u>0</u>	<u>96,127</u>	<u>71,423</u>	<u>167,550</u>
<b>Noncurrent liabilities:</b>				
Compensated absences payable		7,102	206,297	213,399
Advances from other funds			1,557	1,557
Claims and judgments payable		2,538,710		2,538,710
Net OPEB obligation		89,262	737,898	827,160
Net pension liability		735,947	4,487,719	5,223,666
Total noncurrent liabilities	<u>0</u>	<u>3,371,021</u>	<u>5,433,471</u>	<u>8,804,492</u>
Total liabilities	<u>0</u>	<u>3,467,148</u>	<u>5,504,894</u>	<u>8,972,042</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred pension		17,133	91,937	109,070
Total deferred inflows of resources	<u>0</u>	<u>17,133</u>	<u>91,937</u>	<u>109,070</u>
<b>NET POSITION</b>				
Net investment in capital assets			1,970,432	1,970,432
Unrestricted	863,370	6,245,469	(2,293,347)	4,815,492
Total net position	<u>863,370</u>	<u>6,245,469</u>	<u>(322,915)</u>	<u>6,785,924</u>
<b>Total liabilities and net position</b>	<u>\$ 863,370</u>	<u>\$ 9,729,750</u>	<u>\$ 5,273,916</u>	<u>\$ 15,867,036</u>

**CITY OF PENSACOLA, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<b>General Stock Account</b>	<b>Insurance Retention Fund</b>	<b>Central Services Fund</b>	<b>Total</b>
<b>Operating revenues:</b>				
Charges for services	\$	\$	\$ 4,646,069	\$ 4,646,069
Health		9,334,420		9,334,420
Dental		273,583		273,583
Vision		45,257		45,257
Life		253,866		253,866
Survivor disability		250,230		250,230
Liability		5,298,817		5,298,817
Other		272,222	3,978	276,200
Total operating revenues	<u>0</u>	<u>15,728,395</u>	<u>4,650,047</u>	<u>20,378,442</u>
<b>Operating expenses:</b>				
Salaries and employee benefits		462,368	2,856,582	3,318,950
Materials and supplies		6,658	110,762	117,420
Repairs and maintenance		3,047	100,359	103,406
Contractual services		181,184	881,547	1,062,731
Office and utilities		34,338	319,237	353,575
Premiums and claims expense -				
General liability		3,432,797		3,432,797
Workmen's compensation		1,694,845		1,694,845
Auto		108,119		108,119
Health		9,034,360		9,034,360
Dental		276,454		276,454
Vision		45,695		45,695
Life		251,782		251,782
Survivor disability		197,425		197,425
Total operating expenses before depreciation	<u>0</u>	<u>15,729,072</u>	<u>4,268,487</u>	<u>19,997,559</u>
Operating income (loss) before depreciation	<u>0</u>	<u>(677)</u>	<u>381,560</u>	<u>380,883</u>
Depreciation			393,741	393,741
<b>Operating income (loss)</b>	<u>0</u>	<u>(677)</u>	<u>(12,181)</u>	<u>(12,858)</u>
<b>Nonoperating revenues (expenses):</b>				
Investment interest		60,113	14,275	74,388
Interest expense			(1,682)	(1,682)
Gain (loss) on disposal of capital assets			8,916	8,916
Total nonoperating revenues (expenses)	<u>0</u>	<u>60,113</u>	<u>21,509</u>	<u>81,622</u>
Income (loss) before transfers:	<u>0</u>	<u>59,436</u>	<u>9,328</u>	<u>68,764</u>
<b>Transfers:</b>				
Transfers in (out)	200,000	(1,121,082)	(388,014)	(1,309,096)
Total transfers	<u>200,000</u>	<u>(1,121,082)</u>	<u>(388,014)</u>	<u>(1,309,096)</u>
<b>Change in net position</b>	<u>200,000</u>	<u>(1,061,646)</u>	<u>(378,686)</u>	<u>(1,240,332)</u>
<b>Net position at beginning of year</b>	<u>663,370</u>	<u>7,307,115</u>	<u>55,771</u>	<u>8,026,256</u>
<b>Net position at end of year</b>	<u>\$ 863,370</u>	<u>\$ 6,245,469</u>	<u>\$ (322,915)</u>	<u>\$ 6,785,924</u>

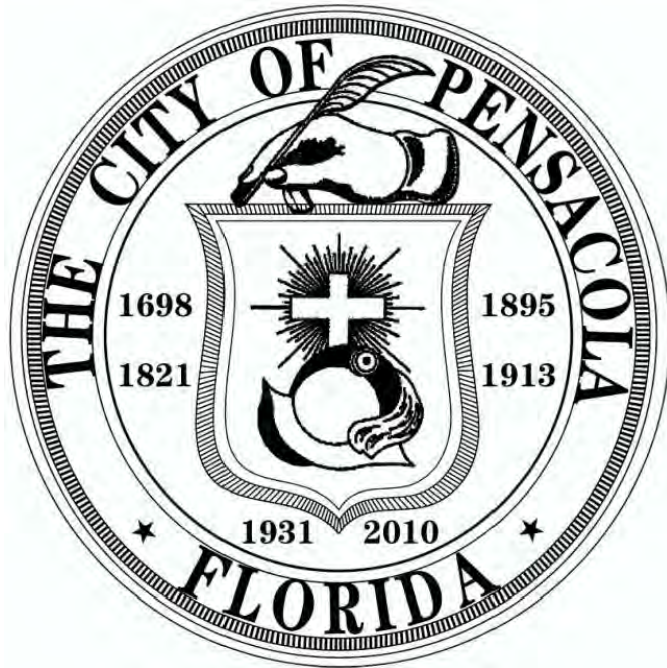
**CITY OF PENSACOLA, FLORIDA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>General Stock Account</u>	<u>Insurance Retention Fund</u>	<u>Central Services Fund</u>	<u>Total</u>
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$	\$ 11,215,723	\$ 4,650,047	\$ 15,865,770
Cash received from other funds		4,631,563		4,631,563
Cash payments to suppliers for goods and services	(150,228)	(14,738,544)	(1,392,339)	(16,281,111)
Cash payments to employees for services		(556,383)	(2,809,349)	(3,365,732)
Net cash provided by (used for) operating activities	<u>(150,228)</u>	<u>552,359</u>	<u>448,359</u>	<u>850,490</u>
<b>Cash flows from noncapital financing activities:</b>				
Advance from (to) other funds		520,272	(10,107)	510,165
Net transfers	200,000	(1,121,082)	(388,014)	(1,309,096)
Net cash provided by (used for) noncapital financing activities	<u>200,000</u>	<u>(600,810)</u>	<u>(398,121)</u>	<u>(798,931)</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets			(177,637)	(177,637)
Proceeds from sale of assets			8,916	8,916
Principal payments under capital lease obligation			(39,999)	(39,999)
Interest paid on capital lease obligations			(1,682)	(1,682)
Net cash provided by (used for) capital and related financing activities	<u>0</u>	<u>0</u>	<u>(210,402)</u>	<u>(210,402)</u>
<b>Cash flows from investing activities:</b>				
Purchase of investments	(45,771)	(5,597,662)	(1,381,132)	(7,024,565)
Sale of investments	7,656	5,184,270	1,383,153	6,575,079
Interest on investments		60,113	14,275	74,388
Net cash provided by (used for) investing activities	<u>(38,115)</u>	<u>(353,279)</u>	<u>16,296</u>	<u>(375,098)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>11,657</u>	<u>(401,730)</u>	<u>(143,868)</u>	<u>(533,941)</u>
<b>Cash and cash equivalents at beginning of year</b>	<u>3,294</u>	<u>2,230,260</u>	<u>595,028</u>	<u>2,828,582</u>
<b>Cash and cash equivalents of end of year</b>	<u>\$ 14,951</u>	<u>\$ 1,828,530</u>	<u>\$ 451,160</u>	<u>\$ 2,294,641</u>

**CITY OF PENSACOLA, FLORIDA  
COMBINING STATEMENT OF CASH FLOWS  
RECONCILIATION OF OPERATING INCOME TO NET CASH  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>General Stock Account</u>	<u>Insurance Retention Fund</u>	<u>Central Services Fund</u>	<u>Total</u>
<b>Operating income (loss)</b>	\$	\$ (677)	\$ (12,181)	\$ (12,858)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b>				
Depreciation			393,741	393,741
<b>Change in assets and liabilities:</b>				
(Increase) decrease in accounts receivable		76,861		76,861
(Increase) decrease in inventory	(150,228)			(150,228)
(Increase) decrease in due from other funds		36,997		36,997
(Increase) decrease in due from other governments		(113,656)		(113,656)
(Increase) decrease in prepaid expenses		1,018	2,879	3,897
Increase (decrease) in accounts payable		(108,112)	16,687	(91,425)
Increase (decrease) in contracts payable		8,025	(45,537)	(37,512)
Increase (decrease) in due to other funds		(699)	(11,312)	(12,011)
Increase (decrease) in deposits		5,033		5,033
Increase (decrease) in claims and judgments		627,229		627,229
Increase (decrease) in compensated absences		146	(12,106)	(11,960)
Increase (decrease) in net OPEB obligation		9,218	59,089	68,307
Increase (decrease) in net pension liability		10,976	57,099	68,075
<b>Net cash provided by (used for) operating activities</b>	<u>\$ (150,228)</u>	<u>\$ 552,359</u>	<u>\$ 448,359</u>	<u>\$ 850,490</u>





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## **FIDUCIARY FUNDS**

*Fiduciary funds are trust funds used to account for assets held by the City in a trustee capacity for individuals, other governmental units and/or other funds.*

### **PENSION TRUST FUNDS**

*Pension Trust Funds account for financial operations of the City's three pension plans.*

**General Pension and Retirement Fund** – to account for the accumulation of resources to be used for pension and retirement payments for substantially all City employees except for those in the Fire and Police Pension Funds. Resources are contributed by employees and the City at actuarially determined rates. On June 18, 2007 the City's General Pension and Retirement Plan was closed to all new employees. Existing participants were given the option to participate in the Florida Retirement System or remain in the City's General Pension and Retirement Plan.

**Firemen's Relief and Pension Fund** – to account for the accumulation of resources to be used for pension and retirement payments for all firefighters. Resources are contributed by employees and the City at actuarially determined rates.

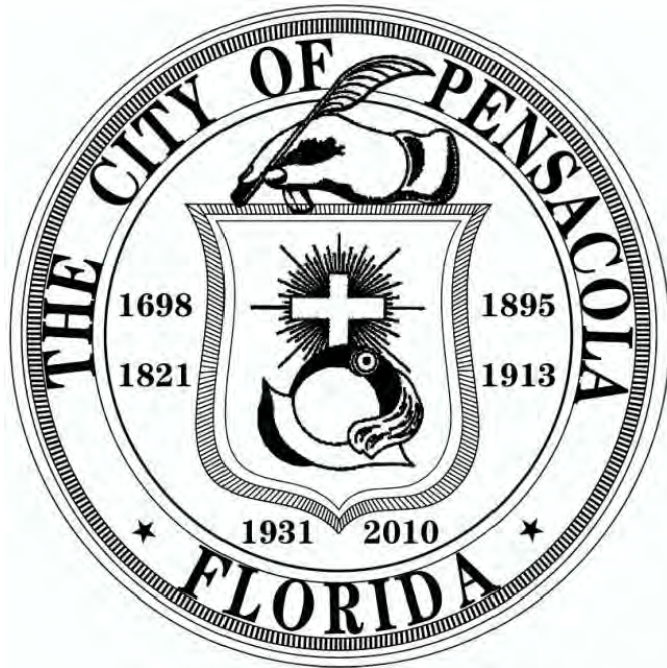
**Police Officer's Retirement Fund** – to account for the accumulation of resources to be used for pension and retirement payments for all police officers. Resources are contributed by employees and the City at actuarially determined rates. On January 1, 2013 the City's Police Officers' Retirement Fund was closed to all new employees. Existing participants were given the option to participate in the Florida Retirement System or remain in the City's Police Officers' Retirement Fund.

**CITY OF PENSACOLA, FLORIDA**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2017**

	<b>General Pension and Retirement Fund</b>	<b>Firefighter's Relief and Pension Fund</b>	<b>Police Officers' Retirement Fund</b>	<b>Total Pension Trust Funds</b>
<b>ASSETS</b>				
Other cash	\$ 41,326	\$ 169,414	\$ 52,649	\$ 263,389
<b>Receivables:</b>				
Employer	116	88	4,165	4,369
Employee	6,030	9,249	1,368	16,647
Due from other governments		9,650		9,650
Total receivables	6,146	18,987	5,533	30,666
<b>Investments :</b>				
Short term investments	2,949,468	2,080,867	1,219,770	6,250,105
Debt Securities & Bond Mutual Funds	27,244,147	24,631,492	24,192,784	76,068,423
Convertible Corporate Bonds	8,589,485	10,440,964		19,030,449
Stock Mutual Funds	25,385,608	13,103,123		38,488,731
Mortgage Backed Securities	22,429,071	12,939,449	12,691,740	48,060,260
Commingled Trust Fund	342,444	7,056,254		7,398,698
Domestic Stocks	49,646,331	45,724,042	40,770,878	136,141,251
Preferred Stocks	1,968,249	2,439,948		4,408,197
Foreign Stocks	4,324,025	2,599,949	15,190,408	22,114,382
Total investments	142,878,828	121,016,088	94,065,580	357,960,496
<b>Total assets</b>	\$ 142,926,300	\$ 121,204,489	\$ 94,123,762	\$ 358,254,551
<b>LIABILITIES</b>				
Accounts payable	\$ 436,830	\$ 578,583	\$ 506,302	\$ 1,521,715
Total liabilities	436,830	578,583	506,302	1,521,715
<b>NET POSITION</b>				
Restricted for pension benefits	\$ 142,489,470	\$ 120,625,906	\$ 93,617,460	\$ 356,732,836

**CITY OF PENSACOLA, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<b>General Pension and Retirement Fund</b>	<b>Firefighter's Relief and Pension Fund</b>	<b>Police Officers' Retirement Fund</b>	<b>Total Pension Trust Funds</b>
<b>Additions:</b>				
Contributions - city	\$ 6,788,208	\$ 1,797,885	\$ 4,331,190	\$ 12,917,283
Contributions - employee	341,314	449,131	218,457	1,008,902
Contributions - employee buy back			41,367	41,367
Commission recapture	7,885	5,236	2,826	15,947
Insurance proceeds - State of Florida		538,660	542,277	1,080,937
Other		81,471		81,471
Total contributions	<u>7,137,407</u>	<u>2,872,383</u>	<u>5,136,117</u>	<u>15,145,907</u>
Investment income				
Net appreciation				
in fair value of investments	12,347,841	10,016,623	9,938,240	32,302,704
Interest and dividends	3,313,059	3,194,529	1,990,946	8,498,534
	<u>15,660,900</u>	<u>13,211,152</u>	<u>11,929,186</u>	<u>40,801,238</u>
Less investment expense	704,920	668,419	352,207	1,725,546
Net investment income	<u>14,955,980</u>	<u>12,542,733</u>	<u>11,576,979</u>	<u>39,075,692</u>
Total additions	<u>22,093,387</u>	<u>15,415,116</u>	<u>16,713,096</u>	<u>54,221,599</u>
<b>Deductions:</b>				
Pensions paid - employees	10,637,897	6,261,216	5,144,236	22,043,349
Pensions paid - widows	1,970,625	935,097	611,923	3,517,645
Pensions paid - children		6,452		6,452
Refunds to employees		40,394	6,366	46,760
Deferred retirement option plan	1,594,694	1,268,494	2,992,548	5,855,736
Health insurance assistance	126,812			126,812
Administrative expenses	139,030	139,286	81,132	359,448
Total deductions	<u>14,469,058</u>	<u>8,650,939</u>	<u>8,836,205</u>	<u>31,956,202</u>
<b>Change in net position</b>	7,624,329	6,764,177	7,876,891	22,265,397
<b>Net position restricted for pension benefits:</b>				
<b>Beginning of year</b>	<u>134,865,141</u>	<u>113,861,729</u>	<u>85,740,569</u>	<u>334,467,439</u>
<b>End of year</b>	\$ <u>142,489,470</u>	\$ <u>120,625,906</u>	\$ <u>93,617,460</u>	\$ <u>356,732,836</u>



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## STATISTICAL SECTION

This part of the City of Pensacola's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

**Financial Trends** - These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.

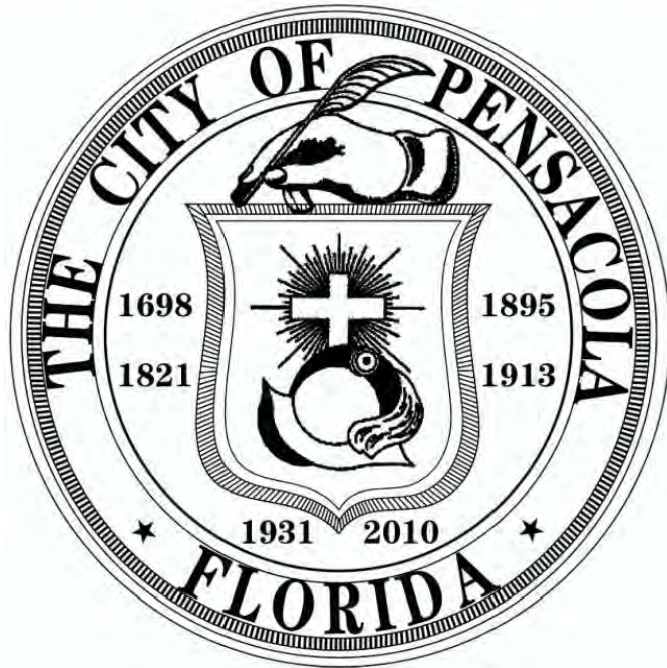
**Revenue Capacity** - These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property, sales taxes, and utility revenue.

**Debt Capacity** - These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future. Note the city has no general obligation debt.

**Demographic and Economic Information** - These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make a comparison over time and with other governments.

**Operating Information** - These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.

*Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.*



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**FINANCIAL TRENDS**



**CITY OF PENSACOLA, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
*(accrual basis of accounting)*

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>										
Governmental activities:										
General Government	\$ 13,028,271	\$ 10,607,815	\$ 10,056,862	\$ 12,035,379	\$ 30,598,069	(c) \$ 11,030,982	\$ 10,140,686	\$ 11,459,325	\$ 10,675,142	\$ 13,421,994
Public safety	31,837,050	31,494,450	30,887,727	29,982,610	30,960,121	30,934,597	33,276,740	31,187,510	32,478,560	41,001,683
Transportation	4,515,948	2,837,201	2,751,634	2,665,702	2,992,464	2,679,732	2,942,516	3,205,374	4,051,784	2,896,355
Culture and recreation	13,463,182	14,140,256	15,355,160	15,084,355	18,824,265	18,544,968	12,968,344	14,030,560	13,467,494	13,651,877
Economic environment	13,772,416	14,502,662	14,792,350	14,902,876	13,780,462	14,808,193	13,876,714	16,362,079	16,502,619	17,947,509
Physical environment	3,037,313	3,151,470	2,965,146	2,589,177	2,893,391	2,855,920	4,922,313	5,470,198	3,146,051	4,218,895
Human services	115,000	94,200	51,900	37,100	30,000	30,000	30,000	30,000	30,000	30,000
Unallocated depreciation	1,700,181	2,162,409	2,541,975	2,806,602	3,028,787	3,316,233	3,418,471	3,592,828	3,898,568	4,139,867
Interest on long-term debt	1,272,372	769,278	2,923,782	3,971,769	3,712,342	5,397,074	(d) 5,272,532	5,091,611	5,139,876	4,514,339
Total governmental activities expenses	<u>82,741,733</u>	<u>79,759,741</u>	<u>82,326,536</u>	<u>84,075,570</u>	<u>106,819,901</u>	<u>89,597,699</u>	<u>86,848,316</u>	<u>90,429,485</u>	<u>89,390,094</u>	<u>101,822,519</u>
Business-type activities:										
Utility	46,166,828	39,206,068	35,002,074	31,570,293	25,338,365	28,928,155	33,899,904	30,526,216	31,136,870	33,575,070
Sanitation	6,463,890	6,873,786	6,097,312	5,975,566	6,179,795	6,096,488	6,636,126	6,115,820	6,883,649	7,385,517
Port	2,828,158	2,667,098	2,774,460	2,675,500	2,633,916	2,628,491	2,646,153	2,609,159	2,601,580	2,869,779
Airport	18,964,646	22,709,226	25,169,494	24,710,561	26,110,733	25,093,721	24,331,152	23,833,660	25,085,705	25,102,535
Total business-type activities expenses	<u>74,423,522</u>	<u>71,456,178</u>	<u>69,043,340</u>	<u>64,931,920</u>	<u>60,262,809</u>	<u>62,746,855</u>	<u>67,513,335</u>	<u>63,084,855</u>	<u>65,707,804</u>	<u>68,932,901</u>
Total primary government expenses	<u>\$ 157,165,255</u>	<u>\$ 151,215,919</u>	<u>\$ 151,369,876</u>	<u>\$ 149,007,490</u>	<u>\$ 167,082,710</u>	<u>\$ 152,344,554</u>	<u>\$ 154,361,651</u>	<u>\$ 153,514,340</u>	<u>\$ 155,097,898</u>	<u>\$ 170,755,420</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for Services:										
General Government	\$ 294,520	\$ 335,438	\$ 347,218	\$ 439,138	\$ 493,530	\$ 526,039	\$ 679,868	\$ 538,272	\$ 540,401	\$ 492,954
Public safety	2,069,778	1,728,932	1,941,582	1,601,919	1,901,310	1,903,583	2,308,840	2,304,786	2,165,304	2,434,239
Transportation	729,613	697,453	489,382	419,876	543,851	538,138	619,630	636,372	722,452	808,801
Culture and recreation	1,320,242	1,391,241	1,762,428	1,729,823	2,387,544	3,192,352	2,763,580	2,817,702	3,064,679	2,996,558
Physical environment	1,913,284	1,899,385	2,170,463	1,899,162	2,543,121	2,498,829	2,619,208	2,609,127	2,785,085	2,713,930
Operating grants and contributions (b)	17,310,191	19,475,151	22,751,256	22,521,356	18,674,020	20,526,485	15,686,464	19,435,541	20,937,879	20,751,603
Capital grants and contributions	6,834,357	8,169,629	4,335,871	7,287,874	6,880,444	3,438,904	4,522,447	9,770,999	5,240,998	5,952,566
Total governmental activities program revenues	<u>30,471,985</u>	<u>33,697,229</u>	<u>33,798,200</u>	<u>35,899,148</u>	<u>33,423,820</u>	<u>32,624,330</u>	<u>29,200,037</u>	<u>38,112,799</u>	<u>35,456,798</u>	<u>36,150,651</u>
Business-type activities:										
Charges for Services										
Utility	57,557,864	47,673,400	45,493,419	39,154,943	36,900,749	42,891,258	49,170,177	45,466,269	43,278,297	44,741,994
Sanitation	6,699,149	6,366,664	6,165,903	6,221,178	6,838,663	6,948,353	6,989,558	7,060,514	7,084,148	7,190,675
Port	1,801,002	1,242,839	1,803,407	1,894,871	2,401,744	1,808,200	1,906,423	1,900,212	1,609,280	1,058,964
Airport	17,696,841	14,972,720	16,642,691	18,188,649	17,996,001	18,729,817	18,915,396	21,073,261	21,887,992	21,638,635
Operating grants and contributions										
Capital grants and contributions	6,196,139	15,055,919	13,791,291	5,392,337	7,834,262	13,462,418	6,076,663	8,685,517	12,843,595	28,704,147
Total business-type activities program revenues	<u>89,950,995</u>	<u>85,311,542</u>	<u>83,896,711</u>	<u>70,851,978</u>	<u>71,971,419</u>	<u>83,840,046</u>	<u>83,058,217</u>	<u>84,185,773</u>	<u>86,703,312</u>	<u>103,334,415</u>
Total primary government program revenues	<u>\$ 120,422,980</u>	<u>\$ 119,008,771</u>	<u>\$ 117,694,911</u>	<u>\$ 106,751,126</u>	<u>\$ 105,395,239</u>	<u>\$ 116,464,376</u>	<u>\$ 112,258,254</u>	<u>\$ 122,298,572</u>	<u>\$ 122,160,110</u>	<u>\$ 139,485,066</u>

**CITY OF PENSACOLA, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
*(accrual basis of accounting)*

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (52,269,748)	\$ (46,062,512)	\$ (48,528,336)	\$ (48,176,422)	\$ (73,396,081)	\$ (56,973,369)	\$ (57,648,279)	\$ (52,316,686)	\$ (53,933,296)	\$ (65,671,868)
Business-type activities	15,527,473	13,855,364	14,853,371	5,920,058	11,708,610	21,093,191	15,544,882	21,100,918	20,995,508	34,401,514
Total primary government net expenses	\$ (36,742,275)	\$ (32,207,148)	\$ (33,674,965)	\$ (42,256,364)	\$ (61,687,471)	\$ (35,880,178)	\$ (42,103,397)	\$ (31,215,768)	\$ (32,937,788)	\$ (31,270,354)
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental activities:										
Taxes:										
Property taxes (b)	\$ 14,963,002	\$ 13,990,633	\$ 13,686,629	\$ 13,318,749	\$ 12,311,601	\$ 12,096,544	\$ 12,232,594	\$ 12,728,973	\$ 13,312,773	\$ 13,781,024
Public service taxes and franchise fees	13,268,556	13,999,030	14,996,638	15,093,190	14,252,846	14,160,542	15,720,253	16,339,157	16,000,690	16,092,524
Communication services tax	4,025,970	3,738,973	3,795,244	3,675,699	3,600,306	3,468,827	3,115,591	3,026,561	3,127,266	2,853,565
Local business tax (a)	940,673	895,570	923,457	904,327	885,161	902,106	917,179	909,057	914,773	902,333
Local option gasoline tax	1,612,704	1,605,605	1,610,128	1,569,013	1,557,013	1,524,736	1,553,809	1,541,616	1,585,310	1,353,590
Local option sales tax (b)	6,550,530	5,976,299	5,866,075	6,323,106	6,401,758	6,665,836	7,015,227	7,337,154	7,662,504	7,881,842
Contribution from other governments										
Intergovernmental revenues (b)	6,190,954	5,807,740	5,769,127	6,054,345	6,123,014	6,368,742	6,502,204	6,719,109	6,846,265	6,999,518
Unrestricted investment earnings (b)	2,177,667	1,349,471	700,726	1,928,271	1,948,024	1,918,865	1,902,728	1,939,068	2,026,216	1,780,315
Insurance recoveries	1,033,232									
Donation of capital assets										
Miscellaneous	27,872	34,364	38,267	71,951	32,315	20,547	41,068	4,872	14,316	139,669
Net gain (loss) on sale of asset					105,387	87,400	71,972	56,851		1,496,281
Gain (loss) on impairment of asset - Hurricane Ivan										
Special Item							(1,306,106)	5,351,922 (e)		14,266,276 (f)
Transfers	11,344,453	8,000,000	4,905,778	8,140,626	8,000,000	8,000,000	8,206,788	8,070,459	8,000,000	8,000,000
Overhead transfers	3,683,400	2,429,800	2,267,700	2,219,700	2,366,900	2,094,600	2,372,500	2,376,600	2,355,500	2,458,900
Total governmental activities	65,819,013	57,827,485	54,559,769	59,298,977	57,584,325	57,308,745	58,345,807	66,401,399	61,845,613	78,005,837
Business-type activities:										
Unrestricted investment earnings	999,959	1,235,552	267,732	31,993	42,597	106,780	121,682	170,836	215,216	467,169
Insurance recoveries	651,416									
Donation of capital assets										
Miscellaneous	269,834	309,576	327,094	350,963	392,351	371,655	373,481	511,037	424,772	919,630
Net gain (loss) on sale of asset					66,358	2,000	43,870	19,196		64,870
Gain (loss) on impairment of asset - Hurricane Ivan										
Special Item						470,000				
Transfers	(11,344,453)	(8,000,000)	(4,905,778)	(8,140,626)	(8,000,000)	(8,000,000)	(8,206,788)	(8,070,459)	(8,000,000)	(8,000,000)
Overhead transfers	(3,683,400)	(2,429,800)	(2,267,700)	(2,219,700)	(2,366,900)	(2,094,600)	(2,372,500)	(2,376,600)	(2,355,500)	(2,458,900)
Total business-type activities	(13,106,644)	(8,884,672)	(6,578,652)	(9,977,370)	(9,865,594)	(9,144,165)	(10,040,255)	(9,745,990)	(9,715,512)	(9,007,231)
Total primary government	\$ 52,712,369	\$ 48,942,813	\$ 47,981,117	\$ 49,321,607	\$ 47,718,731	\$ 48,164,580	\$ 48,305,552	\$ 56,655,409	\$ 52,130,101	\$ 68,998,606
<b>Change in Net Position</b>										
Governmental activities	\$ 13,549,265	\$ 11,764,973	\$ 6,031,433	\$ 11,122,555	\$ (15,811,756)	\$ 335,376	\$ 697,528	\$ 14,084,713	\$ 7,912,317	\$ 12,333,969
Business-type activities	2,420,829	4,970,692	8,274,719	(4,057,312)	1,843,016	11,949,026	5,504,627	11,354,928	11,279,996	25,394,283
Total primary government	\$ 15,970,094	\$ 16,735,665	\$ 14,306,152	\$ 7,065,243	\$ (13,968,740)	\$ 12,284,402	\$ 6,202,155	\$ 25,439,641	\$ 19,192,313	\$ 37,728,252

**Notes:** (a) In FY07, the Uniform Accounting System Manual changed how local governments recorded the local business tax. Prior to FY07, the tax was classified as a licenses and in FY07 the tax is classified as a tax, moving it from general government charges for services to general government taxes.  
(b) 2007 and prior have been restated, where noted, to reflect only those revenues which should be reported in each category.  
(c) In FY 12, the City made a one time \$19.5 million contribution to ECUA for Main Steet Waste Water Treatment Plant Relocation Project.  
(d) In FY 13, CMPA Construction Fund interest was included into governmental activities due to GASB No. 65 implementation.  
(e) In FY 15, BP claim was settled for the BP Deep Horizon Oil Spill in 2010 and the City was awarded \$5,351,922  
(f) In FY 17, the City cancelled the \$54,079,902 loan the CTA Investment Fund, LLC made to CMPA and the loan the City made to CTA Investment Fund, LLC which resulted in a net gain to the City of \$14,266,276.

**CITY OF PENSACOLA, FLORIDA**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
*(accrual basis of accounting)*

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015 (b)	2016	2017
Governmental activities										
Net investment in capital assets	\$ 117,973,303	\$ 139,118,040	\$ 145,873,745	\$ 160,201,917	\$ 170,014,519	174,961,171	\$ 175,446,759	\$ 173,000,255	\$ 163,348,312	\$ 190,491,657
Restricted	37,093,415	30,099,551	28,019,701	27,931,083	20,560,416	17,644,779	16,283,438	27,838,599	35,352,306	29,751,412
Unrestricted	15,535,349	13,149,449	14,505,027	11,388,028	(6,865,663) (a)	(8,838,200)	(7,264,919)	(63,328,173)	(53,277,620)	(62,486,102)
Total governmental activities net position	<u>\$ 170,602,067</u>	<u>\$ 182,367,040</u>	<u>\$ 188,398,473</u>	<u>\$ 199,521,028</u>	<u>\$ 183,709,272</u>	<u>183,767,750</u>	<u>\$ 184,465,278</u>	<u>\$ 137,510,681</u>	<u>\$ 145,422,998</u>	<u>\$ 157,756,967</u>
Business-type activities										
Net investment in capital assets	\$ 90,891,929	\$ 125,156,505	\$ 131,503,050	\$ 135,686,653	\$ 132,621,897	133,809,955	\$ 131,081,295	\$ 135,878,607	\$ 142,842,026	\$ 168,168,989
Restricted	5,700,402	9,638,870	8,734,350	8,791,433	8,800,733	8,833,733	8,703,100	9,904,200	9,956,165	10,497,398
Unrestricted	50,074,594	16,781,105	19,613,799	11,315,801	16,214,273	25,949,463	34,313,383	20,040,759	24,305,371	23,831,458
Total business-type activities net position	<u>\$ 146,666,925</u>	<u>\$ 151,576,480</u>	<u>\$ 159,851,199</u>	<u>\$ 155,793,887</u>	<u>\$ 157,636,903</u>	<u>168,593,151</u>	<u>\$ 174,097,778</u>	<u>\$ 165,823,566</u>	<u>\$ 177,103,562</u>	<u>\$ 202,497,845</u>
Primary government										
Net investment in capital assets	\$ 208,865,232	\$ 264,274,545	\$ 277,376,795	\$ 295,888,570	\$ 302,636,416	308,771,126	\$ 306,528,054	\$ 308,878,862	\$ 306,190,338	\$ 358,660,646
Restricted	42,793,817	39,738,421	36,754,051	36,722,516	29,361,149	26,478,512	24,986,538	37,742,799	45,308,471	40,248,810
Unrestricted	65,609,943	29,930,554	34,118,826	22,703,829	9,348,610	17,111,263	27,048,464	(43,287,414)	(28,972,249)	(38,654,644)
Total primary government net position	<u>\$ 317,268,992</u>	<u>\$ 333,943,520</u>	<u>\$ 348,249,672</u>	<u>\$ 355,314,915</u>	<u>\$ 341,346,175</u>	<u>352,360,901</u>	<u>\$ 358,563,056</u>	<u>\$ 303,334,247</u>	<u>\$ 322,526,560</u>	<u>\$ 360,254,812</u>

**Notes:** (a) In FY12, the City made a one time \$19.5 million contribution to ECUA for Main Steet Waste Water Treatment Plant Relocation Project.

(b) The City implemented GASB Statement 68 in fiscal year 2015.

**CITY OF PENSACOLA, FLORIDA**  
**PROGRAM REVENUES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
*(accrual basis of accounting)*

Function/Programs	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Governmental activities:</b>										
General government	\$ 3,891,303	\$ 3,734,253	\$ 3,153,786	\$ 3,042,474	\$ 7,713,091	\$ 3,003,380	\$ 3,153,436	\$ 3,283,833	\$ 3,427,107	\$ 3,700,398
Public safety	2,497,330	1,903,690	2,764,575	3,727,640	2,580,263	3,367,697	3,328,936	2,484,036	2,349,489	2,666,971
Transportation	821,374	746,254	1,011,626	801,324	793,491	538,138	859,734	2,807,030	1,911,016	808,801
Culture and recreation	9,093,754	11,596,641	7,558,660	9,447,660	7,145,440	8,091,572	4,990,080	6,822,539	5,076,963	4,168,728
Economic environment	11,510,064	12,839,011	16,784,456	16,263,534	12,418,071	14,930,338	13,503,294	16,793,245	17,147,764	17,850,657
Physical environment	2,658,160	2,877,380	2,525,097	2,616,516	2,773,464	2,693,205	3,364,557	5,922,116	5,544,459	6,955,096
Human services										
<b>Total governmental activities</b>	<u>30,471,985</u>	<u>33,697,229</u>	<u>33,798,200</u>	<u>35,899,148</u>	<u>33,423,820</u>	<u>32,624,330</u>	<u>29,200,037</u>	<u>38,112,799</u>	<u>35,456,798</u>	<u>36,150,651</u>
<b>Business-type activities:</b>										
Utility	57,557,864	47,673,400	45,501,820	39,281,504	38,054,431	42,987,116	49,387,343	45,939,470	43,761,940	45,297,295
Sanitation	6,699,149	6,366,664	6,165,903	6,232,698	6,838,663	7,014,670	6,989,558	7,074,746	7,084,148	7,192,089
Port	1,904,284	2,222,280	1,828,028	2,068,779	2,586,212	2,532,976	2,026,744	2,108,450	2,457,376	2,753,554
Airport	23,789,698	29,049,198	30,400,960	23,268,997	24,492,113	31,305,284	24,654,572	29,063,107	33,399,848	48,091,477
<b>Total business-type activities</b>	<u>89,950,995</u>	<u>85,311,542</u>	<u>83,896,711</u>	<u>70,851,978</u>	<u>71,971,419</u>	<u>83,840,046</u>	<u>83,058,217</u>	<u>84,185,773</u>	<u>86,703,312</u>	<u>103,334,415</u>
<b>Total primary government</b>	<u>\$ 120,422,980</u>	<u>\$ 119,008,771</u>	<u>\$ 117,694,911</u>	<u>\$ 106,751,126</u>	<u>\$ 105,395,239</u>	<u>\$ 116,464,376</u>	<u>\$ 112,258,254</u>	<u>\$ 122,298,572</u>	<u>\$ 122,160,110</u>	<u>\$ 139,485,066</u>

**CITY OF PENSACOLA, FLORIDA**  
**FUND BALANCE, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
*(modified accrual basis of accounting)*

		<b>Pre-GASB 54 Fiscal Year</b>									
		<u>2008</u>	<u>2009</u>	<u>2010</u>							
General Fund											
Reserved	\$	926,095	\$ 1,332,323	\$ 1,277,400							
Unreserved		9,803,661	9,906,638	9,955,633							
Total General Fund	\$	<u>10,729,756</u>	<u>11,238,961</u>	<u>11,233,033</u>							
All Other Governmental Funds											
Reserved	\$	15,596,086	\$ 13,634,480	\$ 56,167,571	(a)						
Unreserved, reported in:											
Special revenue funds		11,553,673	9,091,855	8,460,053							
Capital projects funds		10,935,750	7,359,785	11,024,056							
Debt service funds		215,413	218,249	1,491,223							
Total all other governmental funds	\$	<u>38,300,922</u>	<u>30,304,369</u>	<u>77,142,903</u>							
		<b>Post-GASB 54 Fiscal Year</b>									
		<u>2011 (d)</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>			
General Fund											
Non-spendable	\$	12,617	\$ 24,780	\$ 33,976	(b)	\$ 37,491	\$ 31,016	\$ 28,729	\$ 23,339		
Restricted		544,198	428,618	381,561		447,395	632,697	665,283	891,857		
Committed		8,388,656	8,399,115	8,654,687		8,816,950	9,210,488	10,143,175	11,694,280		
Assigned		1,019,104	2,187,305	2,196,081		2,986,393	2,761,806	2,640,289	2,692,973		
Unassigned		1,309,029	1,100,516	1,167,855		1,110,671	1,102,141	1,128,736	1,721,705		
Total General Fund	\$	<u>11,273,604</u>	<u>12,140,334</u>	<u>12,434,160</u>		<u>13,398,900</u>	<u>13,738,148</u>	<u>14,606,212</u>	<u>17,024,154</u>		
All Other Governmental Funds											
Non-spendable	\$	459,554	\$ 3,163,567	\$ 7,661,628		\$ 3,770,589	\$ 7,510,198	\$ 3,437,808	\$ 3,519,866		
Restricted		71,421,175	66,544,108	58,187,514		57,319,028	58,928,951	75,306,214	(c)	38,838,782	
Committed		3,650,217	4,207,674	3,047,291		3,695,188	5,760,423	6,525,521		5,888,016	
Assigned		5,764	6,858	8,102		715,949	3,137,792	1,712,813		867,343	
Unassigned		(980,662)	(6,082,300)	(7,778,573)		(6,974,974)	(7,341,255)	(6,642,268)		(8,547,881)	
Total all other governmental funds	\$	<u>74,556,048</u>	<u>67,839,907</u>	<u>61,125,962</u>		<u>58,525,780</u>	<u>67,996,109</u>	<u>80,340,088</u>		<u>40,566,126</u>	

**Notes:** (a) Increase in fund balance reserves is related to the combination of the 2009 Redevelopment Revenue Bonds and subsequent loan to the Community Maritime Park Associate, Inc.  
(b) Increase in non-spendable fund balance is related to the prepayment of bond principal in the Local Option Sales Tax fund  
(c) Increase in restricted fund balance is related to the unspent bond proceeds in the Local Option Gas Tax Project Fund.  
(d) The City implemented GASB Statement No. 54 for FY 2011.

**CITY OF PENSACOLA, FLORIDA**  
**CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
*(modified accrual basis of accounting)*

Revenues	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Taxes	\$ 33,850,592	\$ 32,095,945	\$ 32,380,241	\$ 32,451,822	\$ 31,234,509	\$ 31,300,035	\$ 32,259,057	\$ 33,316,544	\$ 34,076,354	\$ 34,883,249
Licenses and permits	1,235,120	864,844	752,488	791,950	1,132,486	1,072,138	1,277,978	1,346,721	1,415,580	1,771,849
Franchise fees	7,510,843	8,110,165	8,497,930	8,432,262	7,774,176	7,518,556	8,295,596	8,565,974	8,289,710	8,218,881
Intergovernmental	24,529,512	28,722,364	30,498,606	32,971,501	28,045,478	29,348,015	25,037,986	34,883,053	31,227,672	31,348,598
Charges for services	4,327,860	4,339,480	4,825,173	4,617,672	5,842,665	6,584,768	6,472,779	6,634,483	6,995,182	7,008,094
Fines and forfeits	385,063	441,251	746,929	370,689	337,858	427,168	483,732	318,933	286,782	153,648
Assessments	112,760	89,577	89,911	28,246	51,729	10,663	35,191	14,347	27,187	78,741
Interest income	2,711,137	1,470,144	764,193	1,961,934	1,958,681	1,943,236	1,921,332	1,943,368	2,045,038	1,812,692
Charges for overhead	(a)									
Rents and leases										
Donations	2,828,116	2,689,665	1,456,457	2,381,473	199,965	334,093	529,217	106,536	1,017,668	2,011,038
Other	652,214	733,049	748,346	672,779	706,264	809,905	1,576,588	915,518	1,320,438	775,965
<b>Total revenues</b>	<b>78,143,217</b>	<b>79,556,484</b>	<b>80,760,274</b>	<b>84,680,328</b>	<b>77,283,811</b>	<b>79,348,577</b>	<b>77,889,456</b>	<b>88,045,477</b>	<b>86,701,611</b>	<b>88,062,755</b>
<b>Expenditures</b>										
Current -										
General government	8,099,930	7,026,818	6,971,798	8,954,870	7,986,834	8,822,473	8,370,721	9,763,178	8,731,145	8,756,239
Public safety	30,108,528	29,285,357	29,826,611	29,097,514	29,892,275	29,678,412	31,613,523	33,344,112	32,344,989	31,692,091
Transportation	2,471,682	2,510,175	2,454,335	2,283,148	2,531,637	2,208,999	2,558,589	3,002,495	3,703,713	2,601,106
Culture and recreation	11,451,051	11,828,720	12,464,329	12,189,319	15,962,500	13,224,751	8,265,301	9,888,492	8,961,041	8,901,116
Economic environment	13,668,432	14,398,618	14,700,741	14,811,906	13,671,431	14,720,255	13,795,153	16,379,088	16,512,073	17,840,723
Physical environment	2,921,658	2,916,615	2,890,347	2,464,243	3,009,598	2,918,934	4,927,340	5,596,702	3,345,057	4,089,950
Human services	115,000	94,200	51,900	37,100	30,000	30,000	30,000	30,000	30,000	30,000
Capital outlay	23,176,356	24,998,552	16,154,212	18,616,603	14,483,196	11,278,564	9,115,258	10,770,532	12,963,404	18,210,965
Debt service -										
Principal retirement	3,372,006	2,850,209	3,231,188	3,354,959	3,504,241	6,884,053 (c)	3,365,000	3,520,000	3,695,000	4,561,000
Interest	1,292,286	858,442	1,477,422	3,989,355	4,162,404	5,988,052	5,758,346	5,602,755	5,600,516	5,182,598
<b>Total expenditures</b>	<b>96,676,929</b>	<b>96,767,706</b>	<b>90,222,883</b>	<b>95,799,017</b>	<b>95,234,116</b>	<b>95,754,493</b>	<b>87,799,231</b>	<b>97,897,354</b>	<b>95,886,938</b>	<b>101,865,788</b>
Excess (deficiency) of revenues over (under) expenditures	(18,533,712)	(17,211,222)	(9,462,609)	(11,118,689)	(17,950,305)	(16,405,916)	(9,909,775)	(9,851,877)	(9,185,327)	(13,803,033)

**CITY OF PENSACOLA, FLORIDA**  
**CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
*(modified accrual basis of accounting)*

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Other financing sources (uses)</b>										
Transfers in	22,190,629 (b)	19,375,754	23,899,753	20,688,877	28,398,726	20,869,255	65,692,097 (d)	22,172,579	21,700,560	22,697,499
Transfers (out)	(13,439,238) (b)	(11,375,754)	(16,969,220)	(12,188,877)	(19,898,726)	(12,869,255)	(57,485,309) (d)	(14,379,367)	(13,525,081)	(13,388,403)
Capital Lease Note Issuance								6,460,954 (f)		
Loan proceeds										100,000
Sale of capital assets	1,072,364	724,093	725,270	72,405	105,387	87,400	67,545	55,366		1,487,365
Contributed capital from other funds			47,995							
Contributed capital from other governments			3,264,631							
Reimbursement of prior year expenditures			2,276,579							
Insurance recoveries	1,033,232	999,781	74,429							20,000
Payment to refund debt			(20,000,000)							
Bonds Issued			63,610,352						14,314,000	5,389,000
Issuance Cost	(37,498)		(634,574)						(92,109)	(44,822)
<b>Total other financing sources (uses)</b>	<b>10,819,489</b>	<b>9,723,874</b>	<b>56,295,215</b>	<b>8,572,405</b>	<b>8,605,387</b>	<b>8,087,400</b>	<b>8,274,333</b>	<b>14,309,532</b>	<b>22,397,370</b>	<b>16,260,639</b>
Net change in fund balances										
before prior period adjustments/special items	(7,714,223)	(7,487,348)	46,832,606	(2,546,284)	(9,344,918)	(8,318,516)	(1,635,442)	4,457,655	13,212,043	2,457,606
Special Item-NMTC Unwind										(39,813,626) (g)
Special item - sale of capital asset	-	-	-	-	3,495,507	-	-	-	-	-
Special item - BP Settlement	-	-	-	-	-	-	-	5,351,922 (e)	-	-
PPA/Change in accounting principle	215,692	-	-	-	-	1,898,397	-	-	-	-
<b>Net change in fund balances</b>	<b>\$ (7,498,531)</b>	<b>\$ (7,487,348)</b>	<b>\$ 46,832,606</b>	<b>\$ (2,546,284)</b>	<b>\$ (5,849,411)</b>	<b>\$ (6,420,119)</b>	<b>\$ (1,635,442)</b>	<b>\$ 9,809,577</b>	<b>\$ 13,212,043</b>	<b>\$ (37,356,020)</b>
Debt service as a percentage of noncapital expenditures	6.31%	5.13%	6.33%	9.49%	9.46%	15.19%	11.59%	10.47%	11.21%	11.65%

Notes: (a) Starting in FY 2008, charges for overhead are reflected as a reduction to expenditures (cost recovery).

(b) The decrease in transfers in(out) are from an accounting change in the Tax and Franchise Fee Debt Service Fund (TFFDS). In FY 08, revenues recorded in the TFFDS Fund are now recorded directly in the General Fund.

(c) In FY 13, principal payments on the Capital Funding Revenue Bonds, Series 2010 A began.

(d) In FY 14, Maritime Community Construction Fund was closed and residual equity transfers were made to the CRA and Debt Service Fund.

(e) In FY 15, BP claim was settled for the BP Deep Horizon Oil Spill in 2010 and the City was awarded \$5,351,922.

(f) In FY 15, Motorola released \$6,460,954 to finance the acquisition of technology related equipment.

(g) In FY 17, the City forgave the loan made with CTA Investment Fund, LLC of \$39,813,626.

## **REVENUE CAPACITY**



**CITY OF PENSACOLA, FLORIDA**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
*(in thousands of dollars)*

<u>Fiscal Year</u>	<u>Personal Property</u>	<u>Real Property</u>	<u>Central Property</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
2008	\$ 537,581	\$ 4,760,528	\$ 5,113	\$ 1,935,505	\$ 3,367,717	4.5980
2009	568,137	4,749,243	7,608	2,134,762	3,190,226	4.5395
2010	569,930	4,557,110	6,093	2,037,452	3,095,681	4.5395
2011	555,898	4,435,062	4,731	1,977,899	3,017,792	4.5395
2012	534,538	4,300,878	5,391	1,873,379	2,967,428	4.2895
2013	517,534	4,147,698	5,277	1,763,287	2,907,222	4.2895
2014	552,382	4,223,888	5,581	1,840,040	2,941,811	4.2895
2015	539,820	4,491,889	5,682	1,964,598	3,072,793	4.2895
2016	561,229	4,729,674	5,627	2,109,546	3,186,984	4.2895
2017	507,305	5,034,056	5,850	2,222,806	3,324,405	4.2895

**Source:** Escambia County Property Appraiser's Office

**Notes:** Property is reassessed every year. Property is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$1,000 of assessed value.

**CITY OF PENSACOLA, FLORIDA**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN FISCAL YEARS**  
*(rate per \$1,000 of assessed value)*

Fiscal Year	City Of Pensacola Total Direct Rate	Overlapping Rates				
		City Of Pensacola Downtown Improvement Board	Escambia County School Board	Escambia County (a)	Escambia County Library MSTU (b)	Northwest Florida Water Management District
2008	4.5980	2.0000	7.7200	8.0170		0.0450
2009	4.5395	2.0000	7.7200	6.9755		0.0450
2010	4.5395	2.0000	7.8600	6.9755		0.0450
2011	4.5395	2.0000	7.8600	6.9755		0.0450
2012	4.2895	2.0000	7.8210	6.9755		0.0400
2013	4.2895	2.0000	7.7580	6.9755		0.0400
2014	4.2895	2.0000	7.5570	6.6165	0.3590	0.0400
2015	4.2895	2.0000	7.3220	6.6165	0.3590	0.0390
2016	4.2895	2.0000	7.1130	6.6165	0.3590	0.0378
2017	4.2895	2.0000	6.8760	6.6165	0.3590	0.0366

**Source:** Escambia County Tax Collector

- Notes:** (a) Escambia County property tax rates do not include MSTU rate. The MSTU rate is a rate charged to County-Only residents.  
(b) Beginning FY 2014 Escambia County began applying Library MSTU to fund the West Florida Public Library System. This MSTU is charged to both City and County properties.

**CITY OF PENSACOLA, FLORIDA  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2017			2008		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Sacred Heart Hospital	\$ 222,098,634	1	0.92%	\$ 33,680,790	3	0.16%
Gulf Power	119,937,923	2	0.50%	93,321,330	1	0.44%
Baptist Hospital	100,193,006	3	0.41%	---	---	---
Simon Debartolo Group	48,461,886	4	0.20%	38,147,660	2	0.18%
Armstrong World Industries	31,111,912	5	0.13%	29,857,990	5	0.14%
Wal-mart	19,710,829	6	0.08%	25,080,130	6	0.12%
Reichhold Inc/Arizona Chemical	15,627,089	7	0.06%	15,033,420	10	---
Chapin Willow Crest	12,998,567	8	0.05%	---	---	---
Cordova	12,907,975	9	0.05%	---	---	---
Holi Corp	12,846,654	10	0.05%	---	---	---
Bellsouth/Southern Bell	---	---	---	30,534,070	4	0.14%
Gayfers/Dillard's	---	---	---	19,552,360	7	0.09%
Pensacola POB Inc.	---	---	---	16,910,250	8	0.08%
Moulton Properties	---	---	---	15,796,750	9	0.07%
<b>Total</b>	<b>\$ 595,894,475</b>		<b>2.46%</b>	<b>\$ 317,914,750</b>		<b>1.50%</b>

**Source:** Escambia County Tax Collector

**CITY OF PENSACOLA, FLORIDA  
PROPERTY TAX LEVIES AND COLLECTIONS  
PAST TEN FISCAL YEARS**

<u>Fiscal Year Ended September 30,</u>	<u>Taxes Levied for the Fiscal Year (a)</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years (c)</u>	<u>Totals Collections to Date</u>	
		<u>Amount (b)</u>	<u>Percentage of Levy</u>		<u>Amount (d)</u>	<u>Percentage of Levy</u>
2008	\$ 15,484,765	\$ 14,879,673	96.1%	\$ 83,329	\$ 14,963,002	96.6%
2009	14,482,031	13,811,445	95.4%	179,188	13,990,633	96.6%
2010	14,052,844	13,592,771	96.7%	93,858	13,686,629	97.4%
2011	13,699,265	13,246,835	96.7%	71,914	13,318,749	97.2%
2012	12,728,569	12,279,754	96.5%	31,847	12,311,601	96.7%
2013	12,470,529	12,055,999	96.7%	40,546	12,096,545	97.0%
2014	12,618,899	12,170,283	96.4%	62,311	12,232,594	96.9%
2015	13,156,494	12,701,481	96.5%	27,493	12,728,974	96.8%
2016	13,670,568	13,232,668	96.8%	80,105	13,312,773	97.4%
2017	14,260,035	13,768,035	96.6%	12,989	13,781,024	96.6%

**Source:** Escambia County Tax Collector.

- Notes:** (a) The tax levy is based on the tax roll as certified by the Escambia County Property Appraiser.  
 (b) Current tax collections are after applicable discounts for early payment.  
 (c) Collections represent subsequent and current year delinquent revenues.  
 (d) Property taxes collected are accounted for in the General Fund.

**CITY OF PENSACOLA, FLORIDA**  
**TAXABLE SALES BY CATEGORY**  
**LAST TEN CALENDAR YEARS**  
*(in thousands of dollars)*

	Calendar Year									
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017 (a)</u>
General merchandise stores	\$ 689,995	\$ 680,381	\$ 685,603	\$ 698,467	\$ 700,221	\$ 719,356	\$ 741,251	\$ 747,540	\$ 796,846	\$ 582,450
Grocery stores	201,809	207,857	212,553	217,919	227,557	232,516	242,179	252,702	259,820	207,816
Hotels and apartments	147,407	147,076	146,774	181,714	196,948	212,653	239,013	260,427	278,032	233,144
Lumber and building materials	232,226	206,656	209,492	198,282	217,582	246,944	269,521	273,741	306,993	258,753
Manufacturing and mining	74,887	63,638	69,889	73,577	59,046	68,843	62,944	69,620	79,555	74,123
Motor vehicle dealers	597,693	514,024	563,280	625,711	705,531	743,242	823,294	861,382	902,727	717,469
Office space and commercial rentals	197,947	191,201	199,864	202,963	208,092	213,965	217,941	220,022	226,118	173,628
Restaurants and lunchrooms	453,222	458,456	466,225	494,623	524,039	549,825	576,942	614,241	645,724	514,320
<b>Total</b>	<b>\$ <u>2,595,186</u></b>	<b>\$ <u>2,469,289</u></b>	<b>\$ <u>2,553,680</u></b>	<b>\$ <u>2,693,256</u></b>	<b>\$ <u>2,839,016</u></b>	<b>\$ <u>2,987,344</u></b>	<b>\$ <u>3,173,085</u></b>	<b>\$ <u>3,299,675</u></b>	<b>\$ <u>3,495,815</u></b>	<b>\$ <u>2,761,703</u></b>

City direct sales tax rate (b)

**Source:** Florida Department of Revenue

**Notes:** Data presented reflects Escambia County.

(a) 2017 data only represents the first nine months of the calendar year.

(b) The city has no direct tax rate. However, the city receives a portion of the proceeds from the Half Cent Sales Tax and the Local Option Sales Tax. The distribution of the proceeds of the Half Cents Sales Tax and the Local Option Sales Tax to the incorporated municipalities of the County are controlled by the formula set forth in Section 218.65 and 218.62, Florida Statutes.

**CITY OF PENSACOLA, FLORIDA  
DIRECT AND OVERLAPPING SALES TAX RATES  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Local Option Sales Tax Escambia County</b>	<b>Half Cent Sales Tax School District</b>
2008	1.00%	0.50%
2009	1.00%	0.50%
2010	1.00%	0.50%
2011	1.00%	0.50%
2012	1.00%	0.50%
2013	1.00%	0.50%
2014	1.00%	0.50%
2015	1.00%	0.50%
2016	1.00%	0.50%
2017	1.00%	0.50%

**Source:** City Budget Office

**Note:** The city has no direct tax rate. However, the city receives a portion of the proceeds from the Local Option Sales Tax. The distribution of the proceeds of the Local Option Sales Tax to the incorporated municipalities of the County are controlled by the formula set forth in Section 218.62, Florida Statutes.

**CITY OF PENSACOLA, FLORIDA**  
**SALES TAX REVENUE PAYERS BY INDUSTRY**  
**CURRENT YEAR AND NINE YEARS AGO**  
*(in thousands of dollars)*

	<u>2017</u>			<u>2008</u>	
	<u>Tax Liability (a)</u>	<u>Percentage of Total</u>		<u>Liability (a)</u>	<u>Percentage of Total</u>
Retail trade	\$ 173,744	53.29%	\$	145,821	54.78%
Services	67,157	20.60%		52,860	19.86%
Manufacturing and mining	5,314	1.63%		5,543	2.08%
Wholesale trade	8,966	2.75%		8,457	3.18%
Construction	22,211	6.81%		17,408	6.54%
Finance, insurance, and real estate	31,364	9.62%		21,377	8.03%
Transportation and utilities	12,708	3.90%		10,611	3.99%
Agricultural	1,658	0.51%		2,020	0.76%
Other	2,894	0.87%		2,095	0.79%
<b>Total</b>	<b>\$ 326,016</b>	<b>100.00%</b>	\$	<b>266,192</b>	<b>100.00%</b>

**Source:** Florida Department of Revenue Office of Research

**Notes:** Data presented reflects Escambia County. Data is presented on the State Fiscal Year of July 1 - June 30.

(a) Tax liability represents the state percentage of the tax liability paid by businesses in Escambia County. Total tax liability was not available by industry for Escambia County.

**CITY OF PENSACOLA, FLORIDA**  
**ENERGY SERVICES OF PENSACOLA**  
**GAS SOLD IN MCFS BY TYPE OF CUSTOMER**  
**LAST TEN FISCAL YEARS**  
*(in thousands of Mcfs)*

	Fiscal Year									
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Type of Customer</b>										
Residential -Inside City Limits	327	311	406	350	245	286	347	306	243	201
Residential -Outside City Limits	712	701	882	775	570	650	767	695	578	501
Commercial -Inside City Limits	353	287	331	322	304	307	322	310	301	298
Commercial -Outside City Limits	453	415	464	436	393	407	441	523	520	491
Municipal	14	15	18	68	27	23	26	26	24	22
Interruptible	642	628	648	630	633	1,063	1,089	937	814	499
Transportation	1,379	961	954	1,007	1,068	1,159	1,331	1,377	1478	1887
<b>Total</b>	<u>3,880</u>	<u>3,318</u>	<u>3,703</u>	<u>3,588</u>	<u>3,240</u>	<u>3,895</u>	<u>4,323</u>	<u>4,174</u>	<u>3,958</u>	<u>3,899</u>
Total direct rate per Mcf (a)	\$ 20.47	\$ 18.74	\$ 15.25	\$ 14.91	\$ 16.55	\$ 16.93	\$ 17.21	\$ 19.08	\$ 20.93	\$ 23.08

**Source:** Pensacola Energy

**Notes:** (a) Total direct rate per Mcf is calculated using residential in/out, commercial in/out, and municipal customers. Interruptible and transportation direct rates are not available.



**CITY OF PENSACOLA, FLORIDA  
ENERGY SERVICES OF PENSACOLA  
GAS RATES  
LAST TEN FISCAL YEARS**

Fiscal Year	Residential - Inside City Limits			Residential - Outside of City Limits			Commercial - Inside City Limits		
	Fixed Monthly Charge	Base Rate per Mcf	PGA & WNA Rate per Mcf (a)	Fixed Monthly Charge	Base Rate per Mcf	PGA & WNA Rate per Mcf (a)	Fixed Monthly Charge	Base Rate per Mcf	PGA & WNA Rate per Mcf (a)
2007(b)	7.00	6.27	11.05	8.00	7.97	11.10	12.00	6.27	10.92
2008	7.00	6.27	12.87	8.00	7.97	12.94	12.00	6.27	12.62
2009	7.28	6.53	10.72	8.32	8.30	10.78	12.48	6.53	10.52
2010	7.25	6.50	7.38	8.29	8.27	7.30	12.43	6.50	7.59
2011	7.25	6.50	7.15	8.29	8.27	7.15	12.43	6.50	6.84
2012(d)	8.95	7.52	8.27	10.00	9.29	8.31	15.85	7.52	7.37
2013	8.95	7.52	8.46	10.00	9.29	8.49	15.85	7.52	7.91
2014(e)	9.08	7.63	7.88	10.15	9.43	7.92	16.09	7.63	7.77
2015(f)	9.22	7.74	7.51	10.30	9.57	7.47	16.33	7.74	7.23
2016(g)	9.21	7.73	9.54	10.29	9.56	9.54	16.31	7.73	8.17
2017	9.21	7.73	11.75	10.29	9.56	11.67	16.31	7.73	9.72

Fiscal Year	Commercial - Outside of City Limits			Municipal			Interruptible and Transportation (c)		
	Fixed Monthly Charge	Base Rate per Mcf	PGA & WNA Rate per Mcf (a)	Fixed Monthly Charge	Base Rate per Mcf	PGA & WNA Rate per Mcf (a)	Fixed Monthly Charge	Base Rate per Mcf	PGA & WNA Rate per Mcf (a)
2007(b)	14.00	7.97	10.93	16.00	2.30	9.75	150.00	N/A	N/A
2008	14.00	7.97	12.70	16.00	2.30	12.41	150.00	N/A	N/A
2009	14.56	8.30	10.57	16.64	2.39	10.39	150.00	N/A	N/A
2010	14.50	8.27	7.57	16.57	2.38	7.53	150.00	N/A	N/A
2011	14.50	8.27	6.85	16.57	2.38	6.76	150.00	N/A	N/A
2012(d)	18.00	9.29	7.37	20.00	2.93	6.36	200.00	N/A	N/A
2013	18.00	9.29	7.97	20.00	2.93	7.55	200.00	N/A	N/A
2014(e)	18.27	9.43	7.74	20.30	2.97	7.64	200.00	N/A	N/A
2015(f)	18.54	9.57	7.26	20.60	3.01	7.15	200.00	N/A	N/A
2016(g)	18.52	9.56	8.28	20.58	3.01	7.72	200.00	N/A	N/A
2017	18.52	9.56	9.88	20.58	3.01	8.70	200.00	N/A	N/A

Source: Pensacola Energy

- Notes:** (a) The Purchase Gas Adjustment (PGA) is a monthly adjustment to the gas rate due to increases in the cost of gas purchased for resale. The Weather Normalization Adjustment (WNA) is an adjustment to the gas rate to account for fluctuations in consumption due to colder or warmer weather during the months of October through March of the previous or current fiscal year. PGA and WNA rates are based on a yearly average. Both the base rate and the PGA/WNA rates need to be taking into consideration when determining the yearly rate per Mcf.
- (b) The increase to the fixed monthly charges and base rates took effect in the beginning of the monthly June 2007 billing cycle.
- (c) Interruptible and transportation rates per Mcf are not reported as rates are negotiated on a customer by customer bases.
- (d) The increase to rates took effect in the beginning of the monthly October 2011 billing cycle
- (e) The increase to rates took effect in the beginning of the monthly October 2013 billing cycle
- (f) The increase to rates took effect in the beginning of the monthly October 2014 billing cycle
- (g) The decrease to rates took effect in the beginning of the monthly October 2015 billing cycle

## **DEBT CAPACITY**

**CITY OF PENSACOLA, FLORIDA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
*(dollars in thousands, except for per capita)*

Fiscal Year	Governmental Activities						Business-type Activities			Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	Tax and Franchise Fee Bonds	Local Option Sales Tax Bonds	Local Option Gas Tax Bonds	Community Redevelopment Bonds	Maritime Community Park Construction Bonds	Capital Leases	Gas Revenue Bonds	Tax and Franchise Fee Bonds (Port)	Airport Revenue Bonds			
2008	\$ 13,328	\$ 20,000	\$ -	\$ 1,927	\$ -	\$ -	\$ 9,681	\$ 1,457	\$ 77,550	\$ 123,943	1.66%	\$ 390
2009	10,836	20,000	-	1,569	-	-	16,479	1,339	83,902	134,125	1.82%	425
2010	9,315	18,190	-	1,198	45,640	-	12,255	-	77,450	164,048	2.50%	551
2011	6,345	18,190	-	813	45,640	-	10,850	-	76,930	158,768	2.38%	532
2012	3,240	18,190	-	414	45,640	-	14,445	-	77,810	159,739	2.36%	531
2013	-	15,495	-	-	45,105	151	12,550	-	75,310	148,611	2.09%	490
2014	-	12,690	-	-	44,545	115	10,595	-	72,745	140,690	1.96%	459
2015	-	9,750	-	-	43,787	6,539	8,585	-	66,526	135,187	1.82%	437
2016	-	6,660	14,314	-	43,190	6,501	6,510	-	63,069	140,244	1.85%	446
2017	-	3,415	14,043	5,389	42,152	6,461	19,355	-	60,254	151,069	1.88%	479

**Notes:** Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Outstanding debt for governmental activities includes \$257,830 of unamortized discounts and unamortized premium of \$94,924. Outstanding debt for business-type activities includes unamortized discounts in the amount of \$406,300.

(a) See demographic and economic statistics schedule for personal income and population data. These ratios are calculated using Escambia County population and personal income for the corresponding calander year.

**CITY OF PENSACOLA, FLORIDA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES**  
**AS OF SEPTEMBER 30, 2017**  
*(dollars in thousands)*

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
<b>Other Debt</b>			
Escambia County			
Sales Tax Revenue Bonds/Notes	\$ 142,470	17.1000%	\$ 24,362
Tourism Development Revenue Bonds	2,519	17.1000%	431
Capital Improvement Bonds/Notes	29,064	17.1000%	4,970
Escambia County School District			
State Board of Education Bonds	1,712	17.1000%	293
Sales Tax Revenue Bonds	49,755	17.1000%	8,508
Certificates of Participation	21,378	17.1000%	3,656
Subtotal, overlapping debt			42,220
<b>City direct debt bonds</b>			64,999
<b>City direct debt capital leases</b>			6,461
<b>Total direct and overlapping debt</b>			<u>\$ 113,680</u>

**Source:** Debt outstanding provided by Escambia County Clerks office.

Estimated percentages for Escambia County is obtained by dividing the city's population by the counties population.

Estimated percentages for Escambia County School Board is obtained by dividing the city's population by the counties population.

**Notes:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Pensacola. This process recognizes that, when considering the city's ability to issue and repay long term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every tax payer is a resident - and therefore responsible for repaying the debt - of each overlapping government.

City direct debt bonds includes \$257,830 of unamortized discounts and unamortized premiums of \$94,924.

**CITY OF PENSACOLA, FLORIDA  
 PLEDGED REVENUE COVERAGE  
 LAST TEN FISCAL YEARS  
 (dollars in thousands)**

Tax and Franchise Fee Bonds							Local Option Sales Tax Bonds				
Fiscal Year	Public Service Tax	Half Cent Sales Tax	Electric Franchise Fee	Debt Service		Coverage	Local Option Sales Tax	Debt Service		Coverage	
				Principal	Interest			Principal	Interest		
2008	\$ 5,747	\$ 3,825	\$ 5,049	\$ 3,050	\$ 681	3.92	\$ 6,551	\$ -	\$ 585	11.20	
2009	5,879	3,443	5,802	2,610	542	4.80	5,976	-	299	19.99	
2010	6,487	3,397	6,240	2,860	434	4.89	5,866	-	113	51.91	
2011	6,649	3,673	6,159	2,970	319	5.01	6,323	-	563	11.23	
2012	6,466	3,716	5,504	3,105	192	4.76	6,402	-	877	7.30	
2013	6,621	3,845	5,152	3,240	65	4.73	6,666	2,695	821	1.90	
2014	7,425	4,054	5,793	-	-	-	7,015	2,805	708	2.00	
2015	7,773	4,192	6,110	-	-	-	7,337	2,940	575	2.09	
2016	7,711	4,359	5,880	-	-	-	7,662	3,090	596	2.08	
2017	7,874	4,479	5,688	-	-	-	7,882	3,245	242	2.26	

Community Redevelopment Bond(s)				Eastside Community Redevelopment Bond(s)				
Fiscal Year	Urban Core Tax Increment Revenues	Debt Service		Coverage	Eastside Tax Increment Revenues	Debt Service		Coverage
		Principal	Interest			Principal	Interest	
2008	\$ 5,126	\$ 345	\$ 84	11.95	\$ -	\$ -	\$ -	-
2009	4,653	358	72	10.82	-	-	-	-
2010	4,317	371	58 (h)	10.06	-	-	-	-
2011	4,068	385	44 (h)	9.48	-	-	-	-
2012	3,959	399	2,115 (h)	1.57	-	-	-	-
2013	3,791	949	2,101 (h)	1.24	-	-	-	-
2014	3,790	560	2,142 (h)	1.40	-	-	-	-
2015	4,075	580	2,112 (h)	1.51	-	-	-	-
2016	4,428	605	2,087 (h)	1.64	-	-	-	-
2017	4,794	1,045	2,064 (h)	1.54	604	-	-	-

Westside Community Redevelopment Bond(s)				Local Option Gas Tax Revenue Bonds				
Fiscal Year	Westside Tax Increment Revenues	Debt Service		Coverage	Local Option Gasoline Tax	Debt Service		Coverage
		Principal	Interest			Principal	Interest	
2008	\$ -	\$ -	\$ -	-	\$ 1,613	\$ -	\$ -	-
2009	-	-	-	-	1,606	-	-	-
2010	-	-	-	-	1,610	-	-	-
2011	-	-	-	-	1,569	-	-	-
2012	-	-	-	-	1,557	-	-	-
2013	-	-	-	-	1,525	-	-	-
2014	-	-	-	-	1,554	-	-	-
2015	-	-	-	-	1,542	-	-	-
2016	-	-	-	-	1,462	-	-	-
2017	197	-	-	-	1,477	271	242	2.88

(continued)

**CITY OF PENSACOLA, FLORIDA  
PLEGGED REVENUE COVERAGE  
LAST TEN FISCAL YEARS  
(dollars in thousands)**

**Gas Revenue Bonds**

Fiscal Year	Utility Charges for Services	Less: Operating Expense (a)	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2008	\$ 57,790	\$ 46,833	\$ 10,957	\$ 1,368	\$ 456	6.01
2009	47,926	38,601	9,325	1,205	451	5.63
2010	45,743	34,312	11,431	525	404	12.30
2011	39,439	30,961	8,478	1,405	251	5.12
2012	37,222	24,470	12,752	1,405	390	7.10
2013	43,212	27,939	15,273	1,895	416	6.61
2014	49,488	33,176	16,312	1,955	358	7.05
2015	45,783	29,947	15,836	2,010	306	6.84
2016	43,642	30,450	13,192	2,075	240	5.70
2017	45,094	32,549	12,545	2,026	246	5.52

**Airport Revenue Bonds**

Fiscal Year	Airport Revenues	Expenses			Net Revenue	Debt Service		Coverage before Prepaid	Prepaid Airline Rents & Fees (b)	Coverage after Prepaid
		Total	Less Grant	Operating/ Maintenance (a)		Principal	Interest			
2008	\$ 17,700	\$ 10,559	\$ (96) (c)	\$ 10,655	\$ 7,045	\$ 1,365	\$ 1,659	2.33	2,492	3.15
2009	13,719	12,021	144	11,877	1,842	1,440	1,579 (d)	0.61	2,380	1.40
2010	15,645	14,296	248	14,048	1,597	1,520 (e)	1,492 (d)	0.53	3,250	1.61
2011	16,162	14,369	21	14,348	1,814	100	1,162	1.44	876	2.13
2012	16,188	12,687	33	12,654	3,534	1,980	1,284	1.08	2,459	1.84
2013	16,788	12,037	12	12,025	4,763	2,040	1,310	1.42	678	1.62
2014	16,793	11,491	-	11,491	5,302	2,080	1,333	1.55	858	1.80
2015	18,796	11,090	221	10,869	7,927	2,145	1,277	2.32	1,246	2.68
2016	19,479	12,759	-	12,759	6,720	2,180	1,082	2.06	2,407	2.80
2017	19,111	12,847	101	12,746	6,365	2,275	986	1.95	3,479	3.02

**Airport Revenue Note CFC**

**Airport Revenue Bonds PFC**

Fiscal Year	Customer Facility Charge	Less: Operating Expense	Net Available Revenue	Debt Service		Coverage (f)	Passenger Facility Charge	Debt Service		Coverage (g)
				Principal	Interest			Principal	Interest	
2008	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	-
2009	1,255	-	1,255	-	245	5.12	2,844	-	1,097	2.59
2010	998	-	998	-	195	5.12	2,978	185	1,735	1.55
2011	2,027	-	2,027	-	139	14.58	3,082	420	1,719	1.44
2012	1,809	886	923	-	145	6.37	3,003	440	1,698	1.40
2013	1,944	662	1,282	-	114	11.25	2,958	460	1,675	1.39
2014	2,128	741	1,387	-	109	12.72	3,025	485	1,652	1.42
2015	2,424	720	1,704	-	118	14.44	3,104	510	1,627	1.45
2016	2,415	640	1,775	-	94	18.88	3,127	535	1,600	1.46
2017	2,540	679	1,861	-	141	13.20	3,299	560	1,573	1.55

Source: City Finance Office

(continued)

**CITY OF PENSACOLA, FLORIDA**  
**PLEDGED REVENUE COVERAGE**  
**LAST TEN FISCAL YEARS**  
*(dollars in thousands)*

**Notes:** Details regarding the city's outstanding debt can be found in the notes to the financial statements. Interest consist of both variable and fixed rates.

- (a) Operating expenses are net of depreciation expenses.
- (b) The prepaid airlines rents and fee amount is comprised of the prior year's coverage plus non-obligated capital improvements and any excess operating funds.
- (c) Negative operating expenses were a result of prior year expenditure reclasses
- (d) Excludes debt payments which were paid with bond proceeds.
- (e) Excludes debt payments which were paid with sinking fund reserves.
- (f) The coverage table is for illustrative purposes as required by GAAP. See CFC Bank of America Note.
- (g) The coverage table is for illustrative purposes as required by GAAP. See PFC Rate Maintenance covenant in Resolution 17-08 for coverage requirements.
- (h) Excludes debt payments which were paid with bond proceeds and federal subsidy payments.

**DEMOGRAPHIC AND ECONOMIC  
INFORMATION**



**CITY OF PENSACOLA, FLORIDA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN CALANDER YEARS**

<b>Calendar Year</b>	<b>Pensacola Population</b>	<b>Escambia County Population</b>	<b>Personal Income (in thousands)</b>	<b>Per Capita Personal Income</b>	<b>Median Age</b>	<b>School Enrollment</b>	<b>Unemployment Rate</b>
2008	56,373	317,553	\$ 7,478,373	\$ 23,550	37	40,391	5.6%
2009	55,637	315,545	7,357,247	23,316	37	40,404	9.9%
2010	51,923	(a) 297,619	(a) 6,566,070	22,062	37	40,049	11.1%
2011	51,839	298,259	6,679,510	22,395	38	39,658	10.4%
2012	52,508	300,701	6,777,801	22,540	38	39,870	8.3%
2013	51,820	303,567	7,102,254	23,396	37	40,077	6.5%
2014	52,028	306,630	7,187,713	23,441	38	40,127	5.8%
2015	52,191	309,539	7,433,269	24,014	39	40,206	4.7%
2016	53,690	314,788	7,572,855	24,057	37	40,125	4.9%
2017	54,185	315,607	8,044,507	25,489	37	40,234	4.9%

**Source:** Unemployment data provided by the Florida Research and Economic Database and the Bureau of Labor Statistics and Florida Research and Economic Database. Population, personal income and median age data provide by the University of West Florida, HAAS center and U.S. Census Bureau. School enrollment data provided by Escambia county school system, public relations office.

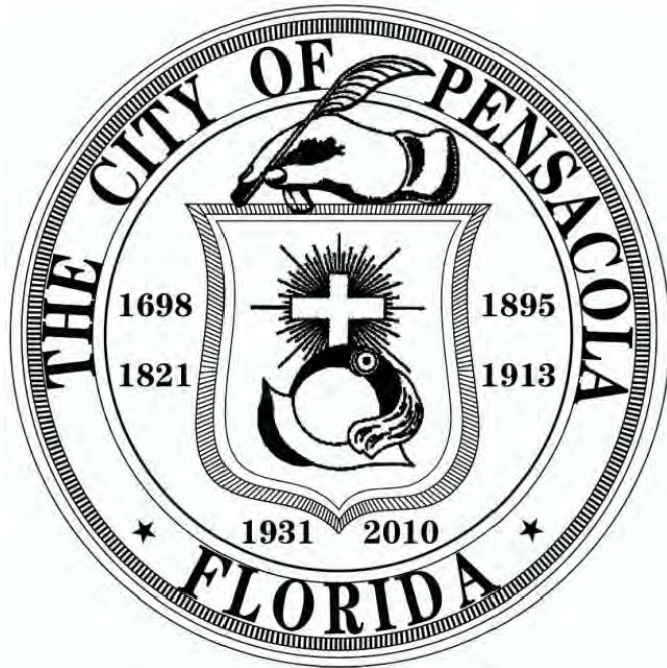
**Notes:** All data is applicable to Escambia County except for Pensacola population.  
(a) Decrease in population numbers are based on the United States Census in 2010.

**CITY OF PENSACOLA, FLORIDA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

<u>Employer</u>	2017			2008		
	Employees	Rank	Percentage of Total MSA Employment	Employees	Rank	Percentage of Total MSA Employment
Local Government	9,816	1	4.47%	16,900	1	8.51%
Federal Government	5,714	2	2.60%	6,600	2	3.32%
Baptist Health Care	5,200	3	2.37%	5,500	4	2.77%
Navy Federal Credit Union	4,646	4	2.12%	---	---	---
State Government	3,810	5	1.74%	6,000	3	3.02%
University of West Florida	1,901	6	0.87%	2,500	9	1.26%
Lakeview Center	1,789	7	0.82%	---	---	---
Baptist Hospital Inc.	1,652	8	0.75%	---	---	---
West Florida Regional Medical Center	1,520	9	0.69%	---	---	---
Pensacola Christian College	1,204	10	0.55%	---	---	---
Sacred Heart Children's Hospital	---	---	---	5,000	5	2.52%
Sacred Heart Health System	---	---	---	4,160	6	2.09%
Sacred Heart Women's Hospital	---	---	---	4,000	7	2.01%
Solutia, Inc. (formerly Monsanto Co.)	---	---	---	2,500	8	1.26%
West Florida Hospital	---	---	---	2,200	10	1.11%
<b>Total</b>	<b>16,522</b>		<b>16.98%</b>	<b>21,660</b>		<b>27.87%</b>

**Source:** Pensacola Area Chamber of Commerce, Florida West Economic Development Alliance and University of West Florida, HAAS Center.

**Notes:** Principal employer information is only available on a calendar year basis and for the Pensacola Metropolitan Statistical Area. Actual numbers are not available, therefore estimates are presented.



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## **OPERATING INFORMATION**

**CITY OF PENSACOLA, FLORIDA  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Governmental activities:</b>										
General Government										
Permits issued	7,415	5,448	5,259	5,444	5,659	5,796	6,818	6,729	7,162	8,034
Building inspections conducted	18,918	13,982	11,305	11,056	11,482	10,998	13,682	14,021	13,661	15,067
Police										
Residential burglary responses	363	521	426	478	640	457	463	354	360	321
Commercial burglary responses	118	173	144	137	144	81	82	108	84	62
Emergency responses	93,019	84,155	92,991	86,845	94,911	96,808	83,375	82,201	84,804	94,293
Physical arrests	3,958	3,894	3,375	3,402	3,316	3,773	3,225	3,174	2,438	2,972
Traffic violations	9,890	8,095	5,795	6,040	6,018	8,179	8,199	6,826	6,795	7,996
Fire										
Emergency responses	5,823	6,011	6,117	5,855	6,050	5,896	5,846	6,446	6,323	7,534
Fires extinguished	264	207	227	212	222	197	187	221	197	242
Inspections	1,111	1,689	1,527	1,655	1,652	764 (j)	676	776	1,041	2,041
Transportation (a)										
Traffic signals maintained	310	280	271	254	293	388	363	333	449	328
Traffic warning signals maintained	95	52	35	347	38	27	41	29	32	34
Street lights maintained	217	194	151	180	197	273	199	221	209	294
Street name markers replaced	193	164	188	195	204	192	284	206	257	194
Traffic control signs replaced	242	679	484	489	659	749	748	740	978	1,037
Parking meters replaced	- (g)	-	-	-	-	-	-	-	-	-
Culture and recreation										
Parks and recreation										
Number of programs offered	369	244	269	206	258	309	324	298	425	452
City resident program participants	288,489	459,634	431,517	294,848 (i)	363,183	452,968	231,624	189,292	310,437	277,241
County resident program participants	74,053	62,324	40,955	58,571	52,763	57,243	65,248	45,272	113,682	99,795
Golf Course										
Rounds played	30,866	35,543	34,713	14,452	36,643	36,570	20,408	18,449	25,874	27,394
Tournaments held	76	80	65	21	56	59	56	62	74	78
Tournament participants	4,500	4,500	3,656	1,092	3,149	3,245	2,273	3,410	4,810	4,914
Libraries (e)										
Items circulated	747,294	778,052	820,091	744,487	746,146	702,345	-	-	-	-
Public computer use	159,004	168,654	174,053	162,112	149,746	153,443	-	-	-	-
Program Attendance	11,335	10,011	12,535	10,913	13,364	15,518	-	-	-	-
Information Transactions	74,349	78,982	97,616	80,132	88,407	114,002	-	-	-	-
City resident library card usage	24,373	33,081	36,736	36,459	31,401	29,079	-	-	-	-
County resident library card usage	61,475	86,325	95,194	95,158	83,438	81,983	-	-	-	-
Economic environment										
Homes repaired/rehabilitated	34	39	14	11	3	22	25	32	28	12
New homes constructed	46	3	7	4	2	3	4	4	3	2
First-time homebuyers assisted/Foreclosure Prevention	52	35	113	54	120	99	76	142 (m)	115	122
Families assisted	2,163	2,269	2,163	2,260	2,179	2,321	2,247	2,375	2,376	2,417
Housing inspections conducted	4,700	4,440	4,077	3,776	5,034	4,762	4,553	4,793	4,108	3,912
Congregate meals/meals on wheel provided	1,030	1,342	1,667	1,903	1,241	1,306	1,389	1,653	1,997	1,721
Physical environment (a)										
Miles of paved streets swept	27,378	24,740	25,989	16,266	29,232	24,467	22,754	22,825	22,907	21,619

(continued)

**CITY OF PENSACOLA, FLORIDA  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Business-type Activities:</b>										
Utility										
Average daily consumption in mmbtu's (c)	9,182	8,124	9,286	8,707	7,404	9,245	10,662	10,371	9,748	9,564
Maximum daily consumption in mmbtu's	33,926	29,524	36,096	32,611	23,363	26,612	38,569	32,629	28,093	28,803
In City customer connections	17,032	16,648	16,545	16,581	16,580	16,581	16,214	16,236	15,853	14,461
Outside City customer connections	42,312	41,767	41,344	41,091	40,990	41,193	41,686	41,741	40,788	37,329
Sanitation										
Customers	19,122	18,965	18,958	18,962	19,095	19,176	19,224	19,325	19,535	19,747
Refuse collected (tons)										
Garbage	22,213	18,490	15,720	14,724	14,805	15,308	15,113	14,512	15,395	15,455
Green Waste	11,023	9,716	11,170	12,201	12,583	11,999	12,691	13,001	14,769	13,211
Recycling (new in FY 2009)		1,189	3,974	4,444	4,539	3,847	3,782	4,805	4,745	4,605
Construction/Demolition (C&D)	2,847	2,828	1,659	1,442	1,676	1,582	1,429	1,579	2,202	2,213
Port										
Tonnage exported	26,899	13,950	45,857	55,502	67,003	66,927	98,468	56,696	30,506	54,641
Tonnage imported	357,532	233,822	223,558	207,089	157,156	148,514	86,814	161,073	170,503	177,294
Number of vessels in port	64	16	36	51	69	74	68	54	51	20
Airport										
Mainland carriers	4	4	4	2	2	2	3	2	2	3
Regional commuter services	8	8	6	11	9	8	7	7	9	10
Passengers enplaned	814,279	700,662	719,648	780,621	756,229	758,158	774,320	797,854	802,260	834,504
Passengers deplaned	811,324	697,840	720,098	780,919	758,769	758,376	768,662	796,204	802,482	834,393
Air freight enplaned in pounds	2,594,147	681,481 (h)	212,729	225,829	4,229,417	4,563,173	4,608,702	4,617,580	4,196,031	4,839,066
Mail enplaned in pounds	303	102	54	165	-	476	576	2,513	2	1,202
Total flights (private and commercial)	109,141	96,233	125,552	117,053	105,333	102,502	105,630	104,400	97,858	114,026

**Sources:** Various city departments.

**Notes:** No operating indicators are available for the human services function. For those indicators that are null, data is not available.

(a) Data provided is based on estimates.

(b) 40,458 cubic yards of C&D were also collected that year.

(c) MMBTU stands for one million British Thermal Unit.

(d) Fluctuation due to Hurricane Ivan.

(e) The Santa Rosa Library was transferred to the County in FY07. The West Florida Library system was transferred to the County in FY14.

(f) Decrease due to a major tenant being inoperative a considerable length of time to make major renovations to their capital equipment.

(g) The responsibility of the City's parking garages, lots and meters were transferred to the Downtown Improvement Board during FY 2008.

(h) In January 2009, Airborne Express stopped using the Airport's cargo ramp for its local operations.

(i) In 2010 and prior playground attendance was considered a separate program; starting in FY11 playground attendance is not considered a separate program.

(j) In 2013, the Fire Dept had a temporary decrease in staff which resulted in fewer inspections.

(k) In 2014, the Golf Course was damaged due to a flood in April

(l) Two resource centers closed due to the flood and one resource center closed to the general public which was used as a shelter for 4 weeks following the flood.

(m) Beginning in FY 14, the City initiated a new program to prevent foreclosure.

(n) In 2016, commercial airlines have shifted from carrying mail to allow more space for passenger luggage which produces greater revenue.

(o) The increase in participants in the center programs was due to implementation of new programs.

**CITY OF PENSACOLA, FLORIDA  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Governmental Activities:</b>										
General Government										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	135	130	134	140	140	140	140	140	140	146
Fire										
Stations	7	6	6	6	6	6	6	6	6	6
Apparatus	31	31	31	31	31	31	31	31	31	31
Transportation (a)										
Miles of street	330	332	332	332	332	332	332	332	332	325
Traffic warning signals	48	45	43	51	60	57	60	60	64	66
Traffic control signals	95	92	90	90	92	92	92	92	92	92
Traffic control signs	7,284	7,292	8,193	10,033	10,293	10,367	10,581	10,543	10,519	10,536
Culture and recreation										
Parks and recreation										
Parks	93	93	92	92	93	93	93	93	93	93
Acreage	483	483	478	478	517	517	517	592	592	592
Golf course										
Par	72	72	72	70	70	70	70	70	70	70
Acreage	123	123	123	123	123	123	123	108	123	123
Yardage	6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,450	6,400	6,400
Libraries (b)										
Number of libraries	3	3	3	3	3	3	-	-	-	-
Number of bookmobiles	1	0	0	0	0	0	-	-	-	-
Number of volumes	297,639	289,128	301,434	292,291	296,373	309,609	-	-	-	-
Economic environment (a)										
Street lights	7,855	7,790	7,694 (f)	7,757	7,780	7,804	7,794	7,798	7,891	7,887
Street name markers	2,910	2,905	5,287 (f)	5,676	5,676	5,676	5,685	5,691	5,703	5,709
Parking garages and lots, Number and size	3 @550 sp (d)	-	-	-	-	-	-	-	-	-
Parking meters	627 (d)	-	-	-	-	-	-	-	-	-
Berths	3 (c)	3	3	3	3	3	3	3	3	3
Physical environment										
Street Sweepers	6	7	6	7	7	7	7	7	7	7

(continued)

**CITY OF PENSACOLA, FLORIDA  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Business-type activities:</b>										
Utility										
Miles of gas mains	1,613	1,623	1,627	1,630	1,632	1,638	1,680	1,610	1,621	1,639
Sanitation										
Collection trucks - residential										
Garbage	17	12 (e)	12	12	12	11	11	11	11	11
Collection trucks - trash collection										
Container	2	2	2	2	2	2	2	2	2	2
Grapplers	8	9	9	9	9	9	9	9	9	9
Shuttle	9	2	2	2	2	2	2	2	2	2
Dump	2	1	1	1	1	1	1	1	-	-
Tractor	1	1	1	1	1	1	1	1	1	1
Shuttle trailers	20	8	8	8	8	8	8	8	8	8
Collection trucks - residential										
Recycling	-	4 (e)	4	4	4	6	6	6	7	7
Port										
Warehouses	8	8	7	7	7	7	7	7	7	7
Berths	5 (c)	5	5	5	5	5	5	5	5	5
Airport										
Runway 17-35 length and width in square feet	7000x150	7000x150	7000x150	7000x150	7000x150	7000x150	7000x150	7000x150	7000x150	7000x150
Runway 8-26 length and width in square feet	7000x150	7000x150	7000x150	7000x150	7000x150	7000x150	7000x150	7000x150	7000x150	7000x150
Terminal building in square feet	159,000	159,000	181,808	181,808	181,808	181,808	181,808	181,808	181,808	181,808

**Sources:** Various city departments.

**Notes:** No capital asset indicators are available for the economic environment and human services function. For those indicators that are null, data is not available.

- (a) Data provided is based on estimates.
- (b) The Santa Rosa Library was transferred to the County in FY07. The West Florida Library system was transferred to the County in FY14.
- (c) Three berths were transferred out Port's control during FY08. Two were moved to Culture and Recreation and one to Economic Environment.
- (d) The responsibility of the City's parking garages, lots and meters were transferred to the Downtown Improvement Board in FY 2008.
- (e) The City started a recycling program in fiscal year 2009. Four trucks were moved out of residential garbage and into residential recycling.
- (f) The change is due to a physical count of inventory.



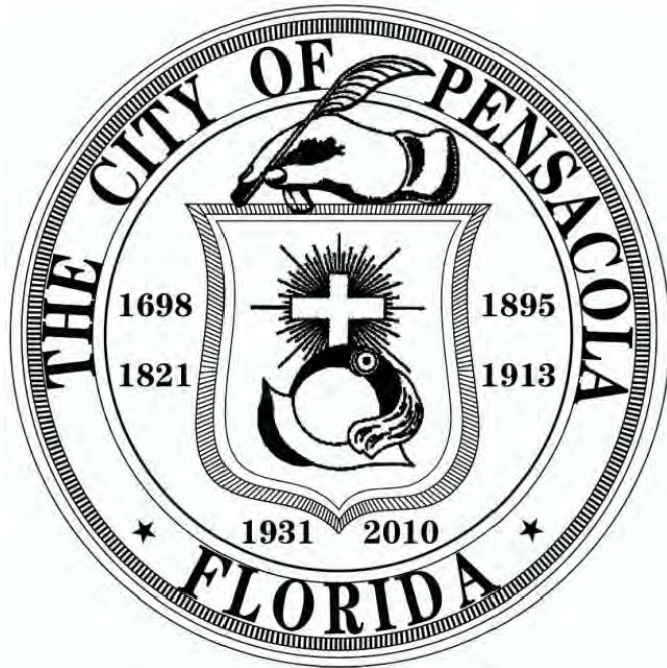
**CITY OF PENSACOLA, FLORIDA**  
**FULL-TIME-EQUIVALENT CITY GOVERNMENT POSITIONS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

<b>Function/Program</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Governmental activities:</b>										
General government										
Mayor	0	0	0	6	11	11	10	9	8	8
City manager	7	7	5	0	0	0	0	0	0	0
City clerk	3	3	3	3	3	3	3	4	3	3
City council	0	0	0	0	1	1	2	2	4	5
Legal	6	3	3	3	4	4	4	4	3	3
Human Resources	14	8	7	7	9	8	7	7	7	10
Civil service	3	2	2	2	0	0	0	0	0	0
Financial services	52	32	32	31	29	29	27	27	27	25
Planning Services	14 (a)	10	10	12	8	7	6	6	7	8
Garage	22	18	18	17	17	17	17	17	17	17
MIS	18	17	16	16	17	17	14	14	15	14
CRA	4	2	2	2	2	2	0	0	0	2
Public safety										
Police	220	212	209	204	205	204	203	203	204	204
Fire	138	115	114	111	111	114	114	114	115	116
Inspection services	18 (b)	14	11	9	10	10	10	11	12	12
Transportation										
Public Works	16	12	12	12	54 (b)	46	24 (e)	24	23	23
Culture and recreation										
Neighborhood services (c)	92	80	80	73	28 (b)	29	48 (e)	48	47	48
Golf Course	7	5	5	5	5	4	4	4	3	3
Library (d)	49	52	40	40	36	36	0	0	0	0
Economic environment										
Housing	25	23	23	23	22	22	22	20	20	20
Physical environment										
Stormwater utility	32	31	29	29	29	26	26	26	27	27
Engineering	11	11	12	13	12	9	8	8	8	8
<b>Business-type activities:</b>										
Utility	113	131	122	121	117	117	117	117	117	117
Sanitation	57	51	47	43	41	43	43	43	43	43
Port	12	10	10	10	10	10	9	9	9	9
Airport	51	62	63	68	61	61	53	53	51	51
	<u>984</u>	<u>911</u>	<u>875</u>	<u>860</u>	<u>842</u>	<u>830</u>	<u>771</u>	<u>770</u>	<u>770</u>	<u>776</u>

Source: City Budget Office

- Notes:** (a) Inspection Services moved to a Special Revenue Fund.  
(b) As part of reorganization, park works employees moved to public works.  
(c) Number of employees represent full time budgeted positions. Parks and recreation has part-time temporary employees to help facilitate programs during the summer.  
(d) Beginning October 2014, the City was no longer responsible for the library system. The library system was transferred to the County at the end of the previous fiscal year.  
(e) As part of reorganization, public works employees moved to park works.

## **OTHER AUDIT REPORTS SECTION**



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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

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**To the Honorable Mayor and Members  
of the City Council  
City of Pensacola, Florida**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Pensacola, Florida (the "City"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 1, 2018. Our report includes a reference to other auditors who audited the financial statements of the Downtown Improvement Board and the Community Maritime Park Associates, Inc. as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bradenton, Florida  
February 1, 2018

*Mauldin & Jenkins, LLC*



## INDEPENDENT AUDITOR'S REPORT

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**To the Honorable Mayor and Members  
of the City Council  
City of Pensacola, Florida**

We have examined the **City of Pensacola, Florida's** (the "City") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2017. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

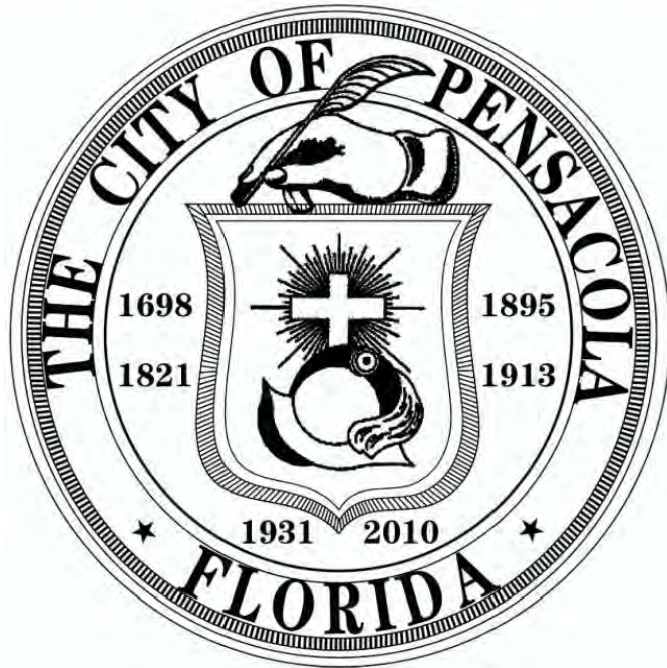
Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2017.

This report is intended solely for the information and use of the City and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Bradenton, Florida  
February 1, 2018

*Mauldin & Jenkins, LLC*



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**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM, STATE PROJECT AND PASSENGER FACILITY CHARGE  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

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**To the Honorable Mayor and Members  
of the City Council  
City of Pensacola, Florida**

**Report on Compliance for Each Major Federal Program**

We have audited the City of Pensacola, Florida’s (the “City”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, the requirements described in the *Department of Financial Services’ State Projects Compliance Supplement*, and the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, that could have a direct and material effect on each of the City’s major federal programs, state projects and its passenger facility charges for the year ended September 30, 2017. The City’s major federal programs and state financial assistance projects are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

***Management’s Responsibility***

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal programs, state projects, and passenger facility charges.

***Auditor’s Responsibility***

Our responsibility is to express an opinion on compliance for each of the City’s major federal programs, state projects, and passenger facility charges based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); Chapter 10.550, *Rules of the Auditor General*, and *Passenger Facility Charge Audit Guide for Public Agencies*. Those standards, the Uniform Guidance, Chapter 10.550, and Passenger Facility Charge Audit Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program, state project, and passenger facility charges program occurred. An audit includes examining, on a test basis, evidence about the City’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.



We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program, state project, and passenger facility charges program. However, our audit does not provide a legal determination of the City's compliance.

***Opinion on Each Major Federal Program, State Project, and Passenger Facility Charges Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs, state projects, and passenger facility charges program for the year ended September 30, 2017.

**Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program, state project, and passenger facility charges program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program, state project, and passenger facility charges program and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, and *Passenger Facility Charge Audit Guide for Public Agencies*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program, state project, or passenger facility charge program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program, state project, or passenger facility charges program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program, state project, or passenger facility charges program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, and *Passenger Facility Charge Audit Guide for Public Agencies*. Accordingly, this report is not suitable for any other purpose.

Bradenton, Florida  
February 1, 2018

*Mauldin & Jenkins, LLC*

CITY OF PENSACOLA, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017

SECTION I  
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:  
Material weaknesses identified?  yes  no

Significant deficiencies identified not considered  
to be material weaknesses?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

Federal Programs and State Financial Assistance Projects

Internal Control over major federal or state programs:  
Material weaknesses identified?  yes  no

Significant deficiencies identified not considered  
to be material weaknesses?  yes  none reported

Type of auditor's report issued on compliance for  
major Federal programs and state financial assistance  
projects: Unmodified

Any audit findings disclosed that are required to  
be reported in accordance with the Uniform Guidance?  yes  no

Identification of major federal program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.871	U.S. Department of Housing and Urban Development – Section 8 Housing Choice Vouchers Program

Identification of major state financial assistance projects:

<u>CFDA Number</u>	<u>Name of State Project or Cluster</u>
55.004	Aviation Grant Programs
40.012	Local Economic Development Initiatives
55.005	Seaport Grant Programs
37.039	Statewide Surface Water Restoration and Wastewater Projects

Dollar threshold used to distinguish between  
Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?  yes  no

**CITY OF PENSACOLA, FLORIDA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

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**SECTION II  
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

**SECTION III  
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None reported.

**SECTION IV  
STATE PROJECTS FINDINGS AND QUESTIONED COSTS**

None reported.

**CITY OF PENSACOLA, FLORIDA**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

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**STATUS OF PRIOR YEAR AUDIT FINDINGS**

No prior year audit findings.



**INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH SECTION 218.8017,  
FLORIDA STATUTES AND PUBLIC LAW 112-141 (33 U.S.C.A. SS. 1321 (T)); STATE OR  
LOCAL GRANTS; AND MONEYS RECEIVED DIRECTLY FROM BRITISH PETROLEUM**

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**To the Honorable Mayor and Members  
of the City Council  
City of Pensacola, Florida**

We have examined the City of Pensacola, Florida’s (the “City”) compliance with Section 288.8017, Florida Statutes and Public Law 112-141 (33 U.S.C.A. SS 1321(t)); State or Local Grants, and moneys received directly from British Petroleum, concerning the receipt and expenditure of those funds during the year ended September 30, 2017. Management is responsible for the City’s compliance with those requirements. Our responsibility is to express an opinion on the City’s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City’s compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2017.

This report is intended solely for the information and use of the City and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Bradenton, Florida  
February 1, 2018

*Mauldin & Jenkins, LLC*

**CITY OF PENSACOLA, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS,  
PASSENGER FACILITY CHARGE AND STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

<u>Federal/State Agency, Pass-Through Entity, Federal Program/State Project</u>	<u>Federal CFDA Number/ State CSFA Number</u>	<u>Contract Grant Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Throught to Subrecipients</u>	<u>Total Expenditures</u>	<u>Passenger Facility Charge Revenue</u>
<b><u>FEDERAL AWARDS</u></b>						
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>						
Emergency Watershed Protection Program	10.923	68-4209-16-201		\$	1,219,115	
<b>Total U.S. Department of Agriculture</b>					<u>1,219,115</u>	
<b><u>U.S. DEPARTMENT OF ENVIRONMENTAL PROTECTION AGENCY</u></b>						
Brownsfields Training, Research, and Technical Assistance Grants and Cooperative Agreement	66.814	00D10813			4,302	
<b>Total U.S. Department of Environmental Agency</b>					<u>4,302</u>	
<b><u>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>						
<i>CDBG-Entitlement Grants Cluster:</i>						
Community Development Block Grant	14.218	B-14/15-MC-12-0016	N/A	70,000	137,829	
Housing Rehabilitation	14.218	B-14/15-MC-12-0016			383,343	
Aid to Private Agencies	14.218	B-14/15-MC-12-0016			103,063	
Total CDBG-Entitlement Grants Cluster				<u>70,000</u>	<u>624,235</u>	
<i>Passed through Florida Housing Finance Corporation:</i>						
HOME Investment Partnerships Program	14.239	2016-033TBRA			77,294	
<i>Passed through Escambia County Florida:</i>						
HOME Investment Partnerships Program	14.239	B-15-UC-120012			567,564	
<i>Housing Voucher Cluster:</i>						
Section 8 Housing Choice Vouchers Program	14.871	FL092			16,826,191	
Total Housing Voucher Cluster					<u>16,826,191</u>	
<b>Total U. S. Department of Housing and Urban Development</b>					<u>18,095,284</u>	
<b><u>U. S. DEPARTMENT OF JUSTICE</u></b>						
Bulletproof Vest Partnership Program	16.607	2015-BU-BX-1507-7515			7,870	
Bulletproof Vest Partnership Program	16.607	2016-BUBX-1608-2990			2,569	
<i>Justice Assistance Grant Program:</i>						
Edward Byrne Memorial Justice Assistance Program	16.738	2015-DE-BX-K013			64,245	
Edward Byrne Memorial Justice Assistance Program	16.738	2016-DJ-BX-0544			31,800	
<i>Passed through the State of Florida, Department of Law Enforcement:</i>						
Edward Byrne Memorial Justice Assistance Program	16.738	JAGC-ESCA-2-H3-128/2017-JAGC-ESCA-2-F9-074			30,284	
Total Justice Assistance Grant Program					<u>126,329</u>	
Law Enforcement Trust Fund	N/A	N/A			78,741	
<b>Total U. S. Department of Justice</b>					<u>212,940</u>	
<b><u>U. S. DEPARTMENT OF TRANSPORTATION</u></b>						
Airport Improvement Program	20.106	N/A			3,869,686	
<i>Highway Safety Cluster</i>						
<i>Passed through State of Florida, Florida Department of Transportation:</i>						
National Priority Safety Program	20.616	M5HVE-17-06-12			12,392	
Total Highway Safety Cluster					<u>12,392</u>	
<i>Highway Planning and Construction Cluster:</i>						
<i>Passed through State of Florida, Florida Department of Transportation:</i>						
Highway Planning and Construction	20.205	436511-1-38-01			51,005	
Total Highway Planning and Construction Cluster					<u>51,005</u>	
<b>Total U. S. Department of Transportation</b>					<u>3,933,083</u>	
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>						
Port Security Grant Program	97.056	EMW-2014-PU-00526			6	
Port Security Grant Program	97.056	EMW-2016-PU-00178			21,500	
<i>Pass through Volunteer Florida</i>						
Emergency Management Performance Grant	97.042	17-FG-4T-12-00-08-209			7,000	
Emergency Management Performance Grant	97.042	17-FG-4T-12-00-08-209			7,000	
Hazard Mitigation Grant	97.039	16HM-H4-01-27-02-449			73,472	
Hazard Mitigation Grant	97.039	17HM-H4-01-27-02-228			72,505	
Hazard Mitigation Grant	97.039	16HM-H4-01-27-02-276			33,492	
<b>Total U.S. Department of Homeland Security</b>					<u>214,975</u>	

**CITY OF PENSACOLA, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS,  
PASSENGER FACILITY CHARGE AND STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

<u>Federal/State Agency, Pass-Through Entity, Federal Program/State Project</u>	<u>Federal CFDA Number/ State CSFA Number</u>	<u>Contract Grant Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Throught to Subrecipients</u>	<u>Total Expenditures</u>	<u>Passenger Facility Charge Revenue</u>
<b><u>FEDERAL AWARDS CONTINUED</u></b>						
<b><u>EXECUTIVE OFFICE OF THE PRESIDENT</u></b>						
High Intensity Drug Trafficing Areas Program	95.001	G16GC0007A			10,906	
<b>Total Executive Office of the President</b>					<u>10,906</u>	
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<b>\$ 70,000</b>	<b>23,690,605</b>	
<b>PASSENGER FACILITY CHARGE</b>					<b>2,691,875</b>	<b>3,289,541</b>
<b><u>STATE FINANCIAL ASSISTANCE</u></b>						
<b><u>FLORIDA HOUSING FINANCE CORPORATION</u></b>						
SHIP Program	52.901	SHIP 2012		\$	45,031	
<b>Total Florida Housing Finance Corporation</b>					<u>45,031</u>	
<b><u>FLORIDA DEPARTMENT ENVIRONMENT OF PROTECTION</u></b>						
Gaeronne Swamp Stormwater-Pensacola Bay Watershed	37.039	G0387			727,534	
<b>Total Florida Department of Environment of Protection</b>					<u>727,534</u>	
<b><u>FLORIDA DEPARTMENT OF TRANSPORTATION</u></b>						
Aviation Grant Programs	55.004	AQ986			477,693	
Aviation Grant Programs	55.004	AQY50			240,981	
Aviation Grant Programs	55.004	AR248			9,527,591	
Aviation Grant Programs	55.004	G0713			213,540	
Aviation Grant Programs	55.004	G0A18			306,471	
Aviation Grant Programs	55.004	G0713			868,558	
<b>Total Aviation Development Grants</b>					<u>11,634,834</u>	
Seaport Grant Programs	55.005	GOK29			85,801	
Seaport Grant Programs	55.005	AR223			225,255	
Area Wide Coordinate Signal Timings	55.013	AOM42			37,248	
Economic Development Transportation Projects - Road Fund	55.032	AQP76			198,980	
<b>Total Florida Department of Transportation</b>					<u>12,182,118</u>	
<b><u>FLORIDA DEPARTMENT OF JUVENILE JUSTICE</u></b>						
Prevention and Victim Services	80.029	10506			23,905	
<b>Total Floida Department of Juvenile Justice</b>					<u>23,905</u>	
<b><u>FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY</u></b>						
Local Economic Development Initiatives	40.012	FDEO SL024			997,600	
<b>Total Florida Department of Economic Opporunity</b>					<u>997,600</u>	
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>				<b>\$ -</b>	<b>13,976,188</b>	

**NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, PASSENGER FACILITY CHARGE AND STATE FINANCIAL ASSISTANCE**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The schedule of expenditures of federal awards and passenger facility charge is presented on the accrual basis of accounting in accordance with generally accepted accounting principles. Such expenditures are recognized following the cost principles contained in 2 CFR 200 Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE B - INDIRECT COST RATE**

The City has elected to use the 10-percent de minimis indirect cost rate as covered in 2 CFR 200.414 of the Uniform Guidance for Federal Awards.

**NOTE C - LOAN - PROGRAM INCOME**

The City has a loan program for low income housing renovations funded through the Community Development Block Grants and a loan program for home reconstruction funded through the HOME Investment Partnerships Program Grants. Under these programs, repayments to the City are considered program revenues (income) and loans of such funds to eligible recipients are considered expenditures. The amount of loan funds disbursed to program participants for the year was \$36,186.95 and \$36,000.00, respectively, and is presented in this schedule. The amount of principal and interest received in loan repayments for the year was \$82,833.86 and \$63,144.59, respectively. The balance of the loans outstanding as of fiscal year end consist of:

Community Development Block Grants CFDA number 14.218 \$1,042,939.13  
HOME Investment Partnerships Program Grants CFDA number 114.239 \$888,730.90

- 1** Includes debt service of \$2,117,963  
**2** Includes interest earnings of \$21,800



**CITY OF PENSACOLA, FL  
 SCHEDULE OF RECEIPTS AND EXPENDITURES OF FUNDS  
 RELATED TO THE DEEPWATER HORIZON OIL SPILL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2017**

<u>Source</u>	<u>Amount Received in the 2017 Fiscal Year</u>	<u>Amount Expended in the 2017 Fiscal Year</u>
<b>British Petroleum:</b>		
Class Action Lawsuit	\$ -	\$ 1,488,306

Note: The above funds represent 100% of the City's funds received and expended in relation to the Deepwater Horizon Oil Spill. There were no other federal or state awards received by the City that are related to the Deepwater Horizon Oil Spill.



## INDEPENDENT AUDITOR'S MANAGEMENT LETTER

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To the Honorable Mayor  
and Members of the City Council  
City of Pensacola, Florida

### **Report on the Financial Statements**

We have audited the financial statements of the City of Pensacola, Florida (the "City"), as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated February 7, 2018. We did not audit the financial statements of the Downtown Improvement Board which represents 100% of the assets, net position, and revenues of the City's discretely presented component unit. We also did not audit the financial statements of the Community Maritime Park Associates, Inc. which represents 1.6% of the revenues of the City's aggregate remaining fund information. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Downtown Improvement Board and the Community Maritime Park Associates, Inc., is based solely on the report of the other auditors.

### **Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); Chapter 10.550, Rules of the Auditor General; and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration.

### **Other Reports and Schedule**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program, State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated February 7, 2018 should be considered in conjunction with this management letter.

### **Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations in the preceding annual financial audit report requiring correction.

### **Official Title and Legal Authority**

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City of Pensacola, Florida was established by the Laws of Florida. The City of Pensacola, Florida included the following component units: Community Redevelopment Agency (CRA), the Community Maritime Park Associates, Inc. (CMPA), and the Downtown Improvement Board (DIB).

### **Financial Condition**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires that we report the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

### **Annual Financial Report**

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, requires that we report the results of our determination as to whether the annual financial report for the City for the fiscal year ended September 30, 2017, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2017. In connection with our audit, we determined that these two reports were in agreement.

### **Special District Component Units**

Section 10.554(1)(i)5.d, Rules of the Auditor General, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

### **Other Matters**

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

**Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Mayor and Members of City Council, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Bradenton, Florida  
February 1, 2018

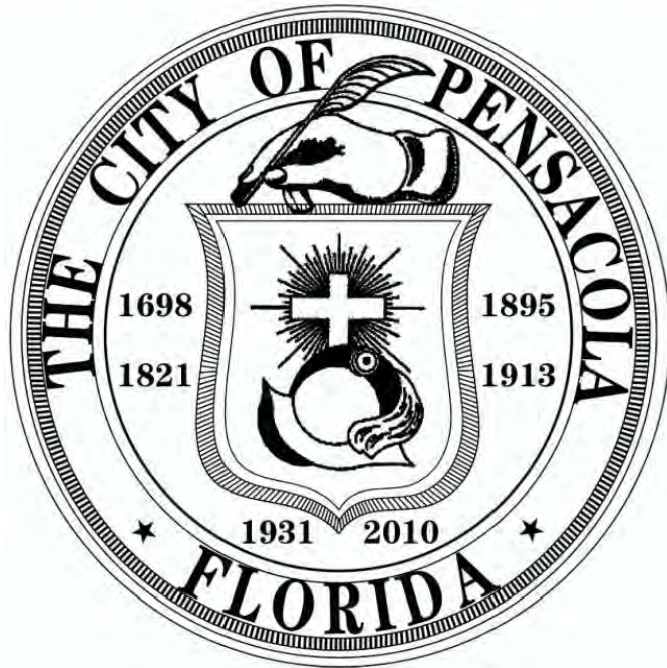
*Mauldin & Jenkins, LLC*

**CITY OF PENSACOLA, FLORIDA  
FINANCIAL DATA SCHEDULE  
SECTION 8 HOUSING CHOICE VOUCHERS PROGRAM  
CATALOGUE OF FEDERAL DOMESTIC ASSISTANCE NUMBER 14.871  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

Line Item #	Account Description	Amount
<b>Assets:</b>		
<b>Current Assets:</b>		
<b>Cash:</b>		
111	Unrestricted	\$ 3,108,683
113	Other restricted	100,765
<b>100</b>	<b>Total cash</b>	<u>3,209,448</u>
<b>Receivables:</b>		
128	Fraud recovery	1,389,386
128.1	Allowance for doubtful accounts - Fraud	(980,843)
<b>120</b>	<b>Total receivables</b>	<u>408,543</u>
142	Prepaid expenses and other assets	528
<b>150</b>	<b>Total current assets</b>	<u>3,618,519</u>
<b>290</b>	<b>Total assets</b>	<u>\$ 3,618,519</u>
<b>Liabilities:</b>		
<b>Current liabilities:</b>		
312	Accounts payable <= 90 days	\$ 5,662
342	Deferred revenue	408,543
345	Other current liabilities	400
347	Inter Program - Due To	17,866
<b>310</b>	<b>Total current liabilities</b>	<u>432,471</u>
<b>300</b>	<b>Total liabilities</b>	<u>432,471</u>
<b>Equity:</b>		
508.3	Nonspendable Fund Balance	528
509.3	Restricted Fund Balance	100,765
512.3	Unassigned fund balance	3,084,755
<b>513</b>	<b>Total equity/net assets</b>	<u>3,186,048</u>
<b>600</b>	<b>Total liabilities and equity/net assets</b>	<u>\$ 3,618,519</u>

**CITY OF PENSACOLA, FLORIDA  
FINANCIAL DATA SCHEDULE  
SECTION 8 HOUSING CHOICE VOUCHERS PROGRAM  
CATALOGUE OF FEDERAL DOMESTIC ASSISTANCE NUMBER 14.871  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

Line Item #	Account Description	Amount
<b>Revenues</b>		
<b>Other revenue:</b>		
70600	HUD PHA Operating Grants	\$ 16,511,841
71100	Investment Income - unrestricted	33,443
71400	Fraud Recovery	42,852
71500	Other revenue	3,956
71600	Gain or loss on sale of capital assets	5,320
72000	Investment Income - restricted	329
<b>700</b>	<b>Total revenues</b>	<u>16,597,741</u>
<b>Expenses</b>		
91100	Administrative salaries	620,439
91200	Auditing fees	35,000
91500	Employee benefit contributions - administrative	415,152
91810	Allocated Overhead	85,000
91900	Other operating - administrative	4,378
93100	Water	1,158
93200	Electricity	11,293
93300	Gas	425
93600	Sewer	2,141
93800	Other utilities expense	503
94200	Maintenance and operations - materials and other	174,020
94300	Maintenance and operations - contracts	47,314
96110	Property insurance	8,907
96200	Other general expenses	438
<b>96900</b>	<b>Total operating expenses</b>	<u>1,406,168</u>
<b>97000</b>	<b>Excess operating revenue over operating expenses</b>	<u>15,191,573</u>
<b>Other expenses:</b>		
97300	Housing Assistance Payments	15,413,238
97350	HAP Portability-In	6,428
97600	Capital outlays - governmental funds	36,356
<b>90000</b>	<b>Total expenses</b>	<u>16,862,190</u>
<b>10000</b>	<b>Excess (deficiency) of total revenue over (under) total expenses</b>	<u>\$ (264,449)</u>
11030	Beginning Equity	\$ 3,450,497
11170	Administrative Fee Equity	\$ 3,085,283
11180	Housing Assistance Payments Equity	\$ 100,765
11190	Unit Months Available	29,640
11210	Number of Unit Months Leased	29,022



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*CITY OF PENSACOLA, FLORIDA*



*Auditor's Discussion and Analysis  
Financial and Compliance Audit Summary  
September 30, 2017*

Presented by:

Wade Sansbury, CPA

**MAULDIN  
& JENKINS**



**PURPOSE OF THE AUDITOR'S DISCUSSION AND ANALYSIS**

- ◆ Engagement Team and Firm Information.
- ◆ Overview of:
  - Audit Opinion;
  - Financial Statements, Footnotes and Supplementary Information;
  - Compliance Reports;
  - Audit Scopes & Procedures.
- ◆ Required Communications under *Government Auditing Standards*.
- ◆ Accounting Recommendations and Related Matters.
- ◆ Answer Questions.



**CITY OF PENSACOLA, FLORIDA**  
**AUDITOR'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2017**

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**MAULDIN & JENKINS—GOVERNMENTAL PRACTICE**

**General Information:**

- Founded in 1918. Large regional firm serving the Southeastern United States.
- Offices located in Bradenton, FL; Macon, Atlanta, Albany, GA; Birmingham, AL, Columbia, SC, and Chattanooga, TN.
- Approximately 290 personnel are employed at Mauldin & Jenkins.

**Governmental Sector:**

- Largest specific industry niche served by Firm representing 25% of Firm practice.
- Serve governmental entities across the southeast requiring over 80,000 hours of service on an annual basis.
- Approximately 90 professional staff persons with current governmental experience.
- In the past three years, have served approx. 400 governments in the Southeast, including:
  - ✓ 100 cities;
  - ✓ 45 counties;
  - ✓ 50 school systems and 30 charter schools;
  - ✓ 40 state entities; and,
  - ✓ 40 stand-alone public utility systems (water/sewer, transit, gas, electric & airports);
  - ✓ 100 special purpose entities (housing, industrial development, health & welfare, other educational, retirement, libraries, etc.);
  - ✓ Over 100 governments awards the GFOA's Financial Reporting Certificates.
- Experience performing forensic audit services and information technology consultations.
- Experience performing municipal bond debt issuance attestation services serving approx.. 50 clients with over \$11 billion in aggregate publicly issued debt instruments.
- 10<sup>th</sup> highest level of Single Audits conducted in U.S.A. approximating \$8 billion annually.

**Engagement Team Leaders for the City Include:**

- Wade Sansbury, Engagement Lead Partner: 22 years of experience, 100% governmental
- Trey Scott, Engagement Senior Manager: 10 years of experience, 100% governmental
- Meredith Lipson, Quality Assurance Partner: 26 years of experience, 100% governmental

**MAULDIN & JENKINS—ADDITIONAL INFORMATION**

**Other Industries & Services by Mauldin & Jenkins:**

Each of Mauldin & Jenkins' offices provides a wide variety of services to a broad range of clientele. We have partners and managers who are responsible for specialized practice areas of auditing and accounting, taxes and management advisory services. Their purpose, as leaders in the particular practice area, is to establish policies with respect to technical matters in these specific areas and ensure that the quality of the Firm's practice is maintained.

**Industries Served:** Over the years, our partners have developed expertise in certain industries representative of a cross section of the Florida economy, including:

- Governmental Entities (state entities, cities, counties, school systems, business type operations, libraries, and other special purpose entities)
- SEC Registrants
- Wholesale Distribution
- Agri-Businesses
- Manufacturing
- Professional Services
- Employee Benefit Plans
- Financial Institutions (community banks, savings and loans, thrifts, credit unions, mortgage companies, and finance companies)
- Non-Profit Organizations
- Retail Businesses
- Long-term Healthcare
- Construction and Development
- Individuals, Estates and Trusts
- Real Estate Management

**Services Provided:** This diversity of practice enables our personnel to experience a wide variety of business, accounting and tax situations. We provide the traditional and non-traditional services such as:

- Financial Audit/Review/Compilation
- Compliance Audits and Single Audits
- Agreed-Upon Procedures
- Forensic Audits
- Bond Issuance Services
- Performance Audits
- State Sales Tax Matters
- International Tax Matters
- Business and Strategic Planning
- Profitability Consulting
- Budgeting
- Buy-Sell Agreements and Business Valuation Issues
- Income Tax Planning and Preparation
- Multi-State Income Tax Issues
- Information Systems Consulting
- Cost Accounting Analysis
- Healthcare Cost Reimbursement
- Outsourced Billing Services
- Fixed Asset Inventories
- Succession and Exit Strategy Consulting
- Estate Planning
- Management Information Systems
- Employee Benefit Plan Administration
- Merger/Acquisition and Expansion Financing

**CITY OF PENSACOLA, FLORIDA**  
**AUDITOR'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2017**

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**INDEPENDENT AUDITOR'S REPORT**

The standard independent auditor's report for governmental units has specific sections of significance to readers of the financial report.

**Management's Responsibility for the Financial Statements**

The financial statements are the responsibility of management.

**Auditor's Responsibility**

Our responsibility, as external auditors, is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We planned and performed our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. We did not audit the financial statements of the Downtown Improvement Board (DIB) or the Community Maritime Park Associates, Inc. (CMPA). These financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the DIB and CMPA is based solely on the report of the other auditors.

**Opinion**

We have issued an unmodified audit report which is the highest form of assurance we can render with regard to the fairness of financial information on which we are opining. The financial statements are considered to present fairly the financial position and results of operations as of, and for the year ended, September 30, 2017.

**Other Matters**

Certain required supplementary information and other information is included in the financial report, and as directed by relevant auditing standards, we have not expressed an opinion or provided any assurance on the respective information.

**Other Reporting**

*Government Auditing Standards* require auditors to issue a report on our consideration of internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. We have issued such a report and reference to this report is included in the independent auditor's report.

**CITY OF PENSACOLA, FLORIDA**  
**AUDITOR'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2017**

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**REVIEW OF COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**General Information About the CAFR**

A Comprehensive Annual Financial Report (CAFR) goes beyond the normal financial reporting required by accounting principles generally accepted in the United States. A CAFR includes, at a minimum, the following elements/sections:

- **Introductory Section:** General information on the City's structure and the services it provides.
  - Letter of Transmittal
  - Organizational Chart
  - Directory of Officials
  - Certificate of Achievement for Excellence in Financial Reporting
- **Financial Section:** Basic financial statements, footnotes and required supplementary information along with the auditor's report.
  - Independent Auditor's Report
  - Management Discussion & Analysis (MD&A)
  - Financial Statements and Footnotes
- **Statistical Section:** Broad range of financial, demographic information useful in assessing the City's economic condition, and this information covers multiple years.
  - Financial Trends Information
  - Revenue Capacity Information
  - Debt Capacity Information
  - Operating Information

In the end, a CAFR goes far beyond the basic requirements of annual financial reporting, and the City should be commended for going beyond the minimum and providing such a report.

**Recognition and Award**

Once completed, the fiscal year 2016 CAFR was submitted to the Government Finance Officers Association (GFOA) for determination if the report would merit the GFOA's Certificate of Achievement for Excellence in Financial Reporting. We are happy to inform everyone that the GFOA did indeed review the CAFR and awarded the City with the sought after Certificate.

The GFOA Certificate has been made a part of the City's 2017 fiscal year CAFR, and is included in the Introductory Section. The City has received this prestigious award for the past **36** years.

**REQUIRED COMMUNICATIONS**

**The Auditor's Responsibility Under *Government Auditing Standards*  
and Auditing Standards Generally Accepted in the United States of America**

Our audit of the financial statements of the City of Pensacola, Florida (the "City") for the year ended September 30, 2017, was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error, fraudulent financial reporting or misappropriation of assets. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Accordingly, the audit was designed to obtain reasonable, rather than absolute, assurance about the financial statements. We believe our audit accomplishes that objective.

In accordance with *Government Auditing Standards*, we have also performed tests of controls and compliance with laws and regulations that contribute to the evidence supporting our opinion on the financial statements. However, they do not provide a basis for opining on the City's internal control or compliance with laws and regulations.

In accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General—Local Government Entity Audits, we performed tests of controls and compliance that could have a direct and material effect on each of the City's major Federal programs or State financial assistance projects identified in the Schedule of Findings and Questioned Costs. We believe that our audit provides a reasonable basis for opining on the City's compliance with those major Federal programs and State projects.

**Accounting Policies**

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the City. There are new accounting standards which will be required to be implemented in the coming years. These are discussed later in this document.

In considering the qualitative aspects of the City's accounting policies, we did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. The City's policies relative to the timing of recording of transactions are consistent with GAAP and typical government organizations.

**CITY OF PENSACOLA, FLORIDA**  
**AUDITOR'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2017**

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**Management Judgments and Accounting Estimates**

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. Management has informed us they used all the relevant facts available to them at the time to make the best judgments about accounting estimates and we considered this information in the scope of our audit. We considered this information and the qualitative aspects of management's calculations in evaluating the City's significant accounting policies. Estimates significant to the financial statements include such items as the estimated lives of depreciable assets, the estimated allowance for uncollectible accounts, and the assumptions used in the actuarial valuations for the other post-employment benefit plans and self-insurance plans.

**Financial Statement Disclosures**

The footnote disclosures to the financial statements are also an integral part of the financial statements. The process used by management to accumulate the information included in the disclosures was the same process used in accumulating the financial statements, and the accounting policies described above are included in those disclosures. The overall neutrality, consistency and clarity of the disclosures was considered as part our audit and in forming our opinion on the financial statements.

**Significant Difficulties Encountered in Performing the Audit**

We encountered no difficulties in dealing with management relating to the performance of the audit.

**Audit Adjustments**

During our audit of the City's basic financial statements as of and for the year ended September 30, 2017, there were several adjustments prepared and proposed by management to the funds of the City after the initial receipt of the trial balance. All adjustments have been recorded in the City's accounting records.

**Uncorrected Misstatements**

We had no passed adjustments.

**CITY OF PENSACOLA, FLORIDA**  
**AUDITOR'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2017**

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**Disagreements with Management**

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

**Representation from Management**

We requested written representations from management relating to the accuracy of information included in the financial statements and the completeness and accuracy of various information requested by us, during the audit. Management provided those written representations without delay and in an organized manner.

**Management's Consultations with Other Accountants**

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

**Significant Issues Discussed with Management**

There were no significant issues discussed with management related to business conditions, plans or strategies that may have affected the risk of material misstatement of the financial statements. We are not aware of any consultations management had with us or other accountants about accounting or auditing matters. No major issues were discussed with management prior to our retention to perform the aforementioned audit.

**Independence**

We are independent of the City, and all related organizations, in accordance with auditing standards promulgated by the American Institute of Public Accountants and *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Other Information in Documents Containing Audited Financial Statements**

We are not aware of any other documents that contain the audited basic financial statements. If such documents were to be published, we would have a responsibility to determine that such financial information was not materially inconsistent with the audited statements of the City.



**CITY OF PENSACOLA, FLORIDA**  
**AUDITOR'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2017**

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**OVERVIEW OF FINANCIAL STATEMENTS**

The City's basic financial statements include three components: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements.

The **government-wide financial statements** provide a broad overview of all of the City's activities. The *Statement of Net Position* presents information on all assets and liabilities of the City, with the difference between the two reported as net position. The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. Revenues are categorized as program revenues or general revenues. Expenses are categorized by function.

The **fund financial statements** more closely resemble the financial statements as presented prior to the adoption of GASB Statement No. 34.

**RECOMMENDATIONS FOR IMPROVEMENT**

During our audit of the financial statements as of and for the year ended September 30, 2017, we noted areas within the accounting and internal control systems that we believe can be improved. Additionally, we noted certain items management should consider as part of its decision making process. Our recommendations (also, commonly referred to as management points) are presented in the following paragraphs. We believe consideration of these recommendations will help provide proper control over financial activities, and add effectiveness and efficiency to overall operations.

Due to the following being only operational recommendations, these are only reported within this annual audit agenda.

**Grant Management**

During our documentation of internal controls and review of grant activity, we noted that there is no central person monitoring the City's compliance with the applicable grant compliance requirements. The department awarded each grant is responsible for most of the requirements; the city purchasing is responsible for procurement; and the financial services department is responsible for accounting. It is our recommendation that someone familiar with the grant compliance requirements oversee all grant activity of the City to ensure all applicable compliance requirements are being addressed.

**ACCOUNTING RELATED MATTERS**

**Other Matters for Communication to the City Council and Management**

During our audit of the financial statements as of and for the year ended September 30, 2017, we noted other matters which we wish to communicate to you in an effort to keep the City abreast of accounting matters that could present challenges in financial reporting in future periods.

**1. Looking Froward: New Governmental Accounting Standard Board (GASB) Standards and Pronouncements**



As has been the case for the past ten years, GASB has issued several other new pronouncements which will be effective in future years. The following is a brief summary of the new standards:

- a. **Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*** was issued in June of 2015, and is effective for financial statements for periods beginning after June 15, 2016, resulting in the City's fiscal year ending September 30, 2017. This statement could easily be described as the GASB No. 67 for postemployment benefit plans due to the fact that it will closely follow the provisions of GASB No. 67 for pension plans.

The objective of this statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

This statement replaces Statements No. 43, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement No. 43, and Statement No. 50, *Pension Disclosures*.

**CITY OF PENSACOLA, FLORIDA**  
**AUDITOR'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2017**

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The scope of this statement includes OPEB plans (defined benefit and defined contribution) administered through trusts that meet the following criteria:

- Contributions from employers and non-employer contributing entities to the OPEB plan and earnings on those contributions are irrevocable;
- OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms;
- OPEB plan assets are legally protected from the creditors of employers, non-employer contributing entities, and the OPEB plan administrator. If the plan is a defined benefit OPEB plan, plan assets also are legally protected from creditors of the plan members.

The requirements of this statement will improve financial reporting primarily through enhanced note disclosures and schedules of required supplementary information that will be presented by OPEB plans that are administered through trusts that meet the specified criteria. The new information will enhance the decision-usefulness of the financial reports of those OPEB plans, their value for assessing accountability, and their transparency by providing information about measures of net OPEB liabilities and explanations of how and why those liabilities changed from year to year.

The net OPEB liability information, including ratios, will offer an up-to-date indication of the extent to which the total OPEB liability is covered by the fiduciary net position of the OPEB plan. The comparability of the reported information for similar types of OPEB plans will be improved by the changes related to the attribution method used to determine the total OPEB liability.

The contribution schedule will provide measures to evaluate decisions related to the assessment of contribution rates in comparison with actuarially determined rates, if such rates are determined. In addition, new information about rates of return on OPEB plan investments will inform financial report users about the effects of market conditions on the OPEB plan's assets over time and provide information for users to assess the relative success of the OPEB plan's investment strategy and the relative contribution that investment earnings provide to the OPEB plan's ability to pay benefits to plan members when they come due.

- b. Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*** was issued in June of 2015, and is effective for financial statements for periods beginning after June 15, 2017 resulting in the City's fiscal year ending September 30, 2018. This statement could easily be described as the GASB No. 68 for postemployment benefit plans due to the fact that it will closely follow the provisions of GASB No. 68 for pension plans.

**CITY OF PENSACOLA, FLORIDA**  
**AUDITOR'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2017**

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The primary objective of this statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

This statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans.

The scope of this statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

In addition, this statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB. This statement also addresses certain circumstances in which a non-employer entity provides financial support for OPEB of employees of another entity.

In this statement, distinctions are made regarding the particular requirements depending upon whether the OPEB plans through which the benefits are provided are administered through trusts that meet the following criteria:

- Contributions from employers and non-employer contributing entities to the OPEB plan and earnings on those contributions are irrevocable;
- OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms;
- OPEB plan assets are legally protected from the creditors of employers, non-employer contributing entities, the OPEB plan administrator, and the plan members.

**CITY OF PENSACOLA, FLORIDA**  
**AUDITOR'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2017**

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The requirements of this statement will improve the decision-usefulness of information in employer and governmental non-employer contributing entity financial reports and will enhance its value for assessing accountability and inter-period equity by requiring recognition of the entire OPEB liability and a more comprehensive measure of OPEB expense. Decision-usefulness and accountability also will be enhanced through new note disclosures and required supplementary information.

- c. **Statement No. 81, *Irrevocable Split-Interest Agreements*** was issued in March of 2016, and is effective for financial statements for periods beginning after December 15, 2016, resulting in the City's fiscal year ending September 30, 2018.

Irrevocable split-interest agreements (which are prevalent at colleges and universities) whereby split-interest agreements in which an asset is given to a government in trust. During stated term of the trust the income generated by the trust goes to the donor and when the trust ends then the assets become the governments. We do not expect this pronouncement to affect the financial reporting of the City.

- d. **Statement No. 82, *Pension Plans*** was issued in April 2016, and is effective for the first reporting period in which the City's pension plan's measurement date is on or after June 15, 2017. No real significant matters noted in this standard which addresses:

- Presentation of payroll-related measures in the Required Supplementary Information of the annual audited financial report. Covered payroll is defined as the payroll on which contributions are based;
- Selection of actuarial assumptions. Any deviation from guidance of Actuarial Standards Board is not in conformity with GASB No. 67 & 68;
- Classification of payments made by employers to satisfy contribution requirements:
  - Payments made by employer to satisfy contribution requirements that are identified as plan member contributions should be classified as "plan member contributions" for GASB No. 67, and as "employee contributions" for GASB No. 68; and,
  - Expense to be classified as other compensation elements.

- e. **Statement No. 83, *Certain Asset Retirement Obligations*** was issued in November 2016, and is effective for the first reporting period beginning after June 15, 2018. An asset retirement obligation (ARO) is a legally enforceable liability associated with the retirement of a tangible capital asset. This statement establishes the criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for ARO's. Timing could be based on the occurrence of external laws, regulations, contracts or court judgments. Examples include the closure of a nuclear reactor or a sewage treatment facility. This statement addresses the financial reporting and accounting as well as the respective disclosures relative to ARO's.

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- f. **Statement No. 84, *Fiduciary Activities*** was issued in January 2017 and is effective for the first reporting period beginning after December 15, 2018. This statement establishes criteria for identifying fiduciary activities with a focus on: 1) whether a government is controlling the assets of the fiduciary activity; and, 2) the beneficiaries with whom a fiduciary relationship exists.

Further, this statement describes four (4) fiduciary funds that should be reported, if applicable: 1) pension and other employee benefit trust funds; 2) investment trust funds; 3) private-purpose trust funds; and, 4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

- g. **Statement No. 85, *Omnibus 2017*** was issued in March 2017 and is effective for the first reporting period beginning after June 15, 2017. This Statement addresses a variety of topics including issues related to:

- Component Units - blending a component unit in circumstances in which the primary government is a business-type activity that reports in a single column for financial statement presentation;
- Goodwill - reporting amounts previously reported as goodwill and “negative” goodwill;
- Real Estate - classifying real estate held by insurance entities;
- Fair Value Measurement and Application - measuring certain money market investments and participating interest earning investment contracts at amortized cost;
- Postemployment benefits (pensions and other postemployment benefits [OPEB]):
  - Timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus;
  - Recognizing on-behalf payments for pensions or OPEB in employer financial statements;
  - Presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB;
  - Classifying employer-paid member contributions for OPEB;
  - Simplifying certain aspects of the alternative measurement method for OPEB; and,
  - Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans.

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- h. Statement No. 86, *Certain Debt Extinguishment Issues*** was issued in May 2017 and is effective for the first reporting period beginning after June 15, 2017. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources (resources other than the proceeds of refunding debt) are placed into an irrevocable trust for the sole purpose of extinguishing debt. This Statement also addresses prepaid insurance on debt that is extinguished and the notes to financial statements for debt that is in-substance defeased.
- i. Statement No. 87, *Leases*** was issued in June 2017 and is effective for the first reporting period beginning after December 15, 2019. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the principle that a lease is the financing of the right to use an underlying asset.

Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

***Definition of a Lease:*** A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the leases guidance, unless specifically excluded in this Statement.

***Lease Term:*** The lease term is defined as the period during which a lessee has a non-cancelable right to use an underlying asset, plus the following periods, if applicable:

- Periods covered by a lessee's option to extend the lease if it is reasonably certain, based on all relevant factors, that the lessee will exercise that option;
- Periods covered by a lessee's option to terminate the lease if it is reasonably certain, based on all relevant factors, that the lessee will not exercise that option;
- Periods covered by a lessor's option to extend the lease if it is reasonably certain, based on all relevant factors, that the lessor will exercise that option;
- Periods covered by a lessor's option to terminate the lease if it is reasonably certain, based on all relevant factors, that the lessor will not exercise that option.

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A fiscal funding or cancellation clause should affect the lease term only when it is reasonably certain that the clause will be exercised. Lessees and lessors should reassess the lease term only if one or more of the following occur:

- The lessee or lessor elects to exercise an option even though it was previously determined that it was reasonably certain that the lessee or lessor would not exercise that option;
- The lessee or lessor elects not to exercise an option even though it was previously determined that it was reasonably certain that the lessee or lessor would exercise that option;
- An event specified in the lease contract that requires an extension or termination of the lease takes place.

***Short-Term Leases:*** A short-term lease is defined as a lease that, at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Lessees and lessors should recognize short-term lease payments as outflows of resources or inflows of resources, respectively, based on the payment provisions of the lease contract.

***Lessee Accounting:*** A lessee should recognize a lease liability and a lease asset at the commencement of the lease term, unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease liability should be measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease asset should be measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

A lessee should reduce the lease liability as payments are made and recognize an outflow of resources (for example, expense) for interest on the liability. The lessee should amortize the lease asset in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. The notes to financial statements should include a description of leasing arrangements, the amount of lease assets recognized, and a schedule of future lease payments to be made.

***Lessor Accounting:*** A lessor should recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. A lessor should not derecognize the asset underlying the lease. The lease receivable should be measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods.



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A lessor should recognize interest revenue on the lease receivable and an inflow of resources (for example, revenue) from the deferred inflows of resources in a systematic and rational manner over the term of the lease. The notes to financial statements should include a description of leasing arrangements and the total amount of inflows of resources recognized from leases.

***Contracts with Multiple Components and Contract Combinations:*** Generally, a government should account for the lease and non-lease components of a lease as separate contracts. If a lease involves multiple underlying assets, lessees and lessors in certain cases should account for each underlying asset as a separate lease contract. To allocate the contract price to different components, lessees and lessors should use contract prices for individual components as long as they do not appear to be unreasonable based on professional judgment, or use professional judgment to determine their best estimate if there are no stated prices or if stated prices appear to be unreasonable. If determining a best estimate is not practicable, multiple components in a lease contract should be accounted for as a single lease unit. Contracts that are entered into at or near the same time with the same counterparty and that meet certain criteria should be considered part of the same lease contract and should be evaluated in accordance with the guidance for contracts with multiple components.

***Lease Modifications and Terminations:*** An *amendment* to a lease contract should be considered a lease modification, unless the lessee's right to use the underlying asset decreases, in which case it would be a partial or full lease termination. A lease termination should be accounted for by reducing the carrying values of the lease liability and lease asset by a lessee, or the lease receivable and deferred inflows of resources by the lessor, with any difference being recognized as a gain or loss. A lease modification that does not qualify as a separate lease should be accounted for by re-measuring the lease liability and adjusting the related lease asset by a lessee and re-measuring the lease receivable and adjusting the related deferred inflows of resources by a lessor.

***Subleases and Leaseback Transactions:*** Subleases should be treated as transactions separate from the original lease. The original lessee that becomes the lessor in a sublease should account for the original lease and the sublease as separate transactions, as a lessee and lessor, respectively.

A transaction qualifies for sale-leaseback accounting only if it includes a sale. Otherwise, it is a borrowing. The sale and lease portions of a transaction should be accounted for as separate sale and lease transactions, except that any difference between the carrying value of the capital asset that was sold and the net proceeds from the sale should be reported as a deferred inflow of resources or a deferred outflow of resources and recognized over the term of the lease.

A lease-leaseback transaction should be accounted for as a net transaction. The gross amounts of each portion of the transaction should be disclosed.

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- j. **Other Pending or Current GASB Projects.** As noted by the numerous pronouncements issued by GASB over the past decade, the GASB continues to research various projects of interest to governmental units. Subjects of note include:
- **Re-Examination of the Financial Reporting Model.** GASB has added this project to its technical agenda to make improvements to the existing financial reporting model (established via GASB 34). Improvements are meant to enhance the effectiveness of the model in providing information for decision-making and assessing a government's accountability. GASB anticipates issuing an initial due process document on this project by the end of 2017.
  - **Conceptual Framework** is a constant matter being looked at by GASB. Current measurement focus statements (for governmental funds) to change to near-term financial resources measurement. May dictate a period (such as 60 days) for revenue and expenditure recognition. May expense thing such as supplies and prepaid assets at acquisition. Will look into which balances (at all statement levels) are measured at acquisition and which need to be re-measured at year-end. Project placed on hold for now.
  - **Economic Condition Reporting** is another long-term matter being looked into by GASB. Includes presentation of information on fiscal sustainability (including projections). Tabled for now pending resolution to issues raised on GASBs scope.

**Summations of Thoughts Noted Above**

We believe the implementation of these suggestions will enhance both the control environment and the financial reporting process, making both more effective. We also believe these recommendations can be easily implemented, and all problems resolved quite timely should management elect to employ the corrective measures.

## COMPLIMENTARY CONTINUING EDUCATION AND NEWSLETTERS FOR GOVERNMENTAL CLIENTS

**Complimentary Continuing Education.** We provide complimentary continuing education for all of our governmental clients. Annually, we pick a couple of significant topics tailored to be of interest to governmental entities. We provide these complimentary services typically in the summer months over a two day period and typically see 40 to 50 people. We obtain the input and services of experienced outside speakers along with providing the instruction utilizing our in-house professionals. We hope City staff and officials have been able to participate in this opportunity, and that it has been beneficial to you. Examples of subjects addressed in the past include:

- Accounting for Debt Issuances
- American Recovery & Reinvestment Act (ARRA) Updates
- Best Budgeting Practices, Policies and Processes
- CAFR Preparation (several times including a two (2) day hands-on course)
- Capital Asset Accounting Processes and Controls
- Collateralization of Deposits and Investments
- Evaluating Financial and Non-Financial Health of a Local Government
- GASB No. 51, Intangible Assets
- GASB No. 54, Governmental Fund Balance (subject addressed twice)
- GASB No. 60, Service Concession Arrangements (webcast)
- GASB No. 61, the Financial Reporting Entity (webcast)
- GASB No.'s 63 & 65, Deferred Inflows and Outflows (webcast)
- GASB No.'s 67 & 68, New Pension Stds. (presented several occasions)
- GASB Updates (ongoing and several sessions)
- Grant Accounting Processes and Controls
- Internal Controls Over Accounts Payable, Payroll and Cash Disbursements
- Internal Controls Over Receivables & the Revenue Cycle
- Internal Revenue Service (IRS) Issues, Primarily Payroll Matters
- Legal Considerations for Debt Issuances & Disclosure Requirements
- Policies and Procedures Manuals
- Segregation of Duties
- Single Audits for Auditees
- Uniform Grant Reporting Requirements and the New Single Audit

**Governmental Newsletters.** We produce newsletters tailored to meet the needs of governments. The newsletters have addressed a variety of subjects and are intended to be timely in their subject matter. The newsletters are authored by Mauldin & Jenkins partners and managers, and are not purchased from an outside agency. The newsletters are produced and delivered periodically (approximately six times per year), and are intended to keep you informed of current developments in the government finance environment.

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**Communication.** In an effort to better communicate our complimentary continuing education plans and newsletters, please email Paige Vercoe at [pvercoe@mjcpa.com](mailto:pvercoe@mjcpa.com) and provide to her individual names, mailing addresses, email addresses, and phone numbers of anyone you wish to participate and be included in our database.

**CLOSING**

We believe the implementation of these suggestions will enhance both the control environment and the financial reporting process, making both more effective. We also believe these recommendations can be easily implemented. If you have any questions regarding any comments, suggestions or recommendations set forth in this memorandum, we will be pleased to discuss it with you at your convenience.

This information is intended solely for the use of the City's management, and others within the City's organization and is not intended to be and should not be used by anyone other than these specified parties.

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



# Financial Condition Assessment Overview

Listing of Financial Indicators  
FY 2017

# Financial Condition Assessment Overview

The Financial Condition Assessment has been completed by the City's Financial Services Department staff and reviewed by independent auditors. Financial condition refers to a local government's ability to provide services at the level and quality that are required for the health, safety, and welfare of the community, and that its citizens desire. Below is the summary of the fiscal year 2017 Financial Condition Assessment for the City of Pensacola.

Beginning in fiscal year 2001, the Florida State Statutes and the Auditor General have required a Financial Condition Assessment be performed as part of the annual audit. The assessment consists of 29 financial indicators expressed as ratios and trends. The evaluation of each financial indicator consists of a five-year trend analysis based on the City's historical financial information and a comparison of City financial data to a benchmark grouping. For each of the 29 financial indicators, the trend analysis and the benchmark comparison are rated as favorable, unfavorable or inconclusive based on criteria from the Auditor General. The summary of the results of the financial indicator ratings determines the government's Financial Condition Assessment overall rating.

# Financial Condition

## Assessment Overview (Continued)

In fiscal year 2015, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions; an amendment of GASB Statement No. 27*. GASB Statement No. 68 ushers in two substantial changes. The first is each government that offers defined pension benefits to its employees will be required to report on the face of its financial statements the unfunded pension obligation (the “Net Pension Liability”). In the past, the Net Pension Liability was shown in the notes to the financial statements only.

The second substantial change ushered in by GASB Statement 68 is that each local government participating in a defined benefit cost-sharing multiple-employer pension plans, such as the Florida Retirement System (FRS), will be required to report on the face of its financial statements their proportionate share of the “collective” Net Pension Liability. In the past, governments did not directly report information about their proportionate share of these pension obligations. Instead, governments only reported a liability to the extent that they failed to make their required contributions.

# Financial Condition

## Assessment Overview (Continued)

The Net Pension Liability is recorded at the fund level for proprietary activities and the allocated amount for governmental activities is presented at the government-wide level. The governmental fund-level statements are not affected by this pronouncement which use a modified-accrual basis of accounting.

It is also important to point out that Financial Indicator No. 3 compares unassigned and assigned fund balance to total expenditures which is a contradiction of the Government Finance Officers Association's (GFOA) Best Practice recommendation for a government to maintain in its general fund unrestricted fund balance no less than two months of general fund operating expenditures. Unrestricted fund balance would include unassigned, assigned and committed. Based on the GFOA Best Practices recommendation, the City's meets the requirement.



# Financial Condition

## Assessment Overview (Continued)

The City of Pensacola's overall rating is inconclusive which means "leading to no conclusion or definite result" for fiscal year 2017. The City of Pensacola's rating has been inconclusive for fourteen of the last sixteen fiscal years. For fiscal year 2009 and 2012 the rating was unfavorable; however, the City's condition would have remained inconclusive if there were no unspent Airport bond proceeds in fiscal years 2008 and 2009.

The primary focus of the assessment is to determine if the City is either in a deteriorating financial condition or in a state of financial emergency. The City is in neither position and continues to maintain a stable outlook.

# Financial Condition Assessment Overview

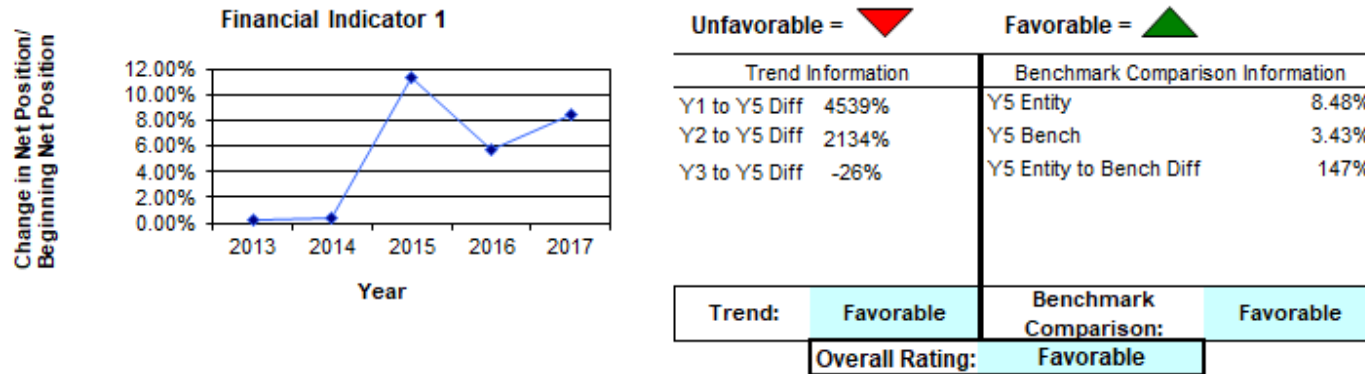
	<u>Fiscal Year 2017</u>		<u>Fiscal Year 2016</u>		<u>Fiscal Year 2015</u>	
Favorable	23%	6	35%	9	38%	10
Unfavorable	54%	14	46%	12	23%	6
Inconclusive	23%	6	19%	5	38%	10
Total Applicable	<u>100%</u>	<u>26</u>	<u>100%</u>	<u>26</u>	<u>100%</u>	<u>26</u>
N/A		<u>3</u>		<u>3</u>		<u>3</u>
Total		<u>29</u>		<u>29</u>		<u>29</u>
Overall Rating		<b>Inconclusive</b>		<b>Inconclusive</b>		<b>Inconclusive</b>

City Council and management are responsible for monitoring financial condition. While the five-year trend indicates an inconclusive position, the Chief Financial Officer has stated that the City is in good financial condition. This will continue as long as the City budget is structured so that on-going revenues will fund on-going expenditures and departments operate within their appropriations.

The *Financial Condition Assessment Overview* has also been provided. Please contact Richard Barker, Jr., Chief Financial Officer, for questions regarding the assessment.

# Financial Indicator 1

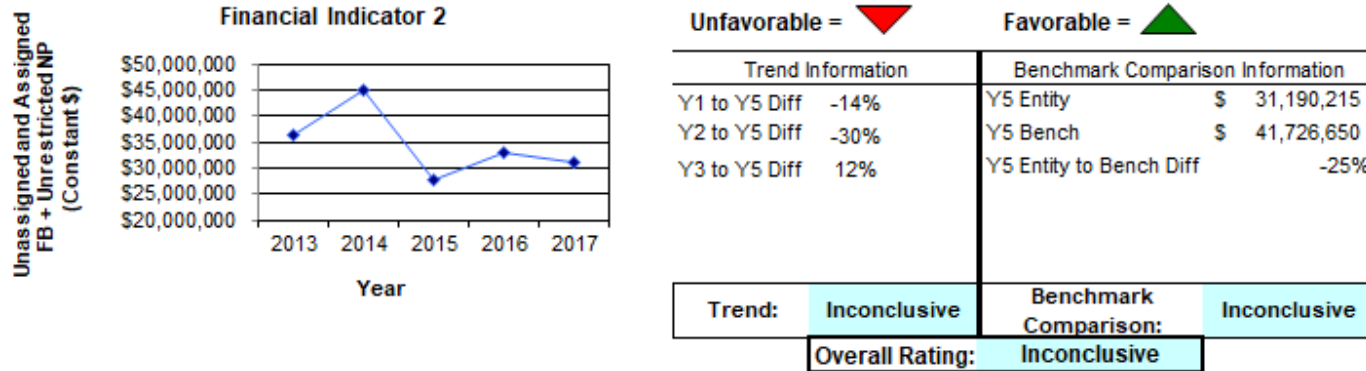
Change in Net Position / Beginning Net Position



- Governmental Activities.
- Decreasing results over time indicate that financial position is weaker as a result of resource flow.
- The rating is favorable as the change in net position has increased since 2013. The increase in 2015 can be attributed to unspent settlement proceeds and decreased functional expenses due to the deferral of current year pension cost required for the implementation of GASB Statement No. 68. While City settlement proceeds and pension cost did not have much of an affect in 2016, there was still a \$7.9 million increase in the City's net position.

# Financial Indicator 2

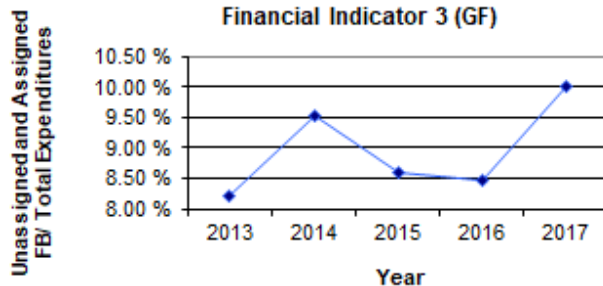
## Unassigned and Assigned FB + Unrestricted NP



- General, Debt Service, Capital Projects, Enterprise and Internal Service Funds.
- Amounts in constant dollars (adjusted for inflation).
- Declining results may indicate difficulty maintaining a stable tax and revenue structure and/or adequate levels of service. Deficits may indicate a financial emergency.
- The rating is inconclusive due to an inconsistent trend over the past few years. The sharp decline in 2015 was a result of a \$17.3 million decrease in the enterprise and internal service funds unrestricted net position primary attributable to the recognition of \$23.5 million in prior year unfunded pension obligations which was offset with \$1.6 million in reduced pension cost due to the implementation of GASB Statement No. 68.

# Financial Indicator 3 (GF)

## Unassigned and Assigned FB/Total Expenditures



Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	22%	Y5 Entity	10.01%
Y2 to Y5 Diff	5%	Y5 Bench	40.88%
Y3 to Y5 Diff	17%	Y5 Entity to Bench Diff	-76%

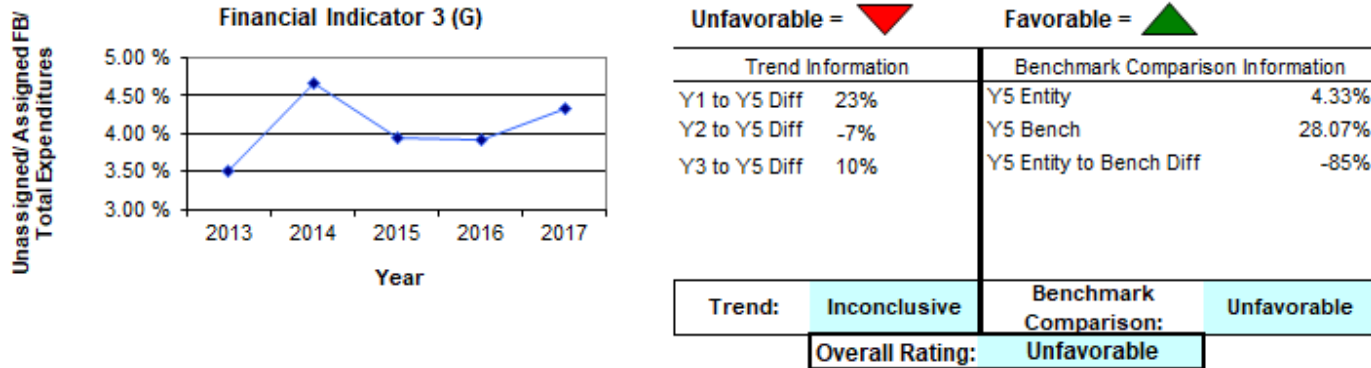
  

Trend:	Inconclusive	Benchmark Comparison:	Unfavorable
Overall Rating:		Unfavorable	

- General Fund.
- Percentages decreasing over time may indicate unstructured budgets that could lead to future budgetary problems even if current fund balance is positive.
- The rating is unfavorable as the City's general fund unassigned and assigned fund balance is below that of similar municipalities. This is likely due to the amount set aside for Council Reserves. Since Council Reserves is considered a committed fund balance, it is not taken into account in this indicator. Had the amount for Council Reserves been taken into consideration the factor would have been inconclusive due to the inconstant trend over the past few years.

# Financial Indicator 3 (G)

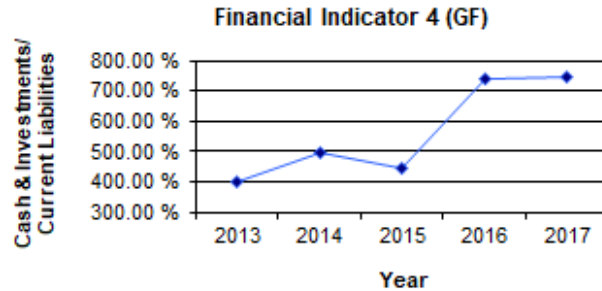
## Unrestricted FB/Total Expenditures



- General, Special Revenue, Debt Service and Capital Project Funds.
- Percentages decreasing over time may indicate unstructured budgets that could lead to future budgetary problems even if current fund balance is positive.
- The rating is unfavorable as the City's governmental funds is below that of similar municipalities. Council Reserves (mentioned in the prior slide) as well as the Local Option Sales Tax fund balance is the primary cause. The use of future Local Option Sales Tax revenues to fund current projects such the Fire Station 3, Bayview Community Center and Osceola Golf Course resulted in a negative unassigned fund balance which negatively impacted the indicator.

# Financial Indicator 4 (GF)

## Cash and Investments/Current Liabilities



Unfavorable = ▼ Favorable = ▲

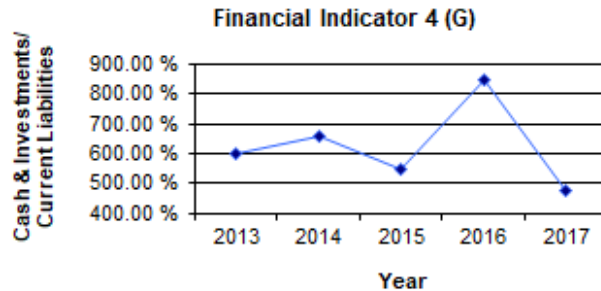
Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	87%	Y5 Entity	742.54%
Y2 to Y5 Diff	50%	Y5 Bench	931.02%
Y3 to Y5 Diff	68%	Y5 Entity to Bench Diff	-20%

Trend:	Favorable	Benchmark Comparison:	Inconclusive
Overall Rating:	Favorable		

- General Fund.
- Percentages decreasing over time may indicate difficulty raising cash needed to meet current needs or that the government has overextended itself in the long run.
- The rating is favorable due to decreased liabilities over the past few years. Changes in liabilities have an adverse effect on the indicator. In 2016 the indicator increased due to decreases in wages and benefits payable.

# Financial Indicator 4 (G)

## Cash and Investments/Current Liabilities



Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	-20%	Y5 Entity	476.07%
Y2 to Y5 Diff	-28%	Y5 Bench	1278.40%
Y3 to Y5 Diff	-13%	Y5 Entity to Bench Diff	-63%

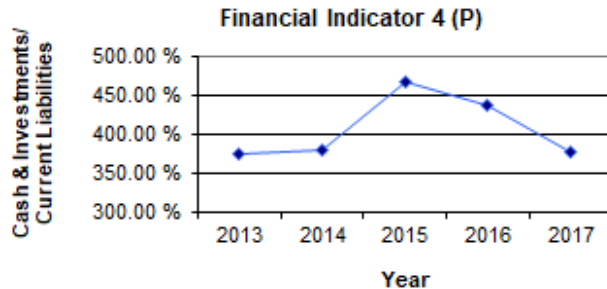
Trend:	Inconclusive	Benchmark Comparison:	Unfavorable
Overall Rating:		Unfavorable	

- General, Special Revenue, Debt Service and Capital Project Funds.
- Percentages decreasing over time may indicate difficulty raising cash needed to meet current needs or that the government has overextended itself in the long run.
- The rating is unfavorable as the City's governmental funds is below that of similar municipalities. Changes in liabilities have an adverse effect on the indicator. In 2016 the indicator increased due to decreases in wages and benefits payable and contracts payable. In 2017 the indicator decreased due to increases in vouchers and contracts payable. The increase in the 2017 payables is a direct result of increased construction projects in the City's capital project funds.



# Financial Indicator 4 (P)

## Cash and Investments/Current Liabilities



Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	1%	Y5 Entity	377.08%
Y2 to Y5 Diff	0%	Y5 Bench	470.20%
Y3 to Y5 Diff	-19%	Y5 Entity to Bench Diff	-20%

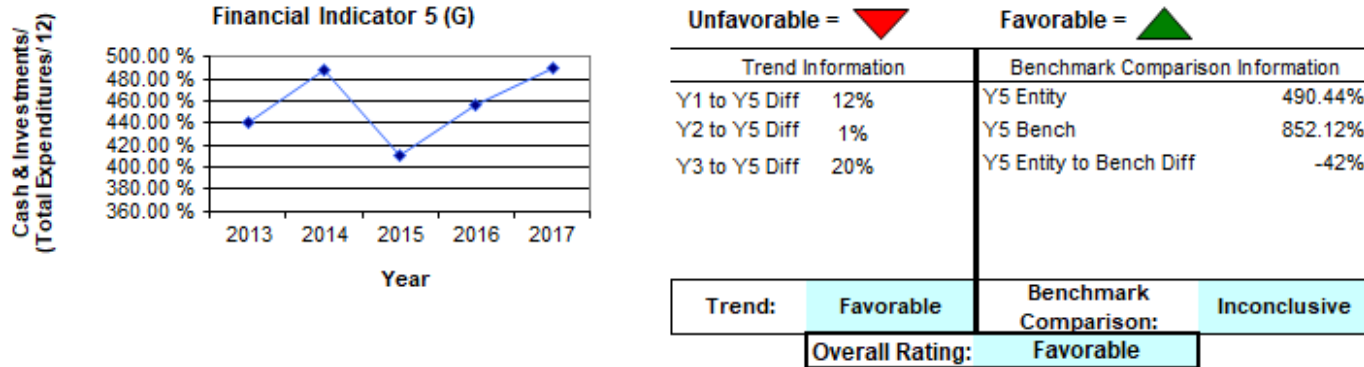
  

Trend:	Unfavorable	Benchmark Comparison:	Inconclusive
Overall Rating:	Unfavorable		

- Proprietary Funds (Enterprise and Internal Service Funds).
- Percentages decreasing over time may indicate difficulty raising cash needed to meet current needs or that the government has overextended itself in the long run.
- The rating is unfavorable due to increases in liabilities over the past few years. Changes in liabilities have an adverse effect on the indicator. The incline in 2015 is based on increased cash and investments in the utility fund which is used to fund reserves. The decrease in 2016 and 2017 was due to increases in vouchers and contracts payable as a direct result of increased construction projects in the Utility and Airport funds.

# Financial Indicator 5 (G)

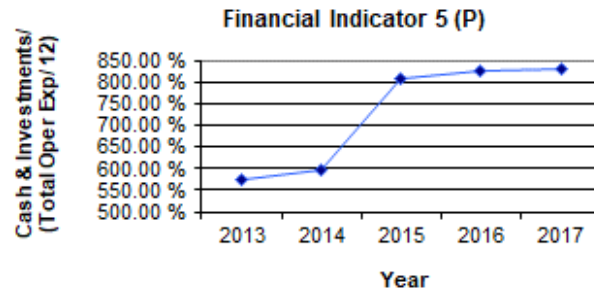
Cash and Investments/(Total Expenditures/12)



- General, Special Revenue, Debt Service and Capital Projects Funds.
- Percentages decreasing over time may indicate difficulty raising cash needed to meet current needs or that the government has overextended itself in the long run.
- The rating is favorable due to an increase in cash over the past few years.
  - In 2015 cash and investments decreased slightly and expenditures increased. The major increases in governmental funds' expenditures stems from increases in capital purchases and Housing Assistance funding.
  - In 2016 cash and investments increased while expenditures decreased slightly. The increases in cash and investments is attributable to increased cash set aside to pay future debt service payments on the Local Option Gas Tax Revenue Bond, Series 2016.
  - In 2017 cash and investments increased and expenditures increased slightly. The increases in cash and investments is attributable to increased general fund cash, increased cash set aside to pay for future debt service payments and increased cash in Local Option Sales Tax capital fund.

# Financial Indicator 5 (P)

Cash and Investments/(Total Operating Expense/12)



Unfavorable = ▼ Favorable = ▲

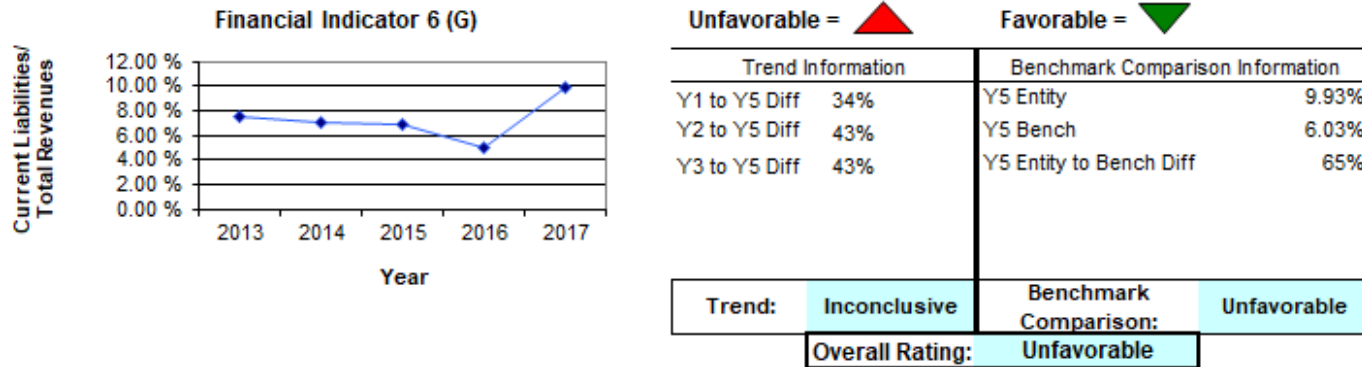
Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	45%	Y5 Entity	832.13%
Y2 to Y5 Diff	39%	Y5 Bench	1370.52%
Y3 to Y5 Diff	3%	Y5 Entity to Bench Diff	-39%

Trend:	Favorable	Benchmark Comparison:	Inconclusive
Overall Rating:	Favorable		

- Proprietary Funds (Enterprise and Internal Service Funds).
- Percentages decreasing over time may indicate difficulty raising cash needed to meet current needs or that the government has overextended itself in the long run.
- The favorable rating is due to the increase in cash over the past three fiscal years. The incline in 2015 is based on increased cash and investments in the utility fund which is used to fund reserves.

# Financial Indicator 6 (G)

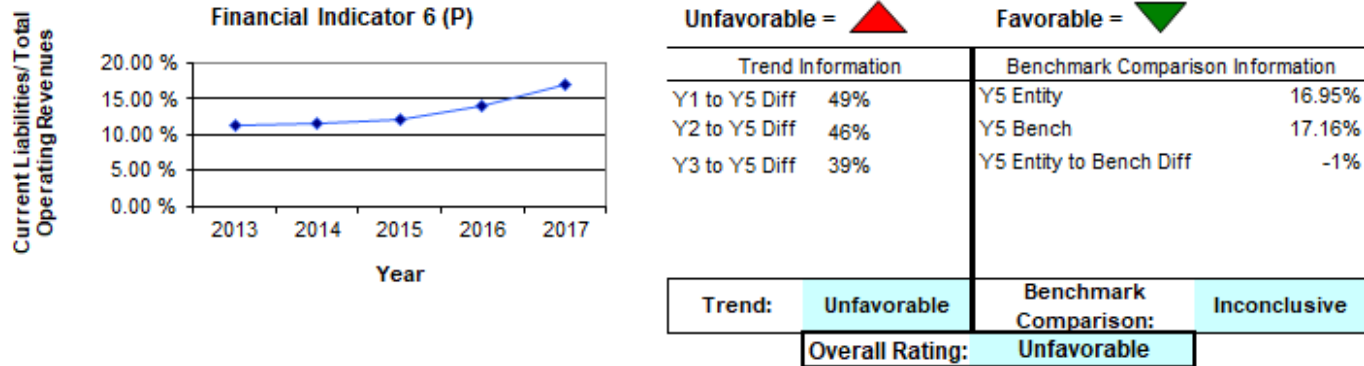
## Current Liabilities/Total Revenue



- General, Special Revenue, Debt Service and Capital Projects Funds.
- Increasing results may indicate liquidity problems, deficit spending or both.
- The rating is unfavorable as the City's governmental funds is above that of similar municipalities. Changes in liabilities have a direct effect on the indicator. In 2016 the indicator decreased due to decreases in wages and benefits payable and contracts payable. In 2017 the indicator increased due to increases in vouchers and contracts payable as a direct result of increased construction projects in the City's capital project funds.

# Financial Indicator 6 (P)

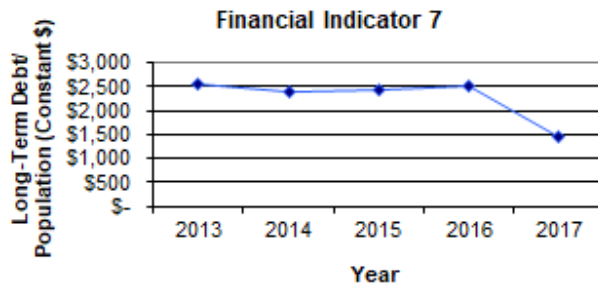
## Current Liabilities/Total Operating Revenue



- Proprietary Funds (Enterprise and Internal Service Funds).
- Increasing results may indicate liquidity problems, deficit spending or both.
- The rating is unfavorable due to increases in current liabilities over the past few years. Changes in liabilities have a direct effect on the indicator. The increase in 2016 and 2017 was due to increases in vouchers and contracts payable as a direct result of increased construction projects in the Utility and Airport funds.

# Financial Indicator 7 (G)

## LT Debt/Population



Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	-42%	Y5 Entity	\$ 1,472
Y2 to Y5 Diff	-38%	Y5 Bench	\$ 582
Y3 to Y5 Diff	-39%	Y5 Entity to Bench Diff	153%

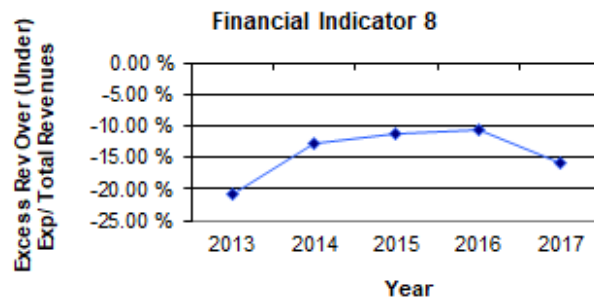
  

Trend:	Inconclusive	Benchmark Comparison:	Unfavorable
Overall Rating:	Unfavorable		

- General, Debt Service and Capital Projects Funds.
- LT Debt amount in constant dollars.
- Percentages increasing over time may indicate a decreasing level of flexibility in how resources are allocated or decreasing ability to pay long-term debt.
- The rating is unfavorable as the City's governmental funds is above that of similar municipalities. The decrease in 2017 is a result of write-off of CMPA's \$54.1 million in long-term debt due to the unwind of the New Market Tax Credit transaction and the dissolution of the CMPA.

# Financial Indicator 8 (G)

## Excess Revenue Over (Under) Exp/Total Revenue



Unfavorable = ▼ Favorable = ▲

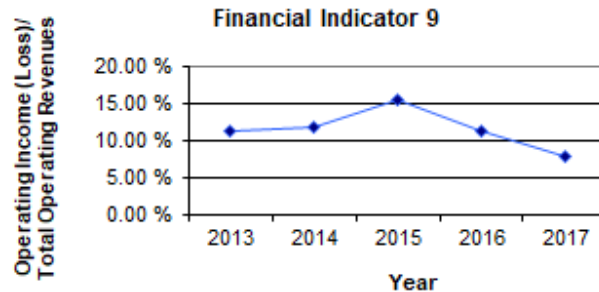
Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	24%	Y5 Entity	-15.72%
Y2 to Y5 Diff	-24%	Y5 Bench	-4.48%
Y3 to Y5 Diff	-41%	Y5 Entity to Bench Diff	-251%

Trend:	Inconclusive	Benchmark Comparison:	Unfavorable
Overall Rating:		Unfavorable	

- General, Special Revenue, Debt Service and Capital Projects Funds.
- Decreasing surpluses and/or increasing deficits may indicate that current revenues are not supporting current expenditures.
- The rating is unfavorable as the City's governmental funds is below that of similar municipalities. The City's trend rating's increase in 2014 is due to a reduction in debt service, a reduction in capital purchases and the disposition of the West Florida Public Library system. The decrease in 2017 is due to increased expenses for construction projects in the City's capital project funds.

# Financial Indicator 9 (P)

## Operating Income (Loss)/Total Operating Revenue



Unfavorable = ▼ Favorable = ▲

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	-30%	Y5 Entity	7.85%
Y2 to Y5 Diff	-33%	Y5 Bench	16.75%
Y3 to Y5 Diff	-49%	Y5 Entity to Bench Diff	-53%

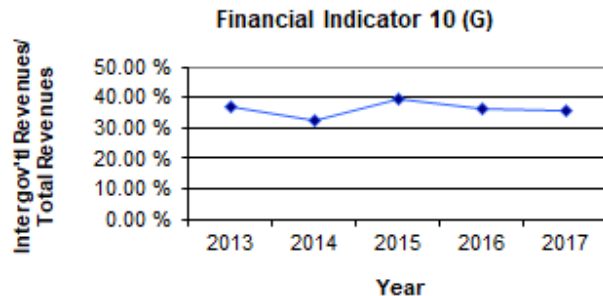
Trend:	Unfavorable	Benchmark Comparison:	Unfavorable
Overall Rating:	Unfavorable		

- Proprietary Funds (Enterprise and Internal Service Funds).
- Decreasing income and/or increasing losses may indicate that current revenues are not supporting current expenses.
- The rating is unfavorable due to decreases in operating income over the past few years. The increase in 2015 was a result of a \$1.6 million in reduced pension cost due to the implementation of GASB Statement No. 68. In 2016 and 2017, the utility fund started a multi-year project to cut and cap dormant gas lines older than five years. The additional cost of this project was the primary factor for the decrease in 2016. In addition, the port fund operating loss increased due to decreased vessel activity related to the decline in the oil market.



# Financial Indicator 10 (G)

## Intergovernmental Revenue/Total Revenue



Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	-4%	Y5 Entity	35.60%
Y2 to Y5 Diff	11%	Y5 Bench	22.62%
Y3 to Y5 Diff	-10%	Y5 Entity to Bench Diff	57%

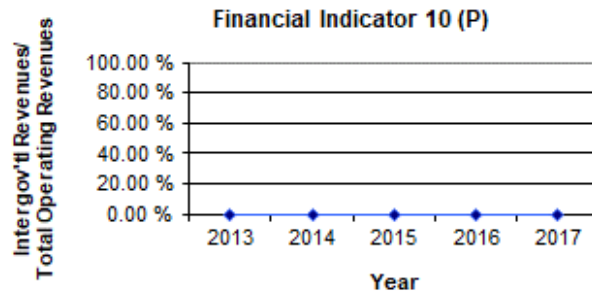
  

Trend:	Favorable	Benchmark Comparison:	Unfavorable
Overall Rating:		Inconclusive	

- General, Special Revenue, Debt Service and Capital Projects Funds.
- Percentages increasing over time indicate a greater risk due to increased dependence on outside revenues.
- The inconclusive rating is more related to the benchmark than the City itself. Other municipalities of similar population and taxable property values have less intergovernmental revenues in relation to total revenue. There are few municipalities that run a federally funded housing program. The 2015 increase in is attributable to increased Housing Assistance funding levels and reimbursements related to the Natural Disaster Fund.

# Financial Indicator 10 (P)

Intergovernmental Revenue/Total Operating Revenue

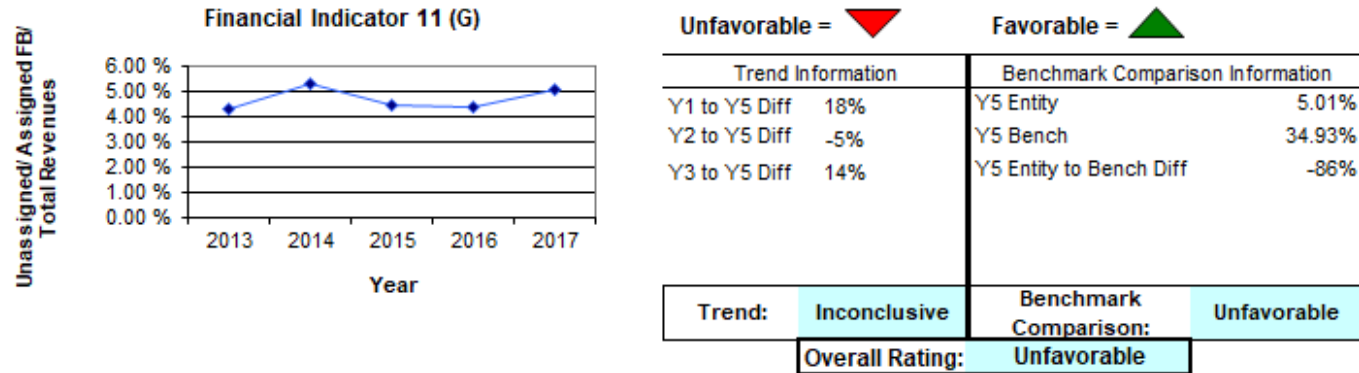


Unfavorable = ▲		Favorable = ▼	
Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff		Y5 Entity	0.00%
Y2 to Y5 Diff		Y5 Bench	3.68%
Y3 to Y5 Diff		Y5 Entity to Bench Diff	-100%
<b>Trend:</b>		<b>Benchmark Comparison:</b>	
<b>Overall Rating:</b>		<b>N/A</b>	

- Proprietary funds (Enterprise and Internal Service Funds) collect no intergovernmental revenue, therefore, the financial indicator is not applicable.

# Financial Indicator 11 (G)

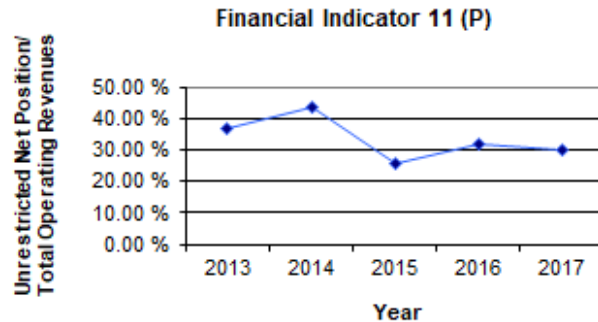
## Unassigned/Assigned FB/Total Revenue



- General, Debt Service and Capital Projects Funds.
- Decreasing results may indicate a reduction in the ability to withstand financial emergencies and/or ability to fund capital purchases without having to borrow.
- The rating is unfavorable as the City's governmental funds is below that of similar municipalities. Council Reserves (mentioned in Financial Indicator 3GF) as well as the Local Option Sales Tax fund balance is the primary cause. The use of future Local Option Sales Tax revenues to fund current projects such the Fire Station 3, Bayview Community Center and Osceola Golf Course resulted in a negative unassigned fund balance which negatively impacted the indicator.

# Financial Indicator 11 (P)

## Unrestricted NP/Total Operating Revenue



Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	-18%	Y5 Entity	29.86%
Y2 to Y5 Diff	-31%	Y5 Bench	78.08%
Y3 to Y5 Diff	17%	Y5 Entity to Bench Diff	-62%

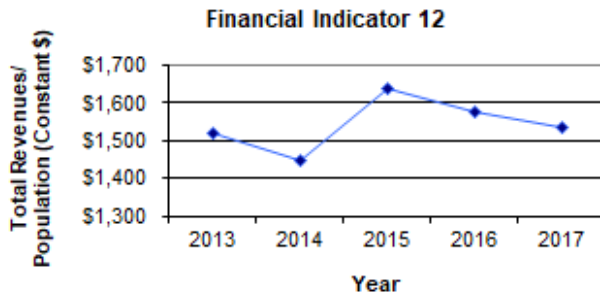
  

Trend:	Inconclusive	Benchmark Comparison:	Unfavorable
Overall Rating:		Unfavorable	

- Proprietary Funds (Enterprise and Internal Service Funds).
- Decreasing results may indicate a reduction in the ability to withstand financial emergencies and/or ability to fund capital purchases without having to borrow.
- The rating is unfavorable as the City's proprietary funds is below that of similar municipalities. The sharp decline in 2015 was a result of a \$17.3 million decrease in the enterprise and internal service funds unrestricted net position primary attributable to the recognition of \$23.5 million in prior year unfunded pension obligations which was offset with \$1.6 million in reduced pension cost due to the implementation of GASB Statement No. 68.

# Financial Indicator 12 (G)

## Total Revenue/Population



Unfavorable = ▼ Favorable = ▲

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	1%	Y5 Entity	\$ 1,533
Y2 to Y5 Diff	6%	Y5 Bench	\$ 931
Y3 to Y5 Diff	-6%	Y5 Entity to Bench Diff	65%

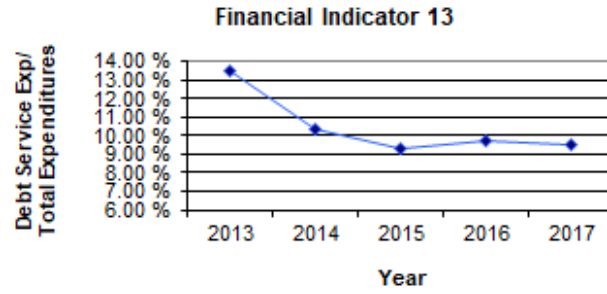
  

Trend:	Inconclusive	Benchmark Comparison:	Favorable
Overall Rating:		Favorable	

- General, Special Revenue, Debt Service and Capital Projects Funds.
- Revenue amount in constant dollars.
- Decreasing results indicate that the government may be unable to maintain existing service levels with current revenue sources.
- The favorable rating is more related to the benchmark than the City itself as the trend data is inconclusive due to fluctuations in total revenue over the past few years. The 2015 increase in revenue is attributable to the increased Housing Assistance funding levels and reimbursements related to the Natural Disaster Fund.

# Financial Indicator 13 (G)

## Debt Service/Total Expenditures

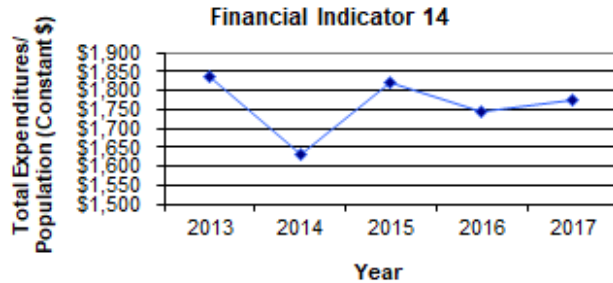


Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	-29%	Y5 Entity	9.56%
Y2 to Y5 Diff	-8%	Y5 Bench	7.07%
Y3 to Y5 Diff	3%	Y5 Entity to Bench Diff	35%
<b>Trend:</b>	<b>Inconclusive</b>	<b>Benchmark Comparison:</b>	<b>Inconclusive</b>
<b>Overall Rating:</b>		<b>Inconclusive</b>	

- General, Debt Service and Capital Projects Funds.
- Percentages increasing over time may indicate declining flexibility in responding to economic changes.
- The rating is inconclusive due to an inconsistent trend over the past few years. The decrease in 2014 is due to the payoff of the Sales and Excise Tax Refunding Bonds, Series 2004.

# Financial Indicator 14 (G)

## Total Expenditures/Population



Unfavorable = ▲ Favorable = ▼

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	-3%	Y5 Entity	\$ 1,774
Y2 to Y5 Diff	9%	Y5 Bench	\$ 981
Y3 to Y5 Diff	-3%	Y5 Entity to Bench Diff	81%

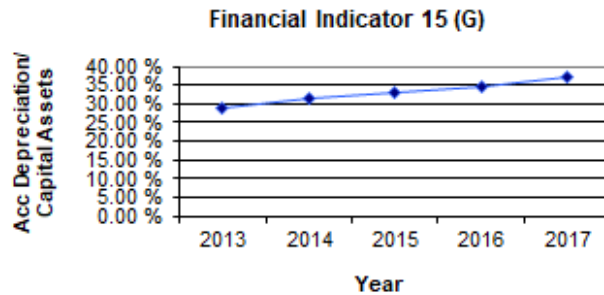
  

Trend:	Inconclusive	Benchmark Comparison:	Unfavorable
Overall Rating:	Unfavorable		

- General, Special Revenue, Debt Service and Capital Projects Funds.
- Expenditures in constant dollars.
- Increasing results may indicate that the cost of providing services is outstripping the government's ability to pay (i.e., the local government may be unable to maintain services at current levels).
- The unfavorable rating is more related to the benchmark than the City itself. The majority of the entities used to develop the benchmark information do not have both a housing program or large capital fund such as the City's Local Option Sales Tax.

# Financial Indicator 15 (G)

## Accumulated Depreciation/Capital Assets



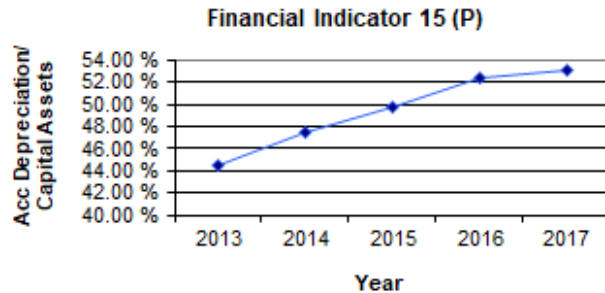
Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	29%	Y5 Entity	37.20%
Y2 to Y5 Diff	19%	Y5 Bench	44.17%
Y3 to Y5 Diff	12%	Y5 Entity to Bench Diff	-16%
<b>Trend:</b>	<b>Unfavorable</b>	<b>Benchmark Comparison:</b>	<b>Inconclusive</b>
<b>Overall Rating: Unfavorable</b>			

- Governmental activities.
- Increasing results may indicate that a local government is not systematically investing in capital assets which may indicate increasing deferred replacement or maintenance cost.
- The unfavorable rating is due to increases in accumulated depreciation over the past few years which were greater than the increases in capital assets. With the increase in the capital outlay in the capital projects funds, this number should improve over the next few fiscal years.



# Financial Indicator 15 (P)

## Accumulated Depreciation/Capital Assets

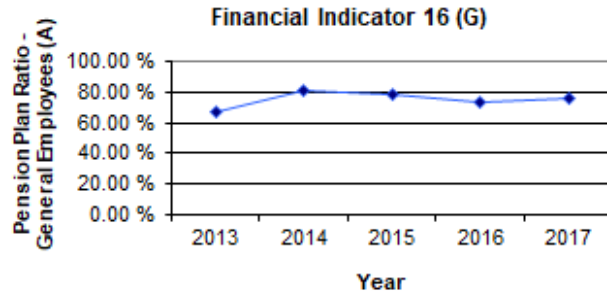


Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	19%	Y5 Entity	53.09%
Y2 to Y5 Diff	12%	Y5 Bench	44.16%
Y3 to Y5 Diff	7%	Y5 Entity to Bench Diff	20%
<b>Trend:</b>	<b>Unfavorable</b>	<b>Benchmark Comparison:</b>	<b>Inconclusive</b>
<b>Overall Rating:</b>		<b>Unfavorable</b>	

- Business-type activities.
- Increasing results may indicate that a local government is not systematically investing in capital assets which may indicate increasing deferred replacement or maintenance cost.
- The unfavorable rating is due to increases in accumulated depreciation over the past few years which were greater than the increases in capital assets. With the completion of the \$44 million airport terminal expansion in 2011, no major capital additions to Pensacola International Airport have been made thus skewing the trends. With the increase in the capital outlay in the utility and airport funds, this number should improve over the next few fiscal years.

# Financial Indicator 16 (G)

## Pension Plan Funded Ratio



Unfavorable = ▼ Favorable = ▲

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	13%	Y5 Entity	75.53%
Y2 to Y5 Diff	-6%	Y5 Bench	84.06%
Y3 to Y5 Diff	-4%	Y5 Entity to Bench Diff	-10%

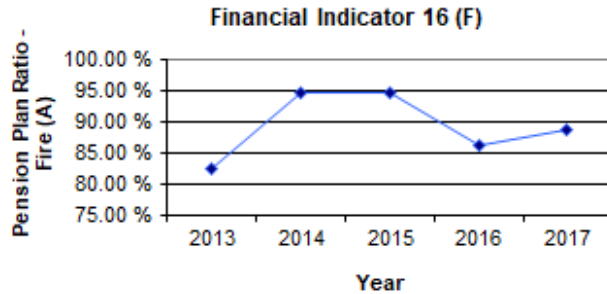
  

Trend:	Inconclusive	Benchmark Comparison:	Inconclusive
Overall Rating:		Inconclusive	

- General employees.
- Declining results may indicate that the pension plan may not be adequately funded, which may indicate an increasing burden on the tax base.
- The rating is inconclusive due to an inconsistent trend over the past few years. Funding percentages are heavily influenced by market trends.

# Financial Indicator 16 (F)

## Pension Plan Funded Ratio



Unfavorable = ▼ Favorable = ▲

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	8%	Y5 Entity	88.62%
Y2 to Y5 Diff	-6%	Y5 Bench	81.05%
Y3 to Y5 Diff	-6%	Y5 Entity to Bench Diff	9%

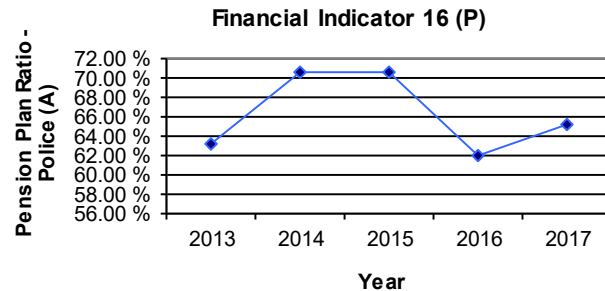
  

Trend:	Inconclusive	Benchmark Comparison:	Inconclusive
Overall Rating:		Inconclusive	

- Firefighters.
- Declining results may indicate that the pension plan may not be adequately funded, which may indicate an increasing burden on the tax base.
- The rating is inconclusive due to an inconsistent trend over the past few years. Funding percentages are heavily influenced by market trends.

# Financial Indicator 16 (P)

## Pension Plan Funded Ratio



Unfavorable = ▼ Favorable = ▲

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	3%	Y5 Entity	65.20%
Y2 to Y5 Diff	-8%	Y5 Bench	78.21%
Y3 to Y5 Diff	-8%	Y5 Entity to Bench Diff	-17%

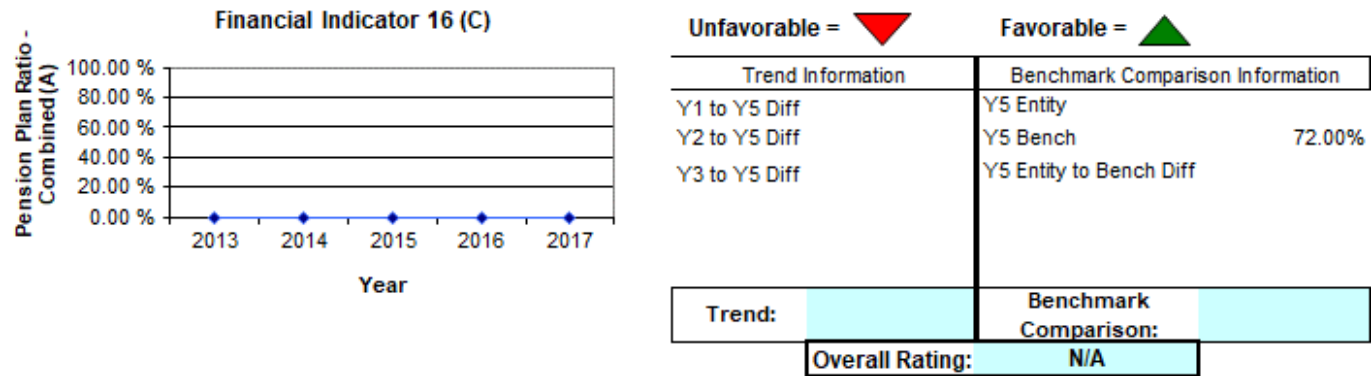
  

Trend:	Inconclusive	Benchmark Comparison:	Inconclusive
Overall Rating:		Inconclusive	

- Police officers.
- Declining results may indicate that the pension plan may not be adequately funded, which may indicate an increasing burden on the tax base.
- The rating is inconclusive due to an inconsistent trend over the past few years. Funding percentages are heavily influenced by market trends.

# Financial Indicator 16 (C)

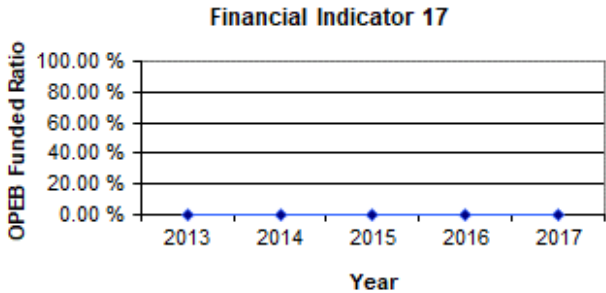
## Pension Plan Funded Ratio - Combined



- The City has separate pension plans for General, Fire and Police employees instead of one combined Plan, therefore, the financial indicator is not applicable.

# Financial Indicator 17

## OPEB Funded Ratio



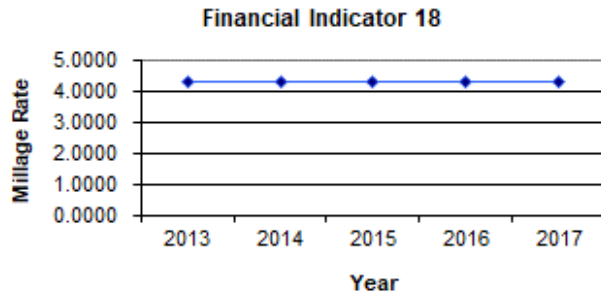
Unfavorable = ▼ Favorable = ▲

Trend Information	Benchmark Comparison Information
Y1 to Y5 Diff	Y5 Entity
Y2 to Y5 Diff	Y5 Bench 0.00%
Y3 to Y5 Diff	Y5 Entity to Bench Diff
<b>Trend:</b>	<b>Benchmark Comparison:</b>
<b>Overall Rating: N/A</b>	

- The City does not intend to fund the actuarial liability, therefore, the financial indicator is not applicable. Note that none of the entities in the benchmark grouping reported a rating under this indicator.

# Financial Indicator 18

## Millage Rate



Unfavorable = ▲ Favorable = ▼

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	0%	< 5.0000	Low
Y2 to Y5 Diff	0%	5.0000 - 9.4999	Medium
Y3 to Y5 Diff	0%	9.5000 +	High
		Y5 Entity	4.2895

Trend:	Inconclusive	Benchmark Comparison:	Favorable
Overall Rating:		Favorable	

- Millage rates approaching the statutory limit which is 10 mills, may indicate a reduced ability to raise additional funds when needed.
- The favorable rating stems from the City's millage rate being below 6 mills.

# Recap of Financial Indicators

	<u>Fiscal Year 2017</u>	
Favorable	23%	6
Unfavorable	54%	14
Inconclusive	23%	6
Total Applicable	<u>100%</u>	<u>26</u>
N/A		<u>3</u>
Total		<u>29</u>
Overall Rating	<b>Inconclusive</b>	





# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 18-00105

City Council

3/8/2018

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### LEGISLATIVE ACTION ITEM

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

PUBLIC HEARING: PROPOSED AMENDMENT TO THE LAND DEVELOPMENT CODE PERTAINING TO BUILDING FACADE FINISH - SECTION 12-2-82 - DESIGN STANDARDS AND GUIDELINES AND SECTION 12-14-1 DEFINITIONS

**RECOMMENDATION:**

That City Council conduct a public hearing on March 8, 2018 to consider the proposed amendment to the Land Development Code pertaining to Building Façade Finish.

**HEARING REQUIRED:** Public

**SUMMARY:**

The City's Land Development Code contains Design Standards and Guidelines that are applicable to all properties within the City of Pensacola. Land Development Code Section 12-2-82 outlines these requirements and includes the requirement for building façade finishes that limits the percentage of unfinished metal. Due to the specificity of the existing language, it currently creates opportunity for Quonset Hut style buildings to be permitted without complying with the façade finish requirement as other metal buildings are required to do. The proposed amendment simplifies the code language and eliminates that opportunity, and also adds a definition of "wall" to the Land Development Code Section 12-14-1 Definitions.

On February 13, 2018 the City's Planning Board unanimously recommended approval of the proposed amendment.

**PRIOR ACTION:**

None

**FUNDING:**

N/A

**FINANCIAL IMPACT:**

None

**CITY ATTORNEY REVIEW:** Yes

2/21/2018

**STAFF CONTACT:**

Eric W. Olson, City Administrator  
Sherry Morris, AICP, Planning Services Administrator

**ATTACHMENTS:**

- 1) Proposed Ordinance
- 2) February 13, 2018 Planning Board Minutes

**PRESENTATION:** Yes

PROPOSED  
ORDINANCE NO. \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE  
TO BE ENTITLED:

AN ORDINANCE AMENDING SECTIONS 12-2-82(C)(8) and 12-14-1 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA; AMENDING THE CHAPTER RELATED TO DESIGN STANDARDS; AMENDING THE CHAPTER RELATED TO DEFINITIONS; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY OF PENSACOLA, FLORIDA:

SECTION 1. Chapter 12-2-82(C)(8) of the Code of the City of Pensacola, Florida, is hereby amended as follows:

(8) Building Façade Finish: Metal curtain walls ~~(an exterior building wall which carries no roof or floor loads and consists entirely or principally of metal, or a combination of metal and glass, and other surfacing materials supported by a metal framework)~~ shall be limited to a maximum of thirty (30) percent per elevation of a building in the R-2 and R-NC districts, forty (40) percent per elevation in the remaining commercial districts (with the exception of historic and special aesthetic districts which have their own guidelines for review), and seventy-five (75) percent per elevation of a building in industrial districts. The remaining percentage of each façade elevation shall have a finish treatment. Planning Board may grant requests to exceed this maximum standard on a case-by-case basis with consideration being given to developments that incorporate design guidelines suggested in this section and exhibit superior site design.

SECTION 2. Chapter 12-14-1 of the Code of the City of Pensacola, Florida, is hereby amended as follows:

CHAPTER 12-14. DEFINITIONS  
[Sec. 12-14-1. - Definitions enumerated.]

As used in this title and unless the context clearly indicates otherwise:

Abandonment means to cease or discontinue a use or activity without intent to resume, but excluding temporary or short-term interruptions to a use or activity during periods of remodeling,

maintaining, or otherwise improving or rearranging a facility, or during normal periods of vacation or seasonal closure.

Abut means having property or district lines in common.

Access management means a method whereby non-residential property owners limit the number of driveways or connections from individual parcels of property to the major thoroughfare.

Accessory residential unit means an accessory structure built or a portion of a single-family dwelling unit which is converted into a separate housing unit subject to regulations in section 12-2-52 and which may be rented.

Accessory office unit means an accessory structure built or a portion of a single-family dwelling unit which is converted into a separate office unit subject to regulations in section 12-2-51 and which may be rented.

Accessory use means a use or structure which:

(a) Is clearly incidental to, customarily found in association with, and serves a principal use;

(b) Is subordinate in purpose, area, or extent to the principal use served; and

(c) Is located on the same lot as the principal use or on an adjoining lot in the same ownership as that of the principal use.

Addition (to an existing building) means any walled and roofed expansion to the perimeter of a building in which the addition is connected by a common load-bearing wall other than a fire wall. Any walled and roofed addition which is connected by a fire wall or is separated by independent perimeter load-bearing walls is new construction.

Adjacent means any property that is immediately adjacent to, touching, or separated from such common border by the width of a right-of-way, alley, or easement.

Adult entertainment establishment means an adult motion picture theater, a leisure spa establishment, an adult bookstore, or an adult dancing establishment.

Airport means Pensacola Regional Airport.

Airspace height means the height limits in all zones set forth in chapter 12-11, which shall be measured as mean sea level elevation (ASML), unless otherwise specified.

Alleys are roadways which afford only a secondary means of access to abutting property and not intended for general traffic circulation.

Alteration means any change or rearrangement in the supporting members of an existing building, such as bearing walls, columns, beams, girders or interior partitions, as well as any change in doors or windows, or any enlargement to or diminution of a building or structure, whether horizontally or vertically.

Amusement machine complex means a group of three (3) or more amusement games or other amusement machines, in the same place, location or premises.

Anchoring system means an approved system of straps, cables, turnbuckles, chains, ties or other approved materials used to secure a manufactured home.

Animal clinic, veterinary clinic means an establishment where small animals are admitted for examination and treatment by one or more persons practicing veterinary medicine. Animals may be boarded or lodged overnight provided such activity is totally confined within the building. No outside pens or runs shall be allowed. See: Kennel.

NOTE: Small animals shall be deemed to be ordinary household pets excluding horses, monkeys, or other such animals not readily housed or cared for entirely within the confines of a residence.

Antenna means any exterior transmitting or receiving device mounted on a tower, building or structure and used in communications that radiate or capture electromagnetic waves, digital signals, analog signals, radio frequencies (excluding radar signals), wireless telecommunications signals or other communication signals.

Antenna array means one (1) or more personal wireless antennas used by a single service provider and designed and installed at the same site in such a way as to operate as a unit.

Antenna support structure means a guyed or lattice-work tower that is designed and constructed for the sole purpose of supporting one (1) or more personal wireless antennas.

Apartment house. See: Dwelling, multiple.

Automobile repair. See: Garage, mechanical.

Appeal means a request for a review of the building official's interpretation of any provision of this title or a request for a variance.

Bar means a structure or part of a structure in which the principal business is the sale or dispensing of alcoholic beverages for consumption on the premises. This term includes lounges, taverns, pubs, bottle clubs, etc.

Bed and breakfast facility means an accessory use in which no more than four (4) rooms or lodging units and breakfast service only is provided to guest clients, for lengths of stay ranging from one night to seasonal, by the owner of the principal structure living on-site.

Block means a parcel of land entirely surrounded by public streets, watercourse, railway, right-of-way, parks, etc., or a combination thereof.

Boardinghouse, lodging house means a dwelling other than an apartment, commercial hotel or motel where, for compensation and by prearrangement for definitive periods, lodging, or lodging and meals are provided for five (5) or more persons; and which is subject to licensing by the Division of Hotels and Restaurants of the Florida Department of Business Regulations as a rooming or boarding house.

Boats and boat trailers means a vessel or craft for use on the water which is customarily mounted upon a highway vehicle designed to be hauled by an automobile vehicle.

Boat sales and service shop means an establishment primarily engaged in the sale or repair of boats, marine engines, marine equipment, and any similar services.

Buffer yard means a ten-foot strip of yard along the property line(s) used to visibly separate incompatible land uses and/or zoning districts as regulated through provisions established in section 12-2-32.

Buildable area means area inside building setback lines.

Building means any structure built for support, shelter, or enclosure for any occupancy or storage.

Building coverage means the area of a site covered by all principal and accessory buildings.

Building height means the vertical distance of a building measured from the lowest habitable floor elevation to the highest point of the roof, except in a special flood hazard area where the height of a building is measured from an elevation established three (3) feet above the required base flood elevation. For all residential zoning districts as defined in this section and the Residential/neighborhood commercial land use district (R-NC), the building height means the vertical distance of a building measured from the average elevation of the finished grade to the highest point of the roof, except in a special flood hazard area where the height of a building is measured from an elevation established three (3) feet above the required base flood elevation.

Building official means the individual responsibility for conducting inspections and issuing permits under the Standard Building Code as amended.

Building setback line means that line that is the required minimum distance from the street right-of-way or any other lot line when measured at right angles that establishes the area within which the principal structure must be erected or placed.

Cabana means a beach or pool-side shelter, usually with an open side facing the water.

Camping trailer means a vehicular portable structure mounted on wheels, constructed with collapsible partial side walls of fabric, plastic, or other material for folding compactly while being drawn by another vehicle and when unfolded at the site or location, providing temporary living quarters, and which is designed for recreation, travel, or camping purposes.

Car wash means a building, or portion thereof, where automobiles are washed, including self-service car washes.

Cemetery means land used or intended to be used for the burial of the dead and dedicated for cemetery purposes and including, the sale of burial plots, columbariums and mausoleums, in addition to the operations of a funeral chapel, management office and maintenance facility when operated in conjunction with and within the boundary of such cemetery.

Incidental cemetery functions shall include the sale of interment rights, caskets, funeral services, monuments, memorial markers, burial vaults, urns, flower vases, floral arrangements and other similar merchandise and services when limited for use in the cemetery in which they are sold. Manufacturing of these items shall be prohibited on the cemetery premises. No outdoor retail displays shall be permitted except for monuments and memorial markers.

No portions of the cemetery or accessory buildings shall be used for purposes of embalming and cremation or the performance of other services used in preparation of the dead for burial.

Certificate of occupancy means official certification by the building official that a building conforms to provisions of the zoning ordinance and technical codes, and may be used or occupied. Such certificate is granted for new construction or for a change of occupancy classification in an existing non-residential building. A building or part thereof may not be occupied unless such certificate is issued.

Chapel means a structure whose primary use is assembly for religious purposes.

Child care center. See: Day Care Center.

Childcare facility. Any childcare center or childcare arrangement which provides childcare for more than five (5) children unrelated to the operator and which receives a payment, fee, or grant for any of the children receiving care, wherever operated, and whether or not operated for profit. Examples of a childcare facility include the following:

Drop-in child care means childcare which is provided occasionally in a childcare facility in a shopping mall or business establishment where a child is in care for no more than a four-hour period and the parent remains on the premises of the shopping mall or business establishment at all times. Drop-in childcare arrangements shall meet all requirements for a childcare facility unless specifically exempted.

Evening childcare means childcare provided during the evening hours of 6:00 p.m. to 7:00 a.m. to accommodate parents who work evenings and late-night shifts.

Family day care home means an occupied residence in which childcare is regularly provided for children from at least two



(2) unrelated families and which receives a payment, fee, or grant for any of the children receiving care, whether or not operated for profit. A family day care home shall be allowed to provide care for one of the following groups of children, which shall include those children under thirteen (13) years of age who are related to the caregiver: a) A maximum of four (4) children from birth to twelve (12) months of age. b) A maximum of three (3) children from birth to twelve (12) months of age, and other children, for a maximum total of six (6) children. c) A maximum of six (6) preschool children if all are older than twelve (12) months of age. d) A maximum of ten (10) children if no more than five (5) are under preschool age and, of those five (5), no more than two (2) are under twelve (12) months of age.

Large family child care home means an occupied residence in which child care is regularly provided for children from at least two (2) unrelated families, which receives a payment, fee, or grant for any of the children receiving care, whether or not operated for profit, and which has at least two (2) full-time child care personnel on the premises during the hours of operation as defined in the Florida Statutes.

Churches and religious institutions. A building or structure, or groups of buildings or structures, which by design and construction are primarily intended for the conducting of organized religious services and accessory uses associated therewith. Includes temples, synagogues or other places of assembly for the purposes of organized religion.

Clearing or clearing and grubbing means removal of vegetation such as tree stumps, shrubs and roots from the land, but shall not include mowing.

Clinic means a building designed and used for the medical and surgical diagnosis and treatment of patients under the care of doctors and nurses.

Cluster development. A form of development for residential subdivisions that permits a reduction in lot area and setback requirements, provided there is no increase in the density of residential units permitted within the future land use district and the resultant land area is devoted to open space.

Coastal high hazard area means the evacuation zone for a Category 1 hurricane as established in the most current hurricane evacuation study for the area.

Commercial communications antenna means a surface from which television, radio, or telephone communications signals are

transmitted or received, but which is neither (i) used primarily for the provision of personal wireless services nor (ii) used exclusively for dispatch communications. The term also includes any microwave or television dish antenna.

Commercial communications tower means a structure on which may be mounted one (1) or more antennas intended for transmitting or receiving television, radio, or telephone communications, but which is neither (i) used primarily for the provision of personal wireless services nor (ii) used exclusively for dispatch communications.

Commercial mobile service means any mobile service that is provided for profit and makes interconnected service available to the public or to such classes of eligible users as to be effectively available to a substantial portion of the public.

Commercial vehicle means any motor vehicle, trailer, or semi-trailer designed or used to carry passengers, freight, materials, or merchandise in the furtherance of any commercial enterprise.

Commercial vehicle—Large means any commercial vehicle greater than seven (7) feet wide, seven (7) feet high or twenty-five (25) feet long including but not limited to the following: construction equipment (bulldozers, graders etc.) semi-tractors and/or trailers, moving vans, delivery trucks, flat-bed and stake-bed trucks, buses (except school buses), and similar vehicles over seven (7) feet wide, seven (7) feet high or twenty-five (25) feet long.

Commercial vehicle—Small means any commercial vehicle less than or equal to seven (7) feet wide, seven (7) feet high or twenty-five (25) feet long including but not limited to the following: automobiles, pick-up trucks, sport utility vehicles, vans, and other vehicles which are also commonly used as personal vehicles.

Communications tower means a commercial communications tower or a personal wireless tower.

Community correctional center means a facility described in F.S. § 944.033, created to facilitate the reintegration of state inmates back into the community by means of participation in various work-release, study-release, community service, substance abuse treatment and other rehabilitative programs. Such facilities must be licensed and operated by the State of

Florida Department of Corrections or the Federal Bureau of Prisons.

Community residential home means a dwelling unit licensed to serve clients of the Department of Health and Rehabilitative Services, which provides a living environment for up to fourteen (14) unrelated residents who operate as the functional equivalent of a family, including such supervision and care by support staff as may be necessary to meet the physical, emotional and social needs of the residents. Types of community residential homes include the following: adult congregate living facilities; adult foster homes; residential treatment facilities for alcohol, drug abuse and mental health services; residential child care agency facilities (excluding runaway and emergency shelters, family foster and maternity homes); intermediate care facilities for the mentally retarded/developmentally disabled; foster care facilities; and group homes.

Comprehensive plan means the Comprehensive Plan for the City of Pensacola and any amendment thereto.

Concurrency means the provision of the necessary public facilities and services required to maintain the adopted level of service standards at the time the impacts of development occur.

Concurrency monitoring report means the data collection, processing, and analysis performed by the City of Pensacola to determine impacts on the established levels of service for potable water, sanitary sewer, drainage, solid waste, recreation and open space, roads, and mass transit. For traffic circulation: data collection, processing, and analysis will be utilized to determine traffic concern areas and traffic restriction areas in addition to impacts on the established levels of service. The traffic circulation data maintained by the concurrency management monitoring report shall be the most current information available to the city.

Conditional use means a use allowed in a particular zoning district only upon complying with all the standards and conditions as specified in the regulations and approved by city council.

Condominium means ownership in fee simple of a dwelling unit, and the undivided ownership, in common with other purchasers, of the common elements in the development.

Construction (Chapter 12-9, Stormwater Management and Control of Erosion, Sedimentation and Runoff) means any on-site

activity which will result in the creation of a new stormwater discharge facility, including the building, assembling, expansion, modification or alteration of the existing contours of the site, the erection of buildings or other structures, or any part thereof, or land clearing.

Contiguous means next to, abutting, or touching and having a boundary or portion thereof, which is coterminous.

Cross access driveways mean a method whereby access to property crosses one or more adjoining parcels of property. Cross access driveways will generally be placed at the rear of these properties, but are not limited to that method.

Crown means the main point of branching or foliage of a tree or the upper portion of a tree.

Cul-de-sac means a street terminated at the end by a vehicular turnaround.

Day care center means any establishment which provides care for the day for more than five (5) persons unrelated to the operator and which received a payment, fee or grant for any of the persons receiving care wherever operated and whether or not operated for profit. The term "day care center" shall include child care center, day nursery, day care service and day care agency.

Decision height means the height at which a decision must be made, during an ILS instrument approach, to either continue the approach or to execute a missed approach.

Deck means a flat floored roofless area adjoining a house.

Dense business area means all of that portion of the corporate limits of the city lying south of the north line of Wright Street, west of the east line of Alcaniz Street, east of the west line of Spring Street to the north line of Garden Street and east of the west line of "A" Street south of the north line of Garden Street and the area encompassed in the Gateway Redevelopment District, those properties located on the north side of Heinberg Street between the east line of 9th Avenue and the west line of 14th Avenue, and C-2A Downtown Retail Commercial District, but excluding all areas zoned HC-1 (Historical Commercial District) and GRD-1 (Gateway Redevelopment District, Aragon redevelopment area).

Density means the number of dwelling units per acre of land. Density figures will be computed by dividing the total number of dwelling units in a contiguous parcel by the total number of acres in a contiguous parcel.

Detention means collection and storage of stormwater for treatment through physical, chemical or biological processes and for attenuating peak discharge with subsequent gradual controlled discharge.

Detention pond (basin) means a storage facility for the detention of stormwater.

Developable area means the total area of a lot or parcel, excluding public rights-of-way.

Development or development activity means:

(a) The construction, installation, alteration, or removal of a structure, impervious surface, or stormwater management facility; or

(b) Clearing, scraping, grubbing, killing, or otherwise removing the vegetation from a site; or

(c) Adding, removing, exposing, excavating, leveling, grading, digging, burrowing, dumping, piling, dredging, mining, drilling or otherwise significantly disturbing the soil, mud, sand or rock or a site; or

(d) The modification or redevelopment of a site.

Development order means any order granting, denying, or granting with conditions an application for a development permit.

Development permit means any permit, zoning permit, subdivision approval, rezoning, certification, special exception, variance, or any other official action of local government having the effect of permitting the development of the land.

Development plan; site plan means a plan, prepared to scale as regulated in section 12-2-81, showing accurately and with complete dimensioning, the boundaries of a site, and the location of all buildings, structures, uses and principal site development features proposed for a specific parcel of land.

Discharge (section 12-2-26, Wellhead Protection) means, but is not limited to, any spilling, leaking, seeping, pouring, misapplying, emitting, emptying or dumping of any pollutants prohibited by lawful statutes or regulation which occurs and which affects surface and ground waters.

Discharge (Chapter 12-9, Stormwater Management and Control of Erosion, Sedimentation and Runoff) means volume of fluid per unit time flowing along a pipe or channel from a project, site, aquifer, stormwater management facility, basin, discharge or outfall point.

Dormitory means a building used as group living quarters for a student body or religious order as an accessory use for a college university, boarding school, orphanage, convent, monastery, or other similar institutional use.

Drain means a channel, pipe or duct for conveying surface, groundwater or wastewater.

Drainage means surface water runoff; the removal of surface water or groundwater from land by drains, grading or other means which include runoff controls, to minimize erosion and sedimentation during and after construction or development.

Drainage area basin means a catchment area drained by a watercourse or providing water for a reservoir.

Dredging means a method for deepening streams, wetlands or coastal waters by excavating solids from the bottom.

Dripline means the circumference of the tree canopy extended vertically to the ground.

Driveways:

(a) Mean any privately owned way or place used for vehicular travel by the owner and those having express or implied permission from the owner, but not by other persons. It shall not include an extension or parking apron that may be an extension of a "driveway."

(b) Mean the connections or curb cuts that permit vehicular access to a site from the roadway.

Dry cleaners means an establishment which cleans and/or dries garments and similar materials using water and/or chemical liquids or solvents.

Dwelling, dwelling unit means an enclosure of one or more rooms and separate bathroom and kitchen facilities designed and constructed as a unit for permanent residential occupancy by one family.

Dwelling, multifamily means a building designed, constructed or reconstructed and used for three (3) or more dwelling units, with each dwelling unit having a common

structural or load-bearing wall of at least ten (10) linear feet with any other dwelling unit on the same floor or building level.

Dwelling, single-family means a building designed, constructed or reconstructed and used for one dwelling unit.

- Attached. A single-family dwelling that is connected on at least one side by means of a common dividing structural or load-bearing wall of at least ten (10) linear feet to one or more other single-family dwellings, or the end dwelling of a series of such dwellings, each dwelling unit on its own individual lot.

- Detached. A single-family dwelling which is completely surrounded by permanent open spaces.

Dwelling, two-family (duplex) means a building designed, constructed or reconstructed and used for two (2) dwelling units that are connected by a common structural or load-bearing wall of at least ten (10) linear feet.

Easement means a grant by the property owner of a nonpossessing right of use of his land by another party for a specific purpose.

Enforcing officer means the mayor or duly authorized representative.

Emergency circumstances means the situation which exists when a single-family residence of a person or persons residing in the city is destroyed by a fire or other disaster to the extent that said person or persons are unable to continue residency in said residence until it is repaired or rebuilt.

Emergency health situation means any situation involving sickness or other physical disability of an individual to the extent that he or she requires the assistance of another individual to attend to his or her personal needs, and the use of a manufactured home becomes necessary or desirable in order to care for such individual.

Engineer means a person who is registered to engage in the practice of engineering under F.S. §§ 471.001-471.039, who is competent in the field of hydrology and stormwater pollution control; includes the terms "professional engineer" and "registered engineer."

Equipment cabinet means an enclosed shed or box at the base of a personal wireless tower or associated with a personal

wireless antenna within which are housed, among other things, batteries and electrical equipment.

Erosion means the washing away or scour of soil by water or wind action.

Family means one or more persons occupying a dwelling unit and using common utility services, provided that unless all members are related by blood or marriage, no such family shall contain over four (4) persons.

Filling station. See: Service station.

Floor means the top surface of an enclosed area in a building (including basement), i.e., top of slab in concrete slab construction or top of wood flooring in wood frame construction. The term does not include the floor of a garage used solely for parking vehicles.

Floor area, gross means the sum of all floors of a building as measured to the outside surfaces of exterior walls and including halls, elevator shafts, stairways, interior balconies, mezzanines, open porches, breezeways, mechanical and equipment rooms and storage rooms. Enclosed parking and loading areas below or above grade are excluded from gross floor area.

Floor area, net means the total of all floor areas of a building, excluding halls, elevator shafts, stairways, open porches, breezeways, mechanical and equipment rooms, storage rooms, enclosed parking and loading spaces, and other areas not intended for human habitation or service to the public.

Foundation siding/skirting means a type of wainscoting constructed of fire and weather resistant material enclosing the entire undercarriage of a manufactured home.

Fraternity house, sorority house, or student cooperative means a building occupied by and maintained exclusively for students affiliated with an academic or professional college or university or other recognized institution of higher learning and regulated by such institution.

Frontage means all the property abutting on one side of a street measured along the street line.

Funeral parlor, funeral home means a building used for the preparation of the deceased for burial and the display of deceased and ceremonies connected therewith before burial or



cremations. The building may contain space for the storage and display of caskets, funeral urns, and other funeral supplies.

Furniture manufacturing/repair shop means an establishment primarily engaged in the manufacturing and repairing of furniture including cabinets, tables, desks, beds and any similar items.

Garage, residential means building or area used as an accessory to or part of a main building permitted in any residential district, providing for the storage of motor vehicles, and in which no business occupation, or service for profit is in any way conducted.

Garage, parking or storage means any building or premises except those described as a private garage used for the storage of automobiles. Services other than storage shall be limited to refueling, lubrication, washing, waxing and polishing.

Garage, mechanical means buildings where the services of a service station may be rendered, i.e., maintenance, service and repair of automobiles, not to include body work, painting, storage for the purpose of using parts or any other activity which may be classified as a junk yard.

Gas station. See: Service station.

Golf course means a tract of land for playing golf, improved with tees, greens, fairways, hazards and which may include clubhouses and shelters. See golf driving range and golf, miniature.

Golf, miniature means a simplified version of golf, played on a miniature course.

Greenhouse means a structure used for the cultivation or protection of tender plants.

Greenhouse, commercial means a structure in which plants, vegetables, flowers and similar materials are grown for sale.

Ground cover means low growing plants planted in such a manner as to form a continuous cover over the ground (e.g., Confederate Jasmine, English Ivy or other like plants).

Health club, spa, exercise center means an establishment for the exercise and improvement of health, with or without specialized equipment.

Home occupation means an accessory use of a service character customarily conducted within a dwelling by the resident thereof, which is clearly secondary to the use of the dwelling for living purposes and which does not change the character thereof or have any exterior evidence of such secondary use and in connection therewith is not involved in the keeping of a stock-in-trade.

Hospital means a building designed and used for the medical and surgical diagnosis, treatment and housing of persons under the care of doctors and nurses.

Hotel means a building in which lodging, or boarding and lodging, are provided and offered to the public for compensation.

Impervious surface means a surface covered by an impermeable, nonporous material including concrete, asphalt, wood, metal, plastic, fiberglass, compacted clay, and other substances.

Industrial laundry means an establishment which provides industrial type cleaning, including linen supply, rug and carpet cleaning, and diaper service.

Industry, heavy means a use engaged in the basic processing and manufacturing of materials or products predominately from extracted or raw materials, or a use engaged in storage of, or manufacturing processes using flammable or explosive materials, or storage or manufacturing processes that potentially involve hazardous or commonly recognized offensive conditions.

Industry, light means a use engaged in the manufacture, predominantly from previously prepared materials, of finished products or parts, including processing, fabrication, assembly, treatment, packaging, incidental storage, sales, and distribution of such products, but excluding basic industrial processing.

Interstate corridor means the area within one hundred twenty-five (125) feet of either side of the rights-of-way of Interstate Highways I-10 or I-110.

Irrigation system means the water supply system used to irrigate the landscaping consisting of an underground sprinkler system, outlets for manual watering, or other appropriate technology.

Joint or shared access driveways mean a method whereby adjoining property owners share a common driveway. These driveways will generally be placed along a common property line, but are not restricted to that method.

Joint, shared, and cross access systems mean the driveways and parking areas utilizing these methods.

Junkyard means a parcel of land used for the collecting, storage and/or sale of waste paper, rags, scrap metal or discarded material, or for the collecting, dismantling, storage, salvaging or sale of parts of machinery or vehicles not in running condition.

Kennel means an establishment which is licensed to house dogs, cats, or other household pets and where grooming, breeding, boarding, training, or selling of animals is conducted as a business. Outside pens and runs are allowed.

Land use means the specific purpose for which land or a building is designated, arranged, intended, or for which it is or may be occupied or maintained.

Ldn means a day/night average sound level which is the twenty-four-hour average sound level, in decibels on the A scale, obtained after the addition of ten (10) decibels to sound levels during the night from 10:00 p.m. to 7:00 a.m.

Landscape material means living material including, but not limited to, trees, shrubs, vines, lawn grass, ground cover; landscape water features; and nonliving durable material commonly used in landscaping, including but not limited to rocks, pebbles, sand, weed barriers including but not limited to polypropylene and jute mesh, brick pavers, earthen mounds, but excluding impervious surfaces for vehicular use. Fifty (50) percent of landscape material shall be living.

Laundromat means an establishment providing coin-operated washing and dry-cleaning machines on the premises.

Local business tax receipt inspection certificate means either (1) for a new building or a change of occupancy classification, a certificate of occupancy issued by the building official or (2) for an existing non-residential building, an official certification by the fire department that such building conforms to the NFPA 1, Fire Prevention Code, and

may be used or occupied. Such certificate is granted for a change in tenancy, business ownership, or nature of use in existing non-residential buildings. With respect to existing buildings, such certificate shall mean only that, in the opinion of the official issuing the certificate, the building, or the part thereof for which the certificate is issued, is deemed to be in compliance with applicable codes. No such certificate shall be a warranty of code compliance.

Lodge means the hall or meeting place of a local branch or the members composing such a branch of an order or society.

Lot means a parcel, plot, or tract of land having fixed boundaries and having an assigned number, letter or other name through which it may be identified. For the purpose of this title the word "lot" shall be taken to mean any number of contiguous lots or portions thereof, upon which one or more main structures for a single use are erected or are to be erected.

Lot, corner means a lot abutting upon two (2) or more streets at their intersection.

Lot, interior means a lot other than a corner lot.

Lot, nonconforming means any lot which does not meet the requirements for minimum lot area, lot width, or yard requirements for any use, for the district in which such lot is located.

Lot, through means an interior lot having frontage on two (2) streets or corner lots having frontage on three (3) or more streets.

Lot coverage means the area of a site covered by all principal and accessory buildings and any parking areas, walkways, drives or other impervious surfaces.

Lot depth means the distance measured in the mean direction of the side line of the lot from midpoint of the front line to the midpoint of the opposite main rear line of the lot.

Lot of record means an area designated and owned as a separate and distinct parcel of land on a legally recorded deed as filed in the Public Records of Escambia County, Florida prior to July 24, 1965.

Lot lines means the property lines bounding a lot.

Lot width means the distance between the side lot lines measured along the street right-of-way lines or the building setback lines.

Maintenance means that action taken to restore or preserve structures, buildings, yards or the functional intent of any facility or system.

Major recreational equipment means all travel trailers, camping trailers, truck campers, motor homes, boats, boat trailers, racecars, utility trailers, dune buggies and similar recreational equipment.

Major subdivision. See: Subdivision.

Manufactured building, modular building means a closed structure, building assembly, or system of subassemblies, which may include structural, electrical, plumbing, heating, ventilating or other service systems manufactured in manufacturing facilities for installation or erection, with or without other specified components, as a finished building, or as part of a finished building, and bearing the insignia of approval of the Florida Department of Community Affairs. Manufactured buildings shall include, but not be limited to, residential, commercial, institutional, storage, and industrial structures. Manufactured buildings are permitted in any zoning district in the city. This does not include mobile homes or manufactured homes.

Manufactured home means a single-family dwelling unit fabricated on or after June 15, 1976 in an off-site manufacturing facility for installation or assembly at the building site, with each section bearing a seal certifying that it is built in compliance with the U.S. Department of Housing and Urban Development construction and safety standards (HUD Code). Manufactured homes fall into one or the following two (2) categories:

Residential Design Manufactured Home or RDMH means a manufactured home which meets certain residential design criteria described in section 12-2-62 and which is compatible with site-built dwellings.

Standard Design Manufactured Home or SDMH means a manufactured home which does not meet the residential design criteria.

Manufactured home park means a parcel of land under single ownership on which more than one manufactured home or space for such is located and available for rent or lease.

Marina means a place for docking boats and/or providing services to boats and the occupants thereof, including minor servicing and repair to boats while in the water, sale of fuel and supplies, and/or provision of food, beverages, and entertainment as accessory uses.

Martial art means pertaining to manual self-defense, unarmed, hand-to-hand combat including karate, judo and jujitsu.

Mean high water line means the line formed by the interaction of the tidal plane of mean high tide with the shore.

Minimum descent altitude means the lowest altitude, expressed in feet above mean sea level, to which descent is authorized on final approach or during circle-to-land maneuvering in execution of a standard instrument approach procedure where no electronic glide slope is provided.

Minimum obstruction clearance altitude means the specified altitude in effect between radio fixes or VOR airways, off-airway routes, or route segments which meets obstruction clearance requirements for the entire route segment and which assure acceptable navigational signal coverage only within twenty-two (22) miles of a VOR.

Mini-warehouse; mini-storage means a structure containing separate storage spaces of varying sizes leased or rented on an individual basis.

Minor subdivision. See: Subdivision.

Mobile home means a transportable, factory-built home, designed to be used as a year-round residential dwelling but not conforming to the definition of a manufactured home.

Mobile home park means a parcel of land under single ownership on which more than one mobile home or space for such is located and available for rent or lease.

Modular home. See: Manufactured building.

Monopole means a structure consisting of a single steel or concrete shaft that is designed and constructed for the sole purpose of supporting one (1) or more personal wireless antennas.

Mortuary means a place for the storage of human bodies prior to their burial or cremation.

Motel means a building in which lodging, or boarding and lodging, are provided and offered to the public in contradistinction to a boarding or lodging house, or a multiple-family dwelling, same as a hotel, except that the buildings are usually deigned to serve tourists traveling by automobile, ingress to rooms need not be through a lobby or office, and parking usually is adjacent to each unit.

Motor home means a structure built on and made an integral part of a self-propelled motor vehicle chassis, designed to provide temporary living quarters for recreation, camping, and travel use.

Motor hotel. See: Motel.

Noise zones (See Chapter 12-11).

Noise zone A means an area of minimal noise exposure between the 65-70 Ldn noise contour in which land use is normally acceptable for construction of buildings which include appropriate noise attenuation measures.

Noise zone B means an area of moderate noise exposure between the 70-75 Ldn noise contour in which land use should require aviation easements and appropriate sound level reduction measures for the construction of buildings.

Noise zone C means an area of significant noise exposure within the 75 Ldn contour in which land use should be limited to activities that are not noise sensitive.

Nonconforming lot. See: Lot.

Nonconforming structure means any structure which does not meet the limitations on building size and location on a lot, for the district in which such structure is located.

Nonconforming use means any use of land which is inconsistent with the provisions of this chapter or amendments thereto.

Nonprecision instrument runway means a runway having a nonprecision instrument approach procedure utilizing air navigation facilities with only horizontal guidance, or area type navigation equipment for which a straight-in, nonprecision instrument approach procedure has been approved or planned and for which no precision approach facilities are planned or indicated on an FAA planning document or military service's military airport planning document.

Nonresidential use means any use of land which is not defined as an office, commercial or industrial land use and which is permitted within a residential district, including public uses, churches, day care centers, etc.

Occupational license inspection certificate means either (1) for a new building or a change of occupancy classification, a certificate of occupancy issued by the building official or (2) for an existing non-residential building, an official certification by the fire department that such building conforms to the NFPA 1, Fire Prevention Code, and may be used or occupied. Such certificate is granted for a change in tenancy, business ownership, or nature of use in existing non-residential buildings. With respect to existing buildings, such certificate shall mean only that, in the opinion of the official issuing the certificate, the building, or the part thereof for which the certificate is issued, is deemed to be in compliance with applicable codes. No such certificate shall be a warranty of code compliance.

Opacity means the degree of obscuration of light.

Opaque means the characteristic of excluding or screening visual contact.

Outbuilding means a building located to the rear of a lot, separate from the principal building, whose use is defined in the Urban Regulations section of the Aragon Design Code.

Outdoor storage means the storage or display outside of a completely enclosed building, of merchandise offered for sale as a permitted use or of equipment, machinery and materials used in the ordinary course of a permitted use. Items used in renovation or construction, where a building permit has been issued, are exempt from this definition for purposes of this title.

Parking lot means an area or plot of land used for the storage or parking of vehicles.

Permanent perimeter enclosure means a structural system completely enclosing the space between the floor joists of a home and the ground.

Permitted use. A use by right that is specifically authorized in a particular zoning district.



Personal service shop means an establishment engaged in providing services including the care of a person or his apparel, or any of the following services. Barbershops, beauty shops, tailoring shops, watch repair shops, body tanning centers, weight loss centers or any similar services with the exception of those expressly referenced elsewhere in this chapter.

Personal wireless antenna means a surface from which radio signals are transmitted or received for purposes of providing personal wireless services.

Personal wireless facility means a personal wireless antenna, a personal wireless tower, an equipment cabinet, or any combination thereof.

Personal wireless services means commercial mobile service, unlicensed wireless services, and common carrier wireless exchange access services.

Personal wireless tower means an antenna support structure or a monopole.

Planting area means any area designed for landscape material installation.

Plat means a map or delineated representation of the subdivision of lands, being a complete exact representation of the subdivision and other information in compliance with the requirement of all applicable sections of this title.

Precision instrument runway means a runway having an instrument approach procedure utilizing an instrument landing system (ILS) or a precision approach radar (PAR).

Predevelopment condition means topography, soils, vegetation, rate, volume and direction of surface or groundwater flow existing immediately prior to development based on best available historical data.

Private club means buildings, facilities and property owned and operated by a corporation or association of persons for social or recreational purposes, including those organized chiefly to promote friendship or welfare among its members, but not operated primarily for profit or to tender a service which is customarily carried on as a business.

Protected tree means native trees protected by Chapter 12-6, as identified by species and size in Appendix A of that chapter.

Public transit bus shelter means a structure or facility located at a site designated and approved by the operating transit agency and the City of Pensacola whose purpose is to protect passengers from the elements.

Quadruplex means four (4) attached single-family dwelling units and each unit has two (2) open space exposures and shares two (2) separation walls with an adjoining unit or units.

Receiving bodies of water means waterbodies, watercourses or wetlands into which surface waters flow.

Recharge means inflow of water into a project site, aquifer, drainage basin or facility.

Residential design manufactured home. See: Manufactured home.

Residential districts are those including the following zoning classifications: R1-AAAAA, R1-AAAA, R1-AAA, R1-AA, R1-A, R-ZL, R-2A.

Restaurant means any building or structure or portion thereof, in which food is prepared and served for pay primarily for consumption on the premises.

Restaurant, drive-in or drive-through means a drive-in or drive-through restaurant where provision is made on the premises for the selling, dispensing, or serving of food or beverages to customers in vehicles.

Retention means the prevention of the discharge of stormwater runoff into surface waters by complete on-site storage where the capacity to store the given volume must be provided by a decrease of stored water caused only by percolation through soil, evaporation, or evapotranspiration (loss of water from soil both by evaporation and transpiration from the plants growing thereon).

Retention pond (basin) means a storage facility for the retention of stormwater.

Right-of-way means the areas of a highway, road, street or way reserved for public use, whether established by

prescription, dedication, gift, purchase, eminent domain or any other legal means.

Rooftop mounted antenna means any commercial communications or personal wireless antenna located on the roof or top of any building, public utility structure or permanent nonaccessory sign.

Rooming house. See: Boardinghouse.

Runoff means the amount of water from rain, snow, etc., which flows from a catchment area past a given point over a certain period. It is total rainfall, less infiltration and evaporation losses.

Runway means a defined area on an airport prepared for landing and take-off of aircraft along its length.

Satellite television transmitting and receiving dish means a device commonly concave in shape, mounted at a fixed point for the purpose of capturing and sending television signals transmitted via satellite communications facilities and serving the same or similar function as the common television antenna.

School means an institution primarily for academic instruction, public, parochial or private and having a curriculum the same as ordinarily given in a public school.

Screen or screening means a fence, wall, hedge, earth berm or any combination of these provided to create a visual and/or physical separation between properties, land uses or certain facilities. A screen may be located on the property line or elsewhere on the site, and where required in a buffer yard must be located within the required buffer yard.

Sediment means solid material, mineral or organic in suspension, that is being transported, or has moved from its site or origin by air, water or gravity.

Sedimentation facility means a structure or area designed to retain runoff, as in a retention or holding pond, until suspended sediments have settled.

Service station means a building or lot where gasoline, oil and/or grease are supplied and dispensed to the motor vehicle trade, or where battery, tire and other similar services are rendered.

Shade tree means any species of tree identified in Appendix A and Appendix B of Chapter 12-6.

Sign means any device, display or structure, or part thereof, which advertises, identifies, displays, directs or attracts attention to an object, person, institution, organization, business, product, service, event or location by the use of words, letters, figures, designs, symbols, fixtures, colors, illumination or projected images.

Sign, abandoned. A sign which advertises a business that is no longer licensed, no longer has a certificate of occupancy, or is no longer doing business at that location.

Sign, accessory. Sign which directs attention to a profession, business, commodity, service, entertainment or other activity conducted, sold or offered on the premises.

Sign, advertising display area. The advertisement display surface area as measured from the outside edge of the sign or the sign frame, whichever is greater, excluding the area of the supporting structures provided that the supporting structures are not used for advertising purposes and are of an area equal to or less than the permitted sign area.

Sign, attached or wall sign. Any sign painted on or attached to and erected parallel to the face of, or erected and confined within the limits of, the outside wall of any building or supported by such wall or building and which displays only one advertising surface.

Sign, freestanding. A sign which is supported by one or more columns, uprights, or braces in or upon the ground and is not attached to a building.

Sign, nonaccessory. A sign which directs attention to a business, profession, commodity, service, entertainment or other activity conducted, sold or offered off the premises.

Sign, political.

Sign, portable. A sign or advertising device designed to be temporary in nature and movable including those mounted on a trailer-type vehicle, with or without wheels. A-frame signs, balloon signs and all other similar type signs not permanently attached to the ground or a building.

Sign, real estate.

Sign, temporary. A sign intended to advertise community or civic projects, construction projects, property for sale, lease or rent, or special events on a temporary basis for a designated period of time.

Sign, tri-faced nonaccessory. A sign composed of sections which rotate to display a series of advertisements, each advertisement being displayed for at least five (5) seconds continuously without movement and the movement of the sections between displays being not more than two (2) seconds.

Site plan. See: Development plan.

Social services home/center means a home/center for individuals requiring supervision and care by support staff as may be necessary to meet the physical, emotional and social needs of the resident. Types of social services homes/centers include the following: residential treatment facilities for alcohol, drug abuse and mental health services; intermediate care facilities for the mentally retarded/developmentally disabled; and similar foster care facilities or group homes. These homes/centers shall be regulated by the Department of Health and Rehabilitative Services.

Specialty shop means a retail shop specializing in books, cards, jewelry, newspapers and magazines, gifts, antiques, stationery, tobacco, candy, craft distilleries, breweries and microbreweries (with an accessory use area allowing direct retail sale and consumption on premises), and any similar specialty items and hand craft shop for custom work or making custom items not involving noise, odor or chemical waste.

Stable, private means a structure where horses are kept by the owners or occupants of the premises and are not kept for hire or sale.

Standard design manufactured home. See: Manufactured home.

Stealth technology means the use of both existing and future technology and techniques through which a personal wireless facility may be caused to blend in with its surroundings or resemble an object other than a personal wireless facility, including, without limitation, architectural screening of antennas, integration of antennas into architectural elements, painting of antennas, and disguising personal wireless towers to closely resemble trees, street lights, telephone poles, and similar objects. One example of existing technology is the use of small panel antennas concealed behind fiberglass panels.

Stormwater management plan means the detailed analysis required by section 12-9-5.

Stormwater management system means the designed features of the property which treat stormwater, or collect, convey, channel, hold, inhibit, or divert the movement of stormwater. Examples are canals, ditches, culverts, dikes, storm sewers, swales, berms or other manmade facilities which control flow of surface water.

Stormwater runoff means the flow of water which results from, and which occurs immediately following, a rainfall event.

Street means a way for vehicular traffic, whether designated as a street, highway, thoroughfare, parkway, throughway, road, avenue, boulevard, lane, place or however otherwise designated. The word "street" includes the following terms, further described as follows:

Streets, major arterial means streets which provide for through traffic movement between areas and across the city, and direct access to major employment locations and commercial uses.

Streets, minor arterial means street which provide for traffic movement between major neighborhoods.

Streets, collector means streets which provide for the movement of traffic between major arterials and local streets and direct access to abutting property.

Street, local means streets which provide for direct access to abutting land and used for local traffic movements only.

Streets, marginal access are minor streets which are parallel to and adjacent to arterial streets and highways; and which provide access to abutting properties and protection from through traffic.

Street line means the line between the street right-of-way and abutting property.

Structural alteration means any change, except for repair or replacement, in the supporting members of a building, such as bearing walls, columns, beams or girders, or in the dimensions or configurations of the roof or exterior walls.

Structure means anything constructed or erected on a fixed location on the ground, or attached to something having a fixed location on the ground, including but not limited to, a building, mobile home, wall, fence, tower, smokestack, utility pole, overhead transmission line or sign.

Studio means a workroom or place of study of an art, including painting, sculpting, photography, dancing, music and

the other performing arts with the exception of those expressly referenced elsewhere in this chapter.

Subdivision means the division of a parcel of land into two (2) or more parcels for the purpose of transfer of ownership or building development, or, if a new street is involved, any division of a parcel of land. The word includes resubdivision and shall relate to the process of subdividing or to the land subdivided. Refer to Chapter 12-8 for subdivision regulations.

Subdivision, nonresidential means any subdivision, other than a residential, such as office, commercial, or industrial.

Tattoo parlor or studio means an establishment that performs the placement of indelible pigment, inks, or scarification beneath the skin by use of needles for the purpose of adornment or art. For the purposes of this Code, "tattooing" does not include the practice of permanent makeup and micro pigmentation when such procedures are performed as incidental services in a medical office or in a personal services establishment such as a hair or nail salon.

Townhouse means a single-family residential building attached to one or more single-family residential buildings by a common wall.

Travel trailer means a vehicular portable structure built on a chassis, designed and constructed to provide temporary living quarters for recreation, travel or camping purposes, of such size and weight not to require special highway movement permits when drawn by a passenger automobile.

Tree means any self-supporting, woody plant of a species which normally grows to an overall height of at least fifteen (15) feet.

Tree removal means any act which causes a tree to die within a period of two (2) years; such acts including, but not limited to, cutting; inflicting damage upon a root system by machinery, storage of materials, or soil compaction; changing of the natural grade above or below a root system or around the trunk; inflicting damage on a tree; permitting infection or pest infestation; excessive pruning; or paving with concrete, asphalt or other impervious material within such proximity as to be harmful to a tree.

Truck camper means a portable structure, designed to be loaded onto or affixed to the bed or chassis of a truck,

constructed to provide temporary living quarters for recreation, camping or travel use.

Understory vegetation means any shrubs or small trees which will grow beneath large trees.

Unlicensed wireless service means the offering of telecommunications using duly authorized devices which do not require individual licenses, but does not mean the provision of direct-to-home satellite services.

Used car lot means any parcel of land used for the storage, display, and sale of used automobiles in running condition.

Variance means relaxation of the literal terms of this title where such variance will not be contrary to the public interest and where, owing to conditions peculiar to the property and not the result of the actions of the applicant, a literal enforcement of the terms of this title would result in unnecessary and undue hardship. As used in this title, a variance is authorized only for height, area, and size of structure or size of yards and open spaces. Establishment or expansion of a use otherwise prohibited shall not be allowed by variance, nor shall a variance be granted because of the presence of nonconformities in the zoning division or district or adjoining zoning divisions or districts.

Vehicle means every device, in, upon, or by which any person or property is or may be transported or drawn upon a highway.

Visual runway means a runway intended solely for the operation of aircraft using visual approach procedures and no instrument designation indicated on FAA approved airport layout plan, a military services approved military airport layout plan, or by any planning document submitted to the FAA by competent authority.

Wall means a vertical element with a horizontal length-to-thickness ratio greater than three, used to enclose space.

Waterbodies means the natural or artificial watercourses, lakes, ponds, bays, bayous and coastal waters of the city which ordinarily or intermittently contain water and have discernible shorelines.



Water management structure means a facility which provides for storage of stormwater runoff and the controlled release of such runoff during and after a flood or storm.

Wetlands means fresh or salt water marshes, swamps, bays, or other areas characterized by specific vegetation types and plant communities, either flooded at all times, flooded seasonally or having a water table within six (6) inches of the ground surface for at least three (3) months of the year, or areas which support a dominance of wetland vegetation types listed in or meeting the conditions in DER Rules, Chapter 17-25, Florida Administrative Code.

Yard means any area on the same lot with a building or building group lying between the building or the building group and the nearest lot line.

Yard, required means the minimum distance, measured at right angles from the lot line, which a building or structure must be placed from the lot line. The required yard is the open space area that is unobstructed from the ground upward and unoccupied except by specific uses and structures allowed in such area by the provisions of this title.

Yard, required front means a yard situated between the front lot line and the front building setback line, extending the full width of the lot.

Yard, required rear means a yard situated between the rear lot line and the rear building setback line, extending the full width of the lot, except for corner lots. On corner lots the rear yard extends from the interior side lot line to the streetside setback line. The minimum width of any required rear yard, at the building setback line, shall be equal to the minimum width required for the front yard at the street right-of-way line.

Yard, required side means a yard situated between a side lot line and side building setback line, extending from the required front yard to the required rear yard or the rear lot line, where there is no rear yard. On a corner lot the required side yard setback line extends from the front building setback line to the rear lot line on the street side of the lot.

Yard, required streetside means a yard situated between a street right-of-way and side building setback lines and extends from the front building setback line to the rear lot line.

Zero lot line dwelling means a detached single-family dwelling sited on one side lot line with zero side yard building setback, and a required side yard setback on the opposite side.

SECTION 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4. This ordinance shall become effective on the fifth business day after adoption, unless otherwise provided pursuant to Section 4.03(d) of the City Charter of the City of Pensacola.

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_  
President of City Council

Attest:

\_\_\_\_\_  
City Clerk

## MINUTES OF THE PLANNING BOARD

February 13, 2018

**MEMBERS PRESENT:** Chairman Paul Ritz, Danny Grundhoefer, Nina Campbell, Jared Moore, Kurt Larson

**MEMBERS ABSENT:** Nathan Monk, Kyle Owens

**STAFF PRESENT:** Brandi Deese, Assistant Planning Services Administrator, Leslie Statler, Planner Don Kraher, Council Executive, Victoria D'Angelo, CRA Assistant Administrator

**OTHERS PRESENT:** Cinthia D. Lee Carter, Raymond P. Hudkins, Mary Collins, Sean Hickey, Ray Carter, Lisa Stack, Katrina Steene

### AGENDA:

- Quorum/Call to Order
- Approval of Meeting Minutes from January 9, 2018
- New Business:
  1. Request for Final Plat Approval for Covington Place Subdivision
  2. Request for Vacation of Right-of-Way – 1000 Block of E. LaRua Street
  3. Request for Approval of License to Use Right-of-Way – 201 S. Baylen Street
  4. Consider Amendment to LDC Section 12-2-82 Design Standards & Guidelines & 12-14-1 Definitions
- Open Forum
- Adjournment

### Call to Order / Quorum Present

Chairman Ritz called the meeting to order at 2:03 pm with a quorum present.

### Approval of Meeting Minutes

Mr. Moore made a motion to approve the January 9, 2018 minutes, seconded by Ms. Campbell, and it carried unanimously.

### New Business

#### Request for Final Plat Approval for Covington Place Subdivision

Rebol-Battle & Associates has submitted a request for Final Plat approval for Covington Place Subdivision located at 15 W. Strong Street. Preliminary plat approval for this project was granted at the January 9, 2018 meeting.

The proposed Final Plat consists of 25 lots of varying widths which meet the requirements of the PC-1 zoning district. The proposed development meets the setback requirements for the zoning district with the exception of the rear yard setback for the lots along Baylen Street. However, on September 21, 2017, the Architectural Review Board granted a variance of 15 feet to reduce the minimum required rear yard from 15 feet to 0.0 feet to accommodate the internalized access for these lots. The minimum parking requirement has been met.

The one modification since the Preliminary Plat is that the unnamed private access made addressing the units problematic. The applicant has named the private access as Covington Place East and West, and the City will address all the internal units as Covington Place East and West as well. An updated Final Plat was made available during the Planning Board meeting with this modification being made. The Final Plat has been routed through the various City departments and utility providers. The comments received to date were also provided.

Chairman Ritz was pleased with the internal access and the welcomed addition to a prominent corner of Pensacola. Mr. Rebol presented to the Board and advised they were working with ECUA on the utility routes. Ms. Campbell stated the project looked nice, and they had been responsive to the comments. Mr. Rebol clarified that there was one egress onto Cervantes, with the traffic entering on Strong Street. Mr. Grundhoefer asked if variances were obtained for all lots, and Ms. Deese confirmed variances were given for the lots on Baylen Street based on the orientation.

**Mr. Moore made a motion to approve, seconded by Ms. Campbell, and it carried unanimously.**

#### **Request for Vacation of Right-of-Way – 1000 Block of E. LaRua Street**

Chandler Prospecting, LLC is requesting approval for the vacation of a 10 foot portion of the 1000 Block of E. LaRua Street. The applicant has indicated the reason for the request is to attain the highest and best use of the property and to preserve and increase the property values in this area of East Hill. If granted, the additional 10 feet will allow the applicant to construct 3 single family detached structures instead of 1 single family detached structure and 2 attached structures. The applicant has indicated the surrounding neighbors desire to see the property developed as single family detached and thus support this request.

This request has been routed through the various City departments and utility providers and those comments were provided. The utility providers were comfortable with the easement language in place with the standard ordinance.

Ms. Chandler addressed the Board and advised she had tried to speak to all of the adjoining and adjacent neighbors to make sure they were all on the same page. Chairman Ritz indicated the Board had granted vacations in the past, but they did not take that decision lightly since it gave what was currently property which belongs to the citizens of the city as a whole to an individual. He stated sometimes it was property which was slated for future development or road widenings; this right of way would not be the case for future expansion or improvement. He would support it if it offered the chance to increase density and bring more life into the neighborhood. As for the highest and best use, it would become taxed property. Mr. Grundhoefer asked the width of the right of way, and Ms. Chandler advised it was 70' with the road being centered in the right of way. Mr. Grundhoefer indicated they would be taking 10' of the 23'. Ms. Chandler indicated the lot was 1250 sq. ft. shy of being able to construct single family density detached structures. She advised the corner lot would have 50' of frontage, with the other two having approximately 44'. The lots would face 11<sup>th</sup> to allow the view of the bay from the second floor. She emphasized they needed 15,000 sq. ft. for three detached homes, and the aesthetic in this part of town was very important.

Mr. Grundhoefer asked about front-facing garages, and Ms. Chandler advised with the larger lots, she would have the ability to have automobiles in the rear, and if they were front-facing, they would be built with carriage doors. She also indicated she intended to construct sidewalks. Mr. Larson asked if they had considered two houses instead of three. Ms. Chandler advised when she bought the property, the best case scenario was the highest use of the property, holding the aesthetic of the neighborhood and keeping her reputation in tact when the transaction was completed. Chairman Ritz pointed out if the vacation was not granted, there would still be three residences on the property, with two in one single building. Ms. Chandler advised if the property were not divided into three parcels, she would not make her return on investment. She also stated they were selling to clients who did not prefer a large yard but wanted the downtown lifestyle. Dividing into two parcels would place the price out of the demographic she was selling to especially with the finishes going into them. Chairman Ritz stated he had confidence that the end

product would be as Ms. Chandler described. **Mr. Grundhoefer made a motion to approve, seconded by Ms. Campbell. The motion carried 4 to 1 with Mr. Larson dissenting.** Ms. Deese pointed out the recommendation would go before City Council for final approval.

**Request for Approval of License to Use Right-of-Way – 201 S. Baylen Street**

(This request was withdrawn. Ms. Deese indicated that the grease interceptor would now be located on the private parcel, which was the driving force behind the need for the License to Use. With the balconies being overhanging, the Building Official has indicated he would issue an Administrative License to Use, resulting in this request being withdrawn.)

**Consider Amendment to LDC Section 12-2-82 Design Standards & Guidelines & 12-14-1 Definitions**

The City's Land Development Code has Design Standards and Guidelines that are applicable to all properties within the City of Pensacola. Land Development Code Section 12-2-82 outlines these requirements and includes the requirement for building façade finishes that limits the percentage of metal. Although it was not the intent of the code at the time the language was added, the code language creates opportunity for Quonset hut style buildings to be permitted. The proposed amendment simplifies the code language and eliminates that opportunity as well as adds the definition of a wall to Land Development Code Section 12-14-1 Definitions. Ms. Deese explained the definition for walls was derived from the Florida Building Code.

Chairman Ritz pointed out the Quonset hut style had its position in history, but they did not need to be repeated since the current needs were not the same. Mr. Grundhoefer pointed out the language appeared to restrict metal buildings (metal skin and metal roof). Ms. Deese advised the language had been there to protect metal buildings. The drafted language was an effort between Planning Services and Building Inspections, and explained this definition of curtain wall was rewritten to eliminate the loophole.

**Mr. Larson made a motion to approve, seconded by Mr. Moore, and it carried unanimously.**

**Open Forum** – Ms. D'Angelo of the CRA explained the four-day charrette for an urban design guideline project for each of the redevelopment areas, which excluded special review districts. She reminded the Board of the combined workshop for February 14 for the Board and CRA to meet together for a debriefing and also provided informational materials to the Board. Chairman Ritz advised he planned to attend and advised the Board to maintain the Sunshine position. Ms. D'Angelo explained it had been advertised as an open meeting, so the Board would be able to meet together for discussion. She also indicated there would be another meeting March 19 at 2:00 pm where the Board would receive a draft of the guideline.

**Adjournment** – With no further business, Chairman Ritz adjourned the meeting at 2:40 pm.

Respectfully Submitted,



Brandi C. Deese  
Secretary to the Board

PLANNING/CITY OF PEN/LEGAL AD  
180 W GOVERNMENT ST

PENSACOLA FL 32502

Published Daily-Pensacola, Escambia County, FL

**PROOF OF PUBLICATION**

State of Florida

County of Escambia:

Before the undersigned authority personally appeared **Brittini L Pennington**, who on oath says that he or she is a Legal Advertising Representative of the **Pensacola News Journal**, a daily newspaper published in Escambia County, Florida that the attached copy of advertisement, being a Legal Ad in the matter of

**NOTICE OF QUASI JUDICIAL**

as published in said newspaper in the issue(s) of:

**02/26/18**

Affiant further says that the said **Pensacola News Journal** is a newspaper in said Escambia County, Florida and that the said newspaper has heretofore been continuously published in said Escambia County, Florida, and has been entered as second class matter at the Post Office in said Escambia County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or she has neither paid nor promised any person, firm or coporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Sworn to and Subscribed before me this 26th of February 2018, by Brittini L Pennington who is personally known to me

*Brittini L. Pennington*  
Affiant

*Michele M. Potter*  
Michele M. Potter  
Notary Public for the State of Florida  
My Commission expires June 30, 2018

NOTICE OF QUASI JUDICIAL HEARING AND PUBLIC HEARINGS

On **Thursday, March 8, 2018** at 5:30 p.m. in the Council Chambers of City Hall, 222 West Main Street, the Pensacola City Council will conduct quasi-judicial hearings and public hearings to consider the following:

- QUASI JUDICIAL HEARING – Final Subdivision Plat – Covington Place
- PUBLIC HEARING – Request to Vacate Right of Way – 1000 Block East LaRue Street.
- PUBLIC HEARING – Proposed Amendment to the Land Development Code – Building Façade Finish – Sections 12-2-82 and 12-14-1.

You are not required to respond or take any action regarding this notice, but if you wish to speak before the City Council on this subject, you are invited to be present at the scheduled hearing.

If any person decides to appeal any decision made with respect to any matter considered at this meeting, such person will need a record of the proceedings, and that for such purpose, he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

For additional information on this matter, please call Planning Services at (850) 435-1670.

By direction of the City Council,  
Ericka L. Burnett  
City Clerk

Legal No. 2752742 1T February 26, 2018



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 06-18

City Council

3/8/2018

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### LEGISLATIVE ACTION ITEM

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

PROPOSED ORDINANCE NO. 06-18 - AMENDING LAND DEVELOPMENT CODE SECTION 12-2-82 DESIGN STANDARDS AND GUIDELINES AND SECTION 12-14-1 DEFINITIONS

**RECOMMENDATION:**

That City Council approve Proposed Ordinance No. 06-18 on first reading.

AN ORDINANCE AMENDING SECTIONS 12-2-82(C)(8) and 12-14-1 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA; AMENDING THE CHAPTER RELATED TO DESIGN STANDARDS AND GUIDELINES; AMENDING THE CHAPTER RELATED TO DEFINITIONS; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; PROVIDING AN EFFECTIVE DATE.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

The City's Land Development Code contains Design Standards and Guidelines that are applicable to all properties within the City of Pensacola. Land Development Code Section 12-2-82 outlines these requirements and includes the requirement for building façade finishes that limits the percentage of unfinished metal. Due to the specificity of the existing language, it currently creates opportunity for Quonset Hut style buildings to be permitted without complying with the façade finish requirement as other metal buildings are required to do. The proposed amendment simplifies the code language and eliminates that opportunity, and also adds a definition of "wall" to the Land Development Code Section 12-14-1 Definitions.

On February 13, 2018 the City's Planning Board unanimously recommended approval of the proposed amendment.

**PRIOR ACTION:**

None

**FUNDING:**

N/A

**FINANCIAL IMPACT:**

None

**CITY ATTORNEY REVIEW:** Yes

2/21/2018

**STAFF CONTACT:**

Eric W. Olson, City Administrator  
Sherry H. Morris, AICP, Planning Services Administrator  
Bill Weeks, Building Official

**ATTACHMENTS:**

- 1) Proposed Ordinance No. 06-18
- 2) February 13, 2018 Planning Board Minutes

**PRESENTATION:** No



PROPOSED  
ORDINANCE NO. \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE  
TO BE ENTITLED:

AN ORDINANCE AMENDING SECTIONS 12-2-82(C)(8) and 12-14-1 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA; AMENDING THE CHAPTER RELATED TO DESIGN STANDARDS; AMENDING THE CHAPTER RELATED TO DEFINITIONS; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY OF PENSACOLA, FLORIDA:

SECTION 1. Chapter 12-2-82(C)(8) of the Code of the City of Pensacola, Florida, is hereby amended as follows:

(8) Building Façade Finish: Metal curtain walls ~~(an exterior building wall which carries no roof or floor loads and consists entirely or principally of metal, or a combination of metal and glass, and other surfacing materials supported by a metal framework)~~ shall be limited to a maximum of thirty (30) percent per elevation of a building in the R-2 and R-NC districts, forty (40) percent per elevation in the remaining commercial districts (with the exception of historic and special aesthetic districts which have their own guidelines for review), and seventy-five (75) percent per elevation of a building in industrial districts. The remaining percentage of each façade elevation shall have a finish treatment. Planning Board may grant requests to exceed this maximum standard on a case-by-case basis with consideration being given to developments that incorporate design guidelines suggested in this section and exhibit superior site design.

SECTION 2. Chapter 12-14-1 of the Code of the City of Pensacola, Florida, is hereby amended as follows:

CHAPTER 12-14. DEFINITIONS

[Sec. 12-14-1. - Definitions enumerated.]

As used in this title and unless the context clearly indicates otherwise:

Abandonment means to cease or discontinue a use or activity without intent to resume, but excluding temporary or short-term interruptions to a use or activity during periods of remodeling,

maintaining, or otherwise improving or rearranging a facility, or during normal periods of vacation or seasonal closure.

Abut means having property or district lines in common.

Access management means a method whereby non-residential property owners limit the number of driveways or connections from individual parcels of property to the major thoroughfare.

Accessory residential unit means an accessory structure built or a portion of a single-family dwelling unit which is converted into a separate housing unit subject to regulations in section 12-2-52 and which may be rented.

Accessory office unit means an accessory structure built or a portion of a single-family dwelling unit which is converted into a separate office unit subject to regulations in section 12-2-51 and which may be rented.

Accessory use means a use or structure which:

(a) Is clearly incidental to, customarily found in association with, and serves a principal use;

(b) Is subordinate in purpose, area, or extent to the principal use served; and

(c) Is located on the same lot as the principal use or on an adjoining lot in the same ownership as that of the principal use.

Addition (to an existing building) means any walled and roofed expansion to the perimeter of a building in which the addition is connected by a common load-bearing wall other than a fire wall. Any walled and roofed addition which is connected by a fire wall or is separated by independent perimeter load-bearing walls is new construction.

Adjacent means any property that is immediately adjacent to, touching, or separated from such common border by the width of a right-of-way, alley, or easement.

Adult entertainment establishment means an adult motion picture theater, a leisure spa establishment, an adult bookstore, or an adult dancing establishment.

Airport means Pensacola Regional Airport.

Airspace height means the height limits in all zones set forth in chapter 12-11, which shall be measured as mean sea level elevation (ASML), unless otherwise specified.

Alleys are roadways which afford only a secondary means of access to abutting property and not intended for general traffic circulation.

Alteration means any change or rearrangement in the supporting members of an existing building, such as bearing walls, columns, beams, girders or interior partitions, as well as any change in doors or windows, or any enlargement to or diminution of a building or structure, whether horizontally or vertically.

Amusement machine complex means a group of three (3) or more amusement games or other amusement machines, in the same place, location or premises.

Anchoring system means an approved system of straps, cables, turnbuckles, chains, ties or other approved materials used to secure a manufactured home.

Animal clinic, veterinary clinic means an establishment where small animals are admitted for examination and treatment by one or more persons practicing veterinary medicine. Animals may be boarded or lodged overnight provided such activity is totally confined within the building. No outside pens or runs shall be allowed. See: Kennel.

NOTE: Small animals shall be deemed to be ordinary household pets excluding horses, monkeys, or other such animals not readily housed or cared for entirely within the confines of a residence.

Antenna means any exterior transmitting or receiving device mounted on a tower, building or structure and used in communications that radiate or capture electromagnetic waves, digital signals, analog signals, radio frequencies (excluding radar signals), wireless telecommunications signals or other communication signals.

Antenna array means one (1) or more personal wireless antennas used by a single service provider and designed and installed at the same site in such a way as to operate as a unit.

Antenna support structure means a guyed or lattice-work tower that is designed and constructed for the sole purpose of supporting one (1) or more personal wireless antennas.

Apartment house. See: Dwelling, multiple.

Automobile repair. See: Garage, mechanical.

Appeal means a request for a review of the building official's interpretation of any provision of this title or a request for a variance.

Bar means a structure or part of a structure in which the principal business is the sale or dispensing of alcoholic beverages for consumption on the premises. This term includes lounges, taverns, pubs, bottle clubs, etc.

Bed and breakfast facility means an accessory use in which no more than four (4) rooms or lodging units and breakfast service only is provided to guest clients, for lengths of stay ranging from one night to seasonal, by the owner of the principal structure living on-site.

Block means a parcel of land entirely surrounded by public streets, watercourse, railway, right-of-way, parks, etc., or a combination thereof.

Boardinghouse, lodging house means a dwelling other than an apartment, commercial hotel or motel where, for compensation and by prearrangement for definitive periods, lodging, or lodging and meals are provided for five (5) or more persons; and which is subject to licensing by the Division of Hotels and Restaurants of the Florida Department of Business Regulations as a rooming or boarding house.

Boats and boat trailers means a vessel or craft for use on the water which is customarily mounted upon a highway vehicle designed to be hauled by an automobile vehicle.

Boat sales and service shop means an establishment primarily engaged in the sale or repair of boats, marine engines, marine equipment, and any similar services.

Buffer yard means a ten-foot strip of yard along the property line(s) used to visibly separate incompatible land uses and/or zoning districts as regulated through provisions established in section 12-2-32.

Buildable area means area inside building setback lines.

Building means any structure built for support, shelter, or enclosure for any occupancy or storage.

Building coverage means the area of a site covered by all principal and accessory buildings.

Building height means the vertical distance of a building measured from the lowest habitable floor elevation to the highest point of the roof, except in a special flood hazard area where the height of a building is measured from an elevation established three (3) feet above the required base flood elevation. For all residential zoning districts as defined in this section and the Residential/neighborhood commercial land use district (R-NC), the building height means the vertical distance of a building measured from the average elevation of the finished grade to the highest point of the roof, except in a special flood hazard area where the height of a building is measured from an elevation established three (3) feet above the required base flood elevation.

Building official means the individual responsibility for conducting inspections and issuing permits under the Standard Building Code as amended.

Building setback line means that line that is the required minimum distance from the street right-of-way or any other lot line when measured at right angles that establishes the area within which the principal structure must be erected or placed.

Cabana means a beach or pool-side shelter, usually with an open side facing the water.

Camping trailer means a vehicular portable structure mounted on wheels, constructed with collapsible partial side walls of fabric, plastic, or other material for folding compactly while being drawn by another vehicle and when unfolded at the site or location, providing temporary living quarters, and which is designed for recreation, travel, or camping purposes.

Car wash means a building, or portion thereof, where automobiles are washed, including self-service car washes.

Cemetery means land used or intended to be used for the burial of the dead and dedicated for cemetery purposes and including, the sale of burial plots, columbariums and mausoleums, in addition to the operations of a funeral chapel, management office and maintenance facility when operated in conjunction with and within the boundary of such cemetery.

Incidental cemetery functions shall include the sale of interment rights, caskets, funeral services, monuments, memorial markers, burial vaults, urns, flower vases, floral arrangements and other similar merchandise and services when limited for use in the cemetery in which they are sold. Manufacturing of these items shall be prohibited on the cemetery premises. No outdoor retail displays shall be permitted except for monuments and memorial markers.

No portions of the cemetery or accessory buildings shall be used for purposes of embalming and cremation or the performance of other services used in preparation of the dead for burial.

Certificate of occupancy means official certification by the building official that a building conforms to provisions of the zoning ordinance and technical codes, and may be used or occupied. Such certificate is granted for new construction or for a change of occupancy classification in an existing non-residential building. A building or part thereof may not be occupied unless such certificate is issued.

Chapel means a structure whose primary use is assembly for religious purposes.

Child care center. See: Day Care Center.

Childcare facility. Any childcare center or childcare arrangement which provides childcare for more than five (5) children unrelated to the operator and which receives a payment, fee, or grant for any of the children receiving care, wherever operated, and whether or not operated for profit. Examples of a childcare facility include the following:

Drop-in child care means childcare which is provided occasionally in a childcare facility in a shopping mall or business establishment where a child is in care for no more than a four-hour period and the parent remains on the premises of the shopping mall or business establishment at all times. Drop-in childcare arrangements shall meet all requirements for a childcare facility unless specifically exempted.

Evening childcare means childcare provided during the evening hours of 6:00 p.m. to 7:00 a.m. to accommodate parents who work evenings and late-night shifts.

Family day care home means an occupied residence in which childcare is regularly provided for children from at least two

(2) unrelated families and which receives a payment, fee, or grant for any of the children receiving care, whether or not operated for profit. A family day care home shall be allowed to provide care for one of the following groups of children, which shall include those children under thirteen (13) years of age who are related to the caregiver: a) A maximum of four (4) children from birth to twelve (12) months of age. b) A maximum of three (3) children from birth to twelve (12) months of age, and other children, for a maximum total of six (6) children. c) A maximum of six (6) preschool children if all are older than twelve (12) months of age. d) A maximum of ten (10) children if no more than five (5) are under preschool age and, of those five (5), no more than two (2) are under twelve (12) months of age.

Large family child care home means an occupied residence in which child care is regularly provided for children from at least two (2) unrelated families, which receives a payment, fee, or grant for any of the children receiving care, whether or not operated for profit, and which has at least two (2) full-time child care personnel on the premises during the hours of operation as defined in the Florida Statutes.

Churches and religious institutions. A building or structure, or groups of buildings or structures, which by design and construction are primarily intended for the conducting of organized religious services and accessory uses associated therewith. Includes temples, synagogues or other places of assembly for the purposes of organized religion.

Clearing or clearing and grubbing means removal of vegetation such as tree stumps, shrubs and roots from the land, but shall not include mowing.

Clinic means a building designed and used for the medical and surgical diagnosis and treatment of patients under the care of doctors and nurses.

Cluster development. A form of development for residential subdivisions that permits a reduction in lot area and setback requirements, provided there is no increase in the density of residential units permitted within the future land use district and the resultant land area is devoted to open space.

Coastal high hazard area means the evacuation zone for a Category 1 hurricane as established in the most current hurricane evacuation study for the area.

Commercial communications antenna means a surface from which television, radio, or telephone communications signals are

transmitted or received, but which is neither (i) used primarily for the provision of personal wireless services nor (ii) used exclusively for dispatch communications. The term also includes any microwave or television dish antenna.

Commercial communications tower means a structure on which may be mounted one (1) or more antennas intended for transmitting or receiving television, radio, or telephone communications, but which is neither (i) used primarily for the provision of personal wireless services nor (ii) used exclusively for dispatch communications.

Commercial mobile service means any mobile service that is provided for profit and makes interconnected service available to the public or to such classes of eligible users as to be effectively available to a substantial portion of the public.

Commercial vehicle means any motor vehicle, trailer, or semi-trailer designed or used to carry passengers, freight, materials, or merchandise in the furtherance of any commercial enterprise.

Commercial vehicle—Large means any commercial vehicle greater than seven (7) feet wide, seven (7) feet high or twenty-five (25) feet long including but not limited to the following: construction equipment (bulldozers, graders etc.) semi-tractors and/or trailers, moving vans, delivery trucks, flat-bed and stake-bed trucks, buses (except school buses), and similar vehicles over seven (7) feet wide, seven (7) feet high or twenty-five (25) feet long.

Commercial vehicle—Small means any commercial vehicle less than or equal to seven (7) feet wide, seven (7) feet high or twenty-five (25) feet long including but not limited to the following: automobiles, pick-up trucks, sport utility vehicles, vans, and other vehicles which are also commonly used as personal vehicles.

Communications tower means a commercial communications tower or a personal wireless tower.

Community correctional center means a facility described in F.S. § 944.033, created to facilitate the reintegration of state inmates back into the community by means of participation in various work-release, study-release, community service, substance abuse treatment and other rehabilitative programs. Such facilities must be licensed and operated by the State of



Florida Department of Corrections or the Federal Bureau of Prisons.

Community residential home means a dwelling unit licensed to serve clients of the Department of Health and Rehabilitative Services, which provides a living environment for up to fourteen (14) unrelated residents who operate as the functional equivalent of a family, including such supervision and care by support staff as may be necessary to meet the physical, emotional and social needs of the residents. Types of community residential homes include the following: adult congregate living facilities; adult foster homes; residential treatment facilities for alcohol, drug abuse and mental health services; residential child care agency facilities (excluding runaway and emergency shelters, family foster and maternity homes); intermediate care facilities for the mentally retarded/developmentally disabled; foster care facilities; and group homes.

Comprehensive plan means the Comprehensive Plan for the City of Pensacola and any amendment thereto.

Concurrency means the provision of the necessary public facilities and services required to maintain the adopted level of service standards at the time the impacts of development occur.

Concurrency monitoring report means the data collection, processing, and analysis performed by the City of Pensacola to determine impacts on the established levels of service for potable water, sanitary sewer, drainage, solid waste, recreation and open space, roads, and mass transit. For traffic circulation: data collection, processing, and analysis will be utilized to determine traffic concern areas and traffic restriction areas in addition to impacts on the established levels of service. The traffic circulation data maintained by the concurrency management monitoring report shall be the most current information available to the city.

Conditional use means a use allowed in a particular zoning district only upon complying with all the standards and conditions as specified in the regulations and approved by city council.

Condominium means ownership in fee simple of a dwelling unit, and the undivided ownership, in common with other purchasers, of the common elements in the development.

Construction (Chapter 12-9, Stormwater Management and Control of Erosion, Sedimentation and Runoff) means any on-site

activity which will result in the creation of a new stormwater discharge facility, including the building, assembling, expansion, modification or alteration of the existing contours of the site, the erection of buildings or other structures, or any part thereof, or land clearing.

Contiguous means next to, abutting, or touching and having a boundary or portion thereof, which is coterminous.

Cross access driveways mean a method whereby access to property crosses one or more adjoining parcels of property. Cross access driveways will generally be placed at the rear of these properties, but are not limited to that method.

Crown means the main point of branching or foliage of a tree or the upper portion of a tree.

Cul-de-sac means a street terminated at the end by a vehicular turnaround.

Day care center means any establishment which provides care for the day for more than five (5) persons unrelated to the operator and which received a payment, fee or grant for any of the persons receiving care wherever operated and whether or not operated for profit. The term "day care center" shall include child care center, day nursery, day care service and day care agency.

Decision height means the height at which a decision must be made, during an ILS instrument approach, to either continue the approach or to execute a missed approach.

Deck means a flat floored roofless area adjoining a house.

Dense business area means all of that portion of the corporate limits of the city lying south of the north line of Wright Street, west of the east line of Alcaniz Street, east of the west line of Spring Street to the north line of Garden Street and east of the west line of "A" Street south of the north line of Garden Street and the area encompassed in the Gateway Redevelopment District, those properties located on the north side of Heinberg Street between the east line of 9th Avenue and the west line of 14th Avenue, and C-2A Downtown Retail Commercial District, but excluding all areas zoned HC-1 (Historical Commercial District) and GRD-1 (Gateway Redevelopment District, Aragon redevelopment area).

Density means the number of dwelling units per acre of land. Density figures will be computed by dividing the total number of dwelling units in a contiguous parcel by the total number of acres in a contiguous parcel.

Detention means collection and storage of stormwater for treatment through physical, chemical or biological processes and for attenuating peak discharge with subsequent gradual controlled discharge.

Detention pond (basin) means a storage facility for the detention of stormwater.

Developable area means the total area of a lot or parcel, excluding public rights-of-way.

Development or development activity means:

(a) The construction, installation, alteration, or removal of a structure, impervious surface, or stormwater management facility; or

(b) Clearing, scraping, grubbing, killing, or otherwise removing the vegetation from a site; or

(c) Adding, removing, exposing, excavating, leveling, grading, digging, burrowing, dumping, piling, dredging, mining, drilling or otherwise significantly disturbing the soil, mud, sand or rock or a site; or

(d) The modification or redevelopment of a site.

Development order means any order granting, denying, or granting with conditions an application for a development permit.

Development permit means any permit, zoning permit, subdivision approval, rezoning, certification, special exception, variance, or any other official action of local government having the effect of permitting the development of the land.

Development plan; site plan means a plan, prepared to scale as regulated in section 12-2-81, showing accurately and with complete dimensioning, the boundaries of a site, and the location of all buildings, structures, uses and principal site development features proposed for a specific parcel of land.

Discharge (section 12-2-26, Wellhead Protection) means, but is not limited to, any spilling, leaking, seeping, pouring, misapplying, emitting, emptying or dumping of any pollutants prohibited by lawful statutes or regulation which occurs and which affects surface and ground waters.

Discharge (Chapter 12-9, Stormwater Management and Control of Erosion, Sedimentation and Runoff) means volume of fluid per unit time flowing along a pipe or channel from a project, site, aquifer, stormwater management facility, basin, discharge or outfall point.

Dormitory means a building used as group living quarters for a student body or religious order as an accessory use for a college university, boarding school, orphanage, convent, monastery, or other similar institutional use.

Drain means a channel, pipe or duct for conveying surface, groundwater or wastewater.

Drainage means surface water runoff; the removal of surface water or groundwater from land by drains, grading or other means which include runoff controls, to minimize erosion and sedimentation during and after construction or development.

Drainage area basin means a catchment area drained by a watercourse or providing water for a reservoir.

Dredging means a method for deepening streams, wetlands or coastal waters by excavating solids from the bottom.

Dripline means the circumference of the tree canopy extended vertically to the ground.

Driveways:

(a) Mean any privately owned way or place used for vehicular travel by the owner and those having express or implied permission from the owner, but not by other persons. It shall not include an extension or parking apron that may be an extension of a "driveway."

(b) Mean the connections or curb cuts that permit vehicular access to a site from the roadway.

Dry cleaners means an establishment which cleans and/or dries garments and similar materials using water and/or chemical liquids or solvents.

Dwelling, dwelling unit means an enclosure of one or more rooms and separate bathroom and kitchen facilities designed and constructed as a unit for permanent residential occupancy by one family.

Dwelling, multifamily means a building designed, constructed or reconstructed and used for three (3) or more dwelling units, with each dwelling unit having a common

structural or load-bearing wall of at least ten (10) linear feet with any other dwelling unit on the same floor or building level.

Dwelling, single-family means a building designed, constructed or reconstructed and used for one dwelling unit.

- Attached. A single-family dwelling that is connected on at least one side by means of a common dividing structural or load-bearing wall of at least ten (10) linear feet to one or more other single-family dwellings, or the end dwelling of a series of such dwellings, each dwelling unit on its own individual lot.

- Detached. A single-family dwelling which is completely surrounded by permanent open spaces.

Dwelling, two-family (duplex) means a building designed, constructed or reconstructed and used for two (2) dwelling units that are connected by a common structural or load-bearing wall of at least ten (10) linear feet.

Easement means a grant by the property owner of a nonpossessing right of use of his land by another party for a specific purpose.

Enforcing officer means the mayor or duly authorized representative.

Emergency circumstances means the situation which exists when a single-family residence of a person or persons residing in the city is destroyed by a fire or other disaster to the extent that said person or persons are unable to continue residency in said residence until it is repaired or rebuilt.

Emergency health situation means any situation involving sickness or other physical disability of an individual to the event that he or she requires the assistance of another individual to attend to his or her personal needs, and the use of a manufactured home becomes necessary or desirable in order to care for such individual.

Engineer means a person who is registered to engage in the practice of engineering under F.S. §§ 471.001-471.039, who is competent in the field of hydrology and stormwater pollution control; includes the terms "professional engineer" and "registered engineer."

Equipment cabinet means an enclosed shed or box at the base of a personal wireless tower or associated with a personal

wireless antenna within which are housed, among other things, batteries and electrical equipment.

Erosion means the washing away or scour of soil by water or wind action.

Family means one or more persons occupying a dwelling unit and using common utility services, provided that unless all members are related by blood or marriage, no such family shall contain over four (4) persons.

Filling station. See: Service station.

Floor means the top surface of an enclosed area in a building (including basement), i.e., top of slab in concrete slab construction or top of wood flooring in wood frame construction. The term does not include the floor of a garage used solely for parking vehicles.

Floor area, gross means the sum of all floors of a building as measured to the outside surfaces of exterior walls and including halls, elevator shafts, stairways, interior balconies, mezzanines, open porches, breezeways, mechanical and equipment rooms and storage rooms. Enclosed parking and loading areas below or above grade are excluded from gross floor area.

Floor area, net means the total of all floor areas of a building, excluding halls, elevator shafts, stairways, open porches, breezeways, mechanical and equipment rooms, storage rooms, enclosed parking and loading spaces, and other areas not intended for human habitation or service to the public.

Foundation siding/skirting means a type of wainscoting constructed of fire and weather resistant material enclosing the entire undercarriage of a manufactured home.

Fraternity house, sorority house, or student cooperative means a building occupied by and maintained exclusively for students affiliated with an academic or professional college or university or other recognized institution of higher learning and regulated by such institution.

Frontage means all the property abutting on one side of a street measured along the street line.

Funeral parlor, funeral home means a building used for the preparation of the deceased for burial and the display of deceased and ceremonies connected therewith before burial or

cremations. The building may contain space for the storage and display of caskets, funeral urns, and other funeral supplies.

Furniture manufacturing/repair shop means an establishment primarily engaged in the manufacturing and repairing of furniture including cabinets, tables, desks, beds and any similar items.

Garage, residential means building or area used as an accessory to or part of a main building permitted in any residential district, providing for the storage of motor vehicles, and in which no business occupation, or service for profit is in any way conducted.

Garage, parking or storage means any building or premises except those described as a private garage used for the storage of automobiles. Services other than storage shall be limited to refueling, lubrication, washing, waxing and polishing.

Garage, mechanical means buildings where the services of a service station may be rendered, i.e., maintenance, service and repair of automobiles, not to include body work, painting, storage for the purpose of using parts or any other activity which may be classified as a junk yard.

Gas station. See: Service station.

Golf course means a tract of land for playing golf, improved with tees, greens, fairways, hazards and which may include clubhouses and shelters. See golf driving range and golf, miniature.

Golf, miniature means a simplified version of golf, played on a miniature course.

Greenhouse means a structure used for the cultivation or protection of tender plants.

Greenhouse, commercial means a structure in which plants, vegetables, flowers and similar materials are grown for sale.

Ground cover means low growing plants planted in such a manner as to form a continuous cover over the ground (e.g., Confederate Jasmine, English Ivy or other like plants).

Health club, spa, exercise center means an establishment for the exercise and improvement of health, with or without specialized equipment.

Home occupation means an accessory use of a service character customarily conducted within a dwelling by the resident thereof, which is clearly secondary to the use of the dwelling for living purposes and which does not change the character thereof or have any exterior evidence of such secondary use and in connection therewith is not involved in the keeping of a stock-in-trade.

Hospital means a building designed and used for the medical and surgical diagnosis, treatment and housing of persons under the care of doctors and nurses.

Hotel means a building in which lodging, or boarding and lodging, are provided and offered to the public for compensation.

Impervious surface means a surface covered by an impermeable, nonporous material including concrete, asphalt, wood, metal, plastic, fiberglass, compacted clay, and other substances.

Industrial laundry means an establishment which provides industrial type cleaning, including linen supply, rug and carpet cleaning, and diaper service.

Industry, heavy means a use engaged in the basic processing and manufacturing of materials or products predominately from extracted or raw materials, or a use engaged in storage of, or manufacturing processes using flammable or explosive materials, or storage or manufacturing processes that potentially involve hazardous or commonly recognized offensive conditions.

Industry, light means a use engaged in the manufacture, predominantly from previously prepared materials, of finished products or parts, including processing, fabrication, assembly, treatment, packaging, incidental storage, sales, and distribution of such products, but excluding basic industrial processing.

Interstate corridor means the area within one hundred twenty-five (125) feet of either side of the rights-of-way of Interstate Highways I-10 or I-110.

Irrigation system means the water supply system used to irrigate the landscaping consisting of an underground sprinkler system, outlets for manual watering, or other appropriate technology.



Joint or shared access driveways mean a method whereby adjoining property owners share a common driveway. These driveways will generally be placed along a common property line, but are not restricted to that method.

Joint, shared, and cross access systems mean the driveways and parking areas utilizing these methods.

Junkyard means a parcel of land used for the collecting, storage and/or sale of waste paper, rags, scrap metal or discarded material, or for the collecting, dismantling, storage, salvaging or sale of parts of machinery or vehicles not in running condition.

Kennel means an establishment which is licensed to house dogs, cats, or other household pets and where grooming, breeding, boarding, training, or selling of animals is conducted as a business. Outside pens and runs are allowed.

Land use means the specific purpose for which land or a building is designated, arranged, intended, or for which it is or may be occupied or maintained.

Ldn means a day/night average sound level which is the twenty-four-hour average sound level, in decibels on the A scale, obtained after the addition of ten (10) decibels to sound levels during the night from 10:00 p.m. to 7:00 a.m.

Landscape material means living material including, but not limited to, trees, shrubs, vines, lawn grass, ground cover; landscape water features; and nonliving durable material commonly used in landscaping, including but not limited to rocks, pebbles, sand, weed barriers including but not limited to polypropylene and jute mesh, brick pavers, earthen mounds, but excluding impervious surfaces for vehicular use. Fifty (50) percent of landscape material shall be living.

Laundromat means an establishment providing coin-operated washing and dry-cleaning machines on the premises.

Local business tax receipt inspection certificate means either (1) for a new building or a change of occupancy classification, a certificate of occupancy issued by the building official or (2) for an existing non-residential building, an official certification by the fire department that such building conforms to the NFPA 1, Fire Prevention Code, and

may be used or occupied. Such certificate is granted for a change in tenancy, business ownership, or nature of use in existing non-residential buildings. With respect to existing buildings, such certificate shall mean only that, in the opinion of the official issuing the certificate, the building, or the part thereof for which the certificate is issued, is deemed to be in compliance with applicable codes. No such certificate shall be a warranty of code compliance.

Lodge means the hall or meeting place of a local branch or the members composing such a branch of an order or society.

Lot means a parcel, plot, or tract of land having fixed boundaries and having an assigned number, letter or other name through which it may be identified. For the purpose of this title the word "lot" shall be taken to mean any number of contiguous lots or portions thereof, upon which one or more main structures for a single use are erected or are to be erected.

Lot, corner means a lot abutting upon two (2) or more streets at their intersection.

Lot, interior means a lot other than a corner lot.

Lot, nonconforming means any lot which does not meet the requirements for minimum lot area, lot width, or yard requirements for any use, for the district in which such lot is located.

Lot, through means an interior lot having frontage on two (2) streets or corner lots having frontage on three (3) or more streets.

Lot coverage means the area of a site covered by all principal and accessory buildings and any parking areas, walkways, drives or other impervious surfaces.

Lot depth means the distance measured in the mean direction of the side line of the lot from midpoint of the front line to the midpoint of the opposite main rear line of the lot.

Lot of record means an area designated and owned as a separate and distinct parcel of land on a legally recorded deed as filed in the Public Records of Escambia County, Florida prior to July 24, 1965.

Lot lines means the property lines bounding a lot.

Lot width means the distance between the side lot lines measured along the street right-of-way lines or the building setback lines.

Maintenance means that action taken to restore or preserve structures, buildings, yards or the functional intent of any facility or system.

Major recreational equipment means all travel trailers, camping trailers, truck campers, motor homes, boats, boat trailers, racecars, utility trailers, dune buggies and similar recreational equipment.

Major subdivision. See: Subdivision.

Manufactured building, modular building means a closed structure, building assembly, or system of subassemblies, which may include structural, electrical, plumbing, heating, ventilating or other service systems manufactured in manufacturing facilities for installation or erection, with or without other specified components, as a finished building, or as part of a finished building, and bearing the insignia of approval of the Florida Department of Community Affairs. Manufactured buildings shall include, but not be limited to, residential, commercial, institutional, storage, and industrial structures. Manufactured buildings are permitted in any zoning district in the city. This does not include mobile homes or manufactured homes.

Manufactured home means a single-family dwelling unit fabricated on or after June 15, 1976 in an off-site manufacturing facility for installation or assembly at the building site, with each section bearing a seal certifying that it is built in compliance with the U.S. Department of Housing and Urban Development construction and safety standards (HUD Code). Manufactured homes fall into one or the following two (2) categories:

Residential Design Manufactured Home or RDMH means a manufactured home which meets certain residential design criteria described in section 12-2-62 and which is compatible with site-built dwellings.

Standard Design Manufactured Home or SDMH means a manufactured home which does not meet the residential design criteria.

Manufactured home park means a parcel of land under single ownership on which more than one manufactured home or space for such is located and available for rent or lease.

Marina means a place for docking boats and/or providing services to boats and the occupants thereof, including minor servicing and repair to boats while in the water, sale of fuel and supplies, and/or provision of food, beverages, and entertainment as accessory uses.

Martial art means pertaining to manual self-defense, unarmed, hand-to-hand combat including karate, judo and jujitsu.

Mean high water line means the line formed by the interaction of the tidal plane of mean high tide with the shore.

Minimum descent altitude means the lowest altitude, expressed in feet above mean sea level, to which descent is authorized on final approach or during circle-to-land maneuvering in execution of a standard instrument approach procedure where no electronic glide slope is provided.

Minimum obstruction clearance altitude means the specified altitude in effect between radio fixes or VOR airways, off-airway routes, or route segments which meets obstruction clearance requirements for the entire route segment and which assure acceptable navigational signal coverage only within twenty-two (22) miles of a VOR.

Mini-warehouse; mini-storage means a structure containing separate storage spaces of varying sizes leased or rented on an individual basis.

Minor subdivision. See: Subdivision.

Mobile home means a transportable, factory-built home, designed to be used as a year-round residential dwelling but not conforming to the definition of a manufactured home.

Mobile home park means a parcel of land under single ownership on which more than one mobile home or space for such is located and available for rent or lease.

Modular home. See: Manufactured building.

Monopole means a structure consisting of a single steel or concrete shaft that is designed and constructed for the sole purpose of supporting one (1) or more personal wireless antennas.

Mortuary means a place for the storage of human bodies prior to their burial or cremation.

Motel means a building in which lodging, or boarding and lodging, are provided and offered to the public in contradistinction to a boarding or lodging house, or a multiple-family dwelling, same as a hotel, except that the buildings are usually deigned to serve tourists traveling by automobile, ingress to rooms need not be through a lobby or office, and parking usually is adjacent to each unit.

Motor home means a structure built on and made an integral part of a self-propelled motor vehicle chassis, designed to provide temporary living quarters for recreation, camping, and travel use.

Motor hotel. See: Motel.

Noise zones (See Chapter 12-11).

Noise zone A means an area of minimal noise exposure between the 65-70 Ldn noise contour in which land use is normally acceptable for construction of buildings which include appropriate noise attenuation measures.

Noise zone B means an area of moderate noise exposure between the 70-75 Ldn noise contour in which land use should require aviation easements and appropriate sound level reduction measures for the construction of buildings.

Noise zone C means an area of significant noise exposure within the 75 Ldn contour in which land use should be limited to activities that are not noise sensitive.

Nonconforming lot. See: Lot.

Nonconforming structure means any structure which does not meet the limitations on building size and location on a lot, for the district in which such structure is located.

Nonconforming use means any use of land which is inconsistent with the provisions of this chapter or amendments thereto.

Nonprecision instrument runway means a runway having a nonprecision instrument approach procedure utilizing air navigation facilities with only horizontal guidance, or area type navigation equipment for which a straight-in, nonprecision instrument approach procedure has been approved or planned and for which no precision approach facilities are planned or indicated on an FAA planning document or military service's military airport planning document.

Nonresidential use means any use of land which is not defined as an office, commercial or industrial land use and which is permitted within a residential district, including public uses, churches, day care centers, etc.

Occupational license inspection certificate means either (1) for a new building or a change of occupancy classification, a certificate of occupancy issued by the building official or (2) for an existing non-residential building, an official certification by the fire department that such building conforms to the NFPA 1, Fire Prevention Code, and may be used or occupied. Such certificate is granted for a change in tenancy, business ownership, or nature of use in existing non-residential buildings. With respect to existing buildings, such certificate shall mean only that, in the opinion of the official issuing the certificate, the building, or the part thereof for which the certificate is issued, is deemed to be in compliance with applicable codes. No such certificate shall be a warranty of code compliance.

Opacity means the degree of obscuration of light.

Opaque means the characteristic of excluding or screening visual contact.

Outbuilding means a building located to the rear of a lot, separate from the principal building, whose use is defined in the Urban Regulations section of the Aragon Design Code.

Outdoor storage means the storage or display outside of a completely enclosed building, of merchandise offered for sale as a permitted use or of equipment, machinery and materials used in the ordinary course of a permitted use. Items used in renovation or construction, where a building permit has been issued, are exempt from this definition for purposes of this title.

Parking lot means an area or plot of land used for the storage or parking of vehicles.

Permanent perimeter enclosure means a structural system completely enclosing the space between the floor joists of a home and the ground.

Permitted use. A use by right that is specifically authorized in a particular zoning district.

Personal service shop means an establishment engaged in providing services including the care of a person or his apparel, or any of the following services. Barbershops, beauty shops, tailoring shops, watch repair shops, body tanning centers, weight loss centers or any similar services with the exception of those expressly referenced elsewhere in this chapter.

Personal wireless antenna means a surface from which radio signals are transmitted or received for purposes of providing personal wireless services.

Personal wireless facility means a personal wireless antenna, a personal wireless tower, an equipment cabinet, or any combination thereof.

Personal wireless services means commercial mobile service, unlicensed wireless services, and common carrier wireless exchange access services.

Personal wireless tower means an antenna support structure or a monopole.

Planting area means any area designed for landscape material installation.

Plat means a map or delineated representation of the subdivision of lands, being a complete exact representation of the subdivision and other information in compliance with the requirement of all applicable sections of this title.

Precision instrument runway means a runway having an instrument approach procedure utilizing an instrument landing system (ILS) or a precision approach radar (PAR).

Predevelopment condition means topography, soils, vegetation, rate, volume and direction of surface or groundwater flow existing immediately prior to development based on best available historical data.

Private club means buildings, facilities and property owned and operated by a corporation or association of persons for social or recreational purposes, including those organized chiefly to promote friendship or welfare among its members, but not operated primarily for profit or to tender a service which is customarily carried on as a business.

Protected tree means native trees protected by Chapter 12-6, as identified by species and size in Appendix A of that chapter.

Public transit bus shelter means a structure or facility located at a site designated and approved by the operating transit agency and the City of Pensacola whose purpose is to protect passengers from the elements.

Quadruplex means four (4) attached single-family dwelling units and each unit has two (2) open space exposures and shares two (2) separation walls with an adjoining unit or units.

Receiving bodies of water means waterbodies, watercourses or wetlands into which surface waters flow.

Recharge means inflow of water into a project site, aquifer, drainage basin or facility.

Residential design manufactured home. See: Manufactured home.

Residential districts are those including the following zoning classifications: R1-AAAAA, R1-AAAA, R1-AAA, R1-AA, R1-A, R-ZL, R-2A.

Restaurant means any building or structure or portion thereof, in which food is prepared and served for pay primarily for consumption on the premises.

Restaurant, drive-in or drive-through means a drive-in or drive-through restaurant where provision is made on the premises for the selling, dispensing, or serving of food or beverages to customers in vehicles.

Retention means the prevention of the discharge of stormwater runoff into surface waters by complete on-site storage where the capacity to store the given volume must be provided by a decrease of stored water caused only by percolation through soil, evaporation, or evapotranspiration (loss of water from soil both by evaporation and transpiration from the plants growing thereon).

Retention pond (basin) means a storage facility for the retention of stormwater.

Right-of-way means the areas of a highway, road, street or way reserved for public use, whether established by



prescription, dedication, gift, purchase, eminent domain or any other legal means.

Rooftop mounted antenna means any commercial communications or personal wireless antenna located on the roof or top of any building, public utility structure or permanent nonaccessory sign.

Rooming house. See: Boardinghouse.

Runoff means the amount of water from rain, snow, etc., which flows from a catchment area past a given point over a certain period. It is total rainfall, less infiltration and evaporation losses.

Runway means a defined area on an airport prepared for landing and take-off of aircraft along its length.

Satellite television transmitting and receiving dish means a device commonly concave in shape, mounted at a fixed point for the purpose of capturing and sending television signals transmitted via satellite communications facilities and serving the same or similar function as the common television antenna.

School means an institution primarily for academic instruction, public, parochial or private and having a curriculum the same as ordinarily given in a public school.

Screen or screening means a fence, wall, hedge, earth berm or any combination of these provided to create a visual and/or physical separation between properties, land uses or certain facilities. A screen may be located on the property line or elsewhere on the site, and where required in a buffer yard must be located within the required buffer yard.

Sediment means solid material, mineral or organic in suspension, that is being transported, or has moved from its site or origin by air, water or gravity.

Sedimentation facility means a structure or area designed to retain runoff, as in a retention or holding pond, until suspended sediments have settled.

Service station means a building or lot where gasoline, oil and/or grease are supplied and dispensed to the motor vehicle trade, or where battery, tire and other similar services are rendered.

Shade tree means any species of tree identified in Appendix A and Appendix B of Chapter 12-6.

Sign means any device, display or structure, or part thereof, which advertises, identifies, displays, directs or attracts attention to an object, person, institution, organization, business, product, service, event or location by the use of words, letters, figures, designs, symbols, fixtures, colors, illumination or projected images.

Sign, abandoned. A sign which advertises a business that is no longer licensed, no longer has a certificate of occupancy, or is no longer doing business at that location.

Sign, accessory. Sign which directs attention to a profession, business, commodity, service, entertainment or other activity conducted, sold or offered on the premises.

Sign, advertising display area. The advertisement display surface area as measured from the outside edge of the sign or the sign frame, whichever is greater, excluding the area of the supporting structures provided that the supporting structures are not used for advertising purposes and are of an area equal to or less than the permitted sign area.

Sign, attached or wall sign. Any sign painted on or attached to and erected parallel to the face of, or erected and confined within the limits of, the outside wall of any building or supported by such wall or building and which displays only one advertising surface.

Sign, freestanding. A sign which is supported by one or more columns, uprights, or braces in or upon the ground and is not attached to a building.

Sign, nonaccessory. A sign which directs attention to a business, profession, commodity, service, entertainment or other activity conducted, sold or offered off the premises.

Sign, political.

Sign, portable. A sign or advertising device designed to be temporary in nature and movable including those mounted on a trailer-type vehicle, with or without wheels. A-frame signs, balloon signs and all other similar type signs not permanently attached to the ground or a building.

Sign, real estate.

Sign, temporary. A sign intended to advertise community or civic projects, construction projects, property for sale, lease or rent, or special events on a temporary basis for a designated period of time.

Sign, tri-faced nonaccessory. A sign composed of sections which rotate to display a series of advertisements, each advertisement being displayed for at least five (5) seconds continuously without movement and the movement of the sections between displays being not more than two (2) seconds.

Site plan. See: Development plan.

Social services home/center means a home/center for individuals requiring supervision and care by support staff as may be necessary to meet the physical, emotional and social needs of the resident. Types of social services homes/centers include the following: residential treatment facilities for alcohol, drug abuse and mental health services; intermediate care facilities for the mentally retarded/developmentally disabled; and similar foster care facilities or group homes. These homes/centers shall be regulated by the Department of Health and Rehabilitative Services.

Specialty shop means a retail shop specializing in books, cards, jewelry, newspapers and magazines, gifts, antiques, stationery, tobacco, candy, craft distilleries, breweries and microbreweries (with an accessory use area allowing direct retail sale and consumption on premises), and any similar specialty items and hand craft shop for custom work or making custom items not involving noise, odor or chemical waste.

Stable, private means a structure where horses are kept by the owners or occupants of the premises and are not kept for hire or sale.

Standard design manufactured home. See: Manufactured home.

Stealth technology means the use of both existing and future technology and techniques through which a personal wireless facility may be caused to blend in with its surroundings or resemble an object other than a personal wireless facility, including, without limitation, architectural screening of antennas, integration of antennas into architectural elements, painting of antennas, and disguising personal wireless towers to closely resemble trees, street lights, telephone poles, and similar objects. One example of existing technology is the use of small panel antennas concealed behind fiberglass panels.

Stormwater management plan means the detailed analysis required by section 12-9-5.

Stormwater management system means the designed features of the property which treat stormwater, or collect, convey, channel, hold, inhibit, or divert the movement of stormwater. Examples are canals, ditches, culverts, dikes, storm sewers, swales, berms or other manmade facilities which control flow of surface water.

Stormwater runoff means the flow of water which results from, and which occurs immediately following, a rainfall event.

Street means a way for vehicular traffic, whether designated as a street, highway, thoroughfare, parkway, throughway, road, avenue, boulevard, lane, place or however otherwise designated. The word "street" includes the following terms, further described as follows:

Streets, major arterial means streets which provide for through traffic movement between areas and across the city, and direct access to major employment locations and commercial uses.

Streets, minor arterial means street which provide for traffic movement between major neighborhoods.

Streets, collector means streets which provide for the movement of traffic between major arterials and local streets and direct access to abutting property.

Street, local means streets which provide for direct access to abutting land and used for local traffic movements only.

Streets, marginal access are minor streets which are parallel to and adjacent to arterial streets and highways; and which provide access to abutting properties and protection from through traffic.

Street line means the line between the street right-of-way and abutting property.

Structural alteration means any change, except for repair or replacement, in the supporting members of a building, such as bearing walls, columns, beams or girders, or in the dimensions or configurations of the roof or exterior walls.

Structure means anything constructed or erected on a fixed location on the ground, or attached to something having a fixed location on the ground, including but not limited to, a building, mobile home, wall, fence, tower, smokestack, utility pole, overhead transmission line or sign.

Studio means a workroom or place of study of an art, including painting, sculpting, photography, dancing, music and

the other performing arts with the exception of those expressly referenced elsewhere in this chapter.

Subdivision means the division of a parcel of land into two (2) or more parcels for the purpose of transfer of ownership or building development, or, if a new street is involved, any division of a parcel of land. The word includes resubdivision and shall relate to the process of subdividing or to the land subdivided. Refer to Chapter 12-8 for subdivision regulations.

Subdivision, nonresidential means any subdivision, other than a residential, such as office, commercial, or industrial.

Tattoo parlor or studio means an establishment that performs the placement of indelible pigment, inks, or scarification beneath the skin by use of needles for the purpose of adornment or art. For the purposes of this Code, "tattooing" does not include the practice of permanent makeup and micro pigmentation when such procedures are performed as incidental services in a medical office or in a personal services establishment such as a hair or nail salon.

Townhouse means a single-family residential building attached to one or more single-family residential buildings by a common wall.

Travel trailer means a vehicular portable structure built on a chassis, designed and constructed to provide temporary living quarters for recreation, travel or camping purposes, of such size and weight not to require special highway movement permits when drawn by a passenger automobile.

Tree means any self-supporting, woody plant of a species which normally grows to an overall height of at least fifteen (15) feet.

Tree removal means any act which causes a tree to die within a period of two (2) years; such acts including, but not limited to, cutting; inflicting damage upon a root system by machinery, storage of materials, or soil compaction; changing of the natural grade above or below a root system or around the trunk; inflicting damage on a tree; permitting infection or pest infestation; excessive pruning; or paving with concrete, asphalt or other impervious material within such proximity as to be harmful to a tree.

Truck camper means a portable structure, designed to be loaded onto or affixed to the bed or chassis of a truck,

constructed to provide temporary living quarters for recreation, camping or travel use.

Understory vegetation means any shrubs or small trees which will grow beneath large trees.

Unlicensed wireless service means the offering of telecommunications using duly authorized devices which do not require individual licenses, but does not mean the provision of direct-to-home satellite services.

Used car lot means any parcel of land used for the storage, display, and sale of used automobiles in running condition.

Variance means relaxation of the literal terms of this title where such variance will not be contrary to the public interest and where, owing to conditions peculiar to the property and not the result of the actions of the applicant, a literal enforcement of the terms of this title would result in unnecessary and undue hardship. As used in this title, a variance is authorized only for height, area, and size of structure or size of yards and open spaces. Establishment or expansion of a use otherwise prohibited shall not be allowed by variance, nor shall a variance be granted because of the presence of nonconformities in the zoning division or district or adjoining zoning divisions or districts.

Vehicle means every device, in, upon, or by which any person or property is or may be transported or drawn upon a highway.

Visual runway means a runway intended solely for the operation of aircraft using visual approach procedures and no instrument designation indicated on FAA approved airport layout plan, a military services approved military airport layout plan, or by any planning document submitted to the FAA by competent authority.

Wall means a vertical element with a horizontal length-to-thickness ratio greater than three, used to enclose space.

Waterbodies means the natural or artificial watercourses, lakes, ponds, bays, bayous and coastal waters of the city which ordinarily or intermittently contain water and have discernible shorelines.

Water management structure means a facility which provides for storage of stormwater runoff and the controlled release of such runoff during and after a flood or storm.

Wetlands means fresh or salt water marshes, swamps, bays, or other areas characterized by specific vegetation types and plant communities, either flooded at all times, flooded seasonally or having a water table within six (6) inches of the ground surface for at least three (3) months of the year, or areas which support a dominance of wetland vegetation types listed in or meeting the conditions in DER Rules, Chapter 17-25, Florida Administrative Code.

Yard means any area on the same lot with a building or building group lying between the building or the building group and the nearest lot line.

Yard, required means the minimum distance, measured at right angles from the lot line, which a building or structure must be placed from the lot line. The required yard is the open space area that is unobstructed from the ground upward and unoccupied except by specific uses and structures allowed in such area by the provisions of this title.

Yard, required front means a yard situated between the front lot line and the front building setback line, extending the full width of the lot.

Yard, required rear means a yard situated between the rear lot line and the rear building setback line, extending the full width of the lot, except for corner lots. On corner lots the rear yard extends from the interior side lot line to the streetside setback line. The minimum width of any required rear yard, at the building setback line, shall be equal to the minimum width required for the front yard at the street right-of-way line.

Yard, required side means a yard situated between a side lot line and side building setback line, extending from the required front yard to the required rear yard or the rear lot line, where there is no rear yard. On a corner lot the required side yard setback line extends from the front building setback line to the rear lot line on the street side of the lot.

Yard, required streetside means a yard situated between a street right-of-way and side building setback lines and extends from the front building setback line to the rear lot line.

Zero lot line dwelling means a detached single-family dwelling sited on one side lot line with zero side yard building setback, and a required side yard setback on the opposite side.

SECTION 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4. This ordinance shall become effective on the fifth business day after adoption, unless otherwise provided pursuant to Section 4.03(d) of the City Charter of the City of Pensacola.

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_  
President of City Council

Attest:

\_\_\_\_\_  
City Clerk



## MINUTES OF THE PLANNING BOARD

February 13, 2018

**MEMBERS PRESENT:** Chairman Paul Ritz, Danny Grundhoefer, Nina Campbell, Jared Moore, Kurt Larson

**MEMBERS ABSENT:** Nathan Monk, Kyle Owens

**STAFF PRESENT:** Brandi Deese, Assistant Planning Services Administrator, Leslie Statler, Planner Don Kraher, Council Executive, Victoria D'Angelo, CRA Assistant Administrator

**OTHERS PRESENT:** Cinthia D. Lee Carter, Raymond P. Hudkins, Mary Collins, Sean Hickey, Ray Carter, Lisa Stack, Katrina Steene

### AGENDA:

- Quorum/Call to Order
- Approval of Meeting Minutes from January 9, 2018
- New Business:
  1. Request for Final Plat Approval for Covington Place Subdivision
  2. Request for Vacation of Right-of-Way – 1000 Block of E. LaRua Street
  3. Request for Approval of License to Use Right-of-Way – 201 S. Baylen Street
  4. Consider Amendment to LDC Section 12-2-82 Design Standards & Guidelines & 12-14-1 Definitions
- Open Forum
- Adjournment

### Call to Order / Quorum Present

Chairman Ritz called the meeting to order at 2:03 pm with a quorum present.

### Approval of Meeting Minutes

Mr. Moore made a motion to approve the January 9, 2018 minutes, seconded by Ms. Campbell, and it carried unanimously.

### New Business

#### Request for Final Plat Approval for Covington Place Subdivision

Rebol-Battle & Associates has submitted a request for Final Plat approval for Covington Place Subdivision located at 15 W. Strong Street. Preliminary plat approval for this project was granted at the January 9, 2018 meeting.

The proposed Final Plat consists of 25 lots of varying widths which meet the requirements of the PC-1 zoning district. The proposed development meets the setback requirements for the zoning district with the exception of the rear yard setback for the lots along Baylen Street. However, on September 21, 2017, the Architectural Review Board granted a variance of 15 feet to reduce the minimum required rear yard from 15 feet to 0.0 feet to accommodate the internalized access for these lots. The minimum parking requirement has been met.

The one modification since the Preliminary Plat is that the unnamed private access made addressing the units problematic. The applicant has named the private access as Covington Place East and West, and the City will address all the internal units as Covington Place East and West as well. An updated Final Plat was made available during the Planning Board meeting with this modification being made. The Final Plat has been routed through the various City departments and utility providers. The comments received to date were also provided.

Chairman Ritz was pleased with the internal access and the welcomed addition to a prominent corner of Pensacola. Mr. Rebol presented to the Board and advised they were working with ECUA on the utility routes. Ms. Campbell stated the project looked nice, and they had been responsive to the comments. Mr. Rebol clarified that there was one egress onto Cervantes, with the traffic entering on Strong Street. Mr. Grundhoefer asked if variances were obtained for all lots, and Ms. Deese confirmed variances were given for the lots on Baylen Street based on the orientation.

**Mr. Moore made a motion to approve, seconded by Ms. Campbell, and it carried unanimously.**

#### **Request for Vacation of Right-of-Way – 1000 Block of E. LaRua Street**

Chandler Prospecting, LLC is requesting approval for the vacation of a 10 foot portion of the 1000 Block of E. LaRua Street. The applicant has indicated the reason for the request is to attain the highest and best use of the property and to preserve and increase the property values in this area of East Hill. If granted, the additional 10 feet will allow the applicant to construct 3 single family detached structures instead of 1 single family detached structure and 2 attached structures. The applicant has indicated the surrounding neighbors desire to see the property developed as single family detached and thus support this request.

This request has been routed through the various City departments and utility providers and those comments were provided. The utility providers were comfortable with the easement language in place with the standard ordinance.

Ms. Chandler addressed the Board and advised she had tried to speak to all of the adjoining and adjacent neighbors to make sure they were all on the same page. Chairman Ritz indicated the Board had granted vacations in the past, but they did not take that decision lightly since it gave what was currently property which belongs to the citizens of the city as a whole to an individual. He stated sometimes it was property which was slated for future development or road widenings; this right of way would not be the case for future expansion or improvement. He would support it if it offered the chance to increase density and bring more life into the neighborhood. As for the highest and best use, it would become taxed property. Mr. Grundhoefer asked the width of the right of way, and Ms. Chandler advised it was 70' with the road being centered in the right of way. Mr. Grundhoefer indicated they would be taking 10' of the 23'. Ms. Chandler indicated the lot was 1250 sq. ft. shy of being able to construct single family density detached structures. She advised the corner lot would have 50' of frontage, with the other two having approximately 44'. The lots would face 11<sup>th</sup> to allow the view of the bay from the second floor. She emphasized they needed 15,000 sq. ft. for three detached homes, and the aesthetic in this part of town was very important.

Mr. Grundhoefer asked about front-facing garages, and Ms. Chandler advised with the larger lots, she would have the ability to have automobiles in the rear, and if they were front-facing, they would be built with carriage doors. She also indicated she intended to construct sidewalks. Mr. Larson asked if they had considered two houses instead of three. Ms. Chandler advised when she bought the property, the best case scenario was the highest use of the property, holding the aesthetic of the neighborhood and keeping her reputation in tact when the transaction was completed. Chairman Ritz pointed out if the vacation was not granted, there would still be three residences on the property, with two in one single building. Ms. Chandler advised if the property were not divided into three parcels, she would not make her return on investment. She also stated they were selling to clients who did not prefer a large yard but wanted the downtown lifestyle. Dividing into two parcels would place the price out of the demographic she was selling to especially with the finishes going into them. Chairman Ritz stated he had confidence that the end

product would be as Ms. Chandler described. **Mr. Grundhoefer made a motion to approve, seconded by Ms. Campbell. The motion carried 4 to 1 with Mr. Larson dissenting.** Ms. Deese pointed out the recommendation would go before City Council for final approval.

**Request for Approval of License to Use Right-of-Way – 201 S. Baylen Street**

**(This request was withdrawn. Ms. Deese indicated that the grease interceptor would now be located on the private parcel, which was the driving force behind the need for the License to Use. With the balconies being overhanging, the Building Official has indicated he would issue an Administrative License to Use, resulting in this request being withdrawn.)**

**Consider Amendment to LDC Section 12-2-82 Design Standards & Guidelines & 12-14-1 Definitions**

The City's Land Development Code has Design Standards and Guidelines that are applicable to all properties within the City of Pensacola. Land Development Code Section 12-2-82 outlines these requirements and includes the requirement for building façade finishes that limits the percentage of metal. Although it was not the intent of the code at the time the language was added, the code language creates opportunity for Quonset hut style buildings to be permitted. The proposed amendment simplifies the code language and eliminates that opportunity as well as adds the definition of a wall to Land Development Code Section 12-14-1 Definitions. Ms. Deese explained the definition for walls was derived from the Florida Building Code.

Chairman Ritz pointed out the Quonset hut style had its position in history, but they did not need to be repeated since the current needs were not the same. Mr. Grundhoefer pointed out the language appeared to restrict metal buildings (metal skin and metal roof). Ms. Deese advised the language had been there to protect metal buildings. The drafted language was an effort between Planning Services and Building Inspections, and explained this definition of curtain wall was rewritten to eliminate the loophole.

**Mr. Larson made a motion to approve, seconded by Mr. Moore, and it carried unanimously.**

**Open Forum** – Ms. D'Angelo of the CRA explained the four-day charrette for an urban design guideline project for each of the redevelopment areas, which excluded special review districts. She reminded the Board of the combined workshop for February 14 for the Board and CRA to meet together for a debriefing and also provided informational materials to the Board. Chairman Ritz advised he planned to attend and advised the Board to maintain the Sunshine position. Ms. D'Angelo explained it had been advertised as an open meeting, so the Board would be able to meet together for discussion. She also indicated there would be another meeting March 19 at 2:00 pm where the Board would receive a draft of the guideline.

**Adjournment** – With no further business, Chairman Ritz adjourned the meeting at 2:40 pm.

Respectfully Submitted,



Brandi C. Deese  
Secretary to the Board



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 18-00108

City Council

3/8/2018

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### LEGISLATIVE ACTION ITEM

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

**PUBLIC HEARING:** REQUEST TO VACATE RIGHT-OF-WAY - 1000 BLOCK OF EAST LARUA STREET

**RECOMMENDATION:**

That City Council conduct a public hearing on March 8, 2018 to consider the request to vacate a portion of the North 11<sup>th</sup> Avenue right-of-way adjacent to the property located at 1000 Block of East LaRua Street.

**HEARING REQUIRED:** Public

**SUMMARY:**

The City has received a request from Chandler Prospecting, LLC, to vacate a portion of the North 11<sup>th</sup> Avenue right-of-way, which is adjacent to the property located at 1000 Block of East LaRua Street. The applicant has indicated that the purpose for the request is to attain the highest and best use of the property and to preserve and increase the property values in this area of East Hill. The applicant provided signed documentation and a survey indicating the agreement of the other affected property owner.

On February 13, 2018, the City's Planning Board recommended approval of the request by a vote of 4-1.

**PRIOR ACTION:**

None

**FUNDING:**

N/A

**FINANCIAL IMPACT:**

None

**CITY ATTORNEY REVIEW:** Yes

2/21/2018

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**STAFF CONTACT:**

Eric W. Olson, City Administrator  
Sherry Morris, AICP, Planning Services Administrator

**ATTACHMENTS:**

- 1) Vacation of Right-of-Way Application, dated December 18, 2017
- 2) Vicinity Map of East LaRua Street Right-of-Way Request, dated February 2018
- 3) Supplemental Information, East LaRua Street Right-of-Way Request, dated December 18, 2017
- 4) February 13, 2018 Planning Board Minutes
- 5) Proposed Ordinance

**PRESENTATION:** Yes



**VACATION OF ALLEY OR STREET RIGHT OF WAY**

Fee: \$2,000.00  
Rehearing/Rescheduling Planning Board: \$250.00  
Rehearing/Rescheduling City Council: \$500.00

Applicant Information:

Name: Mannette Chandler c/o Chandler Prospecting, LLC  
Address: 1012 N. 6th Ave. Pensacola, FL 32501  
Phone: 850-516-3863 Fax: n/a Email: nchandler10@gmail.com

Property Information:

Owner Name: Chandler Prospecting, LLC  
Location/Address: 1000 BK E. La Rua St.  
Legal Description: Please attach a full legal description (from deed or survey)

Purpose of vacation of city right of way/comments:

See attached

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I, the undersigned applicant, understand that ~~submission~~ <sup>submission</sup> of this application does not entitle me to approval of this vacation request and that no refund of these fees will be made. I have reviewed a copy of the applicable regulations and understand that I must be present on the date of the Planning Board and City Council meeting.

[Signature] Date 12/18/17  
Signature of Applicant (Owner of Property or Official Representative of Owner)

FOR OFFICE USE ONLY

District: b (Spencer)  
Date Received: 12/19/2017 Case Number: N/A  
Date Postcards mailed: 2/6/2018  
Planning Board Date: 1/9/2018 Recommendation: Approval  
Council Date: 3/8/2018 Council Action: \_\_\_\_\_



February 2018

### Request to Vacate R.O.W.

### 1000 BLK E La Rua



This map was prepared by the GIS section of the City of Pensacola and is provided for information purposes only and is not to be used for development of construction plans or any type of engineering services based on information depicted herein. It is maintained for the function of this office only. It is not intended for conveyance nor is it a survey. The data is not guaranteed accurate or suitable for any use other than that for which it was gathered.

December 18, 2017

RE: 1000 Blk E. LA RUA ST

This vacation of right-of-way is requested to attain the highest and best use of said property and to preserve and increase the property values in this area of East Hill.

As of now, and in accordance with the current R-1AA zoning requirements, this property can be subdivided into three parcels, one with a single family detached structure and two with attached townhomes. I am requesting this vacation to obtain the additional lot square footage needed to build three single family detached structures instead. This will keep values in the area consistent, satisfy the requests of the neighboring home owners, and provide an increased tax base for the City of Pensacola. The Lot is currently 13,750 sqft; however, 15,000 sqft is required to complete the subdivision in accordance with R-1AA zoning (Chapter 12-2, Table 12-2.2, SFD 5,000 sqft per lot).

**The current legal description is as follows:**

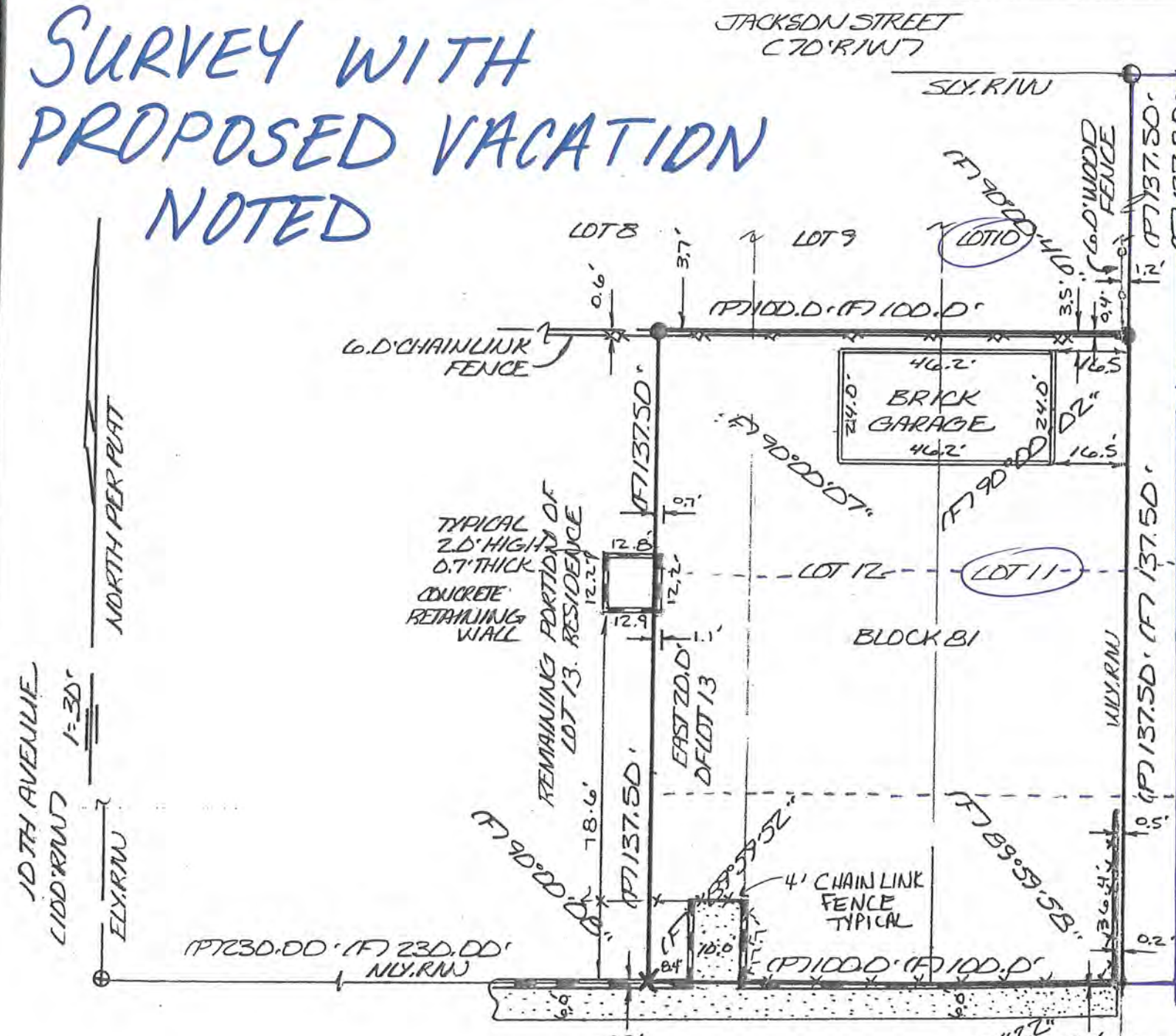
Lot 11, 12, AND THE EAST 20.00 FEET OF LOT 13, BLOCK 81, NEW CITY TRACT, CITY OF PENSACOLA, ESCAMBIA COUNTY, STATE OF FLORIDA, ACCORDING TO THE MAP OF SAID CITY COPYRIGHTED BY THOMAS C. WATSON IN 1906.

**The new legal description would be as follows:**

Lot 11, 12, THE EAST 20.00 FEET OF LOT 13, AND THE WEST 10 FEET OF 11<sup>TH</sup> AVE ADJACENT TO AND CONTIGUOUS WITH LOTS 10 AND 11, BLOCK 81, NEW CITY TRACT, CITY OF PENSACOLA, ESCAMBIA COUNTY, STATE OF FLORIDA, ACCORDING TO THE MAP OF SAID CITY COPYRIGHTED BY THOMAS C. WATSON IN 1906.



# SURVEY WITH PROPOSED VACATION NOTED



*10' vacation of bts 10 and 11, Block 81. (see new legal description attached)*

**DESCRIPTION:**  
 LOT 11, 12 AND THE EAST 20.00 FEET OF LOT 13, BLOCK 81, NEW CITY TRACT, CITY OF PENSACOLA, ESCAMBIA COUNTY, STATE OF FLORIDA, ACCORDING TO THE MAP OF SAID CITY COPYRIGHTED BY THOMAS C. WATSON IN 1906.

**SURVEYORS NOTES:**

THIS SURVEY WAS PERFORMED FOR THE CLIENT SHOWN AND IS NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT PRIOR CONSENT FROM THIS SURVEYOR.  
 ALL MEASUREMENTS WERE MADE ACCORDING TO UNITED STATES FOOT.  
 NO TITLE RESEARCH WAS PERFORMED BY THIS SURVEYOR, NOR WERE WE FURNISHED WITH SUCH.  
 NO INSTRUMENT OF RECORD REFLECTING EASEMENTS, RIGHT OF WAY, AND/OR OWNERSHIP WERE FURNISHED TO THIS SURVEYOR EXCEPT AS SHOWN.  
 NO UNDERGROUND INSTALLATIONS OR IMPROVEMENTS HAVE BEEN LOCATED EXCEPT AS SHOWN.  
 ALL BEARINGS AND DISTANCES ARE RECORD UNLESS OTHERWISE NOTED.  
 ERROR OF CLOSURE MEETS MINIMUM TECHNICAL STANDARDS.

THERE MAY BE ADDITIONAL RESTRICTIONS AFFECTING THIS PROPERTY THAT MAY BE FOUND RECORDED IN THE PUBLIC RECORDS OF ESCAMBIA COUNTY, FLORIDA THAT DO NOT APPEAR ON THE FACE OF THIS PLAT.

**BASIS OF BEARING:** NORTH PER PLAT

**REFERENCE SOURCE:** FIELD WORK AND EXISTING FIELD MONUMENTATION:

LEGAL AS FURNISHED

ENCROACHMENTS ARE AS SHOWN.

**CERTIFY TO:**

RAYMOND P. HUDKINS AND MARY E. COLLINS  
 SURETY LAND TITLE OF FLORIDA, LLC  
 WESTCOR LAND TITLE

LICENSE BUSINESS NO. 7092

ADDRESS:	1018 EAST LA RUA STREET		
REQUESTED BY:	SAMI ROGERS		
TYPE:	BOUNDARY WITH IMPROVEMENTS		
	CITY OF PENSACOLA		COUNTY: ESCAMBIA
SCALE:	1"=30'	DRAWN BY:	BH
DATE:	01-03-06	FIELD DATE:	12-30-05
		FIELD BOOK:	156
		CREW:	MIS DH
REVISION DATE:			PAGE: 41.42

**SURVEYORS CERTIFICATE**

I HEREBY CERTIFY THAT THIS SURVEY WAS MADE UNDER MY RESPONSIBLE CHARGE AND MEETS THE MINIMUM TECHNICAL STANDARDS AS SET FORTH BY THE FLORIDA BOARD OF PROFESSIONAL LAND SURVEYORS IN CHAPTER 61G17-6, FLORIDA ADMINISTRATION CODE, PURSUANT TO SECTION 472.027, FLORIDA STATUTES.

HOT VALID WITHOUT THE ORIGINAL SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER

DAVID MARK SWINNEY  
 PROFESSIONAL SURVEYOR AND MAPPER NO. 5641  
 STATE OF FLORIDA

DRAWING NUMBER:  
 05-9055

- LEGEND**
- (P) - PLAT (F) - FIELD
  - R/W - RIGHT OF WAY
  - ⊕ - EXISTING 1 1/2" METAL ROD
  - ⊙ - EXISTING 1 1/2" CAPPED METAL ROD 3027
  - ⊙ - EXISTING 1 1/2" CAPPED METAL ROD 174B
  - X - SET X IN RETAINING WALL
  - - SET 1 1/2" CAPPED METAL ROD 7092

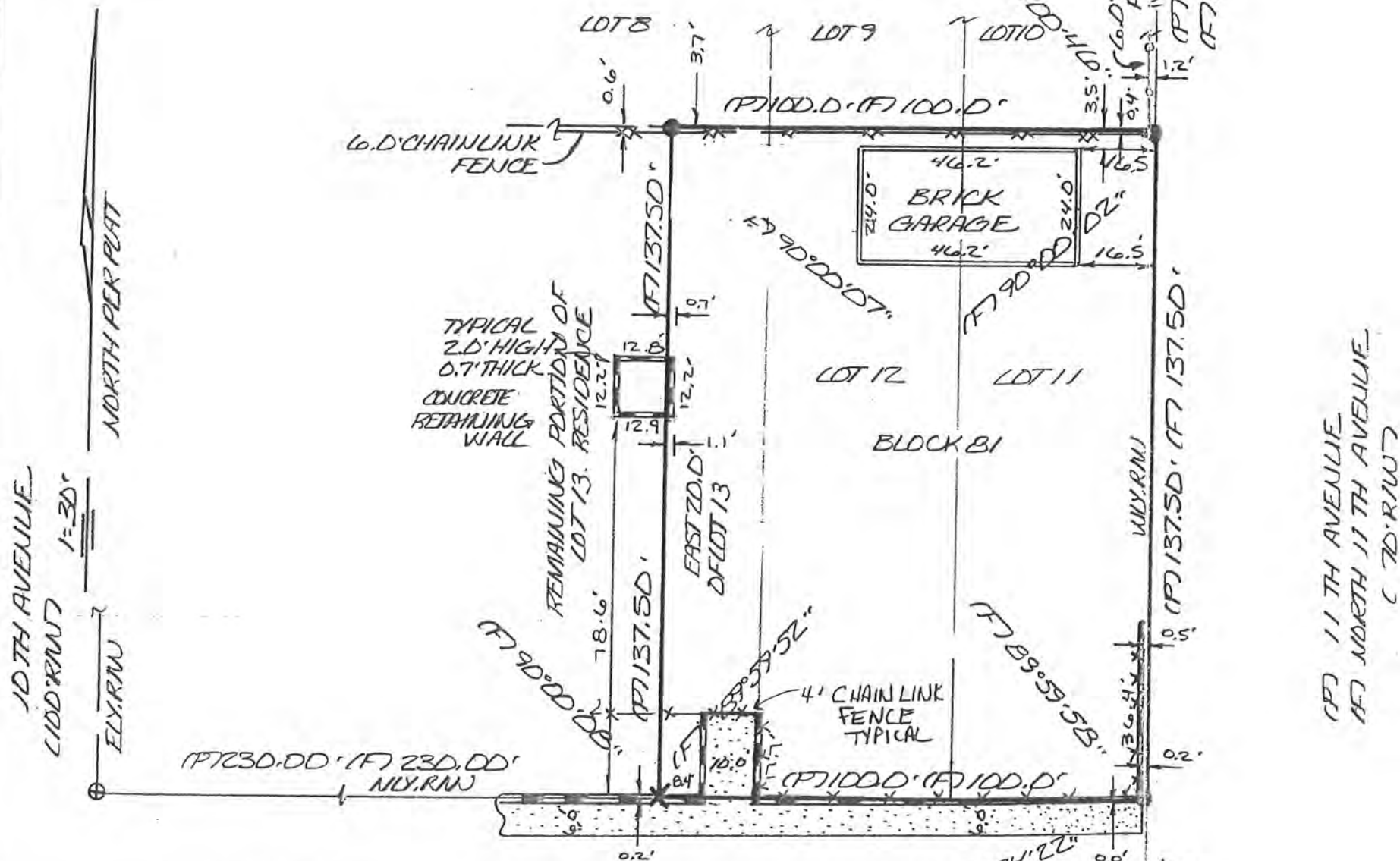
(P) LA RUA STREET  
 (F) EAST LA RUA STREET  
 ( 80' R/W)

SWINNEY & ASSOCIATES, INC.  
 218 HENRY STREET  
 PENSACOLA, FLORIDA 32507  
 (850) 453-4261 FAX: (850) 458-2630  
 D.SWINNEY@WORLDNET.ATT.NET

# CURRENT SURVEY

## 12/19/17

JACKSON STREET  
C 70' R/W



**DESCRIPTION:**  
 LOT 11, 12 AND THE EAST 20.00 FEET OF LOT 13, BLOCK 81, NEW CITY TRACT, CITY OF PENSACOLA, ESCAMBIA COUNTY, STATE OF FLORIDA, ACCORDING TO THE MAP OF SAID CITY COPYRIGHTED BY THOMAS C. WATSON IN 1906.

**SURVEYORS NOTES:**

THIS SURVEY WAS PERFORMED FOR THE CLIENT SHOWN AND IS NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT PRIOR CONSENT FROM THIS SURVEYOR.  
 ALL MEASUREMENTS WERE MADE ACCORDING TO UNITED STATES FOOT.  
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 ALL BEARINGS AND DISTANCES ARE RECORD UNLESS OTHERWISE NOTED.  
 ERROR OF CLOSURE MEETS MINIMUM TECHNICAL STANDARDS.

THERE MAY BE ADDITIONAL RESTRICTIONS AFFECTING THIS PROPERTY THAT MAY BE FOUND RECORDED IN THE PUBLIC RECORDS OF ESCAMBIA COUNTY, FLORIDA THAT DO NOT APPEAR ON THE FACE OF THIS PLAT.

**BASIS OF BEARING:** NORTH PER PLAT

**REFERENCE SOURCE:** FIELD WORK AND EXISTING FIELD MONUMENTATION:

LEGAL AS FURNISHED

ENCROACHMENTS ARE AS SHOWN.

**CERTIFY TO:**

RAYMOND P. HUDKINS AND MARY E. COLLINS  
 SURETY LAND TITLE OF FLORIDA, LLC  
 WESTCOR LAND TITLE

LICENSE BUSINESS NO. 7092

ADDRESS: 1013 EAST LA RUA STREET		
REQUESTED BY: SAM ROGERS		
TYPE: BOUNDARY WITH IMPROVEMENTS		
CITY OF PENSACOLA		COUNTY: ESCAMBIA
SCALE: 1/30'	DRAWN BY: BH	FIELD DATE: 12-30-05
DATE: 01-03-06	FIELD BOOK: 156	CREW: MS DH
REVISION DATE:		PAGE: 41.42

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I HEREBY CERTIFY THAT THIS SURVEY WAS MADE UNDER MY RESPONSIBLE CHARGE AND MEETS THE MINIMUM TECHNICAL STANDARDS AS SET FORTH BY THE FLORIDA BOARD OF PROFESSIONAL LAND SURVEYORS IN CHAPTER 61G17-6, FLORIDA ADMINISTRATION CODE, PURSUANT TO SECTION 472.027, FLORIDA STATUTES.

NOT VALID WITHOUT THE ORIGINAL SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER

DAVID MARK SWINNEY  
 PROFESSIONAL SURVEYOR AND MAPPER NO. 5641  
 STATE OF FLORIDA

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**LEGEND**

- (P) - PLAT (F) - FIELD
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- ⊙ - EXISTING 1 1/2" CAPPED METAL ROD 174B
- X - SET X IN RETAINING WALL
- - SET 1 1/2" CAPPED METAL ROD 7092

(P) LA RUA STREET  
 (F) EAST LA RUA STREET  
 ( 80' R/W)

SLY. R/W  
 BLOCK 63

SWINNEY & ASSOCIATES, INC.

218 HENRY STREET  
 PENSACOLA, FLORIDA 32507  
 (850) 453-4261 FAX: (850) 458-2630  
 D.SWINNEY@WORLDNET.ATT.NET

Prepared by and return to:  
Matthew C. Hoffman  
Carver Darden Koretzky Tessier Finn Blossman & Areaux, LLC  
801 W. Romana St., Suite A  
Pensacola, FL 32502  
850-266-2300  
File Number: 4486.43835

[Space Above This Line For Recording Data]

## Warranty Deed

This Warranty Deed made this 19th day of December, 2017 between **Raymond P. Hudkins and Mary E. Collins, husband and wife**, whose post office address is **1126 E. La Rua Street, Pensacola, FL 32501** ("Grantor"), and **Chandler Prospecting, LLC, a Florida limited liability company**, whose post office address is **1012 N 6th Ave., Pensacola, FL 32501** ("Grantee"):

(Whenever used herein the terms "Grantor" and "Grantee" include all the parties to this instrument and the heirs, legal representatives, and assigns of individuals, and the successors and assigns of corporations, companies, trusts and trustees)

**Witnesseth**, that said Grantor, for and in consideration of the sum of **TEN AND NO/100 DOLLARS (\$10.00)** and other good and valuable considerations to said Grantor in hand paid by said Grantee, the receipt whereof is hereby acknowledged, has granted, bargained, and sold to said Grantee, and Grantee's heirs and assigns forever, the following described land, situate, lying and being in **Escambia County, Florida** to-wit:

**Lots 11, 12 and the East 20 feet of Lot 13, Block 81, New City Tract, City of Pensacola, Escambia County, Florida, according to map of said City copyrighted by Thomas C. Watson in 1906.**

The above-described property is not the homestead of Grantor, nor is it contiguous to the homestead of Grantor, under the laws and constitution of the State of Florida.

**Together** with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

**To Have and to Hold**, the same in fee simple forever.

**And** subject to taxes for the current year and later years and all valid easements and restrictions or record, if any, which are not hereby reimposed; and also subject to any claim, right, title, or interest arising from any recorded instrument reserving, conveying, leasing, or otherwise alienating any interest in the oil, gas and other minerals. And Grantor does warrant the title to said land and will defend the same against the lawful claims of all persons whomsoever, subject only to the exceptions set forth herein.

In Witness Whereof, Grantor has hereunto set Grantor's hand and seal the day and year first above written.

Signed, sealed and delivered in our presence:

[Signature]  
Witness Name: Matthew C. Hoffman

[Signature] (Seal)  
Raymond P. Hudkins

[Signature]  
Witness Name: CHERYL SNYDER

[Signature] (Seal)  
Mary E. Collins

[Signature]  
Witness Name: Matthew C. Hoffman

[Signature]  
Witness Name: CHERYL SNYDER

State of Florida  
County of Escambia

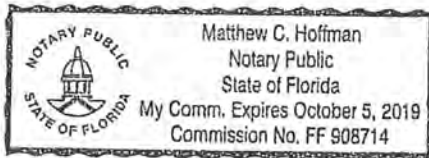
The foregoing Warranty Deed was sworn to, subscribed and acknowledged before me this 19th day of December, 2017 by Raymond P. Hudkins and Mary E. Collins, who  are personally known or  have produced a driver's licenses as identification.

[Notary Seal]

[Signature]  
Notary Public

Printed Name: Matthew C. Hoffman

My Commission Expires: \_\_\_\_\_



12/18/2017

**Neighbors in Agreement with Requested Vacation of Right-of-way at 1000 Blk E. La Rua St.**

Chandler Prospecting is seeking possession of 10' of the right-of-way on the North West corner of 11th and La Rua Sts.

Name	Address	Phone
Gerry Cheenekoff	1018 E. La Rua St.	
JT Colla	1018 E. La Rua St.	
Betty & TERRY Berling	1100 E. La Rua St.	
SEAN KICKAY & CHRISTINE O'CARROLL	1103 E. La Rua St	251-802-8689
RAYMOND PIEL	1027 E JACKSON ST	850-776-7478
RAYMOND P. HUDKINS	1126 E LA RUA ST	850-346-5199
MARY E. COLLINS	11	850-346-5520

## MINUTES OF THE PLANNING BOARD

February 13, 2018

**MEMBERS PRESENT:** Chairman Paul Ritz, Danny Grundhoefer, Nina Campbell, Jared Moore, Kurt Larson

**MEMBERS ABSENT:** Nathan Monk, Kyle Owens

**STAFF PRESENT:** Brandi Deese, Assistant Planning Services Administrator, Leslie Statler, Planner Don Kraher, Council Executive, Victoria D'Angelo, CRA Assistant Administrator

**OTHERS PRESENT:** Cinthia D. Lee Carter, Raymond P. Hudkins, Mary Collins, Sean Hickey, Ray Carter, Lisa Stack, Katrina Steene

### AGENDA:

- Quorum/Call to Order
- Approval of Meeting Minutes from January 9, 2018
- New Business:
  1. Request for Final Plat Approval for Covington Place Subdivision
  2. Request for Vacation of Right-of-Way – 1000 Block of E. LaRua Street
  3. Request for Approval of License to Use Right-of-Way – 201 S. Baylen Street
  4. Consider Amendment to LDC Section 12-2-82 Design Standards & Guidelines & 12-14-1 Definitions
- Open Forum
- Adjournment

### Call to Order / Quorum Present

Chairman Ritz called the meeting to order at 2:03 pm with a quorum present.

### Approval of Meeting Minutes

Mr. Moore made a motion to approve the January 9, 2018 minutes, seconded by Ms. Campbell, and it carried unanimously.

### New Business

#### Request for Final Plat Approval for Covington Place Subdivision

Rebol-Battle & Associates has submitted a request for Final Plat approval for Covington Place Subdivision located at 15 W. Strong Street. Preliminary plat approval for this project was granted at the January 9, 2018 meeting.

The proposed Final Plat consists of 25 lots of varying widths which meet the requirements of the PC-1 zoning district. The proposed development meets the setback requirements for the zoning district with the exception of the rear yard setback for the lots along Baylen Street. However, on September 21, 2017, the Architectural Review Board granted a variance of 15 feet to reduce the minimum required rear yard from 15 feet to 0.0 feet to accommodate the internalized access for these lots. The minimum parking requirement has been met.

The one modification since the Preliminary Plat is that the unnamed private access made addressing the units problematic. The applicant has named the private access as Covington Place East and West, and the City will address all the internal units as Covington Place East and West as well. An updated Final Plat was made available during the Planning Board meeting with this modification being made. The Final Plat has been routed through the various City departments and utility providers. The comments received to date were also provided.

Chairman Ritz was pleased with the internal access and the welcomed addition to a prominent corner of Pensacola. Mr. Rebol presented to the Board and advised they were working with ECUA on the utility routes. Ms. Campbell stated the project looked nice, and they had been responsive to the comments. Mr. Rebol clarified that there was one egress onto Cervantes, with the traffic entering on Strong Street. Mr. Grundhoefer asked if variances were obtained for all lots, and Ms. Deese confirmed variances were given for the lots on Baylen Street based on the orientation.

**Mr. Moore made a motion to approve, seconded by Ms. Campbell, and it carried unanimously.**

#### **Request for Vacation of Right-of-Way – 1000 Block of E. LaRua Street**

Chandler Prospecting, LLC is requesting approval for the vacation of a 10 foot portion of the 1000 Block of E. LaRua Street. The applicant has indicated the reason for the request is to attain the highest and best use of the property and to preserve and increase the property values in this area of East Hill. If granted, the additional 10 feet will allow the applicant to construct 3 single family detached structures instead of 1 single family detached structure and 2 attached structures. The applicant has indicated the surrounding neighbors desire to see the property developed as single family detached and thus support this request.

This request has been routed through the various City departments and utility providers and those comments were provided. The utility providers were comfortable with the easement language in place with the standard ordinance.

Ms. Chandler addressed the Board and advised she had tried to speak to all of the adjoining and adjacent neighbors to make sure they were all on the same page. Chairman Ritz indicated the Board had granted vacations in the past, but they did not take that decision lightly since it gave what was currently property which belongs to the citizens of the city as a whole to an individual. He stated sometimes it was property which was slated for future development or road widenings; this right of way would not be the case for future expansion or improvement. He would support it if it offered the chance to increase density and bring more life into the neighborhood. As for the highest and best use, it would become taxed property. Mr. Grundhoefer asked the width of the right of way, and Ms. Chandler advised it was 70' with the road being centered in the right of way. Mr. Grundhoefer indicated they would be taking 10' of the 23'. Ms. Chandler indicated the lot was 1250 sq. ft. shy of being able to construct single family density detached structures. She advised the corner lot would have 50' of frontage, with the other two having approximately 44'. The lots would face 11<sup>th</sup> to allow the view of the bay from the second floor. She emphasized they needed 15,000 sq. ft. for three detached homes, and the aesthetic in this part of town was very important.

Mr. Grundhoefer asked about front-facing garages, and Ms. Chandler advised with the larger lots, she would have the ability to have automobiles in the rear, and if they were front-facing, they would be built with carriage doors. She also indicated she intended to construct sidewalks. Mr. Larson asked if they had considered two houses instead of three. Ms. Chandler advised when she bought the property, the best case scenario was the highest use of the property, holding the aesthetic of the neighborhood and keeping her reputation in tact when the transaction was completed. Chairman Ritz pointed out if the vacation was not granted, there would still be three residences on the property, with two in one single building. Ms. Chandler advised if the property were not divided into three parcels, she would not make her return on investment. She also stated they were selling to clients who did not prefer a large yard but wanted the downtown lifestyle. Dividing into two parcels would place the price out of the demographic she was selling to especially with the finishes going into them. Chairman Ritz stated he had confidence that the end

product would be as Ms. Chandler described. **Mr. Grundhoefer made a motion to approve, seconded by Ms. Campbell. The motion carried 4 to 1 with Mr. Larson dissenting.** Ms. Deese pointed out the recommendation would go before City Council for final approval.

**Request for Approval of License to Use Right-of-Way – 201 S. Baylen Street**

**(This request was withdrawn. Ms. Deese indicated that the grease interceptor would now be located on the private parcel, which was the driving force behind the need for the License to Use. With the balconies being overhanging, the Building Official has indicated he would issue an Administrative License to Use, resulting in this request being withdrawn.)**

**Consider Amendment to LDC Section 12-2-82 Design Standards & Guidelines & 12-14-1 Definitions**

The City's Land Development Code has Design Standards and Guidelines that are applicable to all properties within the City of Pensacola. Land Development Code Section 12-2-82 outlines these requirements and includes the requirement for building façade finishes that limits the percentage of metal. Although it was not the intent of the code at the time the language was added, the code language creates opportunity for Quonset hut style buildings to be permitted. The proposed amendment simplifies the code language and eliminates that opportunity as well as adds the definition of a wall to Land Development Code Section 12-14-1 Definitions. Ms. Deese explained the definition for walls was derived from the Florida Building Code.

Chairman Ritz pointed out the Quonset hut style had its position in history, but they did not need to be repeated since the current needs were not the same. Mr. Grundhoefer pointed out the language appeared to restrict metal buildings (metal skin and metal roof). Ms. Deese advised the language had been there to protect metal buildings. The drafted language was an effort between Planning Services and Building Inspections, and explained this definition of curtain wall was rewritten to eliminate the loophole.

**Mr. Larson made a motion to approve, seconded by Mr. Moore, and it carried unanimously.**

**Open Forum** – Ms. D'Angelo of the CRA explained the four-day charrette for an urban design guideline project for each of the redevelopment areas, which excluded special review districts. She reminded the Board of the combined workshop for February 14 for the Board and CRA to meet together for a debriefing and also provided informational materials to the Board. Chairman Ritz advised he planned to attend and advised the Board to maintain the Sunshine position. Ms. D'Angelo explained it had been advertised as an open meeting, so the Board would be able to meet together for discussion. She also indicated there would be another meeting March 19 at 2:00 pm where the Board would receive a draft of the guideline.

**Adjournment** – With no further business, Chairman Ritz adjourned the meeting at 2:40 pm.

Respectfully Submitted,



Brandi C. Deese  
Secretary to the Board



PROPOSED  
ORDINANCE NO. 07-18

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE  
TO BE ENTITLED:

AN ORDINANCE CLOSING, ABANDONING AND VACATING  
A PORTION OF THE NORTH 11<sup>TH</sup> AVENUE RIGHT OF  
WAY; IN PENSACOLA, ESCAMBIA COUNTY, STATE OF  
FLORIDA; REPEALING CLAUSE; AND PROVIDING AN  
EFFECTIVE DATE.

WHEREAS, a public hearing was held on March 8, 2018,  
as to the vacation of a portion of the Avery Street right of  
way; Pensacola, Escambia County, Florida; and

WHEREAS, the vacation of said right-of-way,  
hereinafter described, will contribute to the general welfare of  
the City of Pensacola in that said right-of-way is no longer  
needed as a public thoroughfare; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF PENSACOLA, FLORIDA:

SECTION 1. That the following described right of way  
in Pensacola, Escambia County, Florida is hereby closed,  
discontinued, vacated and forever abandoned by the City of  
Pensacola as a public thoroughfare:

The West 10.00 feet of North 11<sup>th</sup> Avenue adjacent to  
and contiguous with lots 10 and 11, Block 81, New City  
Tract, City of Pensacola, Escambia County, State of  
Florida, According to the map of said City copyrighted  
by Thomas C. Watson in 1906.

SECTION 2. That the owners of the abutting property  
be, and they are hereby authorized to acquire possession of the  
right-of-way more particularly described in Section 1 of this  
ordinance, and the City of Pensacola does hereby abandon all  
claim of right, if any it has, in said property, and it shall  
remain and be the property of the abutting property owners.

SECTION 3. That, notwithstanding the foregoing  
sections, the City of Pensacola reserves for itself, Gulf Power

Company, Bell South, Cox Cable, and the Emerald Coast Utilities Authority, their successors and assigns, a full width easement in the entire portion the right of way vacated hereby for the purpose of locating and maintaining public utilities and improvements.

SECTION 4. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 5. This ordinance shall become effective on the fifth business day after adoption, unless otherwise provided pursuant to Section 4.03(d) of the City Charter of the City of Pensacola.

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_  
President of City Council

Attest:

\_\_\_\_\_  
City Clerk

PLANNING/CITY OF PEN/LEGAL AD  
180 W GOVERNMENT ST

PENSACOLA FL 32502

Published Daily-Pensacola, Escambia County, FL

**PROOF OF PUBLICATION**

State of Florida

County of Escambia:

Before the undersigned authority personally appeared **Brittini L Pennington**, who on oath says that he or she is a Legal Advertising Representative of the **Pensacola News Journal**, a daily newspaper published in Escambia County, Florida that the attached copy of advertisement, being a Legal Ad in the matter of

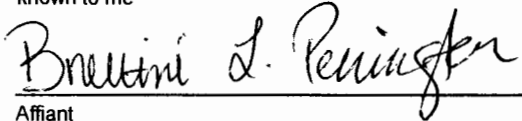
**NOTICE OF QUASI JUDICIAL**


as published in said newspaper in the issue(s) of:

**02/26/18**

Affiant further says that the said **Pensacola News Journal** is a newspaper in said Escambia County, Florida and that the said newspaper has heretofore been continuously published in said Escambia County, Florida, and has been entered as second class matter at the Post Office in said Escambia County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or she has neither paid nor promised any person, firm or coporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Sworn to and Subscribed before me this 26th of February 2018, by Brittini L Pennington who is personally known to me

  
\_\_\_\_\_  
Affiant

  
\_\_\_\_\_  
Michele M. Potter  
Notary Public for the State of Florida  
My Commission expires June 30, 2018

NOTICE OF QUASI JUDICIAL HEARING AND PUBLIC HEARINGS

On **Thursday, March 8, 2018** at 5:30 p.m. in the Council Chambers of City Hall, 222 West Main Street, the Pensacola City Council will conduct quasi-judicial hearings and public hearings to consider the following:

- QUASI JUDICIAL HEARING – Final Subdivision Plat – Covington Place
- PUBLIC HEARING – Request to Vacate Right of Way – 1000 Block East LaRue Street.
- PUBLIC HEARING – Proposed Amendment to the Land Development Code – Building Façade Finish – Sections 12-2-82 and 12-14-1.

You are not required to respond or take any action regarding this notice, but if you wish to speak before the City Council on this subject, you are invited to be present at the scheduled hearing.

If any person decides to appeal any decision made with respect to any matter considered at this meeting, such person will need a record of the proceedings, and that for such purpose, he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

For additional information on this matter, please call Planning Services at (850) 435-1670.

By direction of the City Council,  
Ericka L. Burnett  
City Clerk

Legal No. 2752742 1T February 26, 2018



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 07-18

City Council

3/8/2018

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### LEGISLATIVE ACTION ITEM

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

PROPOSED ORDINANCE NO. 07-18 - VACATION OF RIGHT-OF-WAY 1000 BLOCK OF EAST LARUA STREET

**RECOMMENDATION:**

That City Council approve Proposed Ordinance No. 07-18 on first reading.

AN ORDINANCE CLOSING, ABANDONING AND VACATING A PORTION OF THE NORTH 11<sup>TH</sup> AVENUE RIGHT OF WAY; IN PENSACOLA, ESCAMBIA COUNTY, STATE OF FLORIDA; REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

The City has received a request from Chandler Prospecting, LLC, to vacate a portion of the North 11<sup>th</sup> Avenue right-of-way, which is adjacent to the property located at 1000 Block of East LaRua Street. The applicant has indicated that the purpose for the request is to attain the highest and best use of the property and to preserve and increase the property values in this area of East Hill. The applicant provided signed documentation and a survey indicating the agreement of the other affected property owner.

On February 13, 2018, the City's Planning Board recommended approval of the request by a vote of 4-1.

**PRIOR ACTION:**

None

**FUNDING:**

N/A

**FINANCIAL IMPACT:**

None

**CITY ATTORNEY REVIEW:** Yes

2/21/2018

**STAFF CONTACT:**

Eric W. Olson, City Administrator  
Sherry Morris, AICP, Planning Services Administrator

**ATTACHMENTS:**

- 1) Proposed Ordinance No. 07-18
- 2) Vacation of Right-of-Way Application, dated December 18, 2017
- 3) Vicinity Map of East LaRua Street Right-of-Way Request, dated February 2018
- 4) Supplemental Information, East LaRua Street Right-of-Way Request, dated December 18, 2017
- 5) February 13, 2018 Planning Board Minutes

**PRESENTATION:** No

PROPOSED  
ORDINANCE NO. 07-18

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE  
TO BE ENTITLED:

AN ORDINANCE CLOSING, ABANDONING AND VACATING  
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WHEREAS, the vacation of said right-of-way,  
hereinafter described, will contribute to the general welfare of  
the City of Pensacola in that said right-of-way is no longer  
needed as a public thoroughfare; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF PENSACOLA, FLORIDA:

SECTION 1. That the following described right of way  
in Pensacola, Escambia County, Florida is hereby closed,  
discontinued, vacated and forever abandoned by the City of  
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The West 10.00 feet of North 11<sup>th</sup> Avenue adjacent to  
and contiguous with lots 10 and 11, Block 81, New City  
Tract, City of Pensacola, Escambia County, State of  
Florida, According to the map of said City copyrighted  
by Thomas C. Watson in 1906.

SECTION 2. That the owners of the abutting property  
be, and they are hereby authorized to acquire possession of the  
right-of-way more particularly described in Section 1 of this  
ordinance, and the City of Pensacola does hereby abandon all  
claim of right, if any it has, in said property, and it shall  
remain and be the property of the abutting property owners.

SECTION 3. That, notwithstanding the foregoing  
sections, the City of Pensacola reserves for itself, Gulf Power

Company, Bell South, Cox Cable, and the Emerald Coast Utilities Authority, their successors and assigns, a full width easement in the entire portion the right of way vacated hereby for the purpose of locating and maintaining public utilities and improvements.

SECTION 4. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 5. This ordinance shall become effective on the fifth business day after adoption, unless otherwise provided pursuant to Section 4.03(d) of the City Charter of the City of Pensacola.

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_  
President of City Council

Attest:

\_\_\_\_\_  
City Clerk



**VACATION OF ALLEY OR STREET RIGHT OF WAY**

Fee: \$2,000.00  
Rehearing/Rescheduling Planning Board: \$250.00  
Rehearing/Rescheduling City Council: \$500.00

Applicant Information:

Name: Mannette Chandler c/o Chandler Prospecting, LLC  
Address: 1012 N. 6th Ave. Pensacola, FL 32501  
Phone: 850-516-3863 Fax: n/a Email: nchandler10@gmail.com

Property Information:

Owner Name: Chandler Prospecting, LLC  
Location/Address: 1000 BK E. La Rua St.  
Legal Description: Please attach a full legal description (from deed or survey)

Purpose of vacation of city right of way/comments:

See attached

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I, the undersigned applicant, understand that ~~submission~~ <sup>submission</sup> of this application does not entitle me to approval of this vacation request and that no refund of these fees will be made. I have reviewed a copy of the applicable regulations and understand that I must be present on the date of the Planning Board and City Council meeting.

[Signature] Date 12/18/17  
Signature of Applicant (Owner of Property or Official Representative of Owner)

FOR OFFICE USE ONLY

District: b (Spencer)  
Date Received: 12/19/2017 Case Number: N/A  
Date Postcards mailed: 2/6/2018  
Planning Board Date: 1/9/2018 Recommendation: Approval  
Council Date: 3/8/2018 Council Action: \_\_\_\_\_





E JACKSON ST

R-1AA

N 11TH AVE

E LA RUA ST

February 2018

### Request to Vacate R.O.W.

### 1000 BLK E La Rua



This map was prepared by the GIS section of the City of Pensacola and is provided for information purposes only and is not to be used for development of construction plans or any type of engineering services based on information depicted herein. It is maintained for the function of this office only. It is not intended for conveyance nor is it a survey. The data is not guaranteed accurate or suitable for any use other than that for which it was gathered.

December 18, 2017

RE: 1000 Blk E. LA RUA ST

This vacation of right-of-way is requested to attain the highest and best use of said property and to preserve and increase the property values in this area of East Hill.

As of now, and in accordance with the current R-1AA zoning requirements, this property can be subdivided into three parcels, one with a single family detached structure and two with attached townhomes. I am requesting this vacation to obtain the additional lot square footage needed to build three single family detached structures instead. This will keep values in the area consistent, satisfy the requests of the neighboring home owners, and provide an increased tax base for the City of Pensacola. The Lot is currently 13,750 sqft; however, 15,000 sqft is required to complete the subdivision in accordance with R-1AA zoning (Chapter 12-2, Table 12-2.2, SFD 5,000 sqft per lot).

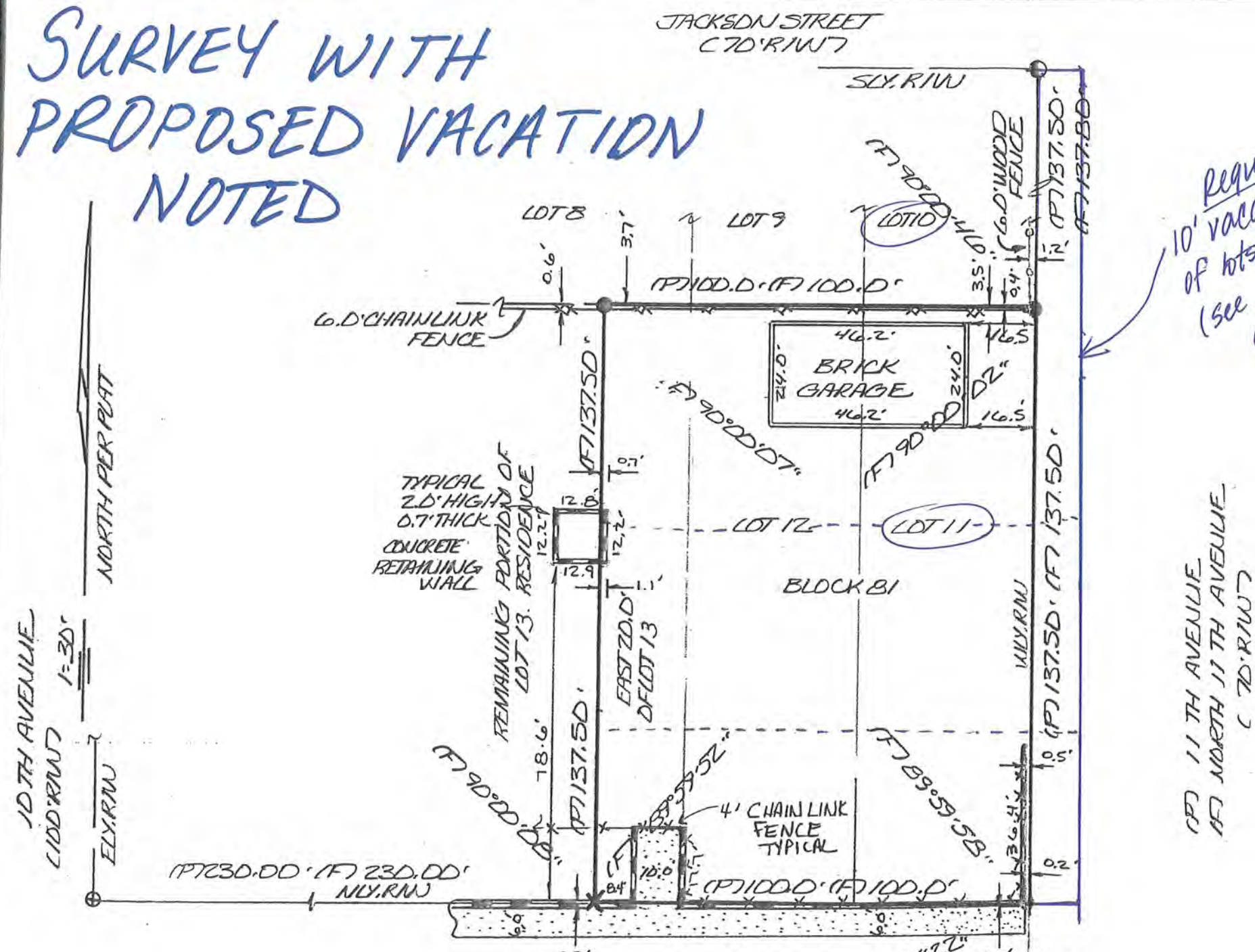
**The current legal description is as follows:**

Lot 11, 12, AND THE EAST 20.00 FEET OF LOT 13, BLOCK 81, NEW CITY TRACT, CITY OF PENSACOLA, ESCAMBIA COUNTY, STATE OF FLORIDA, ACCORDING TO THE MAP OF SAID CITY COPYRIGHTED BY THOMAS C. WATSON IN 1906.

**The new legal description would be as follows:**

Lot 11, 12, THE EAST 20.00 FEET OF LOT 13, AND THE WEST 10 FEET OF 11<sup>TH</sup> AVE ADJACENT TO AND CONTIGUOUS WITH LOTS 10 AND 11, BLOCK 81, NEW CITY TRACT, CITY OF PENSACOLA, ESCAMBIA COUNTY, STATE OF FLORIDA, ACCORDING TO THE MAP OF SAID CITY COPYRIGHTED BY THOMAS C. WATSON IN 1906.

# SURVEY WITH PROPOSED VACATION NOTED



*Requested of bts 10 and 11, Block 81. (see new legal description attached)*

**DESCRIPTION:**  
 LOT 11, 12 AND THE EAST 20.00 FEET OF LOT 13, BLOCK 81, NEW CITY TRACT, CITY OF PENSACOLA, ESCAMBIA COUNTY, STATE OF FLORIDA, ACCORDING TO THE MAP OF SAID CITY COPYRIGHTED BY THOMAS C. WATSON IN 1906.

**SURVEYORS NOTES:**  
 THIS SURVEY WAS PERFORMED FOR THE CLIENT SHOWN AND IS NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT PRIOR CONSENT FROM THIS SURVEYOR.  
 ALL MEASUREMENTS WERE MADE ACCORDING TO UNITED STATES FOOT.  
 NO TITLE RESEARCH WAS PERFORMED BY THIS SURVEYOR, NOR WERE WE FURNISHED WITH SUCH.  
 NO INSTRUMENT OF RECORD REFLECTING EASEMENTS, RIGHT OF WAY, AND/OR OWNERSHIP WERE FURNISHED TO THIS SURVEYOR EXCEPT AS SHOWN.  
 NO UNDERGROUND INSTALLATIONS OR IMPROVEMENTS HAVE BEEN LOCATED EXCEPT AS SHOWN.  
 ALL BEARINGS AND DISTANCES ARE RECORD UNLESS OTHERWISE NOTED.  
 ERROR OF CLOSURE MEETS MINIMUM TECHNICAL STANDARDS.

THERE MAY BE ADDITIONAL RESTRICTIONS AFFECTING THIS PROPERTY THAT MAY BE FOUND RECORDED IN THE PUBLIC RECORDS OF ESCAMBIA COUNTY, FLORIDA THAT DO NOT APPEAR ON THE FACE OF THIS PLAT.  
**BASIS OF BEARING:** NORTH PER PLAT  
**REFERENCE SOURCE:** FIELD WORK AND EXISTING FIELD MONUMENTATION:  
 LEGAL AS FURNISHED  
 ENCROACHMENTS ARE AS SHOWN.

**CERTIFY TO:**  
 RAYMOND P. HUDKINS AND MARY E. COLLINS  
 SURETY LAND TITLE OF FLORIDA, LLC  
 WESTCOR LAND TITLE

LICENSE BUSINESS NO. 7092

ADDRESS: 1013 EAST LA RUA STREET		
REQUESTED BY: JAMI ROGERS		
TYPE: BOUNDARY WITH IMPROVEMENTS		COUNTY: ESCAMBIA
CITY OF PENSACOLA		
SCALE: 1"=30'	DRAWN BY: BH	FIELD DATE: 12-30-05
DATE: 01-03-06	FIELD BOOK: 156	CREW: MIS DH
REVISION DATE:		PAGE: 41.42

**SURVEYORS CERTIFICATE**  
 I HEREBY CERTIFY THAT THIS SURVEY WAS MADE UNDER MY RESPONSIBLE CHARGE AND MEETS THE MINIMUM TECHNICAL STANDARDS AS SET FORTH BY THE FLORIDA BOARD OF PROFESSIONAL LAND SURVEYORS IN CHAPTER 61G17-6, FLORIDA ADMINISTRATION CODE, PURSUANT TO SECTION 472.027, FLORIDA STATUTES.

*[Signature]*  
 DAVID MARK SWINNEY  
 PROFESSIONAL SURVEYOR AND MAPPER NO. 5641  
 STATE OF FLORIDA

NOT VALID WITHOUT THE ORIGINAL SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER

DRAWING NUMBER:  
 05-9055

- LEGEND**
- (P) - PLAT (F) - FIELD
  - R/W - RIGHT OF WAY
  - ⊕ - EXISTING 1 1/2" METAL ROD
  - ⊙ - EXISTING 1 1/2" CAPPED METAL ROD 3027
  - ⊙ - EXISTING 1 1/2" CAPPED METAL ROD 174B
  - X - SET X IN RETAINING WALL
  - - SET 1 1/2" CAPPED METAL ROD 7092

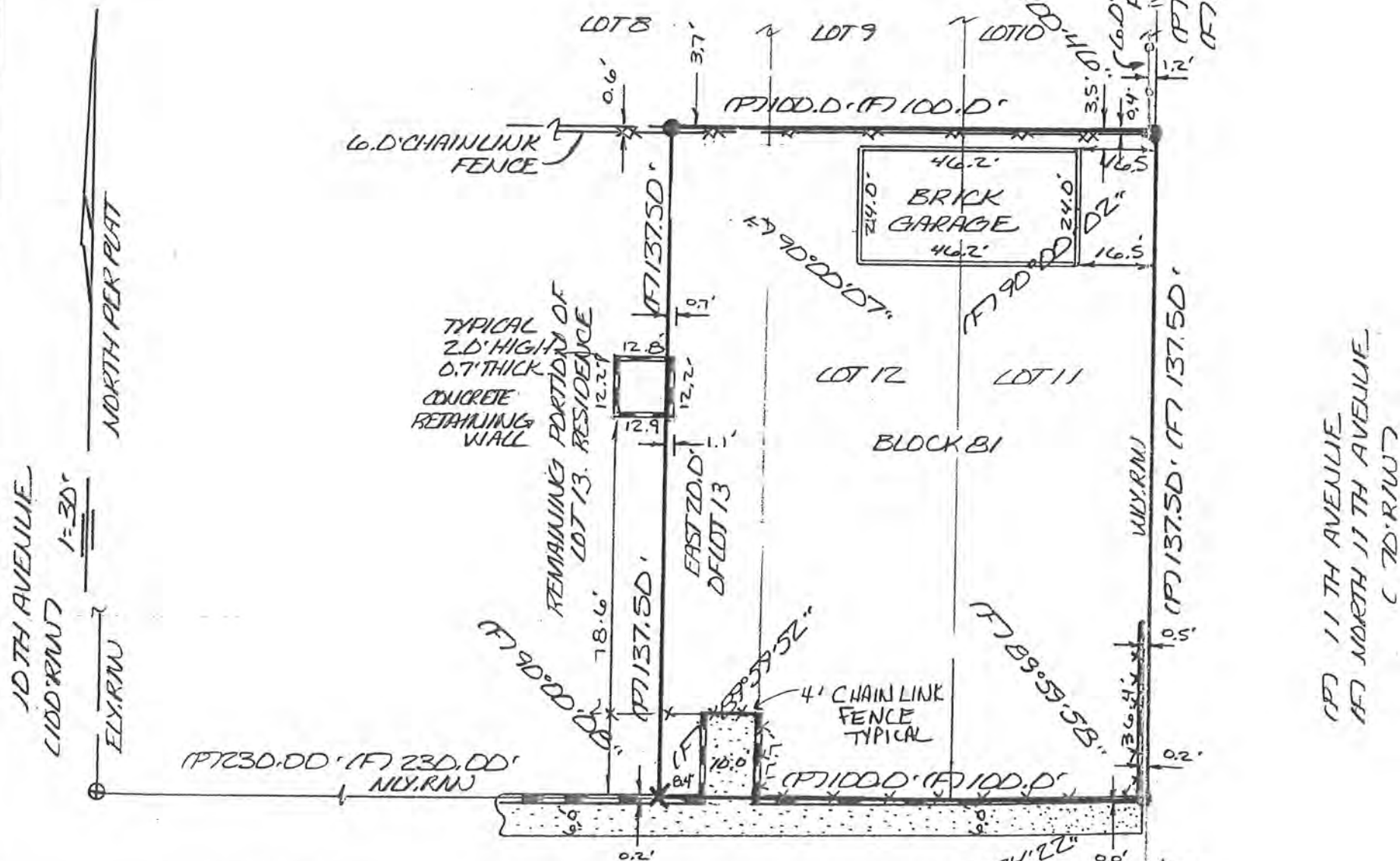
(P) LA RUA STREET  
 (F) EAST LA RUA STREET  
 ( 80' R/W )

SWINNEY & ASSOCIATES, INC.  
 218 HENRY STREET  
 PENSACOLA, FLORIDA 32507  
 (850) 453-4261 FAX: (850) 458-2630  
 D.SWINNEY@WORLDNET.ATT.NET

# CURRENT SURVEY

## 12/19/17

JACKSON STREET  
C 70' R/W



**DESCRIPTION:**  
 LOT 11, 12 AND THE EAST 20.00 FEET OF LOT 13, BLOCK 81, NEW CITY TRACT, CITY OF PENSACOLA, ESCAMBIA COUNTY, STATE OF FLORIDA, ACCORDING TO THE MAP OF SAID CITY COPYRIGHTED BY THOMAS C. WATSON IN 1906.

**SURVEYORS NOTES:**

THIS SURVEY WAS PERFORMED FOR THE CLIENT SHOWN AND IS NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT PRIOR CONSENT FROM THIS SURVEYOR.

ALL MEASUREMENTS WERE MADE ACCORDING TO UNITED STATES FOOT.

NO TITLE RESEARCH WAS PERFORMED BY THIS SURVEYOR, NOR WERE WE FURNISHED WITH SUCH.

NO INSTRUMENT OF RECORD REFLECTING EASEMENTS, RIGHT OF WAY, AND/OR OWNERSHIP WERE FURNISHED TO THIS SURVEYOR EXCEPT AS SHOWN.

NO UNDERGROUND INSTALLATIONS OR IMPROVEMENTS HAVE BEEN LOCATED EXCEPT AS SHOWN.

ALL BEARINGS AND DISTANCES ARE RECORD UNLESS OTHERWISE NOTED.

ERROR OF CLOSURE MEETS MINIMUM TECHNICAL STANDARDS.

THERE MAY BE ADDITIONAL RESTRICTIONS AFFECTING THIS PROPERTY THAT MAY BE FOUND RECORDED IN THE PUBLIC RECORDS OF ESCAMBIA COUNTY, FLORIDA THAT DO NOT APPEAR ON THE FACE OF THIS PLAT.

BASIS OF BEARING: NORTH PER PLAT

REFERENCE SOURCE: FIELD WORK AND EXISTING FIELD MONUMENTATION:

LEGAL AS FURNISHED

ENCROACHMENTS ARE AS SHOWN.

**CERTIFY TO:**

RAYMOND P. HUDKINS AND MARY E. COLLINS  
 SURETY LAND TITLE OF FLORIDA, LLC  
 WESTCOR LAND TITLE

LICENSE BUSINESS NO. 7092

ADDRESS:	1013 EAST LA RUA STREET		
REQUESTED BY:	SAMI ROGERS		
TYPE:	BOUNDARY WITH IMPROVEMENTS		
	CITY OF PENSACOLA		COUNTY: ESCAMBIA
SCALE:	1"=30'	DRAWN BY:	BH
DATE:	01-03-06	FIELD DATE:	12-30-05
		FIELD BOOK:	156
		CREW:	MIS OH
REVISION DATE:		PAGE:	41.42

**SURVEYORS CERTIFICATE**

I HEREBY CERTIFY THAT THIS SURVEY WAS MADE UNDER MY RESPONSIBLE CHARGE AND MEETS THE MINIMUM TECHNICAL STANDARDS AS SET FORTH BY THE FLORIDA BOARD OF PROFESSIONAL LAND SURVEYORS IN CHAPTER 61G17-6, FLORIDA ADMINISTRATION CODE, PURSUANT TO SECTION 472.027, FLORIDA STATUTES.

NOT VALID WITHOUT THE ORIGINAL SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER

*[Signature]*

DAVID MARK SWINNEY  
 PROFESSIONAL SURVEYOR AND MAPPER NO. 5641  
 STATE OF FLORIDA

DRAWING NUMBER:

05-9055

SWINNEY & ASSOCIATES, INC.

218 HENRY STREET  
 PENSACOLA, FLORIDA 32507  
 (850) 453-4261 FAX: (850) 458-2630  
 D.SWINNEY@WORLDNET.ATT.NET

Prepared by and return to:  
Matthew C. Hoffman  
Carver Darden Koretzky Tessier Finn Blossman & Areaux, LLC  
801 W. Romana St., Suite A  
Pensacola, FL 32502  
850-266-2300  
File Number: 4486.43835

[Space Above This Line For Recording Data]

## Warranty Deed

This Warranty Deed made this 19th day of December, 2017 between **Raymond P. Hudkins and Mary E. Collins, husband and wife**, whose post office address is **1126 E. La Rua Street, Pensacola, FL 32501** ("Grantor"), and **Chandler Prospecting, LLC, a Florida limited liability company**, whose post office address is **1012 N 6th Ave., Pensacola, FL 32501** ("Grantee"):

(Whenever used herein the terms "Grantor" and "Grantee" include all the parties to this instrument and the heirs, legal representatives, and assigns of individuals, and the successors and assigns of corporations, companies, trusts and trustees)

**Witnesseth**, that said Grantor, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable considerations to said Grantor in hand paid by said Grantee, the receipt whereof is hereby acknowledged, has granted, bargained, and sold to said Grantee, and Grantee's heirs and assigns forever, the following described land, situate, lying and being in **Escambia County, Florida** to-wit:

**Lots 11, 12 and the East 20 feet of Lot 13, Block 81, New City Tract, City of Pensacola, Escambia County, Florida, according to map of said City copyrighted by Thomas C. Watson in 1906.**

The above-described property is not the homestead of Grantor, nor is it contiguous to the homestead of Grantor, under the laws and constitution of the State of Florida.

**Together** with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

**To Have and to Hold**, the same in fee simple forever.

**And** subject to taxes for the current year and later years and all valid easements and restrictions or record, if any, which are not hereby reimposed; and also subject to any claim, right, title, or interest arising from any recorded instrument reserving, conveying, leasing, or otherwise alienating any interest in the oil, gas and other minerals. And Grantor does warrant the title to said land and will defend the same against the lawful claims of all persons whomsoever, subject only to the exceptions set forth herein.

In Witness Whereof, Grantor has hereunto set Grantor's hand and seal the day and year first above written.

Signed, sealed and delivered in our presence:

[Signature]  
Witness Name: Matthew C. Hoffman

[Signature] (Seal)  
Raymond P. Hudkins

[Signature]  
Witness Name: CHERYL SNYDER

[Signature] (Seal)  
Mary E. Collins

[Signature]  
Witness Name: Matthew C. Hoffman

[Signature]  
Witness Name: CHERYL SNYDER

State of Florida  
County of Escambia

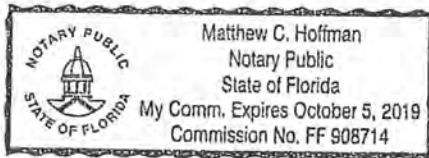
The foregoing Warranty Deed was sworn to, subscribed and acknowledged before me this 19th day of December, 2017 by Raymond P. Hudkins and Mary E. Collins, who  are personally known or  have produced a driver's licenses as identification.

[Notary Seal]

[Signature]  
Notary Public

Printed Name: Matthew C. Hoffman

My Commission Expires: \_\_\_\_\_



12/18/2017

**Neighbors in Agreement with Requested Vacation of Right-of-way at 1000 Blk E. La Rua St.**

Chandler Prospecting is seeking possession of 10' of the right-of-way on the North West corner of 11th and La Rua Sts.

Name	Address	Phone
Gerry Cheenekoff	1018 E. La Rua St.	
JT Colla	1018 E. La Rua St.	
Betty & TERRY Berling	1100 E. La Rua St.	
SEAN KICKAY & CHRISTINE O'CARROLL	1103 E. La Rua St	251-802-8689
RAYMOND PIEL	1027 E JACKSON ST	850-776-7478
RAYMOND P. HUDKINS	1126 E LA RUA ST	850-346-5199
MARY E. COLLINS	11	850-346-5520

## MINUTES OF THE PLANNING BOARD

February 13, 2018

**MEMBERS PRESENT:** Chairman Paul Ritz, Danny Grundhoefer, Nina Campbell, Jared Moore, Kurt Larson

**MEMBERS ABSENT:** Nathan Monk, Kyle Owens

**STAFF PRESENT:** Brandi Deese, Assistant Planning Services Administrator, Leslie Statler, Planner Don Kraher, Council Executive, Victoria D'Angelo, CRA Assistant Administrator

**OTHERS PRESENT:** Cinthia D. Lee Carter, Raymond P. Hudkins, Mary Collins, Sean Hickey, Ray Carter, Lisa Stack, Katrina Steene

### AGENDA:

- Quorum/Call to Order
- Approval of Meeting Minutes from January 9, 2018
- New Business:
  1. Request for Final Plat Approval for Covington Place Subdivision
  2. Request for Vacation of Right-of-Way – 1000 Block of E. LaRua Street
  3. Request for Approval of License to Use Right-of-Way – 201 S. Baylen Street
  4. Consider Amendment to LDC Section 12-2-82 Design Standards & Guidelines & 12-14-1 Definitions
- Open Forum
- Adjournment

### Call to Order / Quorum Present

Chairman Ritz called the meeting to order at 2:03 pm with a quorum present.

### Approval of Meeting Minutes

Mr. Moore made a motion to approve the January 9, 2018 minutes, seconded by Ms. Campbell, and it carried unanimously.

### New Business

#### Request for Final Plat Approval for Covington Place Subdivision

Rebol-Battle & Associates has submitted a request for Final Plat approval for Covington Place Subdivision located at 15 W. Strong Street. Preliminary plat approval for this project was granted at the January 9, 2018 meeting.

The proposed Final Plat consists of 25 lots of varying widths which meet the requirements of the PC-1 zoning district. The proposed development meets the setback requirements for the zoning district with the exception of the rear yard setback for the lots along Baylen Street. However, on September 21, 2017, the Architectural Review Board granted a variance of 15 feet to reduce the minimum required rear yard from 15 feet to 0.0 feet to accommodate the internalized access for these lots. The minimum parking requirement has been met.



The one modification since the Preliminary Plat is that the unnamed private access made addressing the units problematic. The applicant has named the private access as Covington Place East and West, and the City will address all the internal units as Covington Place East and West as well. An updated Final Plat was made available during the Planning Board meeting with this modification being made. The Final Plat has been routed through the various City departments and utility providers. The comments received to date were also provided.

Chairman Ritz was pleased with the internal access and the welcomed addition to a prominent corner of Pensacola. Mr. Rebol presented to the Board and advised they were working with ECUA on the utility routes. Ms. Campbell stated the project looked nice, and they had been responsive to the comments. Mr. Rebol clarified that there was one egress onto Cervantes, with the traffic entering on Strong Street. Mr. Grundhoefer asked if variances were obtained for all lots, and Ms. Deese confirmed variances were given for the lots on Baylen Street based on the orientation.

**Mr. Moore made a motion to approve, seconded by Ms. Campbell, and it carried unanimously.**

#### **Request for Vacation of Right-of-Way – 1000 Block of E. LaRua Street**

Chandler Prospecting, LLC is requesting approval for the vacation of a 10 foot portion of the 1000 Block of E. LaRua Street. The applicant has indicated the reason for the request is to attain the highest and best use of the property and to preserve and increase the property values in this area of East Hill. If granted, the additional 10 feet will allow the applicant to construct 3 single family detached structures instead of 1 single family detached structure and 2 attached structures. The applicant has indicated the surrounding neighbors desire to see the property developed as single family detached and thus support this request.

This request has been routed through the various City departments and utility providers and those comments were provided. The utility providers were comfortable with the easement language in place with the standard ordinance.

Ms. Chandler addressed the Board and advised she had tried to speak to all of the adjoining and adjacent neighbors to make sure they were all on the same page. Chairman Ritz indicated the Board had granted vacations in the past, but they did not take that decision lightly since it gave what was currently property which belongs to the citizens of the city as a whole to an individual. He stated sometimes it was property which was slated for future development or road widenings; this right of way would not be the case for future expansion or improvement. He would support it if it offered the chance to increase density and bring more life into the neighborhood. As for the highest and best use, it would become taxed property. Mr. Grundhoefer asked the width of the right of way, and Ms. Chandler advised it was 70' with the road being centered in the right of way. Mr. Grundhoefer indicated they would be taking 10' of the 23'. Ms. Chandler indicated the lot was 1250 sq. ft. shy of being able to construct single family density detached structures. She advised the corner lot would have 50' of frontage, with the other two having approximately 44'. The lots would face 11<sup>th</sup> to allow the view of the bay from the second floor. She emphasized they needed 15,000 sq. ft. for three detached homes, and the aesthetic in this part of town was very important.

Mr. Grundhoefer asked about front-facing garages, and Ms. Chandler advised with the larger lots, she would have the ability to have automobiles in the rear, and if they were front-facing, they would be built with carriage doors. She also indicated she intended to construct sidewalks. Mr. Larson asked if they had considered two houses instead of three. Ms. Chandler advised when she bought the property, the best case scenario was the highest use of the property, holding the aesthetic of the neighborhood and keeping her reputation in tact when the transaction was completed. Chairman Ritz pointed out if the vacation was not granted, there would still be three residences on the property, with two in one single building. Ms. Chandler advised if the property were not divided into three parcels, she would not make her return on investment. She also stated they were selling to clients who did not prefer a large yard but wanted the downtown lifestyle. Dividing into two parcels would place the price out of the demographic she was selling to especially with the finishes going into them. Chairman Ritz stated he had confidence that the end

product would be as Ms. Chandler described. **Mr. Grundhoefer made a motion to approve, seconded by Ms. Campbell. The motion carried 4 to 1 with Mr. Larson dissenting.** Ms. Deese pointed out the recommendation would go before City Council for final approval.

**Request for Approval of License to Use Right-of-Way – 201 S. Baylen Street**

**(This request was withdrawn. Ms. Deese indicated that the grease interceptor would now be located on the private parcel, which was the driving force behind the need for the License to Use. With the balconies being overhanging, the Building Official has indicated he would issue an Administrative License to Use, resulting in this request being withdrawn.)**

**Consider Amendment to LDC Section 12-2-82 Design Standards & Guidelines & 12-14-1 Definitions**

The City's Land Development Code has Design Standards and Guidelines that are applicable to all properties within the City of Pensacola. Land Development Code Section 12-2-82 outlines these requirements and includes the requirement for building façade finishes that limits the percentage of metal. Although it was not the intent of the code at the time the language was added, the code language creates opportunity for Quonset hut style buildings to be permitted. The proposed amendment simplifies the code language and eliminates that opportunity as well as adds the definition of a wall to Land Development Code Section 12-14-1 Definitions. Ms. Deese explained the definition for walls was derived from the Florida Building Code.

Chairman Ritz pointed out the Quonset hut style had its position in history, but they did not need to be repeated since the current needs were not the same. Mr. Grundhoefer pointed out the language appeared to restrict metal buildings (metal skin and metal roof). Ms. Deese advised the language had been there to protect metal buildings. The drafted language was an effort between Planning Services and Building Inspections, and explained this definition of curtain wall was rewritten to eliminate the loophole.

**Mr. Larson made a motion to approve, seconded by Mr. Moore, and it carried unanimously.**

**Open Forum** – Ms. D'Angelo of the CRA explained the four-day charrette for an urban design guideline project for each of the redevelopment areas, which excluded special review districts. She reminded the Board of the combined workshop for February 14 for the Board and CRA to meet together for a debriefing and also provided informational materials to the Board. Chairman Ritz advised he planned to attend and advised the Board to maintain the Sunshine position. Ms. D'Angelo explained it had been advertised as an open meeting, so the Board would be able to meet together for discussion. She also indicated there would be another meeting March 19 at 2:00 pm where the Board would receive a draft of the guideline.

**Adjournment** – With no further business, Chairman Ritz adjourned the meeting at 2:40 pm.

Respectfully Submitted,



Brandi C. Deese  
Secretary to the Board



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 18-00109

City Council

3/8/2018

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### LEGISLATIVE ACTION ITEM

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

QUASI-JUDICIAL HEARING - FINAL SUBDIVISION PLAT - COVINGTON PLACE

**RECOMMENDATION:**

That City Council conduct a quasi-judicial hearing on March 8, 2018 to consider approval of the final subdivision plat - Covington Place.

**HEARING REQUIRED:** Quasi-Judicial

**SUMMARY:**

The City has received a request from Rebol Battle & Associates for Final Plat approval for Covington Place Subdivision. The proposed subdivision is located at 15 W. Strong Street and is zoned PC-1. The subdivision will create 25 lots of varying widths which meet the setback requirements for the zoning district with the exception of the rear yard setback for the lots along Baylen Street. However, on September 21, 2017, the Architectural Review Board granted a setback variance of 15 feet in order to accommodate the internalized access for these lots. The Final Plat has been reviewed by the applicable City Staff and utility providers for compliance with the City's subdivision requirements.

On February 13, 2018, the City's Planning Board unanimously recommended approval of the Final Plat.

**PRIOR ACTION:**

None

**FUNDING:**

N/A

**FINANCIAL IMPACT:**

Section 12-8-6 of the City Code requires either the dedication of 5% of the gross area of a new subdivision for open space purposes or a fee equal to 5% of the gross area of the subdivision. The fee collected shall be held in

escrow and used by the City for the purpose of acquiring parks and developing playgrounds. Upon City Council approval of the final subdivision plat, a fee in the amount of \$29,704 will be paid to the City and will be placed in the Park Purchases Trust Fund for future playground developments.

**CITY ATTORNEY REVIEW:** Yes

2/22/2018

**STAFF CONTACT:**

Eric W. Olson, City Administrator  
Sherry Morris, AICP, Planning Services Administrator

**ATTACHMENTS:**

- 1) Subdivision Plat Application, Covington Place, dated January 29, 2018
- 2) Final Subdivision Plat, Covington Place, dated February 2018
- 3) Plat Boundary Survey, Covington Place, dated November 2017
- 4) February 13, 2018 Planning Board Minutes

**PRESENTATION:** Yes



**SUBDIVISION PLAT**

Please Check Application Type:

Minor Subdivision (< 4 lots)

Subdivision (> 4 lots)

Preliminary & Final Plat Submission  
Fee: \$2,000.00

Preliminary Plat Submission  
Fee: \$1,000.00 + \$25/lot

Final Plat Submission  
Fee: \$1,500.00 + \$25/lot

[Resubmittal: 1/2 the initial fee; Rescheduling to Planning Board / City Council: \$250.00]

Applicant Information

Name: REBOL-BATTLE & ASSOC.

Address: 2301 N. 9TH AVE.

Phone: 438-0400

Fax: 438-0448

Email: JASONR@REBOL-BATTLE.COM

Owner Information (if different from applicant)

Name: CHARLES LIBRIS

Address: 212 W. INFANTELINA  
PENSACOLA, FL 32502

Phone: 438-9647

Fax: 433-5409

Email: CLIBRIS@LIBRISLAW.COM

Property Information

Location/Address: 15. W. STROUD ST.

Subdivision Name: COVIDYTON PLACE

# of Parcels to be Subdivided: 1 Parcel ID #(s): 00-05-00-9010-001-035

# of Existing Lots: 18 # of Proposed Lots: 25 Total Acreage: 1.47

Legal Description: Please attach a full legal description from deed or survey

Type of Subdivision:  Residential\*  Non-Residential  
[\*If residential, see reverse for open space requirement]

Will a Variance from the Subdivision Regulations be requested for the project (Sec. 12-8-7)?  YES  NO

If yes, specify exact variance requested: \_\_\_\_\_

I, the undersigned applicant, understand that payment of these fees does not entitle me to approval of this plat and that no refund of these fees will be made. Also, I understand that any resubmissions based on non-compliance with City subdivision and/or development requirements will result in one-half (1/2) the initial application fee. I have reviewed a copy of the applicable zoning and subdivision requirements and understand that I must be present on the date of the Planning Board meeting.

1/29/18  
Date

Signature of Applicant  
(Owner of Property or Official Representative of Owner)

FOR OFFICE USE ONLY

Zone: PC-1 District: 6

Date Received: 1/29/2018 Case Number: n/a

Application Fee: \$2,125.00 Receipt #: \_\_\_\_\_

Open Space Requirement (acres or \$): \$29,704.00 Receipt #: \_\_\_\_\_

Planning Board Date: 2/13/2018 Recommendation: \_\_\_\_\_

Council Date: \_\_\_\_\_ Action: \_\_\_\_\_

Recording Date: \_\_\_\_\_ Map Bk/Pg: \_\_\_\_\_

**\*Sec. 12-8-6. SITES FOR PUBLIC USE.**

**(B) Sites for park and recreation or open space.** Each subdivision plat shall be reviewed by the planning and leisure services departments in order to assess the following: park and recreational or open space needs for the recreation service area within which the subdivision is located and for the city as a whole; and characteristics of the land to be subdivided for its capability to fulfill park, recreation or open space needs. Based on this review the city staff shall recommend one of the following options:

**(1) Dedication of land for park, recreation or open space needs.** The subdivider(s) or owner(s) shall dedicate to the city for park and recreation or open space purposes

at least five (5) percent of the gross area of the residential subdivision. In no case shall the aggregate acreage donated be less than one-quarter (1/4) acre.

**(2) Payment of money to an escrow account for park, recreation or open space needs in lieu of dedication of land.** The subdivider(s) or owner(s) shall pay into the city such sum of money equal in value to five (5) percent of the gross area of the subdivision thereof, which sum shall be held in escrow and used by the city for the purpose of acquiring parks and developing playgrounds and shall be used for these purposes and no others. The aforementioned value shall be the value of the land subdivided without improvements and shall be determined jointly by the city manager and the subdivider. If the city manager and subdivider cannot agree on a land value, then the land value shall be established by arbitration. The city manager shall appoint a professional land appraiser, the subdivider shall appoint a professional land appraiser, and these two (2) shall appoint a third.

**\*Open Space Requirement (only applicable to residential subdivision)**

Sec. 12-8-6 requires (a) the dedication of 5% of the gross area for open space purposes, or (b) a fee in lieu of land dedication. Please calculate and check preferred method of meeting requirement:

(a) Total Land Area: 1.47 acres  
5% for land dedication\*: \_\_\_\_\_ acres  
[\*may not equal less than 1/4 acre]

(b) Value of land (Esc. Co. Tax Assessor) \$ 594,098  
Fee in lieu of land dedication (5% of value) \$ 29,704.<sup>00</sup>  
[Payable to the City of Pensacola; Due after plat approval, prior to receiving signatures]

**Sec. 12-8-3. Procedure for subdivision approval.**

**(A) Procedure for subdivision requiring a plat.**

**(1) Approval of preliminary plat by the planning board.**

(a) Any person desiring to divide land into three (3) or more lots shall first file with the planning board a preliminary plat of the subdivision prepared in accordance with the requirements of section 12-8-8.

(b) Accompanying the preliminary plat shall be a general location sketch map showing the relationship of the proposed subdivision to existing community facilities which serve or influence it. On such sketch map, the main traffic arteries, shopping centers, schools, parks, and playgrounds, principal places of employment and other principal features should be noted.

(c) Where the preliminary plat submitted covers only a part of the total contiguous property under the subdivider's ownership, a sketch of the prospective future street system of the unsubdivided part shall be required if not shown on a previously approved conceptual plan or plans for the entire property. The street system of the unplatted portion shall be planned to coordinate and connect with the street system of the platted portion.

(d) A master drainage plan at a scale not smaller than one inch equals two hundred (200) feet, shall be prepared. The master drainage plan shall be for the entire property and shall be reviewed by the city engineer in relation to the entire drainage basin. It is the specific intent of this requirement that rights-of-way and easements of all drainage improvements including but not limited to, retention ponds, ditches, culverts, channels, and the like required for the drainage of the site for both on-site and off-site improvements, shall be provided for the master drainage plan. Instruments shall be submitted fully executed in sufficient form for recording for all off-site drainage rights-of-way and easements not included on the final plat. These instruments shall be submitted with the final plat for recordation.

(e) Eleven (11) copies of the preliminary plat shall be submitted to The Community Development Department at least thirty (30) calendar days prior to the meeting at which it is to be considered.

(f) Prior to the examination of the preliminary plat, the planning board shall be furnished with reports from the city engineer, traffic engineer, energy services, Escambia County Utilities Authority, fire department, and the secretary to the planning board to the effect that said plat does or does not conform to the comprehensive plan, the provisions of this chapter, and with sound principles and practices of planning and engineering and with such other items that may affect the health, safety and welfare of the people.

(g) When, after examination, the planning board finds as fact that the aforementioned requirements have been met, the preliminary plat may be approved, however, such approval shall not constitute an approval of the final plat. If the preliminary plat is rejected, the planning board shall provide the applicant in writing a detailed list of reasons for rejection.

**(2) Approval of final plat by the planning board and city council.**

(a) The final plat shall conform substantially to the preliminary plat. The applicant shall submit only that portion of the approved preliminary plat which he proposes to record and develop. Such portion shall conform to all requirements of this chapter. Such final plat shall be submitted within one year (three hundred sixty-five (365) days) of the date of the approval of the preliminary plat. If more than one year has elapsed since the approval of the preliminary plat, the preliminary plat must be resubmitted to the planning board for their review and approval prior to submission of the final plat.

PREPARED BY  
**RBA**  
**REBOL-BATTLE & ASSOCIATES**  
 Civil Engineers and Surveyors  
 2301 N. Ninth Avenue, Suite 300  
 Pensacola, Florida 32503  
 Telephone 850.438.0400  
 Fax 850.438.0448  
 EB 00009657 LB7916

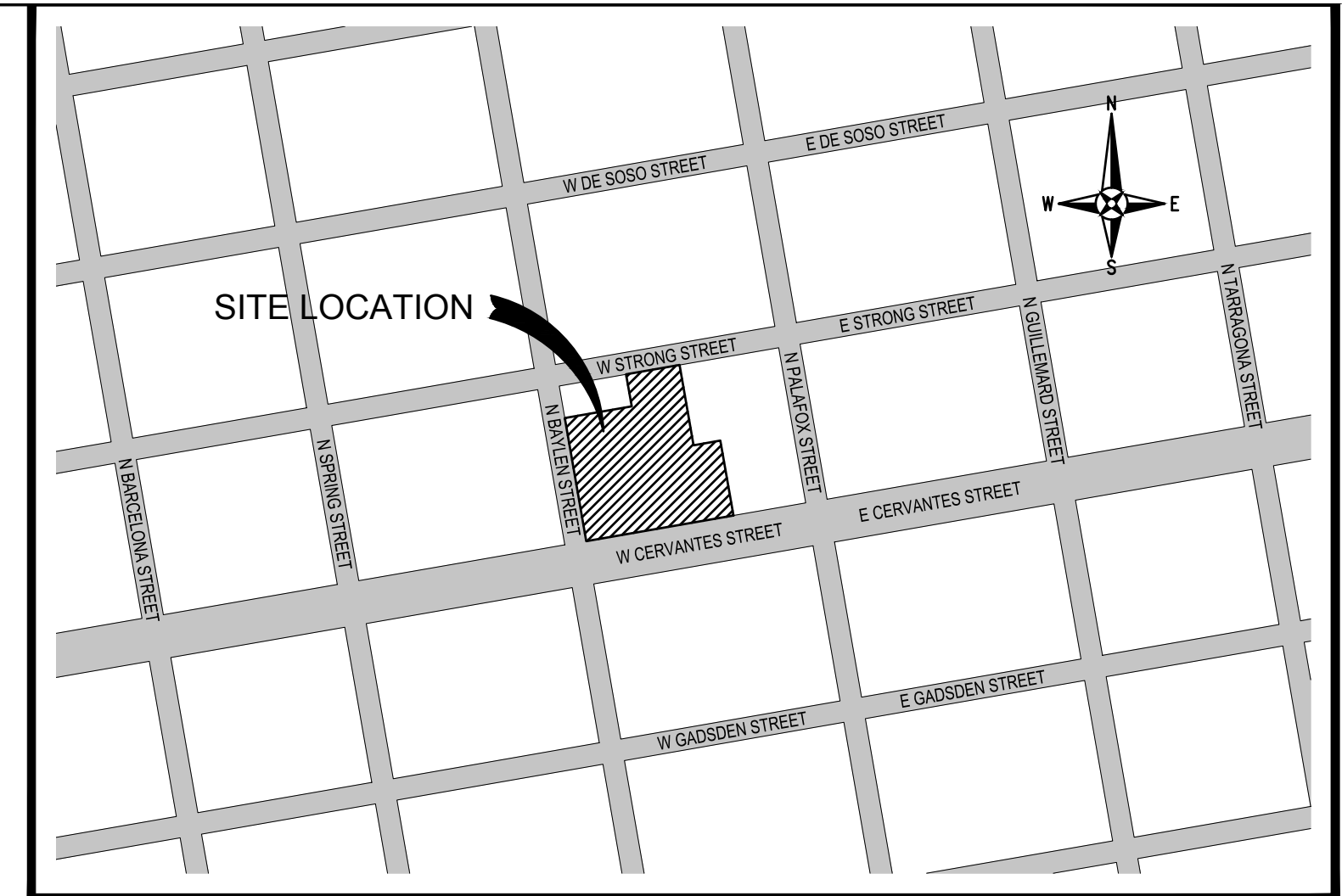
OWNER AND DEVELOPER  
 CHARLES LIBERIS  
 212 W. INTENDENCIA STREET  
 PENSACOLA, FL 32502

CIVIL ENGINEER  
 PAUL A. BATTLE, P.E.

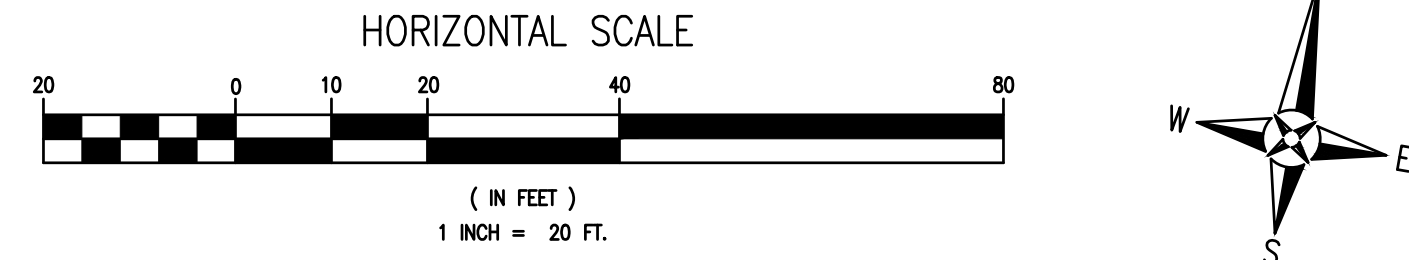
PROFESSIONAL SURVEYOR AND MAPPER  
 MARK A. NORRIS, P.S.M.

# FINAL PLAT OF COVINGTON PLACE

A RESIDENTIAL SUBDIVISION BEING  
 A RE-SUBDIVISION OF A PORTION OF LOTS 1, 14, 26, 27, 28, 29 & 30 AND ALL OF  
 LOTS 2, 3, 4, 5, 6, 7, 8, 11, 12 & 13, BLOCK 35, OF THE BELMONT TRACT, CITY OF  
 PENSACOLA, ACCORDING TO THE MAP OF SAID CITY COPYRIGHTED BY THOMAS  
 C. WATSON IN 1906, A PORTION OF SECTION 23, TOWNSHIP 2 SOUTH, RANGE 30  
 WEST, CITY OF PENSACOLA, ESCAMBIA COUNTY, FLORIDA  
 FEBRUARY, 2018



VICINITY MAP  
 SCALE: 1" = 300'



CURVE TABLE				
CURVE #	RADIUS	LENGTH	DELTA ANGLE	CHORD BEARING
C1	2824.93'	18.46'	0°22'28"	S 83°03'40" W
C2	2904.93'	185.29'	3°39'16"	S 82°05'46" W
C3	2904.93'	17.22'	0°20'23"	S 83°45'13" W
C4	2904.93'	42.54'	0°50'21"	S 83°09'51" W
C5	2904.93'	36.92'	0°43'41"	S 82°22'50" W
C6	2904.93'	65.11'	1°17'02"	S 81°22'28" W
C7	2904.93'	13.25'	0°15'41"	S 80°36'06" W
C8	2904.93'	10.25'	0°12'08"	S 80°22'12" W

**GENERAL NOTES:**

- NORTH AND THE SURVEY DATUM SHOWN HEREON IS BASED ON THE FLORIDA STATE PLANE COORDINATE SYSTEM (FLORIDA NORTH ZONE), NORTH AMERICAN DATUM OF 1983 (NAD83)-(2011)-(EPOCH 2010.0000) AND WERE DERIVED UTILIZING A GLOBAL POSITIONING SYSTEM (GPS) TOPCON HIPER II GEODETIC DUAL FREQUENCY RECEIVER. THE RECEIVER WAS UTILIZED IN A REAL-TIME KINEMATIC (RTK) MODE UTILIZING THE FLORIDA DEPARTMENT OF TRANSPORTATION FLORIDA PERMANENT REFERENCE NETWORK (FPRN), FLORIDA'S GLOBAL NAVIGATION SATELLITE SYSTEM (GNSS) REFERENCE STATION NETWORK MAP OF PENSACOLA, FLA. PUBLISHED BY THOMAS C. WATSON & CO., COPYRIGHTED IN 1906 AS RECORDED IN DEED BOOK 126, AT PAGE 400 OF THE PUBLIC RECORDS OF ESCAMBIA COUNTY, FLORIDA; A COPY OF A PREVIOUS SURVEY BY KJM LAND PLANNING, LLC., (DRAWING No. 98-5688, DATED JUNE 23, 2017); DEEDS OF RECORD AND EXISTING FIELD MONUMENTATION.
- BASES OF BEARINGS REFERENCE: NORTH AND THE SURVEY DATUM SHOWN HEREON ARE REFERENCED TO THE BEARING OF N 09°52'31" W ALONG THE EASTERLY RIGHT-OF-WAY LINE OF BAYLEN STREET.
- A TITLE SEARCH WAS PERFORMED BY CHICAGO TITLE INSURANCE COMPANY, POLICY NUMBER: 7230709-212688258, WITH AN EFFECTIVE DATE OF OCTOBER 02, 2017 AT 9:00 AM, AND PROVIDED TO THIS FIRM FOR THE PREPARATION OF THIS PLAT.
- MEASUREMENTS AS SHOWN HEREON WERE MADE TO UNITED STATES STANDARDS AND ARE EXPRESSED IN DECIMAL OF FEET.
- IT IS THE OPINION OF THE UNDERSIGNED SURVEYOR & MAPPER THAT THE PARCEL OF LAND SHOWN HEREON IS IN ZONE "X" AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN, BASED ON THE FEDERAL EMERGENCY MANAGEMENT AGENCY FLOOD INSURANCE RATE MAP FOR ESCAMBIA COUNTY, FLORIDA, COMMUNITY PANEL NUMBER 12033003906, EFFECTIVE DATE OF SEPTEMBER 29, 2006.
- GRAPHIC SYMBOLISM FOR FEATURES SUCH AS MONUMENTATION, FENCES, TREES, TREE LINES, UTILITIES ETCETERA MAY BE EXAGGERATED IN SIZE FOR CLARITY PURPOSES. DIMENSIONS TO EXAGGERATED FEATURES WILL SUPERSIDE SCALED MEASUREMENTS.
- THIS SURVEY DOES NOT REPRESENT NOR GUARANTEE OWNERSHIP.
- ALL LOT CORNERS, PERMANENT REFERENCE MONUMENTS AND PERMANENT CONTROL POINTS WILL BE PLACED IN ACCORDANCE WITH THE PROVISIONS OF THE FLORIDA PLAT ACT, CHAPTER 177, SECTIONS 177.011 - 177.151.
- THIS PLAT, AS RECORDED IN ITS GRAPHIC FORM, IS THE OFFICIAL DEPICTION OF THE SUBDIVIDED LANDS DESCRIBED HEREIN AND WILL IN NO CIRCUMSTANCES BE SUPPLANTED IN AUTHORITY BY ANY OTHER GRAPHIC OR DIGITAL FORM OF THE PLAT, THERE MAY BE ADDITIONAL RESTRICTIONS THAT ARE NOT SHOWN ON THIS PLAT THAT MAY BE FOUND IN THE PUBLIC RECORDS OF THIS COUNTY.
- ALL PLATTED UTILITY EASEMENTS AS SHOWN HEREON SHALL ALSO BE EASEMENTS FOR THE CONSTRUCTION, INSTALLATION, MAINTENANCE AND OPERATION OF ALL UTILITIES AS PROVIDED BY GULF POWER COMPANY, ENERGY SERVICES OF PENSACOLA, EMERALD COAST UTILITIES AUTHORITY, BELLSOUTH, COX COMMUNICATIONS OR OTHER APPLICABLE UTILITY COMPANIES SERVICING THIS AREA AND ALL SUCCESSORS AND ASSIGNS OF THE AFOREMENTIONED UTILITY PROVIDERS.
- THE 4" WALL EASEMENTS AS SHOWN HEREON ARE FOR THE PURPOSE OF MAINTAINING THE COMMON PARTY WALL BETWEEN RESIDENTIAL TOWNHOMES TO BE CONSTRUCTED UPON THE LOTS AS SHOWN HEREON.

**DESCRIPTION:** (AS PREPARED BY REBOL-BATTLE AND ASSOCIATES)

ALL OF LOTS 2, 3, 4, 5, 6, 7, 8, 11, 12, 13, THE WEST 10' OF LOT 14 AND A PORTION OF LOTS 1, 26, 27, 28, 29 & 30 LYING NORTH OF CERVANTES STREET, BLOCK 35, BELMONT TRACT, CITY OF PENSACOLA, ESCAMBIA COUNTY, FLORIDA; ACCORDING TO THE MAP OF SAID CITY COPYRIGHTED BY THOMAS C. WATSON IN 1906, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER LOT 16, BLOCK 35, BELMONT TRACT, CITY OF PENSACOLA, ESCAMBIA COUNTY, FLORIDA; ACCORDING TO THE MAP OF SAID CITY COPYRIGHTED BY THOMAS C. WATSON IN 1906, THENCE PROCEED SOUTH 80°10'22" WEST ALONG THE SOUTHERLY RIGHT-OF-WAY (R/W) LINE OF STRONG STREET (50' R/W) FOR A DISTANCE OF 175.00 FEET TO THE POINT OF BEGINNING; THENCE DEPARTING SAID SOUTH R/W LINE PROCEED SOUTH 09°48'20" EAST FOR A DISTANCE OF 150.01 FEET TO THE NORTH LINE OF LOT 27 OF SAID BLOCK 35; THENCE PROCEED NORTH 80°14'46" EAST ALONG SAID NORTH LINE OF LOT 27 FOR A DISTANCE OF 49.87 FEET TO THE NORTHEAST CORNER OF SAID LOT 26; THENCE DEPARTING SAID NORTH LINE PROCEED SOUTH 10°09'43" EAST ALONG THE EAST LINE OF SAID LOT 26 FOR A DISTANCE OF 142.10 FEET TO A POINT ON THE CURVED NORTHERLY R/W LINE OF CERVANTES STREET (80' R/W); THENCE PROCEED WESTERLY ALONG THE ARC OF SAID CURVED R/W LINE FOR A DISTANCE OF 18.46 FEET (DELTA ANGLE = 0°22'28", CHORD DISTANCE = 18.46 FEET; CHORD BEARING = SOUTH 83°03'40" WEST) TO A POINT OF REVERSE CURVATURE OF A CIRCULAR CURVE CONVEX SOUTHERLY, SAID CURVE HAVING A RADIUS OF 2824.93 FEET; THENCE PROCEED WESTERLY ALONG THE ARC OF SAID CURVED NORTHERLY R/W LINE FOR A DISTANCE OF 185.29 FEET (DELTA ANGLE = 3°39'16", CHORD DISTANCE = 185.29 FEET; CHORD BEARING = SOUTH 82°05'46" WEST) TO A POINT OF TANGENCY; THENCE PROCEED SOUTH 79°50'46" WEST ALONG SAID NORTHERLY R/W LINE FOR A DISTANCE OF 65.70 FEET; THENCE DEPARTING SAID NORTHERLY R/W LINE PROCEED NORTH 51°16'13" WEST FOR A DISTANCE OF 11.16 FEET TO THE EASTERLY R/W LINE OF BAYLEN STREET (50' R/W); THENCE PROCEED NORTH 09°52'31" WEST ALONG SAID EASTERLY R/W LINE FOR A DISTANCE OF 216.92 FEET TO THE NORTHWEST CORNER OF LOT 8 OF THE AFORESAID BLOCK 35; THENCE DEPARTING SAID EASTERLY R/W LINE PROCEED NORTH 80°05'26" EAST ALONG THE NORTH LINE OF SAID LOT 8 FOR A DISTANCE OF 125.03 FEET TO THE NORTHEAST CORNER OF SAID LOT 8; THENCE DEPARTING SAID NORTH LINE PROCEED NORTH 09°51'16" WEST ALONG THE WEST LINE OF LOT 11 FOR A DISTANCE OF 59.94 FEET TO THE NORTHWEST CORNER OF LOT 11; THENCE DEPARTING SAID WEST LINE PROCEED NORTH 80°10'22" EAST ALONG THE AFORESAID SOUTHERLY R/W LINE FOR A DISTANCE OF 101.21 FEET TO THE POINT OF BEGINNING.

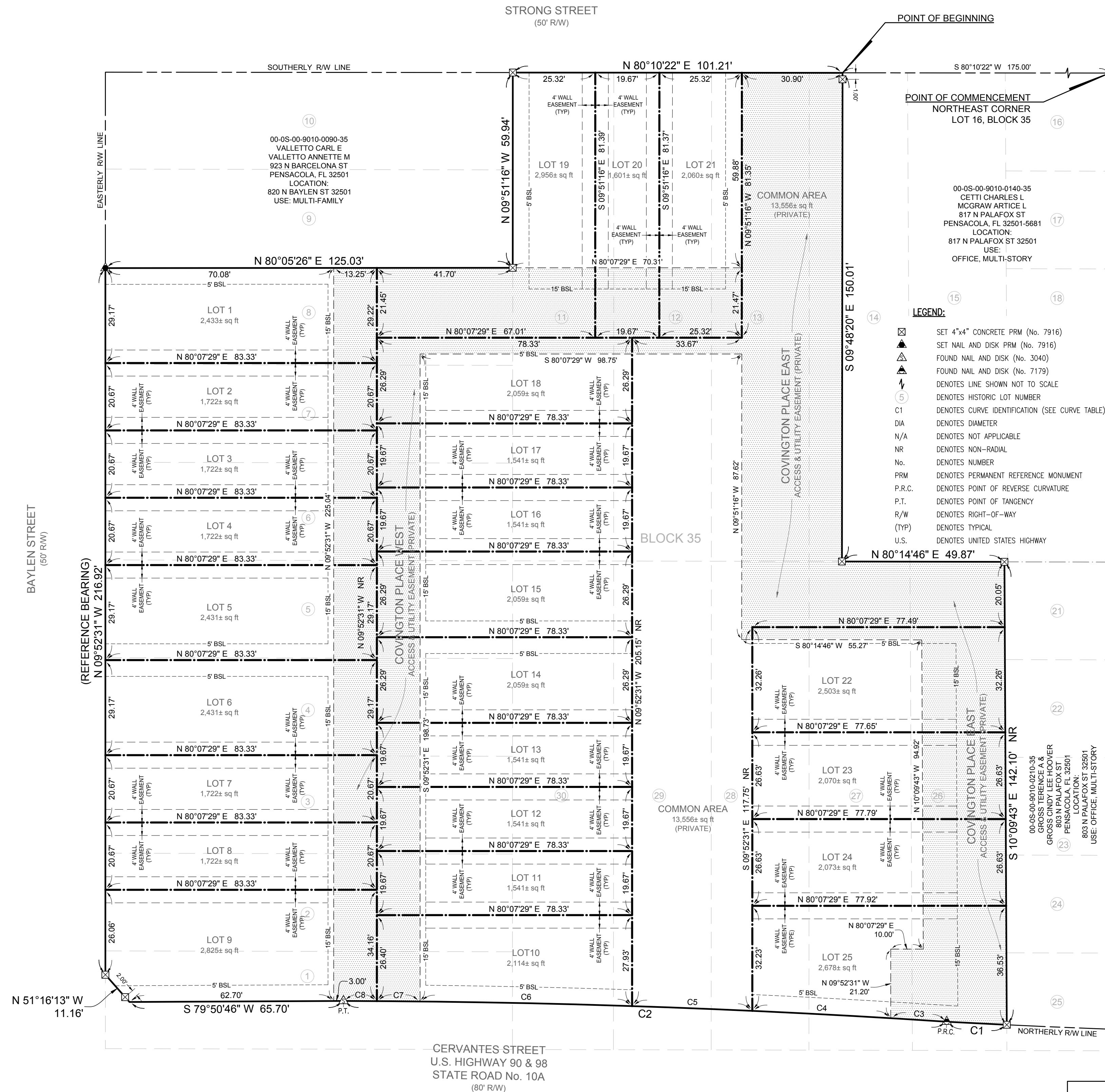
LYING IN AND BEING A PORTION OF SECTION 23, TOWNSHIP 2 SOUTH, RANGE 30 WEST, ESCAMBIA COUNTY, FLORIDA, AND CONTAINING 1.47 ACRES, MORE OR LESS.

**SITE INFORMATION:**

PROPERTY ZONING: PC-1  
 FUTURE LAND USE:  
 PROPERTY REFERENCE No. S: 00-05-00-9010-001-035  
 PROPERTY AREA: 1.474± ACRES  
 FLOOD MAP: ZONE "X" MAP 12033003906, DATE 09-29-06  
 REQUIRED BUILDING SETBACKS C-2: FRONT YARD - 0 FT. SIDE YARD - 5 FT. REAR YARD - 15 FT.  
 DENSITY: 16.28 UNITS PER ACRE  
 MAX. BUILDING HEIGHT: 48 FT.  
 No. OF PROPOSED LOTS: 24

**UTILITY SERVICE NOTES:**

POTABLE WATER: AFTER RECEIVING ALL APPROVALS FROM ECUA AND THE CITY OF PENSACOLA, THE DEVELOPMENT WILL CONNECT TO ECUA'S EXISTING SYSTEM.  
 SANITARY SEWER: AFTER RECEIVING APPROVALS FROM ECUA AND THE CITY OF PENSACOLA, THE DEVELOPMENT WILL CONNECT TO ECUA'S EXISTING GRAVITY SYSTEM.  
 ELECTRIC, GAS, TELEPHONE, CABLE TELEVISION: THESE SERVICES WILL BE INSTALLED AND MAINTAINED BY THE ASSOCIATED UTILITY COMPANY.



POINT OF BEGINNING  
 POINT OF COMMENCEMENT  
 NORTHEAST CORNER  
 LOT 16, BLOCK 35

- LEGEND:**
- SET 4" x 4" CONCRETE PRM (No. 7916)
  - SET NAIL AND DISK PRM (No. 7916)
  - FOUND NAIL AND DISK (No. 3040)
  - FOUND NAIL AND DISK (No. 7179)
  - DENOTES LINE SHOWN NOT TO SCALE
  - DENOTES HISTORIC LOT NUMBER
  - C1 DENOTES CURVE IDENTIFICATION (SEE CURVE TABLE)
  - DIA DENOTES DIAMETER
  - N/A DENOTES NOT APPLICABLE
  - NR DENOTES NON-RADIAL
  - No. DENOTES NUMBER
  - PRM DENOTES PERMANENT REFERENCE MONUMENT
  - P.R.C. DENOTES POINT OF REVERSE CURVATURE
  - P.T. DENOTES POINT OF TANGENCY
  - R/W DENOTES RIGHT-OF-WAY
  - (TYP) DENOTES TYPICAL
  - U.S. DENOTES UNITED STATES HIGHWAY

**DEDICATION:**

KNOW ALL MEN BY THESE PRESENT THAT CHARLES S. LIBERIS, AUTHORIZED AGENT, OLDE CITY DEVELOPERS, LLC, OWNERS OF THE LAND HEREIN DESCRIBED AND PLATTED HEREIN KNOWN AS COVINGTON PLACE, HEREBY DEDICATE THE ACCESS AND UTILITY EASEMENTS TO THE DEVELOPER OR THEIR ASSIGNS, AND AUTHORIZE AND REQUEST THE FILING OF THIS PLAT IN THE PUBLIC RECORDS OF ESCAMBIA COUNTY, FLORIDA.

IN WITNESS WHEREOF, CHARLES S. LIBERIS, AUTHORIZED AGENT, OLDE CITY DEVELOPERS, LLC, A FLORIDA LIMITED LIABILITY COMPANY, QUALIFIED TO DO BUSINESS IN THE STATE OF FLORIDA HAS CAUSED THESE PRESENTS TO BE MADE AND SIGNED IN ITS NAME BY ITS AUTHORIZED AGENT.

WITNESSES  
 OWNER  
 SIGNATURE: CHARLES S. LIBERIS  
 AUTHORIZED AGENT  
 OLDE CITY DEVELOPERS, LLC.  
 PRINT  
 SIGNATURE  
 PRINT

**NOTARY PUBLIC:**

BEFORE THE SUBSCRIBER PERSONALLY APPEARED CHARLES S. LIBERIS, KNOWN TO ME TO BE THE INDIVIDUAL DESCRIBED IN AND WHO EXECUTED THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT SHE EXECUTED THE SAME FOR USES AND PURPOSES HEREIN SET FORTH, AND WHO IS PERSONALLY KNOWN TO ME OR WHO HAS PRODUCED \_\_\_\_\_ AS IDENTIFICATION, GIVEN UNDER MY HAND AND OFFICIAL SEAL THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2018.

SIGNATURE  
 PRINT NAME  
 COMMISSION NO.  
 MY COMMISSION EXPIRES: \_\_\_\_\_  
 NOTARY PUBLIC, STATE OF FLORIDA

**CERTIFICATE OF COUNTY CLERK:**

I, PAM CHILDERS, CLERK OF COURTS OF ESCAMBIA COUNTY, FLORIDA HEREBY CERTIFY THAT THIS PLAT COMPLIES WITH ALL THE REQUIREMENTS OF THE PLAT ACT CHAPTER 177 FLORIDA STATUTES AND THE SAME WAS RECORDED ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2018 IN PLAT BOOK \_\_\_\_\_ AT PAGE \_\_\_\_\_ OF THE PUBLIC RECORDS OF SAID COUNTY.

PAM CHILDERS, CLERK OF COURTS  
 ESCAMBIA COUNTY, FLORIDA

**CITY COUNCIL CERTIFICATE:**

I, ERICKA L. BURNETT, CITY CLERK OF THE CITY OF PENSACOLA, FLORIDA, HEREBY CERTIFY THAT THIS PLAT WAS PRESENTED TO THE CITY COUNCIL OF SAID CITY AT ITS MEETING HELD ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2018, AND WAS APPROVED BY SAID COUNCIL.

ERICKA L. BURNETT  
 CITY CLERK OF THE CITY OF PENSACOLA

**CITY OF PENSACOLA PROFESSIONAL SURVEYOR AND MAPPER STATEMENT:**

THIS PLAT HAS BEEN REVIEWED FOR CONFORMITY TO CHAPTER 177, FLORIDA STATUTES, BY THE UNDERSIGNED PROFESSIONAL SURVEYOR AND MAPPER FOR THE CITY OF PENSACOLA.

DAVID D. GLAZE  
 PROFESSIONAL SURVEYOR & MAPPER  
 LICENSE NO. 5605

NOT VALID WITHOUT THE  
 SIGNATURE AND THE  
 ORIGINAL RAISED SEAL  
 OF A FLORIDA LICENSED  
 SURVEYOR AND MAPPER

**SURVEYOR'S CERTIFICATE:**

THE UNDERSIGNED HEREBY CERTIFIES THAT THIS PLAT IS A TRUE AND CORRECT REPRESENTATION OF THE LAND DESCRIBED HEREIN, THAT SAID LAND HAS BEEN SUBDIVIDED AS INDICATED, THAT PERMANENT REFERENCE MONUMENTS (P.R.M.) HAVE BEEN PLACED AS INDICATED, THAT THE SURVEY WAS MADE UNDER MY RESPONSIBLE DIRECTION AND SUPERVISION AND THAT THE SURVEY DATA COMPLIES WITH ALL REQUIREMENTS OF THE PLAT ACT CHAPTER 177.011-177.151 FLORIDA STATUTES, AND THE STANDARDS OF PRACTICE AS SET FORTH BY THE FLORIDA BOARD OF PROFESSIONAL LAND SURVEYORS IN CHAPTER 61617-6, FLORIDA ADMINISTRATION CODE, SIGNED ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2018.

MARK NORRIS, PSM  
 PROFESSIONAL SURVEYOR & MAPPER  
 LICENSE NO. 6211, LB 7916  
 REBOL-BATTLE & ASSOCIATES, LLC.  
 2301 N 9TH AVENUE, SUITE 300  
 PENSACOLA, FL 32503

NOT VALID WITHOUT THE  
 SIGNATURE AND THE  
 ORIGINAL RAISED SEAL  
 OF A FLORIDA LICENSED  
 SURVEYOR AND MAPPER

DECLARATION OF RESTRICTIVE COVENANTS,  
 OFFICIAL RECORDS BOOK: \_\_\_\_\_, PAGE(S): \_\_\_\_\_  
 PLAT BOOK: \_\_\_\_\_, PAGE: \_\_\_\_\_

PREPARED BY



**REBOL-BATTLE & ASSOCIATES**  
Civil Engineers and Surveyors

2301 N. Ninth Avenue, Suite 300  
Pensacola, Florida 32503  
Telephone 850.436.0400  
Fax 850.436.0448  
EB 00009657 LB7916

**OWNER AND DEVELOPER**

SEGEN VENTURES LLC  
720 OAK CIRCLE DRIVE  
MOBILE, ALABAMA 36609

**CIVIL ENGINEER**

JEREMY R KING, P.E.

**PROFESSIONAL SURVEYOR AND MAPPER**

MARK A. NORRIS, P.S.M.

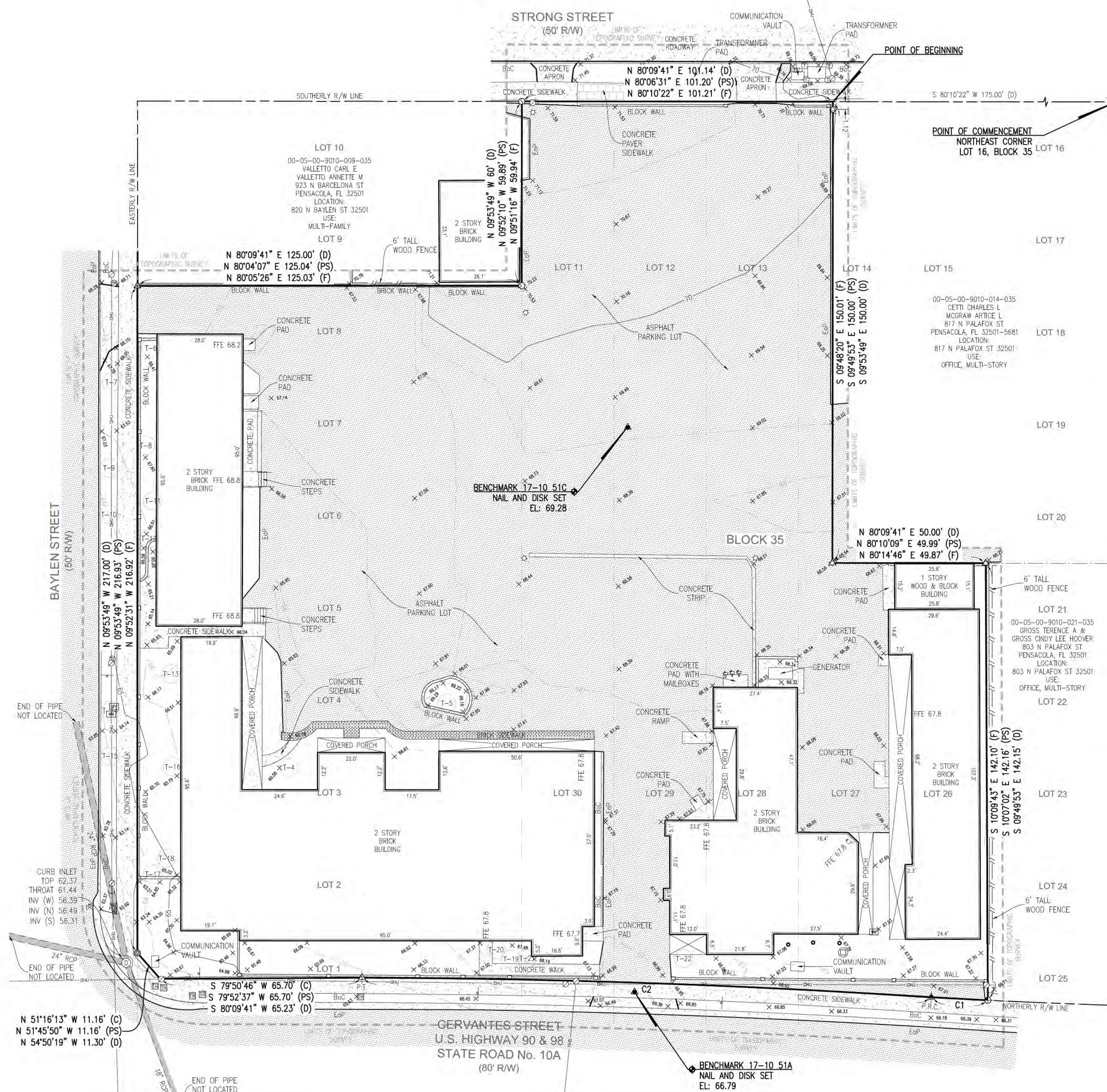
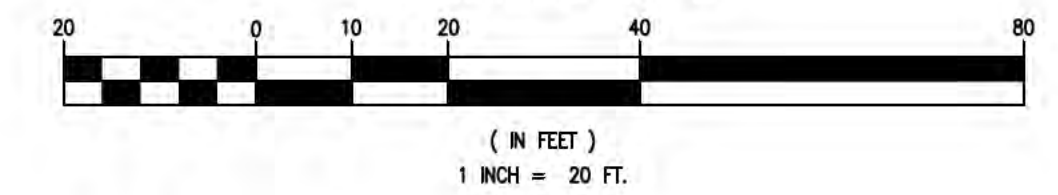
# PRELIMINARY PLAT OF COVINGTON PLACE

A RESIDENTIAL SUBDIVISION BEING

A RE-SUBDIVISION OF A PORTION OF LOTS 1, 14, 26, 27, 28, 29 & 30 AND ALL OF LOTS 2, 3, 4, 5, 6, 7, 8, 11, 12 & 13, BLOCK 35, OF THE BELMONT TRACT, CITY OF PENSACOLA, ACCORDING TO THE MAP OF SAID CITY COPYRIGHTED BY THOMAS C. WATSON IN 1906, A PORTION OF SECTION 42 & 43, TOWNSHIP 2 SOUTH, RANGE 30 WEST CITY OF PENSACOLA, ESCAMBIA COUNTY, FLORIDA  
NOVEMBER, 2017



HORIZONTAL SCALE



CURVE TABLE					
CURVE #	RADIUS	LENGTH	DELTA ANGLE	CHORD	CHORD BEARING
C1(F)	2824.93'	18.46'	0°22'28"	18.46'	S 83°03'40" W
C1(PS)	2824.93'	18.48'	0°22'29"	18.48'	S 83°14'29" W
C1(D)	2824.93'	18.58'	0°22'37"	18.58'	S 83°36'14" W
C2(F)	2904.93'	185.29'	3°39'16"	185.26'	S 82°05'46" W
C2(PS)	2904.93'	185.17'	3°39'08"	185.14'	S 82°02'39" W
C2(D)	2904.93'	184.09'	3°37'51"	184.06'	S 81°58'37" W

TREE CHART	
TREE #	TYPE & SIZE
T-1	PALM 18 DIA
T-2	PALM 14 DIA
T-3	PALM 16 DIA
T-4	LAUREL OAK 12 DIA
T-5	LIVE OAK 57 DIA
T-6	PALM 15 DIA
T-7	CREPE MYRTLE
T-8	PALM 12 DIA
T-9	TULIP TREE 12 DIA
T-10	CREPE MYRTLE
T-11	PALM 20 DIA

TREE CHART	
TREE #	TYPE & SIZE
T-12	PALM 14 DIA
T-13	PALM 14 DIA
T-14	CREPE MYRTLE
T-15	CREPE MYRTLE
T-16	PALM 18 DIA
T-17	PALM 16 DIA
T-18	PALM 14 DIA
T-19	PALM 20 DIA
T-20	PALM 18 DIA
T-21	PALM 16 DIA
T-22	PALM 20 DIA

- LEGEND:**
- FOUND 1/2" DIA CAPPED IRON ROD (No. 7073)
  - ⊙ FOUND 1/2" DIA CAPPED IRON ROD (No. 4655)
  - ⊙ FOUND 1/2" DIA RED CAPPED IRON ROD (No. 0340)
  - ⊙ FOUND 1/2" DIA CAPPED IRON ROD (ILLEGIBLE)
  - ⊙ FOUND 1/2" DIA IRON PIPE (CRIMPED TOP)
  - ⊙ SET NAIL AND DISK (No. 7916)
  - ⊙ FOUND PK NAIL (UNNUMBERED)
  - ⊙ FOUND NAIL (UNNUMBERED)
  - ⊙ FOUND NAIL AND DISK (No. 0340)
  - ⊙ FOUND NAIL AND DISK (No. 7179)
  - ⊙ DENOTES SET BENCHMARK
  - ⊙ DENOTES LINE SHOWN NOT TO SCALE
  - ⊙ DENOTES WOOD UTILITY POLE
  - ⊙ DENOTES SINGLE SUPPORT SIGN
  - ⊙ DENOTES WOOD PANEL FENCE
  - ⊙ DENOTES OVERHEAD UTILITIES
  - ⊙ DENOTES SURVEY LIMITS
  - ⊙ DENOTES STORMWATER MANHOLE
  - ⊙ DENOTES WATER METER
  - ⊙ DENOTES WATER VALVE
  - ⊙ DENOTES FIRE HYDRANT
  - ⊙ DENOTES BACK FLOW PREVENTER
  - ⊙ DENOTES CLEANOUT
  - ⊙ DENOTES FIBER OPTIC CABLE MARKER
  - ⊙ DENOTES GUY WIRE ANCHOR
  - ⊙ DENOTES TELEPHONE PEDESTAL
  - ⊙ DENOTES TELEPHONE VAULT
  - ⊙ DENOTES BOLLARD
  - ⊙ DENOTES MAILBOX
  - ⊙ DENOTES TRAFFIC CONTROL BOX
  - ⊙ DENOTES PEDESTRIAN CROSSING SIGNAL
  - ⊙ DENOTES METAL LIGHT POLE
  - ⊙ DENOTES TREE (SIZE AND TYPE NOTED)
  - ⊙ DENOTES SPOT ELEVATION
  - ⊙ DENOTES ELEVATION CONTOUR LINE AT ONE FOOT INTERVALS
  - ⊙ DENOTES BACK OF CURB
  - ⊙ DENOTES BENCHMARK
  - ⊙ DENOTES CALCULATED PER DEED
  - ⊙ DENOTES CURVE IDENTIFICATION (SEE CURVE TABLE)
  - ⊙ DENOTES DEED INFORMATION
  - ⊙ DENOTES DIAMETER
  - ⊙ DENOTES EDGE OF PAVEMENT
  - ⊙ DENOTES ELEVATION
  - ⊙ DENOTES FIELD INFORMATION
  - ⊙ DENOTES FINISHED FLOOR ELEVATION
  - ⊙ DENOTES FEDERAL EMERGENCY MANAGEMENT AGENCY
  - ⊙ DENOTES INVERT
  - ⊙ DENOTES NOT APPLICABLE
  - ⊙ DENOTES WATER METER
  - ⊙ DENOTES NORTH AMERICAN VERTICAL DATUM 1988
  - ⊙ DENOTES NUMBER
  - ⊙ DENOTES OFFICIAL RECORD BOOK
  - ⊙ DENOTES PREVIOUS SURVEY INFORMATION
  - ⊙ DENOTES PLAT BOOK
  - ⊙ DENOTES PAGE
  - ⊙ DENOTES POINT OF REVERSE CURVATURE
  - ⊙ DENOTES POINT OF TANGENCY
  - ⊙ DENOTES REINFORCED CONCRETE PIPE
  - ⊙ DENOTES RIGHT-OF-WAY
  - ⊙ DENOTES TREE IDENTIFICATION (SEE TREE TABLE)
  - ⊙ DENOTES UNITED STATES HIGHWAY



## MINUTES OF THE PLANNING BOARD

February 13, 2018

**MEMBERS PRESENT:** Chairman Paul Ritz, Danny Grundhoefer, Nina Campbell, Jared Moore, Kurt Larson

**MEMBERS ABSENT:** Nathan Monk, Kyle Owens

**STAFF PRESENT:** Brandi Deese, Assistant Planning Services Administrator, Leslie Statler, Planner Don Kraher, Council Executive, Victoria D'Angelo, CRA Assistant Administrator

**OTHERS PRESENT:** Cinthia D. Lee Carter, Raymond P. Hudkins, Mary Collins, Sean Hickey, Ray Carter, Lisa Stack, Katrina Steene

### AGENDA:

- Quorum/Call to Order
- Approval of Meeting Minutes from January 9, 2018
- New Business:
  1. Request for Final Plat Approval for Covington Place Subdivision
  2. Request for Vacation of Right-of-Way – 1000 Block of E. LaRua Street
  3. Request for Approval of License to Use Right-of-Way – 201 S. Baylen Street
  4. Consider Amendment to LDC Section 12-2-82 Design Standards & Guidelines & 12-14-1 Definitions
- Open Forum
- Adjournment

### Call to Order / Quorum Present

Chairman Ritz called the meeting to order at 2:03 pm with a quorum present.

### Approval of Meeting Minutes

Mr. Moore made a motion to approve the January 9, 2018 minutes, seconded by Ms. Campbell, and it carried unanimously.

### New Business

#### Request for Final Plat Approval for Covington Place Subdivision

Rebol-Battle & Associates has submitted a request for Final Plat approval for Covington Place Subdivision located at 15 W. Strong Street. Preliminary plat approval for this project was granted at the January 9, 2018 meeting.

The proposed Final Plat consists of 25 lots of varying widths which meet the requirements of the PC-1 zoning district. The proposed development meets the setback requirements for the zoning district with the exception of the rear yard setback for the lots along Baylen Street. However, on September 21, 2017, the Architectural Review Board granted a variance of 15 feet to reduce the minimum required rear yard from 15 feet to 0.0 feet to accommodate the internalized access for these lots. The minimum parking requirement has been met.

The one modification since the Preliminary Plat is that the unnamed private access made addressing the units problematic. The applicant has named the private access as Covington Place East and West, and the City will address all the internal units as Covington Place East and West as well. An updated Final Plat was made available during the Planning Board meeting with this modification being made. The Final Plat has been routed through the various City departments and utility providers. The comments received to date were also provided.

Chairman Ritz was pleased with the internal access and the welcomed addition to a prominent corner of Pensacola. Mr. Rebol presented to the Board and advised they were working with ECUA on the utility routes. Ms. Campbell stated the project looked nice, and they had been responsive to the comments. Mr. Rebol clarified that there was one egress onto Cervantes, with the traffic entering on Strong Street. Mr. Grundhoefer asked if variances were obtained for all lots, and Ms. Deese confirmed variances were given for the lots on Baylen Street based on the orientation.

**Mr. Moore made a motion to approve, seconded by Ms. Campbell, and it carried unanimously.**

#### **Request for Vacation of Right-of-Way – 1000 Block of E. LaRua Street**

Chandler Prospecting, LLC is requesting approval for the vacation of a 10 foot portion of the 1000 Block of E. LaRua Street. The applicant has indicated the reason for the request is to attain the highest and best use of the property and to preserve and increase the property values in this area of East Hill. If granted, the additional 10 feet will allow the applicant to construct 3 single family detached structures instead of 1 single family detached structure and 2 attached structures. The applicant has indicated the surrounding neighbors desire to see the property developed as single family detached and thus support this request.

This request has been routed through the various City departments and utility providers and those comments were provided. The utility providers were comfortable with the easement language in place with the standard ordinance.

Ms. Chandler addressed the Board and advised she had tried to speak to all of the adjoining and adjacent neighbors to make sure they were all on the same page. Chairman Ritz indicated the Board had granted vacations in the past, but they did not take that decision lightly since it gave what was currently property which belongs to the citizens of the city as a whole to an individual. He stated sometimes it was property which was slated for future development or road widenings; this right of way would not be the case for future expansion or improvement. He would support it if it offered the chance to increase density and bring more life into the neighborhood. As for the highest and best use, it would become taxed property. Mr. Grundhoefer asked the width of the right of way, and Ms. Chandler advised it was 70' with the road being centered in the right of way. Mr. Grundhoefer indicated they would be taking 10' of the 23'. Ms. Chandler indicated the lot was 1250 sq. ft. shy of being able to construct single family density detached structures. She advised the corner lot would have 50' of frontage, with the other two having approximately 44'. The lots would face 11<sup>th</sup> to allow the view of the bay from the second floor. She emphasized they needed 15,000 sq. ft. for three detached homes, and the aesthetic in this part of town was very important.

Mr. Grundhoefer asked about front-facing garages, and Ms. Chandler advised with the larger lots, she would have the ability to have automobiles in the rear, and if they were front-facing, they would be built with carriage doors. She also indicated she intended to construct sidewalks. Mr. Larson asked if they had considered two houses instead of three. Ms. Chandler advised when she bought the property, the best case scenario was the highest use of the property, holding the aesthetic of the neighborhood and keeping her reputation in tact when the transaction was completed. Chairman Ritz pointed out if the vacation was not granted, there would still be three residences on the property, with two in one single building. Ms. Chandler advised if the property were not divided into three parcels, she would not make her return on investment. She also stated they were selling to clients who did not prefer a large yard but wanted the downtown lifestyle. Dividing into two parcels would place the price out of the demographic she was selling to especially with the finishes going into them. Chairman Ritz stated he had confidence that the end

product would be as Ms. Chandler described. **Mr. Grundhoefer made a motion to approve, seconded by Ms. Campbell. The motion carried 4 to 1 with Mr. Larson dissenting.** Ms. Deese pointed out the recommendation would go before City Council for final approval.

**Request for Approval of License to Use Right-of-Way – 201 S. Baylen Street**

**(This request was withdrawn. Ms. Deese indicated that the grease interceptor would now be located on the private parcel, which was the driving force behind the need for the License to Use. With the balconies being overhanging, the Building Official has indicated he would issue an Administrative License to Use, resulting in this request being withdrawn.)**

**Consider Amendment to LDC Section 12-2-82 Design Standards & Guidelines & 12-14-1 Definitions**

The City's Land Development Code has Design Standards and Guidelines that are applicable to all properties within the City of Pensacola. Land Development Code Section 12-2-82 outlines these requirements and includes the requirement for building façade finishes that limits the percentage of metal. Although it was not the intent of the code at the time the language was added, the code language creates opportunity for Quonset hut style buildings to be permitted. The proposed amendment simplifies the code language and eliminates that opportunity as well as adds the definition of a wall to Land Development Code Section 12-14-1 Definitions. Ms. Deese explained the definition for walls was derived from the Florida Building Code.

Chairman Ritz pointed out the Quonset hut style had its position in history, but they did not need to be repeated since the current needs were not the same. Mr. Grundhoefer pointed out the language appeared to restrict metal buildings (metal skin and metal roof). Ms. Deese advised the language had been there to protect metal buildings. The drafted language was an effort between Planning Services and Building Inspections, and explained this definition of curtain wall was rewritten to eliminate the loophole.

**Mr. Larson made a motion to approve, seconded by Mr. Moore, and it carried unanimously.**

**Open Forum** – Ms. D'Angelo of the CRA explained the four-day charrette for an urban design guideline project for each of the redevelopment areas, which excluded special review districts. She reminded the Board of the combined workshop for February 14 for the Board and CRA to meet together for a debriefing and also provided informational materials to the Board. Chairman Ritz advised he planned to attend and advised the Board to maintain the Sunshine position. Ms. D'Angelo explained it had been advertised as an open meeting, so the Board would be able to meet together for discussion. She also indicated there would be another meeting March 19 at 2:00 pm where the Board would receive a draft of the guideline.

**Adjournment** – With no further business, Chairman Ritz adjourned the meeting at 2:40 pm.

Respectfully Submitted,



Brandi C. Deese  
Secretary to the Board

PLANNING/CITY OF PEN/LEGAL AD  
180 W GOVERNMENT ST

PENSACOLA FL 32502

Published Daily-Pensacola, Escambia County, FL

**PROOF OF PUBLICATION**

State of Florida

County of Escambia:

Before the undersigned authority personally appeared **Brittini L Pennington**, who on oath says that he or she is a Legal Advertising Representative of the **Pensacola News Journal**, a daily newspaper published in Escambia County, Florida that the attached copy of advertisement, being a Legal Ad in the matter of

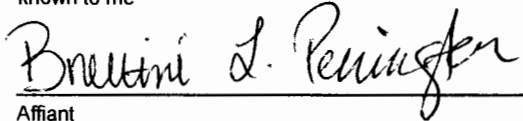
**NOTICE OF QUASI JUDICIAL**


as published in said newspaper in the issue(s) of:

**02/26/18**

Affiant further says that the said **Pensacola News Journal** is a newspaper in said Escambia County, Florida and that the said newspaper has heretofore been continuously published in said Escambia County, Florida, and has been entered as second class matter at the Post Office in said Escambia County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or she has neither paid nor promised any person, firm or coporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Sworn to and Subscribed before me this 26th of February 2018, by Brittini L Pennington who is personally known to me

  
\_\_\_\_\_  
Affiant

  
\_\_\_\_\_  
Michele M. Potter  
Notary Public for the State of Florida  
My Commission expires June 30, 2018

NOTICE OF QUASI JUDICIAL HEARING AND PUBLIC HEARINGS

On **Thursday, March 8, 2018** at 5:30 p.m. in the Council Chambers of City Hall, 222 West Main Street, the Pensacola City Council will conduct quasi-judicial hearings and public hearings to consider the following:

- QUASI JUDICIAL HEARING – Final Subdivision Plat – Covington Place
- PUBLIC HEARING – Request to Vacate Right of Way – 1000 Block East LaRue Street.
- PUBLIC HEARING – Proposed Amendment to the Land Development Code – Building Façade Finish – Sections 12-2-82 and 12-14-1.

You are not required to respond or take any action regarding this notice, but if you wish to speak before the City Council on this subject, you are invited to be present at the scheduled hearing.

If any person decides to appeal any decision made with respect to any matter considered at this meeting, such person will need a record of the proceedings, and that for such purpose, he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

For additional information on this matter, please call Planning Services at (850) 435-1670.

By direction of the City Council,  
Ericka L. Burnett  
City Clerk

Legal No. 2752742 1T February 26, 2018



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 18-00001

City Council

3/8/2018

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### LEGISLATIVE ACTION ITEM

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

AWARD OF BID #17-041 PIPE REHABILITATION PROJECT FOR "A" STREET FROM MAIN STREET TO GOVERNMENT STREET

**RECOMMENDATION:**

That City Council award Bid #17-041 Pipe Rehabilitation Project for "A" Street from Main Street to Government Street to Lanzo Trenchless Technologies South, of Deerfield, Florida, the lowest and most responsible bidder with a base bid of \$903,157.00, plus 10% contingency of \$90,315.70 for a total amount of \$993,472.70. Further, that City Council authorize the Mayor to execute the contract and take all action necessary to complete the project.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

The scope of this project involves the rehabilitation of approximately 1400 linear feet of dual 60" diameter stormwater conveyance pipes in parallel beneath "A" Street between Main Street and Government Street. The existing pipes are exhibiting instances of disrepair in this two blocks of roadway, causing significant roadbed depressions and ongoing potholing of the roadway surface. These existing conditions pose a safety hazard for vehicular traffic and the project will employ the latest technology to implement a permanent liner placed inside the existing pipes to prevent further degradation and leaking beneath the roadway. This type of process is industry standard for this type of application and will significantly extend the useful life of the existing pipes. It is also cost-effective in comparison to totally replacing the pipes.

**PRIOR ACTION:**

None

**FUNDING:**

Budget:	\$ 1,026,503.00	Stormwater Capital Projects Fund
Actual:	\$ 903,157.00	Construction Contract

90,315.70	10% Contingency
3,873.30	Engineering Design/Permitting
18,000.00	Engineering Management/Inspection (Estimate)
<u>3,000.00</u>	Construction Testing/Misc. (Estimate)
<u>\$ 1,018,346.00</u>	TOTAL

**FINANCIAL IMPACT:**

The total budget for this project is \$1,026,503.00 and is funded within the Stormwater Capital Projects Fund. To date, \$3,373.81 has been expended for completed items related to Engineering Design and Field Studies leaving a balance of \$1,023,129.19. The remaining budget balance is sufficient to cover the items that have yet to be completed/expended.

**CITY ATTORNEY REVIEW:** Yes

2/14/2018

**STAFF CONTACT:**

Eric W. Olson, City Administrator

L. Derrik Owens, Director of Public Works and Facilities/City Engineer

**ATTACHMENTS:**

- 1) Bid Tabulation, Bid No. 17-041
- 2) Final Vendor Reference List, Bid No. 17-041
- 3) Map, Pipe Rehabilitation Project for A Street from Main Street to Government Street

**PRESENTATION:** No

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TABULATION OF BIDS

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BID NO: 17-041

TITLE: PIPE REHABILITATION PROJECT FOR "A" STREET FROM MAIN STREET TO GOVERNMENT STREET  
AND GIMBLE STREET FROM "B" STREET TO "A" STREET DITCH

OPENING DATE: September 28, 2017	BIG SKY	LANZO	VACVISION
OPENING TIME: 2:30 P.M.	UNDERGROUND,	TRENCHLESS	ENVIRONMENTAL,
	LLC	TECHNOLOGIES SOUTH	LLC.
DEPARTMENT: Engineering	Pensacola, FL	Deerfield Beach, FL	Tampa, FL

Base Bid	\$896,192.00	\$903,157.00	\$1,287,200.00
Alternate 1	\$241,401.65	\$260,243.00	\$287,250.00
Total of Base Bid and Alternate	<i>Non-responsive</i>	\$1,163,400.00	\$1,574,450.00
Attended Prebid	Yes	Yes	Yes

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**FINAL VENDOR REFERENCE LIST**  
**PIPE REHABILITATION PROJECT FOR "A" STREET FROM MAIN STREET TO GOVERNMENT STREET**  
**AND GIMBLE STREET FROM "B" STREET TO "A" STREET DITCH**  
**ENGINEERING**

Vendor	Name	Address	City	St	Zip Code	SMWBE
063996	3 KINGS MASONRY LLC	3303 WEST GONZALEZ STREET	PENSACOLA	FL	32505	Y
004632	A E NEW JR INC	460 VAN PELT LANE	PENSACOLA	FL	32505	N
049096	A PERFECT MIX	P O BOX 91	CANTONMENT	FL	32533	N
067544	AFFORDABLE CONCRETE & CONSTRUCTION LLC	4089 E JOHNSON AVE	PENSACOLA	FL	32515	Y
046667	ALFRED BURGDORF LLC DBA A&B DOZING LLC	2172 W NINE MILE RD PMB 158	PENSACOLA	FL	32534	N
044957	ALL SEASONS CONSTRUCTION LLC	6161 BLUE ANGEL PARKWAY	PENSACOLA	FL	32526	N
068495	ANDALA ENTERPRISES INC	641 BAYOU BOULEVARD	PENSACOLA	FL	32503	N
030832	AUTREY TILE COMPANY	2753 HOLLYWOOD AVE	PENSACOLA	FL	32505	Y
068571	B&W UTILITIES INC	1610 SUCCESS DRIVE	CANTONMENT	FL	32533	N
051095	BAIRD, JACQUELINE SUZANNE DBA SOUTHERN BOTANICALS	1111 EAST HERNANDEZ STREET	PENSACOLA	FL	32503	N
069786	BEAR GENERAL CONTRACTORS LLC	2803 E CERVANTES ST STE C	PENSACOLA	FL	32503	N
036997	BELLVIEW SITE CONTRACTORS INC	3300 GODWIN LANE	PENSACOLA	FL	32526	Y
032537	BEULAH EXCAVATING CO	6640 FRANK REEDER ROAD	PENSACOLA	FL	32526	N
050729	BEVERWYCK SOUTH INC DBA PAUL DAVIS RESTORATION OF P'COLA-FWB	101 E BRAINERD ST STE A	PENSACOLA	FL	32501	N
070400	BIG SKY UNDERGROUND LLC	2172 W NINE MILE ROAD	PENSACOLA	FL	32534	N
057455	BILL FERGUSON ENTERPRISES INC	2201 VALLEY ESCONDIDO DRIVE	PENSACOLA	FL	32526	N
053457	BIRKSHIRE JOHNSTONE LLC	11 CLARINDA LANE	PENSACOLA	FL	32505	Y
065013	BKW INC	5615 DUVAL STREET	PENSACOLA	FL	32503	Y
029184	BLARICOM, KIRK VAN DBA KIRK CONSTRUCTION COMPANY	619 GREEN HILLS ROAD	CANTONMENT	FL	32533	Y
070527	BLOWERS, BENJAMIN DBA INNOVIS USA LLC	5540 LEESWAY BLVD	PENSACOLA	FL	32504	N
067318	BLUE WATER CONSTRUCTION & LANDSCAPING INC	8863 N EIGHT MILE CREEK ROAD	PENSACOLA	FL	32534	Y
065158	BOSS LADY CONCRETE CONSTRUCTION LLC	5801 CLEARWATER AVENUE	PENSACOLA	FL	32505	Y
068970	BR BONNER'S HAULING INC	10231 WALBRIDGE STREET	PENSACOLA	FL	32514	N
022856	BROWN CONSTRUCTION OF NW FL INC	10200 COVE AVE	PENSACOLA	FL	32534	Y
041503	BROWN, AMOS P JR DBA P BROWN BUILDERS LLC	4231 CHERRY LAUREL DRIVE	PENSACOLA	FL	32504	Y
043867	CHASTAIN, MARK DBA HYPERION CONSTRUCTION LLC	226 S PALAFOX PL STE 401B-C	PENSACOLA	FL	32502	N
042045	CHAVERS CONSTRUCTION INC	1795 WEST DETROIT BLVD	PENSACOLA	FL	32534	Y
049653	CHRISTOPHER C BARGAINEER CONCRETE CONSTRUCTION INC	6550 BUD JOHNSON ROAD	PENSACOLA	FL	32505	Y
057454	COASTAL PILE DRIVING INC	2201 VALLEY ESCONDIDO DRIVE	PENSACOLA	FL	32526	N
045454	COASTLINE STRIPING INC	8840 FOWLER AVENUE	PENSACOLA	FL	32534	N
071766	CONSTRUCTION MANAGEMENT ADVISORS LLC	4547 LASSASSIER	PENSACOLA	FL	32504	N
043794	CRAFTSMAN CONCRETE CONTRACTORS	55 SOUTH B STREET	PENSACOLA	FL	32502	N
036146	CRONIN CONSTRUCTION INC	99 S ALCANIZ ST SUITE A	PENSACOLA	FL	32502	Y
070475	CRUZ, SHAWN C DBA COASTAL PROPERTY PREPARATION LLC	5700 ALMAX COURT	PENSACOLA	FL	32506	N
033554	D K E MARINE SERVICES	P O BOX 2395	PENSACOLA	FL	32513	Y
070603	D+B BUILDERS	670 MOLINO ROAD	MOLINO	FL	32577	N
065871	ECSC LLC	8400 LITL JOHN JUNCTION	NAVARRE	FL	32566	Y
032038	EVANS CONTRACTING INC	400 NEAL ROAD	CANTONMENT	FL	32533	N
058842	EVERS COMMERCIAL SERVICES OF NORTHWEST FL LLC	1450 EVERS HAVEN	CANTONMENT	FL	32533	Y
068937	G SMITH'S LAND MANAGEMENT	11809 CHANTICLEER DRIVE	PENSACOLA	FL	32507	Y
032792	GATOR BORING & TRENCHING INC	1800 BLACKBIRD LANE	PENSACOLA	FL	32534	Y
050495	GB GREEN CONSTRUCTION MANAGEMENT & CONSULTING INC	303 MAN'O'WAR CIRCLE	CANTONMENT	FL	32533	Y
053862	GFD CONSTRUCTION INC	8771 ASHLAND AVE	PENSACOLA	FL	32514	N
043447	GM CONCRETE LLC	8557 UNTREINER AVE	PENSACOLA	FL	32534	Y
063457	GSI CONSTRUCTION CORP INC	2993 WALLACE LAKE ROAD	PACE	FL	32571	Y
055519	GULF ASPHALT CORPORATION	196 EAST NINE MILE ROAD	CANTONMENT	FL	32533	N



Opening Date: 09/28/17

Bid No.: 17-041

**FINAL VENDOR REFERENCE LIST**  
**PIPE REHABILITATION PROJECT FOR "A" STREET FROM MAIN STREET TO GOVERNMENT STREET**  
**AND GIMBLE STREET FROM "B" STREET TO "A" STREET DITCH**  
**ENGINEERING**

Vendor	Name	Address	City	St	Zip Code	SMWBE
000591	GULF ATLANTIC CONSTRUCTORS INC	650 WEST OAKFIELD RD	PENSACOLA	FL	32503	Y
044100	GULF BEACH CONSTRUCTION	1308 UPLAND CREST COURT	GULF BREEZE	FL	32563	Y
034504	GULF COAST AFRICAN AMERICAN CHAMBER OF COMMERCE	PO BOX 17844	PENSACOLA	FL	32522	N
018636	GULF COAST BUILDING CONTRACTORS INC	1010 N 12TH AVE	PENSACOLA	FL	32501	Y
034436	GULF COAST ENVIRONMENTAL CONTRACTORS INC	1765 E NINE MILE RD ST 1, #110	PENSACOLA	FL	32514	Y
069565	GULF COAST INDUSTRIAL CONSTRUCTION LLC	12196 HWY 89	JAY	FL	32565	Y
017352	GULF COAST TRAFFIC ENGINEERS	8203 KIPLING STREET	PENSACOLA	FL	32514	N
036662	H H H CONSTRUCTION OF NWF INC	8190 BELLE PINES LANE	PENSACOLA	FL	32526	N
052928	HALE, MELLISSA R DBA M & W CONCRETE & CONSTRUCTION LLC	3402 N TARRAGONA STREET	PENSACOLA	FL	32507	N
070385	HANTO & CLARKE GENERAL CONTRACTORS LLC	1401 EAST BELMONT STREET	PENSACOLA	FL	32501	N
001597	HEATON BROTHERS CONSTRUCTION CO INC	5805 SAUFLEY FIELD ROAD	PENSACOLA	FL	32526	N
052866	HEWES & COMPANY LLC	390 SELINA ST	PENSACOLA	FL	32503	Y
053753	HILL, VALERIE BRYN DBA VB HILLS	6847 N 9TH AVE STE A#181	PENSACOLA	FL	32504	Y
049715	HOLLAND PUMP CO	2610 SIDNEY LANIER DR	BRUNSWICK	GA	31525	N
056716	HOWELL, KENNETH C, JR DBA KEN JR CONSTRUCTION LLC	1102 WEBSTER DRIVE	PENSACOLA	FL	32505	N
002923	HUEY'S WORKS	1206 N "W" STREET	PENSACOLA	FL	32505	Y
022978	INGRAM SIGNALIZATION INC	4522 N DAVIS HWY	PENSACOLA	FL	32503	Y
066849	IPR SOUTHEAST LLC	5207 BRER RABBIT RD	STONE MOUNTAIN	GA	30083	N
049240	J MILLER CONSTRUCTION INC	8900 WARING RD	PENSACOLA	FL	32534	Y
053163	J2 ENGINEERING INC	2101 WEST GARDEN STREET	PENSACOLA	FL	32502	N
051467	JAMES MALLORY CONTRACTOR INC	6756 CEDAR RIDGE CIRCLE	MILTON	FL	32570	Y
049290	JOHNSON COLEMAN DBA CJ MASONRY	3905 NORTH P STREET	PENSACOLA	FL	32505	N
034691	JOHNSON SEPTIC TANK	10050 SOUTH HWY 97-A	WALNUT HILL	FL	32568	Y
056853	JOHNSON, LAVELL D DBA LAVELL D JOHNSON CONCRETE INC	1208 RULE STREET	PENSACOLA	FL	32534	N
071564	JOSEPH BRIDGES DBA JOE'S LINE UP	222 EHRMANN ST	PENSACOLA	FL	32507	N
043857	KBI CONSTRUCTION CO INC	9214 WARING RD	PENSACOLA	FL	32534	N
051998	KIRKLAND, WILLIE JR DBA WILLIE KIRKLAND TRUCKING	2703 WEYLAND CIRCLE	PENSACOLA	FL	32526	Y
050649	L A SYPERT JOHNSTON JR DBA LA BUILDERS LLC	8520 MERGER RD	PENSACOLA	FL	32514	Y
070474	LANIER, EDDIE B DBA LANIER MASONRY LLC	1530 SIR HORNE DRIVE	PENSACOLA	FL	32505	Y
030443	LARRY GATES CONSTRUCTION	10081 BRISTOL PARK RD	CANTONMENT	FL	32533	N
068161	LEA, DOUGLAS C DBA L&L CONSTRUCTION SERVICES LLC	9655 SOUTH TRACE ROAD	MILTON	FL	32583	Y
058332	LEIDNER BUILDERS INC	409 N PACE BLVD	PENSACOLA	FL	32505	Y
058801	M & H CONSTRUCTION SERVICES INC	1161 W 9 1/2 MILE RD	PENSACOLA	FL	32534	Y
059406	MADRIL BUILDERS LLC	1965 STOUT ROAD	CANTONMENT	FL	32533	N
039951	MATTAIR CONSTRUCTION CO INC	57 S COYLE ST	PENSACOLA	FL	32502	Y
069799	MAVERICK DEMOLITION OF NW FLORIDA INC	2355 SUMMIT BLVD	PENSACOLA	FL	32503	N
052456	MEI LING DAVIS LLC	PO BOX 18155	PENSACOLA	FL	32523	N
058349	MOORE CEMENT FINISHING	6705 WHITE OAK DRIVE	PENSACOLA	FL	32503	Y
066334	MULTIMEDIA HOLDINGS CORP DBA PENSACOLA NEWS JOURNAL	2 NORTH PALAFOX ST	PENSACOLA	FL	32502	N
016210	NORD, STEVE DBA SEA HORSE GENERAL CONTRACTORS INC	4238 GULF BREEZE PKWY	GULF BREEZE	FL	32563	Y
052946	NORWOOD STUCCO INC	2991 SOUTH HIGHWAY 29	CANTONMENT	FL	32533	Y
059552	NOVA ENGINEERING & ENVIRONMENTAL LLC	3640 KENNESAW N INDSTR L PKWY E	KENNESAW	GA	30144	N
053448	PALMER, WILLIE F DBA WILLIE PALMER CONCRETE LLC	2334 TALL OAK DRIVE	CANTONMENT	FL	32533	N
002720	PANHANDLE GRADING & PAVING INC	P O BOX 3717	PENSACOLA	FL	32516	N
049009	PARRIS CONSTRUCTION CO LLC	10 EAST FAIRFIELD DRIVE STE C	PENSACOLA	FL	32503	Y
058953	PARSCO LLC	714 NORTH DEVILLIERS STREET	PENSACOLA	FL	32501	Y

**FINAL VENDOR REFERENCE LIST**  
**PIPE REHABILITATION PROJECT FOR "A" STREET FROM MAIN STREET TO GOVERNMENT STREET**  
**AND GIMBLE STREET FROM "B" STREET TO "A" STREET DITCH**  
**ENGINEERING**

Vendor	Name	Address	City	St	Zip Code	SMWBE
003956	PENSACOLA CONCRETE CONSTRUCTION CO INC	P O BOX 2787	PENSACOLA	FL	32513	N
060344	PENSACOLA BAY AREA CHAMBER OF COMMERCE DBA GREATER PENSACOLA CHAMBER	117 W GARDEN ST	PENSACOLA	FL	32502	N
055028	PERDIDO GRADING & PAVING	PO BOX 3333	PENSACOLA	FL	32516	Y
004675	PHOENIX COATINGS INC	900 INDUSTRIAL COURT	PENSACOLA	FL	32505	Y
064219	POE, JAMIN DBA P3 CONSTRUCTION & ENERGY SOLUTIONS LLC	321 N DEVILLIERS ST STE 208	PENSACOLA	FL	32501	N
041814	PRECISION CONCRETE CUTTING LLC	3950 SHOREWOOD DRIVE	PENSACOLA	FL	32507	N
066152	PRINCIPLE PROPERTIES INC	4371 MARILYN COURT	GULF BREEZE	FL	32563	Y
051133	PUGH, KEVIN D DBA KEVIN D PUGH SITE & DOZER WORKS LLC	5731 STEWART ROAD	WALNUT HILL	FL	32568	Y
045636	PURIFOY CONSTRUCTION LLC	1425 MUSCOGEE ROAD	CANTONMENT	FL	32533	Y
050307	QCFS MANAGEMENT GROUP INC	3326 NORTH W STREET	PENSACOLA	FL	32505	N
021834	R & L PRODUCTS INC	9492 PENSACOLA BLVD	PENSACOLA	FL	32534	N
018305	R D WARD CONSTRUCTION CO INC	15 EAST HERMAN STREET	PENSACOLA	FL	32505	N
049671	RADFORD & NIX CONSTRUCTION LLC	7014 PINE FOREST ROAD	PENSACOLA	FL	32526	Y
001681	RANDALL, HENRY DBA RANDALL CONSTRUCTION	1045 S FAIRFIELD DRIVE	PENSACOLA	FL	32506	N
071623	REYNOSO, VIRNA L DBA REYCO CONTRACTING SOLUTIONS LLC	99 S ALCANIZ STREET	PENSACOLA	FL	32502	N
031881	ROADS INC OF NWF	106 STONE BLVD	CANTONMENT	FL	32533	N
017634	ROBERSON EXCAVATION INC	6013 SOUTHRIDGE ROAD	MILTON	FL	32570	Y
067564	ROBERSON UNDERGROUND UTILITY LLC	6013 SOUTHRIDGE ROAD	MILTON	FL	32570	Y
056449	ROBERSON, ROBERT DBA R2R ENTERPRISES LLC	8290 SEDGEFIELD DRIVE	PENSACOLA	FL	32507	N
055499	ROCKWELL CORPORATION	3309 LINGER COURT	PENSACOLA	FL	32526	Y
057937	ROPER & ROPER GENERAL CONTRACTORS LLC	5042 SKYLARK COURT	PENSACOLA	FL	32505	N
046042	ROYALTY LLC DBA ROYALTY MANAGEMENT LLC	1765 E NINE MILE ROAD #1-104	PENSACOLA	FL	32514	Y
058753	SAILWIND CONSTRUCTION INC	7 GILMORE DRIVE	GULF BREEZE	FL	32561	Y
044550	SEA COAST & COMPANY	P O BOX 1422	GULF BREEZE	FL	32562	N
052761	SEASIDE GOLF DEVELOPMENT INC	312 N DAVIS HWY	PENSACOLA	FL	32501	N
025910	SHARPE INC	P O BOX 107	PENSACOLA	FL	32591	N
065450	SITE AND UTILITY LLC	PO BOX 30136	PENSACOLA	FL	32503	Y
059753	SITE WORX OF NORTHWEST FL LLC	1450 EVERS HAVEN	CANTONMENT	FL	32533	Y
024992	SNELLGROVE CONSTRUCTION INC	P O BOX 34340	PENSACOLA	FL	32507	N
068159	SOUTHERN DRILL SUPPLY INC	1822 BLACKBIRD LANE	PENSACOLA	FL	32534	N
011457	SOUTHERN UTILITY CO INC	P O BOX 2055	PENSACOLA	FL	32513	Y
054175	SUPERIOR WASTE & LANDCLEARING LLC	8804 SONNYBOY LANE	PENSACOLA	FL	32514	N
045261	SUPLICKI, DONALD F DBA GULF COAST CONCRETE SERVICES LLC	PO BOX 2926	PENSACOLA	FL	32513	N
057995	T&W BREAKING GROUND LLC	5748 PRINCETON DRIVE	PENSACOLA	FL	32526	N
028060	THE GREEN SIMMONS COMPANY INC	3407 NORTH W STREET	PENSACOLA	FL	32505	Y
037833	THE PENSACOLA VOICE	213 E YONGE ST	PENSACOLA	FL	32503	Y
053924	THOMPSON CONTRACTOR RESOURCES INC	196 E NINE MILE RD SUITE C	PENSACOLA	FL	32534	N
024977	TRAMMELL CONSTRUCTION CO INC	9425 WANDA DR	PENSACOLA	FL	32514	Y
051465	TROY TEMPLEMAN DBA GULF STATES ENTERPRISES INC	2140 JARROD DRIVE	CANTONMENT	FL	32533	N
069066	UNDERGROUND SOLUTIONS LLC	3070 GODWIN LN	PENSACOLA	FL	32526	Y
058764	URBAN INFILL CORPORATION	P O BOX 4387	PENSACOLA	FL	32507	N
002482	UTILITY SERVICE COMPANY INC	4326 GULF BREEZE PARKWAY	GULF BREEZE	FL	32563	N
039962	VDB VISION CONSULTANTS	140 REDBREAST LANE	PENSACOLA	FL	32503	N
027461	VISION CONSTRUCTION ENT INC	P O BOX 9604	PENSACOLA	FL	32513	Y
004751	W R JOHNSON INC	PO BOX 2250	PENSACOLA	FL	32513	N
047084	WADDELL HOMES INC	5876 NORTH BLUE ANGEL PARKWAY	PENSACOLA	FL	32526	N

Opening Date: 09/28/17

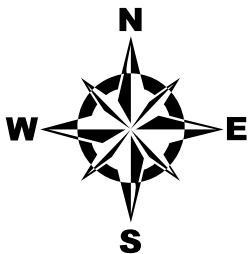
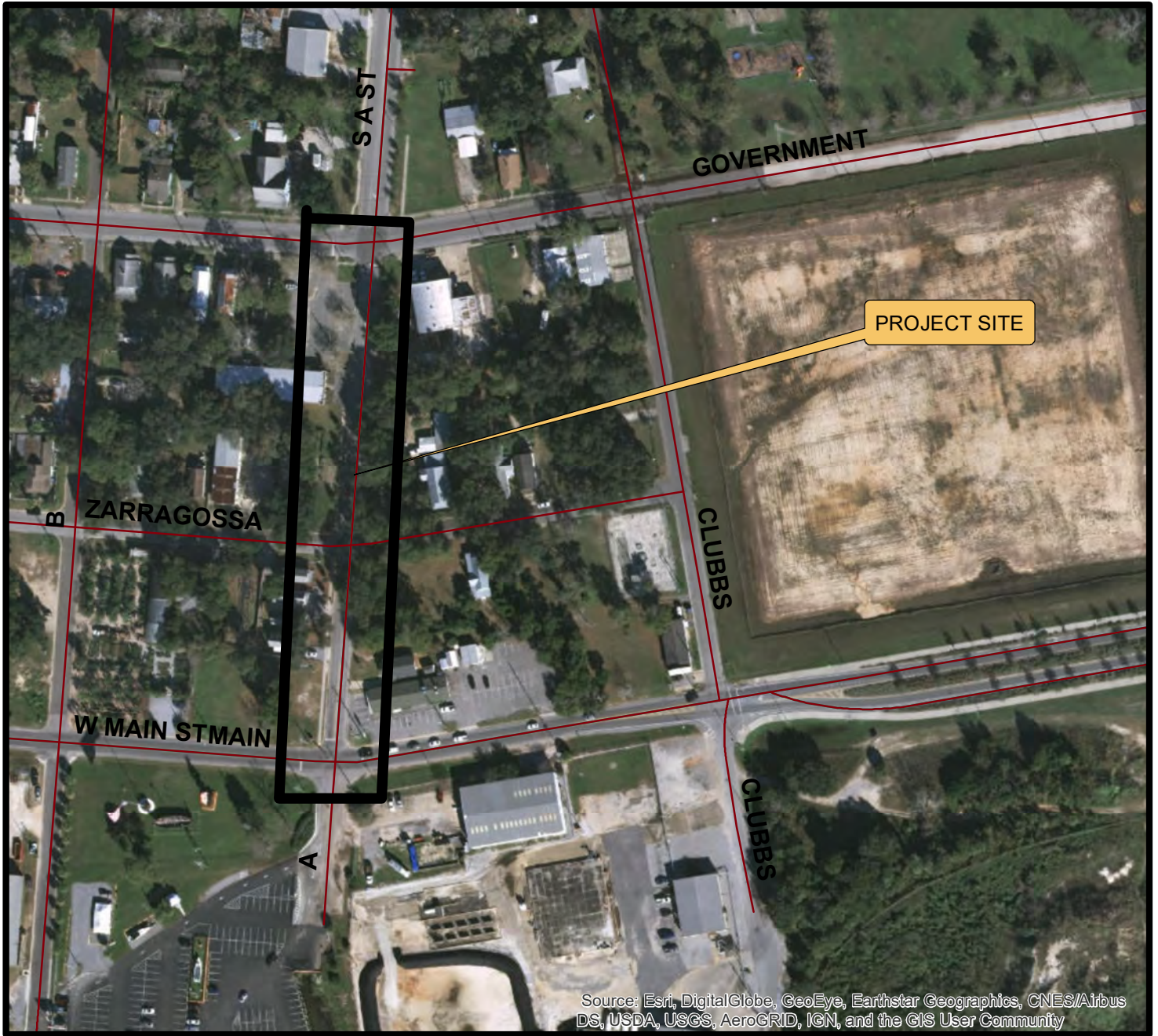
Bid No.: 17-041

**FINAL VENDOR REFERENCE LIST**  
**PIPE REHABILITATION PROJECT FOR "A" STREET FROM MAIN STREET TO GOVERNMENT STREET**  
**AND GIMBLE STREET FROM "B" STREET TO "A" STREET DITCH**  
**ENGINEERING**

Vendor	Name	Address	City	St	Zip Code	SMWBE
032732	WALLER, DONALD DBA NORTHCOAST CONTAINER INC	2325 MID PINE CIRCLE	PENSACOLA	FL	32514	N
030448	WARRINGTON UTILITY & EXCAVATING INC	8401 UNTREINER AVE	PENSACOLA	FL	32534	Y
051237	WATSON, ALFRED D ALFRED WATSON CONSTRUCTION LLC	4007 NORTH "W" STREET	PENSACOLA	FL	32505	Y
051855	WHITE CONSTRUCTION & RENOVATION INC	2000 MATHISON ROAD	CANTONMENT	FL	32533	N
045140	WIT CONSTRUCTION SERVICES LLC	1161 WEST DETROIT BLVD	PENSACOLA	FL	32534	N
058743	WRIGHT, DARNELL DBA D&T WRIGHT CONCRETE LLC	2212 MCLEOD STREET	PENSACOLA	FL	32502	Y
069212	YERKES SOUTH INC	634 LAKEWOOD RD	PENSACOLA	FL	32507	Y

Vendors: 146

# "A" STREET GOVERNMENT ST. TO MAIN ST. STORMWATER TREATMENT ENHANCEMENT PROJECT



**PENSACOLA**  
THE UPSIDE of FLORIDA

**DEPARTMENT OF PUBLIC WORKS AND FACILITIES  
ENGINEERING AND CONSTRUCTION SERVICES DIVISION**



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 18-00119

City Council

3/8/2018

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### LEGISLATIVE ACTION ITEM

**SPONSOR:** City Council Member Brian Spencer

**SUBJECT:**

APPROVAL OF DOWNTOWN IMPROVEMENT BOARD (DIB) BY-LAW AMENDMENT

**RECOMMENDATION:**

That City Council approve the submitted amendment to the DIB By-Laws as required by said By-Laws as well as the State Enabling Act, Chapter 72-655, Laws of Florida.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

The Pensacola Downtown Improvement Board (DIB) was established by Chapter 72-655, Laws of Florida, as amended by Chapters 76-466 and 80-582, Laws of Florida. In accordance with Chapter 72-655, the DIB adopted certain By-Laws and Internal Governance, with the ability to further amend the By-Laws. Prior to becoming effective, the amendments must be approved by the City Council.

Article VI. Section 1. (2) - DIB By-Laws

“No Amendments to the bylaws shall become effective until approval by the City Council, as provided within the State Enabling Act.”

Chapter 72-655, Laws of Florida - Section 6. Board bylaws and internal governance.

“The board shall formulate and may amend its own rules of procedure and written bylaws not inconsistent, herewith, and such rules of procedure and written bylaws, and amendments thereto, shall not become effective until approved by the city council....”

Proposed Amendment:

Article III, Section 1, Subsection 7 - DIB By-Laws

Length of Term: There is no limit to the number of terms a Board officer may serve in the same office.

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**PRIOR ACTION:**

June 16, 2016 - City Council approved Downtown Improvement Board (DIB) By-law Amendments

**FUNDING:**

N/A

**FINANCIAL IMPACT:**

None

**STAFF CONTACT:**

Don Kraher, Council Executive

**ATTACHMENTS:**

- 1) Amendment to DIB By-Laws Feb 2018
- 2) DIB By-Law Amendments June 2016
- 3) DIB by-laws complete

**PRESENTATION:** No

**AMENDMENT TO THE BY-LAWS AND INTERNAL GOVERNANCE OF THE  
PENSACOLA DOWNTOWN IMPROVEMENT**

**WHEREAS**, the Pensacola Downtown Improvement Board (“DIB”) was established by Chapter 72-655, Laws of Florida as amended by Chapters 76-466 and 80-582, Laws of Florida (the “Act”); and,

**WHEREAS**, the DIB adopted those certain By-Laws and Internal Governance of the Pensacola Downtown Improvement Board as amended per the Act (“By-Laws”); and,

**WHEREAS**, the DIB desires to further amend the By-Laws (“Amendment”); and,

**WHEREAS**, this Amendment is subject to the approval of the Pensacola City Council.

**NOW, THEREFORE**, in consideration of the aforementioned, the Board of Directors of the DIB, subject to the approval of the Pensacola City Council, agree as follows:

1. Article III, Section 1, Subsection 7 of the By-Laws is amended to read as follows:

Length of Term: There is no limit to the number of terms a Board officer may serve in the same office.

2. This Amendment is effective upon its adoption by a majority vote of the Board of Directors of the DIB after the text of the proposed amendment has been read at least once at a previous regular meeting of the Board of Directors of the DIB and after the approval of the Pensacola City Council. The Chairman of the Board of Directors of the DIB is hereby authorized to sign the Amendment.

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK**

**CERTIFICATION**

I, THE UNDERSIGNED, hereby certify that I am the duly elected Chairman of the DIB and this Amendment is hereby adopted per the Act and the By-Laws.

**Date of the Previous Regular Meeting** when the proposed amendment was read February 13, 2018.

**Date of Adoption** of the Amendment was \_\_\_\_\_, 2018.

**PENSACOLA DOWNTOWN IMPROVEMENT BOARD**

**By:** \_\_\_\_\_  
**John L. Peacock**  
**Chairman**

**Attest:**

\_\_\_\_\_  
**Name:**  
**Secretary**

**OFFICIAL  
SEAL**

**APPROVAL BY THE PENSACOLA CITY COUNCIL**

I, THE UNDERSIGNED, hereby certify that I am the duly elected President of the Pensacola City Council and this Amendment is hereby adopted by the Pensacola City Council on this \_\_\_\_\_, 2018.

**PENSACOLA CITY COUNCIL**

**By:** \_\_\_\_\_  
**Name:**  
**President**

**Attest:**

\_\_\_\_\_  
**Name:**  
**City Clerk**



**AMENDMENT TO THE BY-LAWS AND INTERNAL GOVERNANCE OF THE  
PENSACOLA DOWNTOWN IMPROVEMENT**

**WHEREAS**, the Pensacola Downtown Improvement Board (“DIB”) was established by Chapter 72-655, Laws of Florida as amended by Chapters 76-466 and 80-582, Laws of Florida (the “Act”); and,

**WHEREAS**, the DIB adopted those certain By-Laws and Internal Governance of the Pensacola Downtown Improvement Board as amended per the Act (“By-Laws”); and,

**WHEREAS**, the DIB desires to further amend the By-Laws (“Amendment”); and,

**WHEREAS**, this Amendment is subject to the approval of the Pensacola City Council.

**NOW, THEREFORE**, in consideration of the aforementioned, the Board of Directors of the DIB, subject to the approval of the Pensacola City Council, agree as follows:

1. Article I, Section 2 of the By-Laws is amended by inserting the phrase “to contribute to the progress and growth of Downtown Pensacola through promotion, manage parking in Downtown Pensacola” between the term “values;” and “encourage”.
2. Article I, Sub-Section 2.5. of the By-Laws is amended by inserting the phrase “,including hosting events” between the terms “undertakings” and “authorized”.
3. Article I, Section 4 of the By-Laws is amended by inserting at the end of Section 4 the phrase “unless the main office is located in facilities owned by the City of Pensacola, Florida or Escambia County, Florida”.
4. Article III, Section 2. of the By-Laws is amended by deleting the sentence “The Chairman shall be responsible for making standing committee appointments.” and substituting the sentence “The Chairman shall determine with the concurrence of the Board of Directors of the DIB when a standing committee will be active and may make appointments to the active standing committees as needed.”.
5. Article III, Section 3.3. is be amended to substitute the term “Executive Director” for the word “Board” and strike the words “appoint or”.
6. This Amendment is effective upon its adoption by a majority vote of the Board of Directors of the DIB after the text of the proposed amendment has been read at least once at a previous regular meeting of the Board of Directors of the DIB and after the approval of the Pensacola City Council. The Chairman of the Board of Directors of the DIB is hereby authorized to sign the Amendment.

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK**

**CERTIFICATION**

I, THE UNDERSIGNED, hereby certify that I am the duly elected Chairman of the DIB and this Amendment is hereby adopted per the Act and the By-Laws.

**Date of the Previous Regular Meeting** when the proposed amendment was read February 16, 2016.

**Date of Adoption** of the Amendment was February 16, 2016.


**PENSACOLA DOWNTOWN IMPROVEMENT BOARD**

By:



**John L. Peacock**  
**Chairman**

Attest:



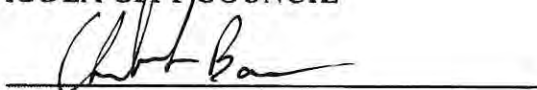
**Name: Ronald J. Butlin**  
**Secretary**

**APPROVAL BY THE PENSACOLA CITY COUNCIL**

I, THE UNDERSIGNED, hereby certify that I am the duly elected President of the Pensacola City Council and this Amendment is hereby adopted by the Pensacola City Council on this June 16, 2016.

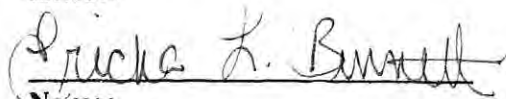
**PENSACOLA CITY COUNCIL**

By:



**Name:**  
**President**

Attest:



**Name:**  
**City Clerk**

(As amended through 11/3/09) Revised 1/29/91

BYLAWS AND INTERNAL GOVERNANCE PROCEDURES OF THE

PENSACOLA DOWNTOWN IMPROVEMENT BOARD

A Not-For-Profit Florida Corporation

ARTICLE I - THE BOARD (PURPOSES AND POWERS)

Section 1. Name. The official name of the Board shall be "Pensacola Downtown Improvement Board" or short title "Downtown Improvement Board". As used herein Board shall mean the Pensacola Downtown Improvement Board unless otherwise specified.

Section 2. Purpose And Objective. The Downtown Improvement Board was established in April, 1972 by the Florida Legislature (Chapter 72-655, as amended 76-466 and 80-582) to correct downtown Pensacola commercial blight, preserve property values; encourage economic development; attract commercial and residential re-investment into urban core, and beautify downtown Pensacola through proper maintenance, aesthetic and technical design and redevelopment measures. The overall objectives of the Board are specifically itemized in the state charter and include the following:

1. Prepare and maintain on a current basis an analysis of the economic conditions and changes occurring in the downtown area, including the effect thereon of such factors as metropolitan growth, traffic congestion, lack of adequate parking and other access facilities, and structural obsolence and deterioration.
2. Formulate and maintain on a current basis both short-range and long-range plans for improving the attractiveness and accessibility to the public of downtown facilities, promoting efficient use thereof, remedying the deterioration of downtown property values and developing the downtown area.
3. Recommend to the City Council for its consideration and approval the actions deemed most suitable for implementing the downtown development plans, including removal, razing, repair, renovation, reconstruction, remodeling and improvement of existing structures, addition of new structures and facilities, relocation of those existing, and changes in facilities ingress and egress patterns.

4. Participate actively in the implementation and execution of approved development plans, including establishment, acquisition, construction, ownership, financing, leasing, licensing, operation, and management of publicly owned or leased facilities deemed feasible and beneficial in effecting implementation for public purposes.
5. Carrying on all other projects and undertakings authorized by laws and within the limits of the powers granted to it by law, and such additional lawful projects and undertakings, related to the downtown area as the City Council may assign to the board with its consent.

The general purposes for which the Board is organized are to operate exclusively to promote the health, safety, and general economic and social welfare so as to qualify it as a tax exempt organization under Section 501 (c) (4) of the Internal Revenue Code of 1954, or the corresponding provisions of any subsequent federal tax laws. The Board is not organized for and shall not be operated for profit.

Section 3. Corporate Seal. The corporate seal of the Board is in the form of a circle, the outer rim of which bears the name "Downtown Improvement Board, Florida" and the date of its organization, 1972. (i.e. April 26, 1972).

Section 4. Office. The main office of the Board shall be at 11 West Romana Street, Pensacola, Florida or such other place as may be designated by the Board from time to time provided it remains within the bounds of its established district.

Section 5. Powers. The Board shall have all powers granted it by the laws of the State of Florida including but not limited to the powers specifically designated in its enabling legislation (Chapter 72-655, as amended) which include the following:

1. To enter into contracts and agreements, and to sue and be sued as a body corporate;
2. To have and use a corporate seal;
3. To acquire, own, convey or otherwise dispose of lease as lessor or lessee, construct, maintain, improve, enlarge, raze, relocate, operate, and manage property and facilities of whatever type to which it holds title; and to grant and acquire licenses, easements, and options with respect thereto; provided, however, any property owned by the Board not used for public or governmental purposes will be subject to the applicable state and local taxes imposed thereon;

4. To accept grants and donations of any type of property, labor, or other thing of value from any public or private source;
5. To receive the proceeds of the tax hereby imposed upon it by trusts or other agreements validly entered into by it;
6. To have exclusive control of funds legally available to it, subject to limitations imposed upon it by law or by any agreement validly entered into by it;
7. To cooperate and enter into agreements with other governmental agencies or other public bodies;
8. To make or to receive from the City of Pensacola conveyances, leaseholds, grants, contributions, loans and other rights and privileges;
9. To request by resolution that the City exercise its powers of eminent domain to acquire any real property for public purposes. If the property involved is acquired, the Board shall take over and assume control of the property on terms mutually agreed upon between the City and the Board, but the Board shall not thereafter be authorized to sell, lease, or otherwise dispose of the property so acquired without the formal consent of the City Council;
10. To issue and sell revenue certificates as hereinafter provided, or in any other manner permitted by law and not inconsistent with the provisions hereof, including the power to exchange revenue certificates for property, and to take all steps necessary for efficient preparation and marketing of the certificates at public or private sale at the best price obtainable, including the entry into agreements with corporate trustees, underwriters, and the holders of certificates, and the employment and payment, as a necessary expense of issuance, for the service of consultants on valuations, costs and feasibility of undertaking, revenues to be anticipated and other financial matters, architecture, engineering, legal matters, accounting matters, and any other fields in which expert advice may be needed to effectuate advantageous issuance and marketing;
11. To fix, regulate, and collect rents, fees, rates and charges for facilities or projects or any parts thereof or services furnished by it or under its control and to pledge the revenue to the payment of revenue certificates issued by it;

12. To borrow money on its secured and unsecured notes, for a period not exceeding 9 months in an aggregate amount for all outstanding unsecured notes not exceeding 50 percent of the unpledged proceeds received during the immediately prior fiscal year from the tax hereby imposed, and at an annual rate of interest not exceeding the rate being charged at the time of the loan by bank in the city on unsecured short-term loans to local businesses;
13. To acquire by rental or otherwise and to equip and maintain a principal office for the conduct of its business and such branch offices as may be necessary;
14. To employ and prescribe the duties; authority, compensation not to exceed the highest salary paid to other nonelective city employees and reimbursement of expenses of the executive director of the Board, who shall act as its chief executive officer; a general counsel, who shall be an attorney in active Florida practice and so engaged at the time of appointment; and such other personnel as may be necessary from time to time; provided, its personnel shall not be under civil service regulations, and shall be employed to serve at its pleasure; and with the exception of its secretary, shall not while employed by it serve as a member of the Board;
15. To exercise all powers incidental to the effective and expedient exercise of the foregoing powers to the extent not in conflict herewith or inconsistent herewith;
16. To establish development and taxing subdistricts within the downtown area for sectional development in accordance with the comprehensive plan; taxes acquired from said subdistricts to be utilized solely within the subdistrict area, said area not to be less than one city block in size; provided, however, that no subdistrict shall be established nor any tax imposed without the written approval of a majority of the electors located therein. No limitation shall be placed on the amount of taxes imposed under this subsection, said taxes to be levied only on the real property within the subdistrict area;
17. To raise funds by the issuance of bonds of the same type and in the same manner, with the same power and authority, and subject to the same limitations as are now provided by statute and charter for issuance of bonds by the City. The general provisions relating to the issuance of revenue certificates as set out in Chapter 72-655, as amended, shall apply to the issuance of such

bonds. No such bonds shall be issued except on approval in a referendum. The referendum shall be held in accordance with the provisions of Chapter 72-655, as amended. The aggregate amount of bonded indebtedness shall at no time exceed 20 percent of the valuation of taxable property in the downtown area as the time of issuance. The term of the bonds may extend beyond the life of the Board if the City shall have agreed to service and pay the bonds after the expiration of the Board. In that event, after the Board expires, the City shall continue to levy and collect any fees, charges, or special taxes which have been authorized for the purpose of retiring the bonds. Any excess fees, charges, shall be transferred to the general revenue fund of the City and such fees, charges, and taxes shall not be levied in subsequent years.

## ARTICLE II - MEMBERSHIP, TERMS AND MEETING PROCEDURES

### Section I. Membership and Term.

1. Board Composition, Term and Appointments. The Board shall be composed of five (5) members appointed by the Mayor of Pensacola with the concurrence of the Pensacola City Council for three (3) year staggered terms. As established in 1972 with the staggered term appointment process and hereafter, 2 Board members shall be appointed in 1992, 2 Board members in 1993, and 1 Board member in 1994.

2. Qualifications. To qualify for appointment to the Board and to remain qualified for service on it, a prospective member or a member already appointed shall be an owner of realty within the Downtown Improvement Board District, subject to ad valorem taxation or a lessee thereof required by lease to pay taxes thereon. No voting member shall be serving as a City or County officer or employee.

3. Ex-Officio Members. A member of the City Council and County Commission appointed by the Mayor and Chairman respectively, shall serve as ex-officio members of the Board. A representative head of the Planning Department, shall also serve as an ex-officio member of the Board. Such ex-officio members shall be non-voting members of the Board, but shall be treated in all other respects as appointed members.

Section 2. Vacancy. Vacancy in office, which shall be filled in the manner hereinabove provided within thirty (30) days of its occurrence for the remainder of the unexpired term, shall occur whenever a member is removed from office, becomes disqualified or is otherwise unable to serve or resigns. The Chairman of the Board can provide the Mayor with the name or names of qualified candidates for membership which the Mayor may consider.

Section 3. Attendance/Absences. At any time that any Board member has had three (3) or more consecutive unexcused absences, or at any time that the overall attendance record of any Board member (including excused and unexcused absences) is less than 70% for any six-month consecutive period, the Chairman of the Board shall notify the City Clerk of City Council and the Mayor. Excused absences are those absences which occur from regular or special meetings after notification by such person to the Chairman or Secretary prior to such absence explaining the reasons thereof. All other absences are here defined to be unexcused.

Section 4. Compensation for Expenses. Each member of the Board shall serve without compensation for services rendered as a member, but may be reimbursed by the Board for necessary and reasonable expenses actually incurred in the performance of duty.

Section 5. Disclosure of Interest. In addition to any other requirement for disclosure of conflict of interest, and regardless of the applicability or inapplicability of any law respecting the disclosure of any interest of a Board member, any Board member owning an interest in any property, either individually or in the form of a partnership, limited partnership, corporation, trust, or any form of representative capacity whatsoever for others, shall, leased, taken by eminent domain, or otherwise conveyed to the Board, make a public disclosure in writing, of the interest of such member in such property. Any Board member having any interest whatsoever, either individually or in a representative capacity, in the profits benefits, or emoluments of any contract with the Board shall prior to entering into such contract, make a public disclosure in writing, of such interest. Any disclosure made by any Board member hereunder shall be read into the minutes of the next ensuing regular meeting of the Board.

Section 6. Removal. A member of the Board may be removed for fraud, dishonesty or other good cause upon the vote of City Council at a regular or special meeting held not less than ten days after notice of the intended action, which notice shall include a statement of the reasons for the removal, and the date, time and place of the meeting at which the matter will be acted upon, has been delivered or sent to the Board member involved by Certified Mail - Return Receipt Requested. The Board member involved may appear and be heard at such meeting before a vote is taken.

Section 7. Meetings of the Board.

1. Regular Meetings. The Board shall hold its regular meetings once each month in the DIB Board Room, unless otherwise designated by the Board.



2. Special Meetings. Special meetings of the Board may be called for any purpose(s) at any place in the City of Pensacola, at any reasonable time, by call of the Chairman of the Board, or by at least three of the members of the Board. Notice of such special meetings shall be given at least 48 hours prior to the date of such meeting, except emergency meetings upon call of the Chairman.
3. Emergency Meetings. Emergency meetings may be held on call of the Chairman so long as the Chairman or Secretary also notifies the public and/or press of the meeting in sufficient time to attend.
4. Open Meetings and Public Notice of Meetings. In accordance with the laws of the State of Florida, all business of the Board shall be conducted as public meetings. No member of the Board shall conduct business of the Board with another member at any formal or informal meeting, unless reasonable notice, considering the circumstances, to the public of such meeting. Notice of regularly scheduled and special meetings shall be given to each Board member and the Pensacola News Journal or other appropriate media at least 48 hours prior to the date set for such meeting.
5. Member Quorum and Voting. A majority of the membership of the Board, three (3) members, shall constitute a quorum. When a quorum is present an affirmative vote of at least three (3) members is required for the adoption of any motion that is order. In the case of a tie vote, the item in question shall be tabled until the next scheduled meeting. Voting shall be by roll call when requested by any member, with the Chairman voting last.
6. Adjourned Meetings. If any meeting cannot be organized because a quorum is not present, the members who are present may adjourn the meeting to a time not less than 2 weeks after the time the original meeting was called, and notice of such adjourned meeting shall be given to each Board member, unless waived.
7. Organizational Meetings. At least twice per fiscal year the Board shall have organizational meetings. Organizational meetings can include such activities such as election of officers, appointments; reports from the Chairman, the Treasurer, and the Executive Director-Secretary to the Board on the activities of the Board during the previous twelve (12) months, and to discuss the budget, and the goals and objectives for the next 12 months.

8. Recessed and Continued Meetings. Where a meeting having been set and noticed under the provisions of these Bylaws and during the course of said meeting is recessed to a time and place certain, there shall be a reasonable service of notice of the time and place of the continuation of said meeting in addition to the original meeting notice.
9. Parliamentary Procedure. The rules of Parliamentary Procedure set forth in Robert's Rules of Order, Revised, shall govern all meetings of the Board except as otherwise herein provided.
10. Order of Business. At the regular meetings of the Board, the following shall be the order of business:
  1. Approval of Minutes of Previous Meeting
  2. Requests to Address the Board
  3. Report of Executive Director or Staff Members
    - a) Current Agenda Items
    - b) Status Reports and Update Informational Items
    - c) Pending Items
    - d) Miscellaneous/Informational News
    - e) Notice of Next Meeting Date
  4. Report of Committees (Unless Already Provided for on Meeting Agenda)
  5. Correspondence and Communications
  6. Unfinished Business
  7. New Business
  8. Adjournment

### ARTICLE III - OFFICERS, EMPLOYEES AND APPOINTMENTS

Section 1. Election of Officers and Duties. The officers of the Board shall consist of a Chairman, Vice-Chairman, Secretary, a Treasurer, and other such officers and assistant officers and agents as may be deemed necessary by the Board from time to time. Any two elected offices may be held by the same person with Board consent. In July of each year after the annual Board appointments are made by the Mayor and confirmed by City Council, the Board shall elect a Chairman, Vice Chairman and a Treasurer from its members after receiving nomination recommendations from an Ad Hoc Nominating Committee consisting of two (2) Board members appointed by the Chairman. The Ad Hoc Nominating Committee recommendations will be forwarded to the Board not less than 5 days prior to Board consideration. In July or soon thereafter, after officers are elected, the Board shall also appoint a Secretary, who is also the Executive Director of the Board.

1. Chairman. The Chairman shall preside at all meetings and hearings of the Board and shall have the duties normally conferred by parliamentary usage on such officers. He shall have the privilege of discussing all matters before the Board and voting thereon. The Chairman shall appoint the standing committees and other Ad-Hoc committees as may be deemed appropriate.
2. Vice Chairman. The Vice-Chairman shall act for the Chairman in his absence, disqualification, or disability of the Chairman or at the Chairman's discretion, exercise all of the functions of the Chairman.
3. In the absence of a Chairman and Vice-Chairman the quorum present shall select a Chairman for the meeting.
4. Secretary. The Secretary to the Board shall also be the Executive Director appointed by the Board. The Secretary to the Board shall be the custodian of all books and records of the Board and of the Downtown Improvement Board District; shall keep the minutes of all meetings; shall send out all notices of meetings; and shall perform such other duties as may be designated by the Board.
5. Treasurer. The Treasurer shall also be the Downtown Improvement Board's Budget and Finance Committee Chairman as elected by the Board. The Treasurer, working jointly with the Executive Director, shall keep the financial records of the Board and of the Downtown Improvement Board District; shall keep full and accurate accounts of receipts and disbursements of the Board; shall have the custody of all Board funds; shall together with the Executive Director render budget reports to the Board; shall assist the Executive Director in the preparation of the proposed Board budget; shall make and file all financial reports and statements necessary to be made and filed by the Board; and shall perform such other duties as may be designated by the Board.
6. Removal of Officers. Any two (2) members of the Board may seek the removal of any officer. provided ten (10) days' notice in writing, is given such officer of the reasons for which such removal is sought. Following such ten (10) days' notice, the Board shall consider such requested removal at a public meeting at which all interested parties shall be given the opportunity to present their views. Removal of any officer must be by the vote of at least three (3) of the appointed members of the Board.

7. Length of Term. No elected Board officer shall serve more than two (2) consecutive one year terms in the same office. *(see amendment attached)*

Section 2. Committee Appointments. The Chairman shall be responsible for making standing committee appointments. There are eleven (11) Board standing committees with their duties as follows:

- |                                       |                                     |
|---------------------------------------|-------------------------------------|
| 1. Information & Publication Comm.    | 8. Budget & Finance Comm.           |
| 2. Planning & District Boundary Comm. | 9. Crime/Safety Comm.               |
| 3. Parking and Traffic Comm.          | 10. Retail Council                  |
| 4. Aesthetics & Physical Design Comm. | 11. Special Events Comm.            |
| 5. Owners & Tenants' Liaison Comm.    |                                     |
| 6. Leasing Recruitment Comm.          | 12. <i>(see amendment attached)</i> |
| 7. Maintenance/Beautification Comm.   | 13. <i>(see amendment attached)</i> |

1. The Information and Publications Committee is responsible for ensuring that the DIB is collecting and making downtown available and properly maintaining the DIB Resource-Reference Room. Similarly, this committee reviews any DIB publications before presented to the Board and the public, i.e. downtown directory, promotional and investor's brochure, DIB newsletters, information packages, bylaws and internal governance procedures and slide show.
2. The Planning and District Boundary Committee is assigned the task of reviewing downtown development plans affecting the district. developing planning proposals and recommending changes to the DIB District boundaries when necessary.
3. The Parking and Traffic Committee has the task of developing a downtown physical and financial parking plan and program, in addition to coordinating downtown traffic circulation with the City. This committee will also analyze the impacts of large scale development outside of the District yet impacting the parking and traffic circulation patterns within the District.
4. The Aesthetics and Physical Design Committee is interested in any physical developments which affect the aesthetics within the District; in developing and monitoring physical design techniques which improve building facades, signage, and street scapes; and in updating the Palafox Historic Business District Ordinance to create more incentives and better conformance to said ordinance and in working with the Architectural Review Board.

5. The Owners and Tenants' Liaison Committee will work with downtown owners and tenants, to provide a better communication channel to owners and tenants within the District and act as an idea sounding board back to the DIB.
6. The Leasing Recruitment Committee will monitor and evaluate the marketing strategy used to market the downtown as a unified entity; the strategy to fill vacant structures within the DIB District; and the efforts used to increase small business development and economic development within the DIB District.
7. The Maintenance/Beautification Committee is responsible for the DIB maintenance programs within the District and for working with property owners and the Pensacola Escambia Clean Community Commission (PECCC) as it pertains to cleanliness education and attitude modifications relating to litter.
8. The Budget and Finance Committee deals with any topic areas relating to developing new revenue resources; to program and project funding and taxation, as well as the operational budgeting for the DIB as an organization.
9. The Crime/Safety Committee is responsible for recommending programs which will assist with facilitating the need for additional law enforcement downtown; assist with specific problems which may occur within the District; improve downtown safety perceptions; plan, promote and coordinate with outside agencies improved efforts toward removal of criminal activities panhandling, vagrants, etc.
10. The Retail Council is responsible for coordinating joint advertising promotions among downtown retailers, restaurants and other business types in both the print and television media. Additionally, the Council is charged with assisting with promoting special events and developing a shopping, dining, and entertainment guide.
11. The Special Events Committee is responsible for coordinating with downtown events coordinators to improve the events as well as develop special events programs which will generate traffic downtown.
12. Committee Appointments and Filling Vacancies. The Board Chairman shall make in a timely manner, committee appointments each year after the election of officers. Similarly, any committee vacancies shall be made in a timely and appropriate manner.

13.  
14.

(see amendment attached)  
11

Section 3. Employees.

1. Executive Director. The Executive Director shall act also as the Secretary to the Board; shall be appointed by the Board each year after the election of officers, and shall serve at the pleasure of the Board. The Executive Director shall be the Chief

Executive of the Board; be responsible for the effectuation of the Board's policies, of budgets and related documents involved in the financial affairs of the Board; be in charge of supervision of the administrative, research maintenance and other staff of the Board; be in charge of the carrying out of the liaison with the City, State and Federal agencies participating in the program, and public information; and, when directed and authorized by resolution of the Board, shall act for the Board. The Executive Director shall perform all such other duties and functions as may from time to time be required by the Board or by the bylaws of the Board.

2. General Counsel. The General Counsel to the Board shall be appointed by the Board each year after the election of officers and shall serve at the pleasure of the Board. The Board shall delegate to said Counsel such authority and responsibility as the Board deems necessary to provide the legal services required by the Board.

3. Administrative and Other Staff. The Board may appoint or employ such permanent and temporary personnel, as it deems necessary to exercise its powers, duties, and functions as prescribed by statute, and determine their qualifications, duties, and compensation subject to statutory limitations and availability of funds. Such employees may include, but is not limited to, an Administrative Secretary, Researcher(s) and Maintenance Personnel.

4. Professional Services. The Board may further engage the use of consultants, experts, specialists and other contractual services as it may require to fully carry out its objectives.

5. Personnel Policy. The Board shall adopt a personnel policy for permanent, part-time and temporary employees and shall give or cause to give annual, written personnel evaluations. The Board establishes the qualifications for each employee's position as it deems appropriate or may delegate the firing of such employees to its Executive Director. Salaries for any employee shall, however, be approved by the Board. In regard to the hiring of any employee all reasonable steps shall be taken to encourage and promote equality of opportunity for all applicants.

ARTICLE IV - BOARD RECORDS AND FISCAL MANAGEMENT

Section 1. Fiscal Year. The fiscal year of the Board shall coincide with that of the City of Pensacola (i.e. begins October 1 of each year).

Section 2. Funds. All funds of the Board shall be received, held and secured like other public funds by the appropriate fiscal officers of the City. The funds of the Board shall be maintained under a separate account, shall be used for purposes authorized by law and shall be disbursed only by direction of or with the approval of the Board pursuant to requisitions signed by the Director or other designated Chief Fiscal Officer of the Board and countersigned by at least one (1) other person who shall be a member of the Board.

Section 3. Minutes and Official Records. The minutes of each Board meeting shall be approved by the Board prior to taking up new agenda items at the following meeting. Official records of the Board shall be approved by the Board and kept on file in Board offices or other appropriately deemed locations.

Section 4. Budget. Prior to September 1 of each year, the Board shall adopt a recommended budget for forwarding to the City Council of the City of Pensacola, so that a budget for the Downtown Improvement Board District may be included with the general budget of the City of Pensacola, in accordance with State law.

Section 5. Accounting Practices. In accordance with State law, the Board shall comply with all regulations of the State Department of Banking and Finance regarding uniform accounting practices and procedures for units of local government.

Section 6. Annual Report. Within ninety (90) days after the close of each fiscal year, the Board shall submit to the State Department of Banking and Finance, in accordance with State law, a copy of a financial report covering the operations of the Pensacola Downtown Improvement Board during each preceding fiscal year.

Section 7. Audit. Within ninety (90) days after the end of each fiscal year, the Board shall cause to be prepared an internal audit of the accounts and records of the Board in accordance with the rules of the State Department of Banking and Finance. Such external audit shall be completed by an independent certified public accountant retained by the Board and paid from its funds. Similarly, the Board shall file said external audit with the City Clerk within ninety (90) days after the end of the fiscal year.

Section 8. Surplus Funds. Surplus funds of the Board shall be invested in accordance with the requirements of State law.

Section 9. Competitive Bidding. Whenever practical, and depending upon the availability of funds therefore, all reasonable opportunity shall be given for competitive bidding for any purchase of material or services by the Board.

ARTICLE V - EXECUTION OF DOCUMENTS AND SERVICE OF PROCESS

Section 1. Execution of Documents. All documents executed by the Board for the Pensacola Downtown Improvement Board District shall be executed by the Chairman, with an attestation by the Secretary and ~~affixing of the seal of the Board.~~

Section 2. Service of Process. The Board designates the Executive Director, who for service of process purposes will use the Board's office address, as the person upon whom process against it may be served.

ARTICLE VI - AMENDMENT TO BYLAWS, BOARD POLICIES AND ORGANIZATIONAL STRUCTURE

Section 1. Amendments.

1. The Board may amend these bylaws consistent with the Enabling State Act (Chapter 72-655, as amended) creating the Board, by majority vote of the Board if the text of the proposed amendment has been read at least once at a previous regular meeting.

2. No amendment to the bylaws shall become effective until approval by the City Council, as provided in the State Enabling Act.

Section 2. Board Policies. The Board may develop certain policies as it relates to the operations and position taken by the Board as it pertains to specific subject matters. These policies will be decision making guidelines for programs, services and actions of the Board. Similarly, these policies may be changed as conditions so dictate and as approved by the Board. Adopted Board policies shall be attached and kept with Board bylaws for informational purposes.

Section 3. Organizational Structure. The function and objectives of the Board shall be carried out in accordance with the structure of organization as set forth in the State Enabling Act creating the Board (Chapter 72-655, as amended). Said structure of organization shall be subject to amendment in the manner provided for in the State Enabling Act or as herein provided for in these bylaws, not inconsistent with the State Enabling Act.



# Amendments

ARTICLE III, Section 1, Subsection 7, Length of Term, of the Bylaws is amended to read as follows:

7. Length of Term. No elected Board officer shall serve more than four (4) consecutive one-year terms in the same office.

ARTICLE III, Section 2, Committee Appointments, of the Bylaws is amended to

(a) add the following at the end thereof:

12. Expanded District Committee
13. Such other Committees as the Chairman deems to be appropriate subject to approval of the Board

(b) add the following subsections at the end thereof:

13. The Expanded District Committee is responsible for gathering and communicating to the Downtown Improvement Board any and all data and recommendations relevant to any area of the district added to the district within the immediately preceding five-year term. The Expanded District Committee shall cease to exist at such time as the Board is expanded to more than five (5) members.
14. Any and all other Committees shall be responsible for the charge provided by the Chairman and approved by the Board.

The above amendments will take effect when read at least once in a prior regular meeting, approved by a majority vote of the Board at a subsequent meeting, and approved by the City Council.



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 18-00121

City Council

3/8/2018

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### LEGISLATIVE ACTION ITEM

**SPONSOR:** City Council Member Jewel Cannada-Wynn

**SUBJECT:**

CONSULTANT TO REVIEW DESIGN STANDARDS WITHIN THE CITY'S SPECIAL REVIEW DISTRICTS

**RECOMMENDATION:**

That City Council direct the Council Executive to work with the Planning Department, Purchasing Department and Finance to delineate a specific scope of work and prepare a Request for Proposal (RFP) seeking a consultant to review the design standards within the City's Special Review Districts.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

Within the City there are Special Review Districts that are within the purview of certain Council created Boards. Each of the Special Review Districts have a set of design standards that are used by the Boards in making decisions regarding applications submitted for work to be done within the districts.

In an effort to gain congruency of design standards within the districts and to remove existing ambiguity set forth in the design standards, a consultant should be engaged to review the existing design standards within the Special Review Districts.

**PRIOR ACTION:**

None

**FUNDING:**

None

**FINANCIAL IMPACT:**

None

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**STAFF CONTACT:**

Don Kraher, Council Executive

**ATTACHMENTS:**

None

**PRESENTATION:** No



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 08-18

City Council

3/8/2018

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### LEGISLATIVE ACTION ITEM

**SPONSOR:** City Council President Gerald Wingate

**SUBJECT:**

PROPOSED ORDINANCE NO. 08-18 - AMENDING SECTION 2-2-8 OF THE CITY CODE-  
COMPENSATION OF MAYOR

**RECOMMENDATION:**

That City Council approve Proposed Ordinance No. 08-18 on first reading:

AN ORDINANCE AMENDING SECTION 2-2-8 OF THE CODE OF THE CITY OF  
PENSACOLA, FLORIDA, COMPENSATION OF MAYOR; PROVIDING FOR SEVERABILITY;  
REPEALING CLAUSE; PROVIDING AN EFFECTIVE DATE.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

The City Charter under Section 4.01- Mayor at 4.01 (c) - Compensation states:

The salary compensation of the Mayor shall be set by ordinance, which shall take effect  
upon the Mayor assuming office following the next Mayoral election.

Ordinance No. 08-10 and codified under Section 2-2-8 currently sets the Mayoral salary at \$100,000 per year;  
this amount has not been adjusted since 2010.

For comparative purposes, Florida Municipalities functioning under a Mayor-Council form of government finds  
the following Mayoral salary (with population in parenthesis):

Apopka (41,542) -- \$150,000

Hialeah Gardens (21,744) -- \$115,655

Plantation (84,955) -- \$117,221

W. Palm Beach (99,919) -- \$150,000

Notwithstanding any recent adjustment. There are limited comparables within the State that meet Pensacola's  
criteria.

This item seeks to raise the Mayoral salary from \$100,000 to \$125,000 per year.

**PRIOR ACTION:**

March 11, 2010 - Ordinance No. 08-10 passed

**FUNDING:**

Budget: \$100,000

Actual: \$125,000

**FINANCIAL IMPACT:**

Salary increase plus and additional \$13,300 benefits cost.

**STAFF CONTACT:**

Don Kraher, Council Executive

**ATTACHMENTS:**

- 1) Revised Section 2-2-8. Compensation of Mayor
- 2) Proposed Ordinance No. 08-18

**PRESENTATION:** No

Sec. 2-2-8. - Compensation of mayor.

The compensation to be paid to the mayor shall be ~~one hundred thousand dollars (\$100,000.00)~~ one hundred twenty five thousand dollars (\$125,000.00) per year, payable in equal bi-weekly installments as compensation for services rendered to the city. The mayor shall also be offered participation in the Florida Retirement System, and shall be entitled to such health, dental and life insurance benefits as are available to the city workforce at the premiums paid by the city workforce. The mayor shall be compensated for mileage on a vehicle which is incurred in connection with city business at the rate established by city policy. The mayor shall be reimbursed for the actual expenses incurred in connection with his or her official duties while outside of and beyond the corporate limits of the city in accordance with the city travel and expense reimbursement policies.

(Code 1968, § 42-35; Ord. No. 167-82, § 2, 10-14-82; Ord. No. 6-97, § 2, 1-30-97; Ord. No. 38-97, § 2, 11-19-97; Ord. No. 51-00, §§ 2, 5, 11-16-00; Ord. No. 15-04, § 4, 8-19-04; Ord. No. 07-07, § 1, 2-8-07; Ord. No. 08-10, § 1, 3-11-10)

**Editor's note**— Section 1 of Ord. No. 07-07 provided that the compensation of the mayor shall be increased by 0.5 percent effective October 1, 2006.

PROPOSED  
ORDINANCE NO. 08-18

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE  
TO BE ENTITLED:

AN ORDINANCE AMENDING SECTION 2-2-8 OF THE CODE OF THE  
CITY OF PENSACOLA, FLORIDA, COMPENSATION OF MAYOR;  
PROVIDING FOR SEVERABILITY; REPEALING CLAUSE;  
PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY OF PENSACOLA, FLORIDA:

SECTION 1. Section 2-2-8 of the Code of the City of Pensacola, Florida, is hereby amended to read as follows:

Sec. 2-2-8. - Compensation of mayor.

The compensation to be paid to the mayor shall be ~~one hundred thousand dollars (\$100,000.00)~~ one hundred twenty five thousand dollars (\$125,000.00), payable in equal bi-weekly installments as compensation for services rendered to the city. The mayor shall also be offered participation in the Florida Retirement System, and shall be entitled to such health, dental and life insurance benefits as are available to the city workforce at the premiums paid by the city workforce. The mayor shall be compensated for mileage on a vehicle which is incurred in connection with city business at the rate established by city policy. The mayor shall be reimbursed for the actual expenses incurred in connection with his or her official duties while outside of and beyond the corporate limits of the city in accordance with the city travel and expense reimbursement policies.

SECTION 2. If any word, phrase, clause, paragraph, section or provision of this ordinance or the application thereof to any person or circumstance is held invalid or unconstitutional, such finding shall not affect the other provision or applications of the ordinance which can be given effect without the invalid or unconstitutional provisions or application, and to this end the provisions of this ordinance are declared severable.

SECTION 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4. This ordinance shall take effect on the fifth business day after adoption, unless otherwise provided pursuant to Section 4.03(d) of the City Charter of the City of Pensacola.

Adopted: \_\_\_\_\_

Approved: \_\_\_\_\_  
President of City Council

Attest:

\_\_\_\_\_  
City Clerk





# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 02-18

City Council

3/8/2018

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### LEGISLATIVE ACTION ITEM

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

PROPOSED ORDINANCE - NO. 02-18 - REQUEST FOR FUTURE LAND USE MAP AMENDMENT - 2120 W. JACKSON STREET

**RECOMMENDATION:**

That City Council adopt Proposed Ordinance No. 02-18 on second reading.

AN ORDINANCE AMENDING THE FUTURE LAND USE CLASSIFICATION OF CERTAIN PROPERTY PURSUANT TO AND CONSISTENT WITH THE COMPREHENSIVE PLAN OF THE CITY OF PENSACOLA; AMENDING THE FUTURE LAND USE MAP OF THE CITY OF PENSACOLA; REPEALING CLAUSE AND EFFECTIVE DATE.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

The City has received a request from Mr. Darold Montgomery to amend the City's Zoning Map from Residential/Office (R-2) to Commercial (C-1) and the City's Future Land Use Map from High Density Residential (HDR) to Commercial (C).

On December 12, 2017, the Planning Board unanimously recommended approval of the proposed Future Land Use Map and Zoning Map amendment.

**PRIOR ACTION:**

February 8, 2018 - The City Council voted to approve Ordinance No. 02-18 on first reading.

**FUNDING:**

N./A

**FINANCIAL IMPACT:**

None

**CITY ATTORNEY REVIEW:** Yes

1/22/2018

**STAFF CONTACT:**

Eric W. Olson, City Administrator

Sherry H. Morris, AICP, Planning Services Administrator

**ATTACHMENTS:**

- 1) Proposed Ordinance No. 02-18
- 2) Rezoning Application, 2120 W. Jackson Street, dated November 9, 2017
- 3) Zoning Map, dated December 2017
- 4) December 12, 2017 Planning Board Minutes

**PRESENTATION:** No

PROPOSED  
ORDINANCE NO. 02-18  
ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE  
TO BE ENTITLED:

AN ORDINANCE AMENDING THE FUTURE LAND USE CLASSIFICATION OF CERTAIN PROPERTY PURSUANT TO AND CONSISTENT WITH THE COMPREHENSIVE PLAN OF THE CITY OF PENSACOLA; AMENDING THE FUTURE LAND USE MAP OF THE CITY OF PENSACOLA; REPEALING CLAUSE AND EFFECTIVE DATE.

WHEREAS, the City of Pensacola adopted a Comprehensive Plan on October 4, 1990, pursuant to applicable law; and

WHEREAS, a proposed amended future land use classification has been referred to the local planning agency pursuant to §163.3174, Fla. Stat., and a proper public hearing was held on February 8, 2018 concerning the following proposed future land use classification affecting the property described therein; and

WHEREAS, after due deliberation, the City Council has determined that the amended future land use classification set forth herein will affirmatively contribute to the health, safety, and general welfare of the citizens of the City of Pensacola; and

WHEREAS, said amended future land use classification is consistent with all applicable elements of the Comprehensive Plan as amended, NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF PENSACOLA, FLORIDA:

SECTION 1. That the Future Land Use Map of the City of Pensacola and all notations, references and information shown thereon is hereby amended so that the following described real property located in the City of Pensacola, Florida, to-wit:

LOTS 1, 2, 3, 4, 5 AND LOT 24, BLOCK 148, WEST KING TRACT, CITY OF PENSACOLA, ESCAMBIA COUNTY, FLORIDA, ACCORDING TO MAP OF SAID CITY COPYRIGHTED BY THOMAS C. WATSON IN 1906.

is hereby changed from High Density Residential Land Use (HDR) to Commercial (C) Future Land Use District.

SECTION 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 3. This ordinance shall become effective on the fifth business day after adoption, unless otherwise provided pursuant to Section 4.03(d) of the City Charter of the City of Pensacola.

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_  
President of City Council

Attest:

\_\_\_\_\_  
City Clerk



**REZONING**

Please check application type:

Conventional Rezoning

Application Fee: \$2,500.00

Rehearing/Rescheduling (Planning Board): \$250.00

Rehearing/Rescheduling (City Council): \$750.00

**Comprehensive Plan / FLUM Amendment**

(< 10 acres)

\$3,500.00

\$250.00

\$750.00

(≥ 10 acres)

\$3,500.00

\$250.00

\$1,000.00

Applicant Information:

Name: Darold Montgomery

Date: 11/09/2017

Address: 1308 Plata Canada Dr, Cantonment, FL 32533

Phone: 850-384-6842

Fax: \_\_\_\_\_

Email: daroldmontgomery@gmail.com

Property Information:

Owner Name: Life Changing Experience Worship Center

Phone: 850-696-2122

Location/Address: 2120 W. Jackson St, Pensacola

Parcel ID: 00-05-00-9060-001-148 Acres/Square Feet: .53

Zoning Classification: Existing R-2

Proposed C-3

Future Land Use Classification: Existing HDR

Proposed C

Reason Rezoning Requested: Sale of property to adjacent business (Blues Angels) to provide for their expansion

Required Attachments:

(A) Full legal description of property (from deed or survey)

(B) General location map with property to be rezoned indicated thereon

The above information, together with all other answers and information provided by me (us) as petitioner (s)/applicant (s) in the subject application, and all other attachments thereto, is accurate and complete to the best of my (our) knowledge and belief as of this 9 day of November, 2017.

Applicant Signature

Owner Signature

DAROLD MONTGOMERY  
Applicant Name (Print)

DAROLD MONTGOMERY  
Owner Name (Print)

Sworn to and subscribed to before me this 9th day of November, 2017

Name: [Signature]

Commission Expires: 2/27/2019



**FOR OFFICE USE ONLY**

Council District: # 7 Date Received: 11/9/2017 Case Number: n/a

Date Postcards mailed: 12/4/2017 Planning Board Date: 12/12/2017 Recommendation: Approval

Committee Date: n/a Council Date: 2/8/2018 Council Action: \_\_\_\_\_

Second Reading: \_\_\_\_\_ Ordinance Number: \_\_\_\_\_

Recorded in Public Records 07/24/2006 at 12:58 PM OR Book 5955 Page 1069, Instrument #2006074233, Ernie Lee Magaha Clerk of the Circuit Court Escambia County, FL Recording \$27.00 Deed Stamps \$560.00

27-  
560-

Prepared by/Return to:  
Tracy Ratzin  
LandAmerica Lawyers Title  
14118 Perdido Key Drive, Ste. 3  
Pensacola, FL 32507

Folio/Parcel ID#: 00-05-00-9060-001-148

File/Case No: 10060006722

(Space Above This Line for Recording Data)

**CORPORATE WARRANTY DEED**

This Warranty Deed made on 19th day of July, 2006,

Between The Pensacola Revival Center, Inc., a Florida corporation

whose mailing address is: c/o Mary Garnham  
10671 Willow Lake Drive, Pensacola, FL 32506,

hereinafter called the Grantor, and

*DM*

Life Changing Experience Worship Center, Inc., a Florida corporation

whose mailing address is: 2514 W. Cervantes Street, Pensacola, FL 32505, hereinafter called the Grantee,

WITNESSETH, that the Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration the receipt of which is hereby acknowledged does grant, bargain, sell alien, remise, release convey and confirm unto the Grantee, and Grantee's successors, and assigns forever, all that certain parcel of land in the County of Escambia, State of Florida to wit:

LOTS 1, 2, 3, 4, 5 AND LOT 24, BLOCK 148, WEST KING TRACT, CITY OF PENSACOLA, ESCAMBIA COUNTY, FLORIDA, ACCORDING TO MAP OF SAID CITY COPYRIGHTED BY THOMAS C. WATSON IN 1906.

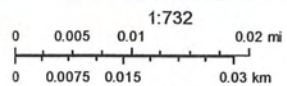
SUBJECT TO easements, restrictions and reservations of record, and real property taxes and assessments for the year of 2006 and subsequent years, which are not yet due and payable.

property lines



October 15, 2017

- |                     |                     |  |  |   |
|---------------------|---------------------|--|--|---|
| <b>polygonLayer</b> | <b>polygonLayer</b> | <b>Streets</b>   | <span style="color: blue;">—</span> COLLECTOR  | <span style="border: 1px solid black; display: inline-block; width: 10px; height: 10px;"></span> County Outline |
| Override 1          | Override 1          | <span style="color: blue;">—</span> PRINCIPAL ARTERIAL | <span style="color: grey;">—</span> LOCAL ROAD | <span style="border: 1px solid black; display: inline-block; width: 10px; height: 10px;"></span> Parcels        |
|                     |                     | <span style="color: red;">—</span> MINOR ARTERIAL      |  |   |



Sources: Esri, HERE, DeLorme, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), MapmyIndia, NGCC, © OpenStreetMap contributors, and the GIS User Community



REZONING EXISTING R-2 TO C-3

December 2017

2120 W Jackson



This map was prepared by the GIS section of the City of Pensacola and is provided for information purposes only and is not to be used for development of construction plans or any type of engineering services based on information depicted herein. It is maintained for the function of this office only. It is not intended for conveyance nor is it a survey. The data is not guaranteed accurate or suitable for any use other than that for which it was gathered.





PLANNING SERVICES

THE UPSIDE *o*f FLORIDA

**MINUTES OF THE PLANNING BOARD**

**December 12, 2017**

**MEMBERS PRESENT:** Chairman Paul Ritz, Danny Grundhoefer, Nina Campbell, Kurt Larson, Kyle Owens

**MEMBERS ABSENT:** Jared Moore, Nathan Monk

**STAFF PRESENT:** Brandi Deese, Assistant Planning Services Administrator, Leslie Statler, Planner Ericka Burnett, City Clerk, Ross Pristera, Advisor

**OTHERS PRESENT:** Mary Hudgins Woods, Patricia Hudgins Travis, Tonia M. Hudgins Blacklock, Johnny Little, Keyla Little, Anna Thornhill, Hazel Johnson, Henry L. Phipps, Patricia Phipps, Marilynn Wiggins, Gloria Horning, Nan DeStafney, James L. Gulley

**AGENDA:**

- Quorum/Call to Order
- Swearing In of Members
- Approval of Meeting Minutes from November 14, 2017
- New Business:
  1. Request for Future Land Use Map Amendment & Zoning Map Amendment – 2120 W. Jackson St.
  2. Consider LDC Amendment – Section 12-2-22 Governmental Center District
- Open Forum
- Adjournment

**Call to Order / Quorum Present**

Chairman Ritz called the meeting to order at 2:01 pm with a quorum present.

**Swearing in of members** – City Clerk Ericka Burnett swore in Board Member Kyle Owens.

**Approval of Meeting Minutes**

Mr. Larson made a motion to approve the November 14, 2017 minutes, seconded by Ms. Campbell, and it carried unanimously.

**New Business:**

**Request for Rezoning – 2120 W. Jackson St.**

Mr. Darold Montgomery is requesting for a Future Land Use Map Amendment and Zoning Map Amendment for the property located at 2120 W. Jackson Street. The property currently has a future land use designation of High Density Residential (HDR) and zoning designation of Residential/Office (R-2). This request is proposing to amend the Future Land Use Designation to Commercial and the zoning designation to Commercial (C-3).

EVERYTHING THAT'S GREAT ABOUT FLORIDA IS BETTER IN PENSACOLA.

These changes will allow for the sale of the property to the adjacent business (Blues Angel Music) to provide for expansion of the business. The existing business located at 657 Pace Boulevard is adjacent and has a zoning designation of Commercial (C-3). The properties in this area with frontage on Pace Boulevard all have a Commercial (C-3) zoning designation. This request has been routed through the various City departments and utility providers with comments provided. The proper notice was provided with no objections received.

Chairman Ritz noted there were no negative comments and reminded the Board if approved, anything in C-3 could be placed on the property. His opinion was that C-3 was an intense commercial district. Ms. Deese read the listing of uses for C-3 in the Ordinance. She agreed that going from R-2 to C-3 was dramatic, but stated we did want to remain consistent with the surrounding properties. She pointed out the Board did have the option to go with C-2 or C-1. Mr. Grundhoefer advised this property was contiguous with C-1. Ms. Deese provided the GIS location which indicated a portion of the Blues Angel Music was C-3, but C-1 would be appropriate as well. This designation would also allow for the land use being proposed. Chairman Ritz supported the C-1 designation.

Mr. Darrell Montgomery, property owner, stated the goal was to sell the property, and Ms. DeStafney wanted to expand the Blues Angels business. He stated the church is relocating. Ms. DeStafney explained that the church had outgrown the existing facilities. It was her desire to expand and use the church's existing buildings, which would continue the commercial development to the west. She explained they had a warehouse and repair center, and Ms. Deese advised those were accessories to the primary business and appropriate for the C-1 designation.

**Mr. Larson made a motion to approve as C-1, seconded by Mr. Owens.** For clarification, Mr. Grundhoefer explained the Board's recommendation would be forwarded to the City Council for final approval. **The motion then carried unanimously.**

#### **Consider LDC Amendment – Section 12-2-22 Governmental Center District**

City Council, at their November 9, 2017 meeting, referred to this Board for consideration a Land Development Code Amendment for Section 12-2-22 Governmental Center District. Recently, concerns have been raised over the lack of clear, enforceable regulations in the Governmental Center District. The attached proposed code language would replace the Governmental Center District with a new redevelopment district that is very similar to the Maritime Redevelopment Land Use District that went before this Board and City Council back in 2013. This proposed district would provide for a review process that contains clear guidelines that allows for transparency to property owners as well as potential developers. If this amendment moves forward, additional sections of the Land Development Code where Governmental Center District is referred to will need to be amended as well. Ms. Deese reminded the Board that around a year ago Planning Board forwarded a proposal to the City Council addressing this change.

Chairman Ritz explained this legislation would put something in place, and Ms. Deese advised the ARB would oversee the aesthetic review of this district. She advised with the westward movement, this would bring more items to the ARB. As an ARB member, Ms. Campbell stated she would rather be tasked with more work than not see these proposals addressed. She pointed out in the 1970s, many historic buildings were demolished for development. Mr. Pristera explained large portions of the neighborhoods were torn down, but the Historic Trust saved some properties, and they found survey pictures before those demolitions. With the development of a recent project, the Historic Trust was notified that brick piers were found. In reviewing the district, he did not believe this area needed to be a historic district, but it did need some protection of the residential properties. He also advised the neighborhoods needed the chance to weigh in to provide a sense of community. He explained the Governmental Center District did not have guidelines, but Maritime had some.

Ms. Deese pointed out the proposed ordinance contains regulations for the proposed Maritime Redevelopment District and would replace the existing Governmental Center District. She explained that Councilwoman Jewel Cannada-Wynn sponsored the revision, but her intent was not to include the Tanyard since it would be a part of an overlay district proposed by the CRA; residential would also be excluded. There was a substantial amount of opposition from the neighborhood concerning regulations on residential which were included in the original document of 2013 that failed on second reading by City Council.

Mr. Pristera clarified the study provided by interns included residential. Chairman Ritz clarified that the boundaries were just the Governmental Center District, but Ms. Deese advised the Board's recommendation could be different.

Ms. Wiggins, President of the Tanyard Neighborhood Association, was concerned with what type of ordinance would be put into place and hoped the neighborhood would still belong to the residents. Chairman Ritz explained residences were not included in the proposed district. Unless there was a zoning change, zoning regulations would limit commercial businesses from coming in. He added that a home could be built on a commercial property if it was zoned commercial. Mr. Grundhoefer explained that this would help a McDonald's fit into the neighborhood and look like it belongs in the district. Ms. Deese indicated in reading the proposed ordinance, it appeared that residential was included, but it was not the intent of the sponsor as far as staff was aware. Also, when Planning Board recommended this to Council about a year ago, they discussed the desire to extend the boundaries to A Street.

Ms. Campbell asked Ms. Wiggins how the residents felt about being under the ARB review. Ms. Wiggins explained the residents felt whatever was going on in this area did not include them, and they were afraid of being pushed out of their homes. Ms. Campbell explained she felt the ARB would protect their investment. Mr. Grundhoefer agreed that the ARB would provide protection assuring that what was built around them would be compatible with the neighborhood. Ms. Deese clarified in looking at Old East Hill, some of their residents were in a similar situation where even the application fee to come before the ARB was too great of a burden. The ARB could require certain materials that current residents could not afford.

Dr. Gloria Horning stated gentrification was exactly what was occurring here. She explained the Tanyard was rich in African American history. She pointed to Aragon Court which had a high-end developer say the residents could have the opportunity to purchase, however, they could only afford the land itself. She explained houses are currently being built in Tanyard and priced at \$136,000 which made them unaffordable. Businesses without suitable parking were also presenting a problem. Chairman Ritz explained the ordinance did not discuss commercial versus residential. He explained that without legislation, the residents would continue to have problems, but the legislation would actually help. Ms. Campbell pointed out with the legislation, they could preserve the residential homes since demolition is taken very seriously by the ARB.

Mr. Gulley, Chairman of the Westside CRA, gave a history and background of the Tanyard and addressed demolitions in locations west of A Street. As a point of order, Chairman Ritz advised west of A Street could not be addressed in this proposal. Mr. Gulley stated the current proposal would cover to A Street, and it should not be approved until it is clarified by the sponsoring Council member. As a point of reference, Chairman Ritz clarified that the legislation did not go to A Street but only renamed the Governmental Center District, and the map was yet to be determined. Mr. Gulley cited demolitions and subdivisions recently approved in the Westside CRA and stated the decisions of this Board had a great impact. He pointed out Ms. Gibson of the CRA would be placing an overlay district for all of the CRAs (possibly June of next year).

Ms. Thornhill advised they were in gentrification and had about ten percent of the original residents in Tanyard today.

She provided examples of parking problems as well as the special events of the Maritime Park where the public uses their neighborhood parking spaces. Chairman Ritz noted the interest from the neighborhood. He pointed out the ARB had provided workshops and other meetings with a more informal approach to any developing legislation being put forth. One of the key components was input from the residents. The proposed legislation before the Board has holes in the framework that were intended to be worked out during this meeting. However, without having Council Member Cannada-Wynn present for questions, the Board was going by "hearsay" and didn't feel comfortable moving forward without more insight.

Ms. Phipps lives outside of the district and hoped the Board was still considering the flooding issue, and stated whatever was built, it would result in flooding since they were taking away more land. Chairman Ritz pointed out the Board was not involved in stormwater management. She also discussed the bus terminal across the street and the noise generated.

At this point, Chairman Ritz stated the Board was not at a point to move forward and needed input from Councilwoman Cannada-Wynn. He explained this Board had a limited scope and has no authority on storm-water planning. He continued by stating that this Board considers zoning and legislation concerning the Land Development Code, and the Board valued input from the neighborhoods when considering movement forward for the City. He explained neighborhoods were developed differently today considering new technologies, family styles and transportation. With all that was said, he stated the Board needed to study the issue more and obtain additional input. Mr. Larson asked if the Board could ask for more input from Council on the Tanyard and the CRA district they wanted exempted so the Board would not be overstepping what they were trying to do initially. Chairman Ritz asked staff for additional information from Council. He asked Ms. Wiggins how she would like to have input, and suggested she write out suggestions and deliver them to staff. He clarified with no decision made by the Board, this issue would come back as an agenda item. He asked if Dr. Horning could reference specific items. Dr. Horning stated they appreciated the opportunity since they had never been asked for input before. Chairman Ritz explained their written comments would become part of the record which would also be a part of the information forwarded to Council.

**Mr. Larson made a motion to postpone until the Board could obtain additional guidance. Ms. Campbell seconded the motion, and it carried unanimously.**

**Open Forum** – Mr. Larson thanked Mr. Grundhoefer for the report in the minutes regarding Council's decision on internally illuminated signage.

**Adjournment** – With no further business, Chairman Ritz adjourned the meeting at 3:17 pm.

Respectfully Submitted,



Brandi C. Deese  
Secretary to the Board

CITY CLERK'S OFFICE/LEGAL ADS  
3RD FLOOR, 222 WEST MAIN STREET  
222 W MAIN ST

32502

Published Daily-Pensacola, Escambia County, FL

**PROOF OF PUBLICATION**

State of Florida

County of Escambia:

Before the undersigned authority personally appeared **Brittni L Pennington**, who on oath says that he or she is a Legal Advertising Representative of the **Pensacola News Journal**, a daily newspaper published in Escambia County, Florida that the attached copy of advertisement, being a Legal Ad in the matter of

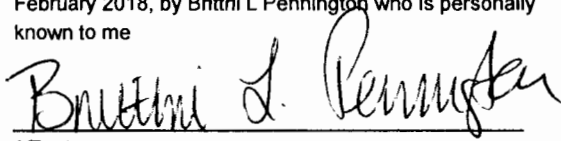
**NOTICE OF PROPOSED ORDINA**

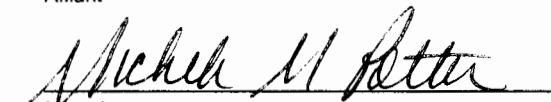
as published in said newspaper in the issue(s) of:

**02/26/18**

Affiant further says that the said **Pensacola News Journal** is a newspaper in said Escambia County, Florida and that the said newspaper has heretofore been continuously published in said Escambia County, Florida, and has been entered as second class matter at the Post Office in said Escambia County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or she has neither paid nor promised any person, firm or coporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Sworn to and Subscribed before me this 26th of February 2018, by Brittni L Pennington who is personally known to me

  
\_\_\_\_\_  
Affiant

  
\_\_\_\_\_  
Michele M. Potter  
Notary Public for the State of Florida  
My Commission expires June 30, 2018

Publication Cost: \$219.30  
Ad No: 0002752780  
Customer No: PNJ-25615500

**NOTICE OF PROPOSED ORDINANCES**

Please be advised that Proposed Ordinance Nos. 02-18 and 03-18 were presented to the City Council of the City of Pensacola for first reading on Thursday, February 8, 2018 and will be presented for final reading and adoption on Thursday, March 8, 2018 at 5:30 p.m., in Council Chambers on the First Floor of City Hall, 222 West Main Street, Pensacola, Florida.

The title(s) of the proposed ordinance(s) are as follows:

P.O. #02-18:

AN ORDINANCE AMENDING THE FUTURE LAND USE CLASSIFICATION OF CERTAIN PROPERTY PURSUANT TO AND CONSISTENT WITH THE COMPREHENSIVE PLAN OF THE CITY OF PENSACOLA: AMENDING THE FUTURE LAND USE MAP OF THE CITY OF PENSACOLA: REPEALING CLAUSE AND EFFECTIVE DATE. (2120 West Jackson Street)

P.O. #03-18:

AN ORDINANCE AMENDING THE ZONING CLASSIFICATION OF CERTAIN PROPERTY PURSUANT TO AND CONSISTENT WITH THE COMPREHENSIVE PLAN OF THE CITY OF PENSACOLA: AMENDING THE ZONING MAP OF THE CITY OF PENSACOLA: REPEALING CLAUSE AND EFFECTIVE DATE. (2120 West Jackson Street)

A copy of proposed ordinances may be inspected by the public in the City Clerk's office, located on the 3rd Floor of City Hall, 222 West Main Street, Pensacola, Florida, or on-line on the City's website:

<https://pensacola.legistar.com/Calendar.aspx>. Interested parties may appear at the Council meeting and be heard with respect to the proposed ordinances.

If any person decides to appeal any decision made with respect to any matter considered at this meeting or public hearing, such person may need to insure that a verbatim record of the proceedings is made, which record includes the testimony and any evidence upon which the appeal is to be based.

The City of Pensacola adheres to the Americans with Disabilities Act and will make reasonable accommodations for access to city services, programs and activities. Please call 435-1606 (or TDD 435-1666) for further information. Requests must be made at least 48 hours in advance of the event in order to allow the City time to provide the requested services.

**CITY OF PENSACOLA, FLORIDA**

By: Enicka L. Burnett, City Clerk

Visit [www.cityofpensacola.com](http://www.cityofpensacola.com) to learn more about City activities. Council agendas posted on-line before meetings.

Legal No. 2752780 1T February 26, 2018

**RECEIVED**  
**MAR 01 2018**  
BY: \_\_\_\_\_



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

---

File #: 03-18

City Council

3/8/2018

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### LEGISLATIVE ACTION ITEM

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

PROPOSED ORDINANCE NO. 03-18 - REQUEST FOR ZONING MAP AMENDMENT - 2120 W. JACKSON STREET

**RECOMMENDATION:**

That City Council adopt Proposed Ordinance No. 03-18 on second reading.

AN ORDINANCE AMENDING THE ZONING CLASSIFICATION OF CERTAIN PROPERTY PURSUANT TO AND CONSISTENT WITH THE COMPREHENSIVE PLAN OF THE CITY OF PENSACOLA; AMENDING THE ZONING MAP OF THE CITY OF PENSACOLA; REPEALING CLAUSE AND EFFECTIVE DATE.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

The City has received a request from Mr. Darold Montgomery to amend the City's Zoning Map from Residential/Office (R-2) to Commercial (C-1) and the City's Future Land Use Map from High Density Residential (HDR) to Commercial (C).

On December 12, 2017, the Planning Board unanimously recommended approval of the proposed Future Land Use Map and Zoning Map amendment.

**PRIOR ACTION:**

February 8, 2018 - The City Council voted to approve Ordinance No. 03-18 on first reading.

**FUNDING:**

N/A

**FINANCIAL IMPACT:**

None

**CITY ATTORNEY REVIEW:** Yes

1/22/2018

**STAFF CONTACT:**

Eric W. Olson, City Administrator  
Sherry H. Morris, Planning Services Administrator

**ATTACHMENTS:**

- 1) Proposed Ordinance No. 03-18
- 2) Rezoning Application, 2120 W. Jackson Street, dated November 9, 2017
- 3) Zoning Map, dated December 2017
- 4) December 12, 2017 Planning Board Minutes

**PRESENTATION:** No

PROPOSED  
ORDINANCE NO. 03-18

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE  
TO BE ENTITLED:

AN ORDINANCE AMENDING THE ZONING CLASSIFICATION OF CERTAIN PROPERTY PURSUANT TO AND CONSISTENT WITH THE COMPREHENSIVE PLAN OF THE CITY OF PENSACOLA; AMENDING THE ZONING MAP OF THE CITY OF PENSACOLA; REPEALING CLAUSE AND EFFECTIVE DATE.

WHEREAS, the City of Pensacola adopted a Comprehensive Plan on October 4, 1990, pursuant to applicable law; and

WHEREAS, a proposed amended zoning classification has been referred to the local planning agency pursuant to §163.3174, Fla. Stat., and a proper public hearing was held on February 8, 2018 concerning the following proposed zoning classification affecting the property described therein; and

WHEREAS, after due deliberation, the City Council has determined that the amended zoning classification set forth herein will affirmatively contribute to the health, safety, and general welfare of the citizens of the City of Pensacola; and

WHEREAS, said amended zoning classification is consistent with all applicable elements of the Comprehensive Plan as amended,  
NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF PENSACOLA, FLORIDA:

SECTION 1. That the Zoning Map of the City of Pensacola and all notations, references and information shown thereon is hereby amended so that the following described real property located in the City of Pensacola, Florida, to-wit:

LOTS 1, 2, 3, 4, 5 AND LOT 24, BLOCK 148, WEST KING TRACT, CITY OF PENSACOLA, ESCAMBIA COUNTY, FLORIDA, ACCORDING TO MAP OF SAID CITY COPYRIGHTED BY THOMAS C. WATSON IN 1906.

is hereby changed from the R-2 (Residential Office) District to the C-1 (Commercial) District.



SECTION 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 3. This ordinance shall become effective on the fifth business day after adoption, unless otherwise provided pursuant to Section 4.03(d) of the City Charter of the City of Pensacola.

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_  
President of City Council

Attest:

\_\_\_\_\_  
City Clerk



**REZONING**

Please check application type:

<input type="checkbox"/> Conventional Rezoning	<b>Comprehensive Plan / FLUM Amendment</b>	
Application Fee: \$2,500.00	<input checked="" type="checkbox"/> (< 10 acres)	<input type="checkbox"/> (≥ 10 acres)
Rehearing/Rescheduling (Planning Board): \$250.00	\$3,500.00	\$3,500.00
Rehearing/Rescheduling (City Council): \$750.00	\$250.00	\$250.00
	\$750.00	\$1,000.00

Applicant Information:

Name: Darold Montgomery Date: 11/09/2017  
 Address: 1308 Plata Canada Dr, Cantonment, FL 32533  
 Phone: 850-384-6842 Fax: \_\_\_\_\_ Email: daroldmontgomery@gmail.com

Property Information:

Owner Name: Life Changing Experience Worship Center Phone: 850-696-2122  
 Location/Address: 2120 W. Jackson St, Pensacola  
 Parcel ID: 00-05-00-9060-001-148 Acres/Square Feet: 53  
 Zoning Classification: Existing R-2 Proposed C-3  
 Future Land Use Classification: Existing HDR Proposed C  
 Reason Rezoning Requested: Sale of property to adjacent business (Blues Angels) to provide for their expansion

Required Attachments: (A) Full legal description of property (from deed or survey)  
 (B) General location map with property to be rezoned indicated thereon

The above information, together with all other answers and information provided by me (us) as petitioner (s)/applicant (s) in the subject application, and all other attachments thereto, is accurate and complete to the best of my (our) knowledge and belief as of this 9 day of November, 2017.

[Signature] Applicant Signature      [Signature] Owner Signature  
DAROLD MONTGOMERY Applicant Name (Print)      DAROLD MONTGOMERY Owner Name (Print)

Sworn to and subscribed to before me this 9th day of November, 2017  
 Name: [Signature] Commission Expires: 2/27/2019



**FOR OFFICE USE ONLY**

Council District: # 7 Date Received: 11/9/2017 Case Number: n/a  
 Date Postcards mailed: 12/4/2017 Planning Board Date: 12/12/2017 Recommendation: Approval  
 Committee Date: n/a Council Date: 2/8/2018 Council Action: \_\_\_\_\_  
 Second Reading: \_\_\_\_\_ Ordinance Number: \_\_\_\_\_

Recorded in Public Records 07/24/2006 at 12:58 PM OR Book 5955 Page 1069,  
Instrument #2006074233, Ernie Lee Magaha Clerk of the Circuit Court Escambia  
County, FL Recording \$27.00 Deed Stamps \$560.00

27-  
560-

Prepared by/Return to:  
Tracy Ratzin  
LandAmerica Lawyers Title  
14118 Perdido Key Drive, Ste. 3  
Pensacola, FL 32507

Folio/Parcel ID#: 00-05-00-9060-001-148

File/Case No: 10060006722

(Space Above This Line for Recording Data)

**CORPORATE WARRANTY DEED**

This Warranty Deed made on 19th day of July, 2006,

Between The Pensacola Revival Center, Inc., a Florida corporation

whose mailing address is: c/o Mary Garnham  
10671 Willow Lake Drive, Pensacola, FL 32506,

hereinafter called the Grantor, and

*DM*

Life Changing Experience Worship Center, Inc., a Florida corporation

whose mailing address is: 2514 W. Cervantes Street, Pensacola, FL 32505, hereinafter called the  
Grantee,

WITNESSETH, that the Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and  
other good and valuable consideration the receipt of which is hereby acknowledged does grant,  
bargain, sell alien, remise, release convey and confirm unto the Grantee, and Grantee's successors,  
and assigns forever, all that certain parcel of land in the County of Escambia, State of Florida to  
wit:







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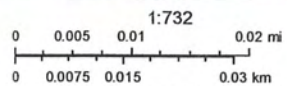
SUBJECT TO easements, restrictions and reservations of record, and real property taxes and  
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property lines



October 15, 2017

- |                     |                     |  |  |  |
|---------------------|---------------------|--|--|--|
| <b>polygonLayer</b> | <b>polygonLayer</b> | <b>Streets</b>   |  COLLECTOR  |  County Outline |
| Override 1          | Override 1          |  PRINCIPAL ARTERIAL |  LOCAL ROAD |  |
|                     |                     |  MINOR ARTERIAL     |  Parcels    |  |



Sources: Esri, HERE, DeLorme, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), MapmyIndia, NGCC, © OpenStreetMap contributors, and the GIS User Community



REZONING EXISTING R-2 TO C-3

December 2017

2120 W Jackson



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PLANNING SERVICES

THE UPSIDE *o*f FLORIDA

**MINUTES OF THE PLANNING BOARD**

**December 12, 2017**

**MEMBERS PRESENT:** Chairman Paul Ritz, Danny Grundhoefer, Nina Campbell, Kurt Larson, Kyle Owens

**MEMBERS ABSENT:** Jared Moore, Nathan Monk

**STAFF PRESENT:** Brandi Deese, Assistant Planning Services Administrator, Leslie Statler, Planner Ericka Burnett, City Clerk, Ross Pristera, Advisor

**OTHERS PRESENT:** Mary Hudgins Woods, Patricia Hudgins Travis, Tonia M. Hudgins Blacklock, Johnny Little, Keyla Little, Anna Thornhill, Hazel Johnson, Henry L. Phipps, Patricia Phipps, Marilyn Wiggins, Gloria Horning, Nan DeStafney, James L. Gulley

**AGENDA:**

- Quorum/Call to Order
- Swearing In of Members
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- New Business:
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  2. Consider LDC Amendment – Section 12-2-22 Governmental Center District
- Open Forum
- Adjournment

**Call to Order / Quorum Present**

Chairman Ritz called the meeting to order at 2:01 pm with a quorum present.

**Swearing in of members** – City Clerk Ericka Burnett swore in Board Member Kyle Owens.

**Approval of Meeting Minutes**

Mr. Larson made a motion to approve the November 14, 2017 minutes, seconded by Ms. Campbell, and it carried unanimously.

**New Business:**

**Request for Rezoning – 2120 W. Jackson St.**

Mr. Darold Montgomery is requesting for a Future Land Use Map Amendment and Zoning Map Amendment for the property located at 2120 W. Jackson Street. The property currently has a future land use designation of High Density Residential (HDR) and zoning designation of Residential/Office (R-2). This request is proposing to amend the Future Land Use Designation to Commercial and the zoning designation to Commercial (C-3).

EVERYTHING THAT'S GREAT ABOUT FLORIDA IS BETTER IN PENSACOLA.

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These changes will allow for the sale of the property to the adjacent business (Blues Angel Music) to provide for expansion of the business. The existing business located at 657 Pace Boulevard is adjacent and has a zoning designation of Commercial (C-3). The properties in this area with frontage on Pace Boulevard all have a Commercial (C-3) zoning designation. This request has been routed through the various City departments and utility providers with comments provided. The proper notice was provided with no objections received.

Chairman Ritz noted there were no negative comments and reminded the Board if approved, anything in C-3 could be placed on the property. His opinion was that C-3 was an intense commercial district. Ms. Deese read the listing of uses for C-3 in the Ordinance. She agreed that going from R-2 to C-3 was dramatic, but stated we did want to remain consistent with the surrounding properties. She pointed out the Board did have the option to go with C-2 or C-1. Mr. Grundhoefer advised this property was contiguous with C-1. Ms. Deese provided the GIS location which indicated a portion of the Blues Angel Music was C-3, but C-1 would be appropriate as well. This designation would also allow for the land use being proposed. Chairman Ritz supported the C-1 designation.

Mr. Darrell Montgomery, property owner, stated the goal was to sell the property, and Ms. DeStafney wanted to expand the Blues Angels business. He stated the church is relocating. Ms. DeStafney explained that the church had outgrown the existing facilities. It was her desire to expand and use the church's existing buildings, which would continue the commercial development to the west. She explained they had a warehouse and repair center, and Ms. Deese advised those were accessories to the primary business and appropriate for the C-1 designation.

**Mr. Larson made a motion to approve as C-1, seconded by Mr. Owens.** For clarification, Mr. Grundhoefer explained the Board's recommendation would be forwarded to the City Council for final approval. **The motion then carried unanimously.**

#### **Consider LDC Amendment – Section 12-2-22 Governmental Center District**

City Council, at their November 9, 2017 meeting, referred to this Board for consideration a Land Development Code Amendment for Section 12-2-22 Governmental Center District. Recently, concerns have been raised over the lack of clear, enforceable regulations in the Governmental Center District. The attached proposed code language would replace the Governmental Center District with a new redevelopment district that is very similar to the Maritime Redevelopment Land Use District that went before this Board and City Council back in 2013. This proposed district would provide for a review process that contains clear guidelines that allows for transparency to property owners as well as potential developers. If this amendment moves forward, additional sections of the Land Development Code where Governmental Center District is referred to will need to be amended as well. Ms. Deese reminded the Board that around a year ago Planning Board forwarded a proposal to the City Council addressing this change.

Chairman Ritz explained this legislation would put something in place, and Ms. Deese advised the ARB would oversee the aesthetic review of this district. She advised with the westward movement, this would bring more items to the ARB. As an ARB member, Ms. Campbell stated she would rather be tasked with more work than not see these proposals addressed. She pointed out in the 1970s, many historic buildings were demolished for development. Mr. Pristera explained large portions of the neighborhoods were torn down, but the Historic Trust saved some properties, and they found survey pictures before those demolitions. With the development of a recent project, the Historic Trust was notified that brick piers were found. In reviewing the district, he did not believe this area needed to be a historic district, but it did need some protection of the residential properties. He also advised the neighborhoods needed the chance to weigh in to provide a sense of community. He explained the Governmental Center District did not have guidelines, but Maritime had some.

Ms. Deese pointed out the proposed ordinance contains regulations for the proposed Maritime Redevelopment District and would replace the existing Governmental Center District. She explained that Councilwoman Jewel Cannada-Wynn sponsored the revision, but her intent was not to include the Tanyard since it would be a part of an overlay district proposed by the CRA; residential would also be excluded. There was a substantial amount of opposition from the neighborhood concerning regulations on residential which were included in the original document of 2013 that failed on second reading by City Council.

Mr. Pristera clarified the study provided by interns included residential. Chairman Ritz clarified that the boundaries were just the Governmental Center District, but Ms. Deese advised the Board's recommendation could be different.

Ms. Wiggins, President of the Tanyard Neighborhood Association, was concerned with what type of ordinance would be put into place and hoped the neighborhood would still belong to the residents. Chairman Ritz explained residences were not included in the proposed district. Unless there was a zoning change, zoning regulations would limit commercial businesses from coming in. He added that a home could be built on a commercial property if it was zoned commercial. Mr. Grundhoefer explained that this would help a McDonald's fit into the neighborhood and look like it belongs in the district. Ms. Deese indicated in reading the proposed ordinance, it appeared that residential was included, but it was not the intent of the sponsor as far as staff was aware. Also, when Planning Board recommended this to Council about a year ago, they discussed the desire to extend the boundaries to A Street.

Ms. Campbell asked Ms. Wiggins how the residents felt about being under the ARB review. Ms. Wiggins explained the residents felt whatever was going on in this area did not include them, and they were afraid of being pushed out of their homes. Ms. Campbell explained she felt the ARB would protect their investment. Mr. Grundhoefer agreed that the ARB would provide protection assuring that what was built around them would be compatible with the neighborhood. Ms. Deese clarified in looking at Old East Hill, some of their residents were in a similar situation where even the application fee to come before the ARB was too great of a burden. The ARB could require certain materials that current residents could not afford.

Dr. Gloria Horning stated gentrification was exactly what was occurring here. She explained the Tanyard was rich in African American history. She pointed to Aragon Court which had a high-end developer say the residents could have the opportunity to purchase, however, they could only afford the land itself. She explained houses are currently being built in Tanyard and priced at \$136,000 which made them unaffordable. Businesses without suitable parking were also presenting a problem. Chairman Ritz explained the ordinance did not discuss commercial versus residential. He explained that without legislation, the residents would continue to have problems, but the legislation would actually help. Ms. Campbell pointed out with the legislation, they could preserve the residential homes since demolition is taken very seriously by the ARB.

Mr. Gulley, Chairman of the Westside CRA, gave a history and background of the Tanyard and addressed demolitions in locations west of A Street. As a point of order, Chairman Ritz advised west of A Street could not be addressed in this proposal. Mr. Gulley stated the current proposal would cover to A Street, and it should not be approved until it is clarified by the sponsoring Council member. As a point of reference, Chairman Ritz clarified that the legislation did not go to A Street but only renamed the Governmental Center District, and the map was yet to be determined. Mr. Gulley cited demolitions and subdivisions recently approved in the Westside CRA and stated the decisions of this Board had a great impact. He pointed out Ms. Gibson of the CRA would be placing an overlay district for all of the CRAs (possibly June of next year).

Ms. Thornhill advised they were in gentrification and had about ten percent of the original residents in Tanyard today.



She provided examples of parking problems as well as the special events of the Maritime Park where the public uses their neighborhood parking spaces. Chairman Ritz noted the interest from the neighborhood. He pointed out the ARB had provided workshops and other meetings with a more informal approach to any developing legislation being put forth. One of the key components was input from the residents. The proposed legislation before the Board has holes in the framework that were intended to be worked out during this meeting. However, without having Council Member Cannada-Wynn present for questions, the Board was going by "hearsay" and didn't feel comfortable moving forward without more insight.

Ms. Phipps lives outside of the district and hoped the Board was still considering the flooding issue, and stated whatever was built, it would result in flooding since they were taking away more land. Chairman Ritz pointed out the Board was not involved in stormwater management. She also discussed the bus terminal across the street and the noise generated.

At this point, Chairman Ritz stated the Board was not at a point to move forward and needed input from Councilwoman Cannada-Wynn. He explained this Board had a limited scope and has no authority on storm-water planning. He continued by stating that this Board considers zoning and legislation concerning the Land Development Code, and the Board valued input from the neighborhoods when considering movement forward for the City. He explained neighborhoods were developed differently today considering new technologies, family styles and transportation. With all that was said, he stated the Board needed to study the issue more and obtain additional input. Mr. Larson asked if the Board could ask for more input from Council on the Tanyard and the CRA district they wanted exempted so the Board would not be overstepping what they were trying to do initially. Chairman Ritz asked staff for additional information from Council. He asked Ms. Wiggins how she would like to have input, and suggested she write out suggestions and deliver them to staff. He clarified with no decision made by the Board, this issue would come back as an agenda item. He asked if Dr. Horning could reference specific items. Dr. Horning stated they appreciated the opportunity since they had never been asked for input before. Chairman Ritz explained their written comments would become part of the record which would also be a part of the information forwarded to Council.

**Mr. Larson made a motion to postpone until the Board could obtain additional guidance. Ms. Campbell seconded the motion, and it carried unanimously.**

**Open Forum** – Mr. Larson thanked Mr. Grundhoefer for the report in the minutes regarding Council's decision on internally illuminated signage.

**Adjournment** – With no further business, Chairman Ritz adjourned the meeting at 3:17 pm.

Respectfully Submitted,



Brandi C. Deese  
Secretary to the Board

CITY CLERK'S OFFICE/LEGAL ADS  
3RD FLOOR, 222 WEST MAIN STREET  
222 W MAIN ST

32502

Published Daily-Pensacola, Escambia County, FL

**PROOF OF PUBLICATION**

State of Florida

County of Escambia:

Before the undersigned authority personally appeared **Brittni L Pennington**, who on oath says that he or she is a Legal Advertising Representative of the **Pensacola News Journal**, a daily newspaper published in Escambia County, Florida that the attached copy of advertisement, being a Legal Ad in the matter of

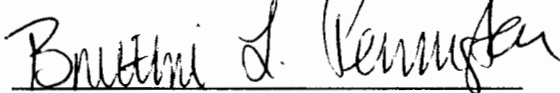
**NOTICE OF PROPOSED ORDINA**

as published in said newspaper in the issue(s) of:

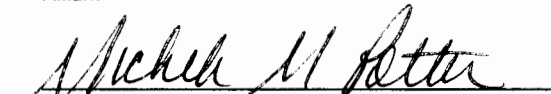
**02/26/18**

Affiant further says that the said **Pensacola News Journal** is a newspaper in said Escambia County, Florida and that the said newspaper has heretofore been continuously published in said Escambia County, Florida, and has been entered as second class matter at the Post Office in said Escambia County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or she has neither paid nor promised any person, firm or coporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Sworn to and Subscribed before me this 26th of February 2018, by Brittni L Pennington who is personally known to me



Affiant



Michele M. Potter

Notary Public for the State of Florida

My Commission expires June 30, 2018

Publication Cost: \$219.30

Ad No: 0002752780

Customer No: PNJ-25615500

**NOTICE OF PROPOSED ORDINANCES**

Please be advised that Proposed Ordinance Nos. 02-18 and 03-18 were presented to the City Council of the City of Pensacola for first reading on Thursday, February 8, 2018 and will be presented for final reading and adoption on Thursday, March 8, 2018 at 5:30 p.m., in Council Chambers on the First Floor of City Hall, 222 West Main Street, Pensacola, Florida. The title(s) of the proposed ordinance(s) are as follows:

P.O. #02-18:  
AN ORDINANCE AMENDING THE FUTURE LAND USE CLASSIFICATION OF CERTAIN PROPERTY PURSUANT TO AND CONSISTENT WITH THE COMPREHENSIVE PLAN OF THE CITY OF PENSACOLA: AMENDING THE FUTURE LAND USE MAP OF THE CITY OF PENSACOLA: REPEALING CLAUSE AND EFFECTIVE DATE. (2120 West Jackson Street)

P.O. #03-18:  
AN ORDINANCE AMENDING THE ZONING CLASSIFICATION OF CERTAIN PROPERTY PURSUANT TO AND CONSISTENT WITH THE COMPREHENSIVE PLAN OF THE CITY OF PENSACOLA: AMENDING THE ZONING MAP OF THE CITY OF PENSACOLA: REPEALING CLAUSE AND EFFECTIVE DATE. (2120 West Jackson Street)

A copy of proposed ordinances may be inspected by the public in the City Clerk's office, located on the 3rd Floor of City Hall, 222 West Main Street, Pensacola, Florida, or on-line on the City's website:

<https://pensacola.legistar.com/Calendar.aspx>. Interested parties may appear at the Council meeting and be heard with respect to the proposed ordinances.

If any person decides to appeal any decision made with respect to any matter considered at this meeting or public hearing, such person may need to insure that a verbatim record of the proceedings is made, which record includes the testimony and any evidence upon which the appeal is to be based.

The City of Pensacola adheres to the Americans with Disabilities Act and will make reasonable accommodations for access to city services, programs and activities. Please call 435-1606 (or TDD 435-1666) for further information. Requests must be made at least 48 hours in advance of the event in order to allow the City time to provide the requested services.

**CITY OF PENSACOLA, FLORIDA**

By: Enicka L. Burnett, City Clerk

Visit [www.cityofpensacola.com](http://www.cityofpensacola.com) to learn more about City activities. Council agendas posted on-line before meetings.

Legal No. 2752780 1T February 26, 2018

**RECEIVED**  
**MAR 01 2018**  
BY: \_\_\_\_\_



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 18-00123

City Council

3/8/2018

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### **DISCUSSION ITEM**

**FROM:** City Council Member Jewel Cannada-Wynn

**SUBJECT:**

RENTAL PROPERTY RESIDENTIAL INSPECTION PROGRAM

**SUMMARY:**

The City of Pensacola recognizes the need for safe, decent, and well maintained residential rental property within the City. The development of a program to proactively identify blighted, deteriorated and substandard rental property and to ensure the rehabilitation or elimination of such housing that does not meet minimal standards is desired. Standards should address life, health and safety issues as well as identifying deferred or inadequate maintenance.

A discussion of a permitting process, licensing process as well as other logistical concerns is warranted.

**PRIOR ACTION:**

None

**STAFF CONTACT:**

Don Kraher, Council Executive

**ATTACHMENTS:**

None

**PRESENTATION:** No



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 18-00067

City Council

3/8/2018

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### **SUBJECT:**

CITY ADMINISTRATOR COMMUNICATION

City Administrator, Eric W. Olson

Presentation: Brian Cooper - Parks and Recreation



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 18-00055

City Council

3/8/2018

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### **SUBJECT:**

MONTHLY CRIME REPORT

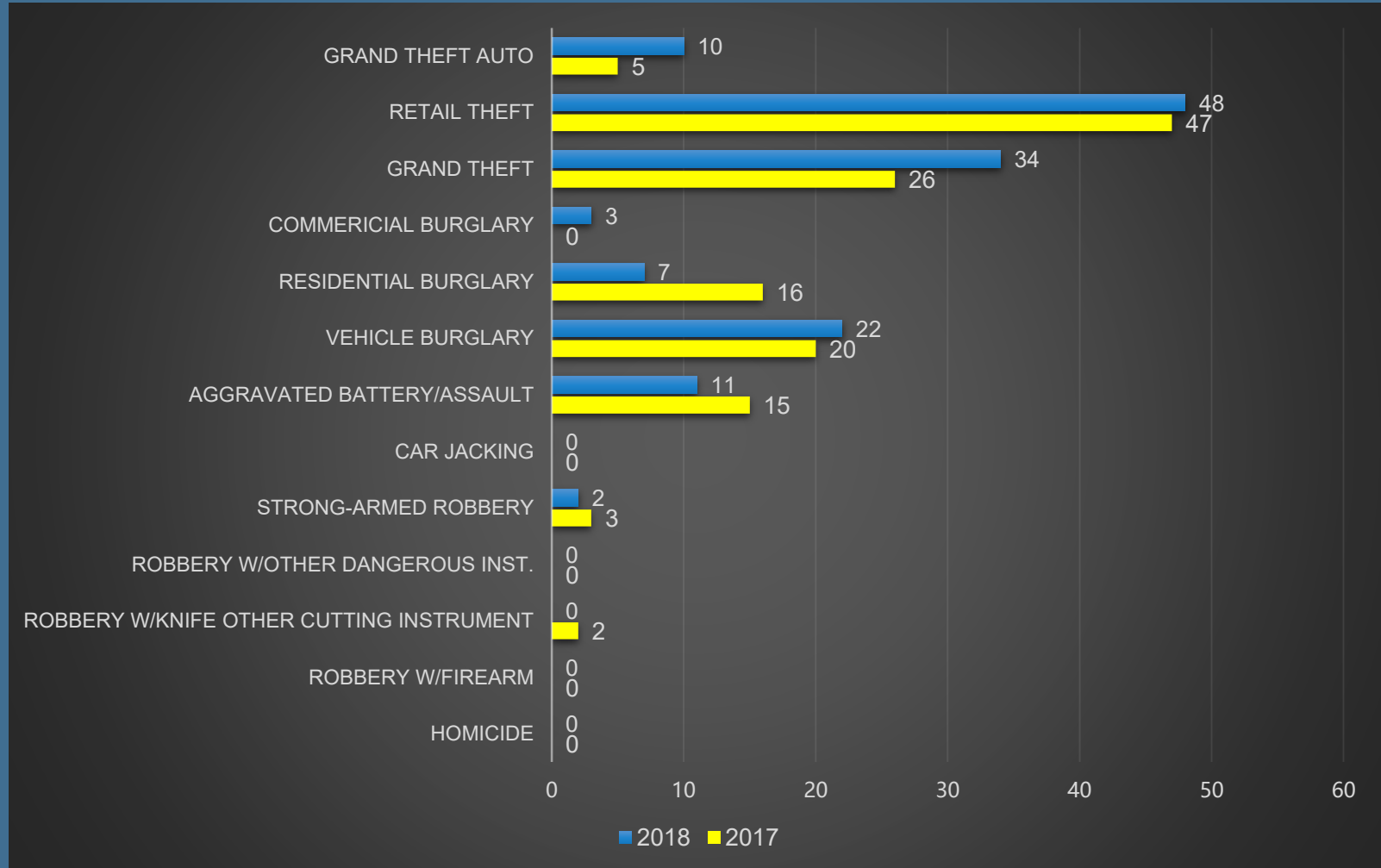
Police Chief, Tommi Lyter



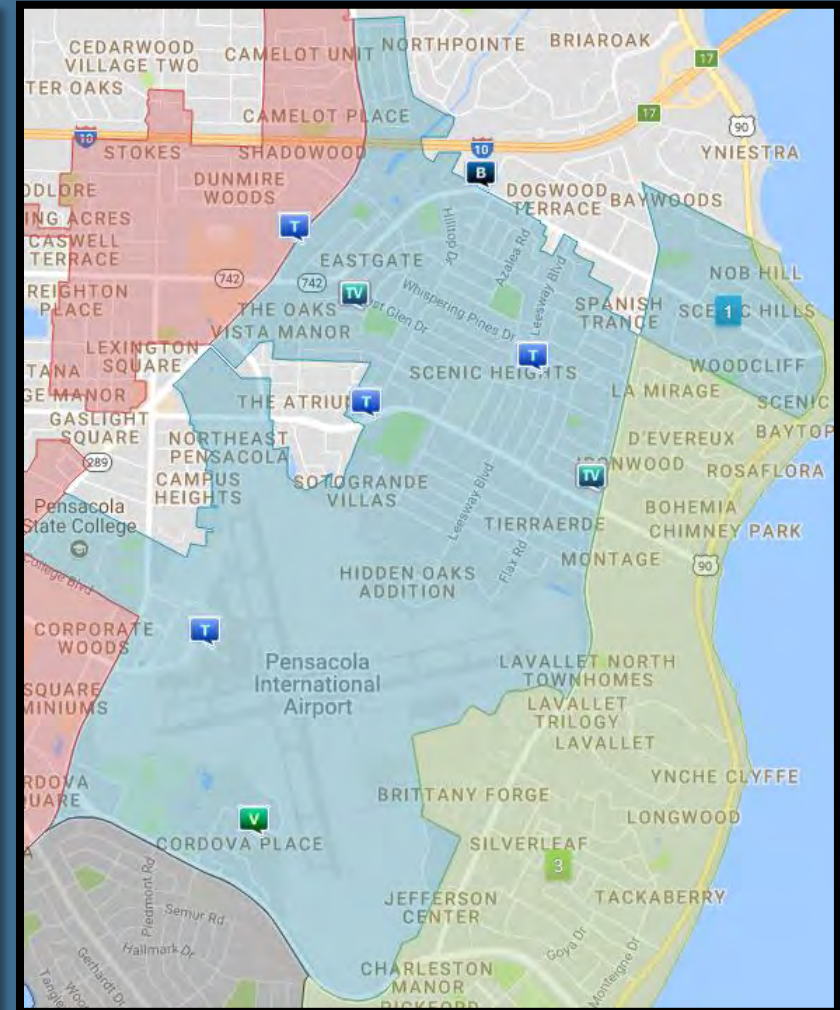
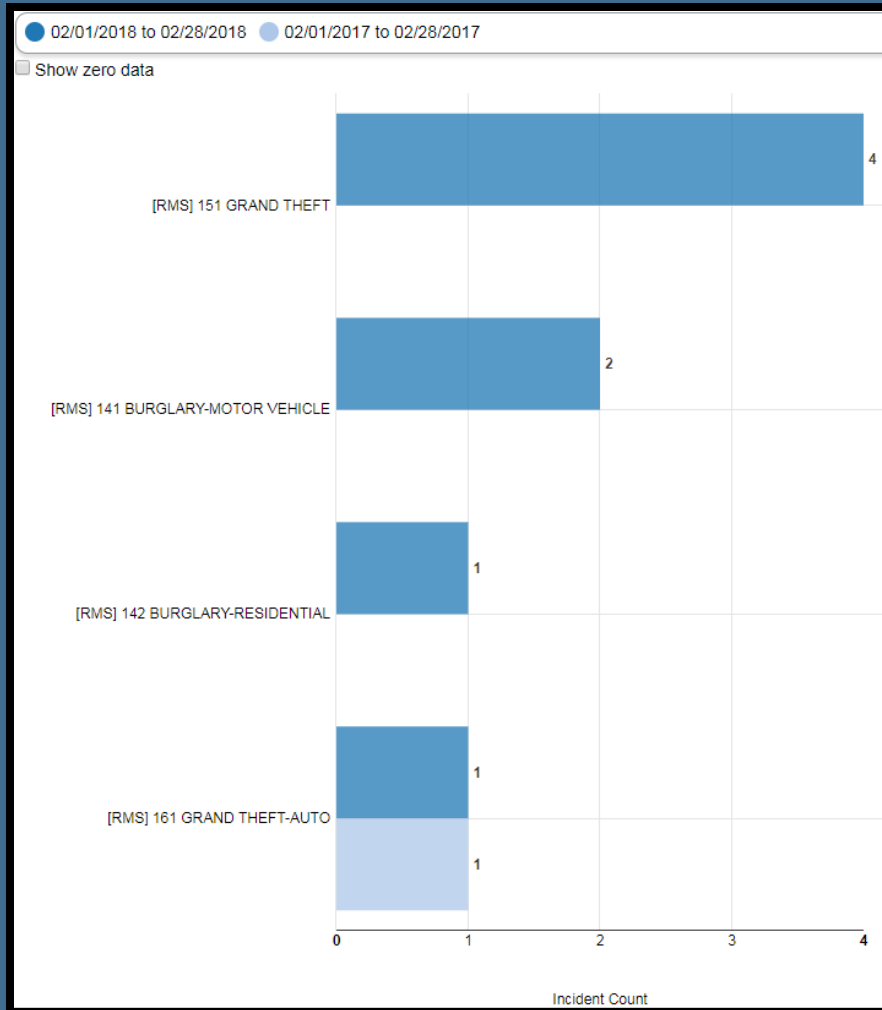
# PENSACOLA POLICE DEPARTMENT

Crime Report  
**February 2018**

# February 2017-2018 Comparison- City Limits

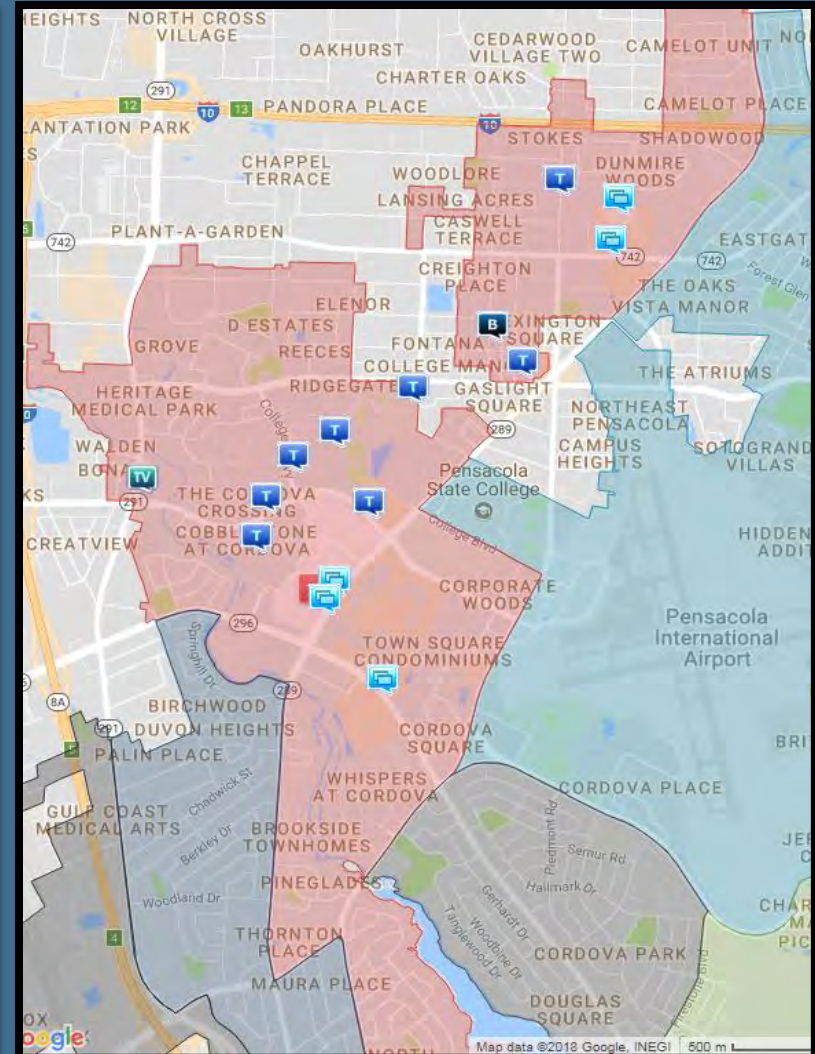
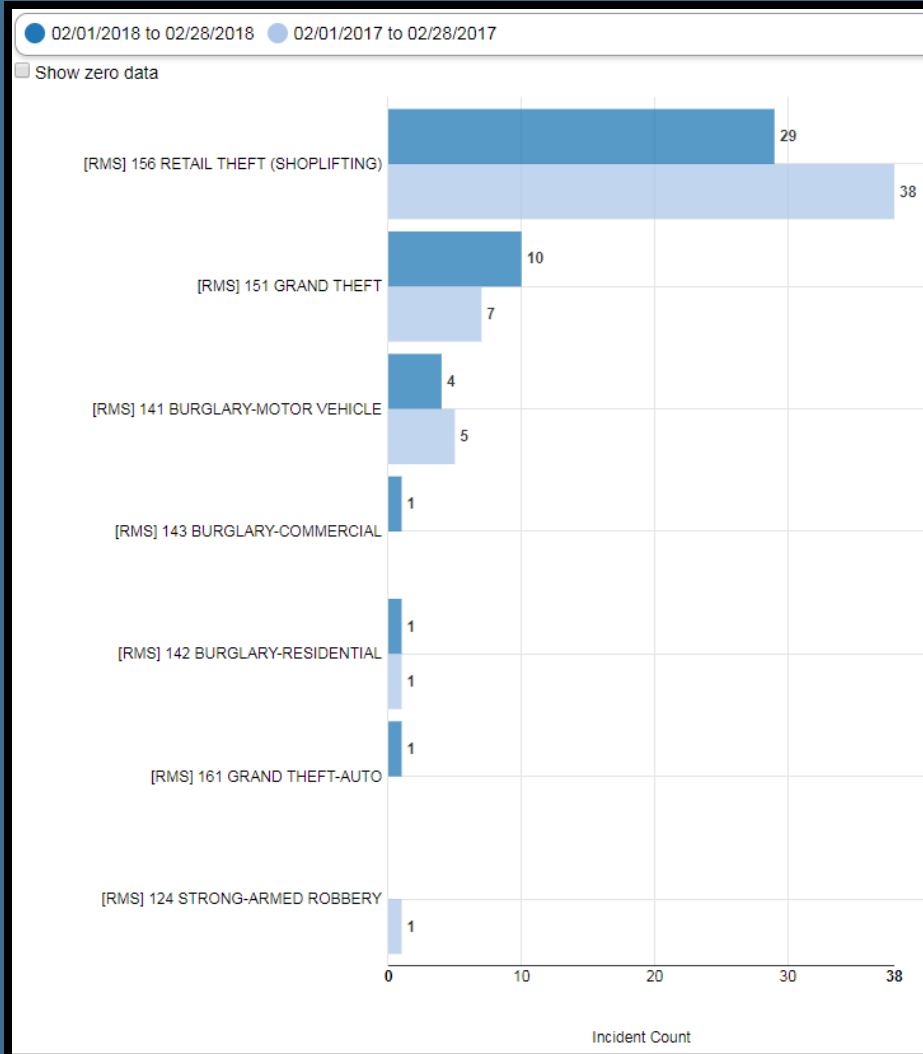


# District 1 February 2017-2018 Comparison

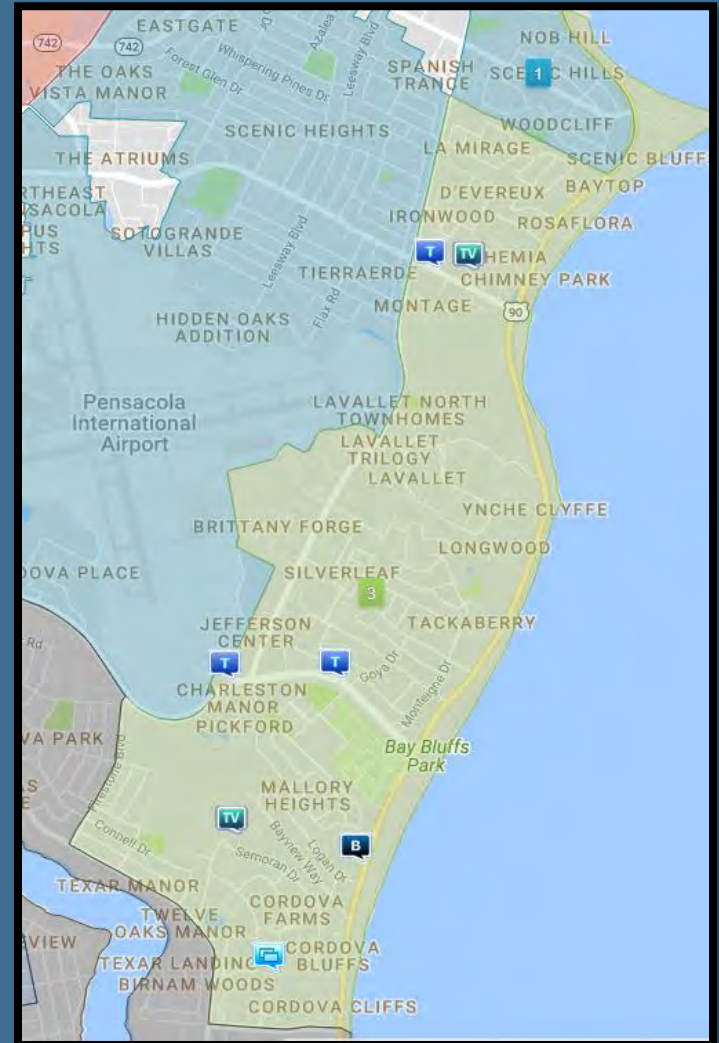
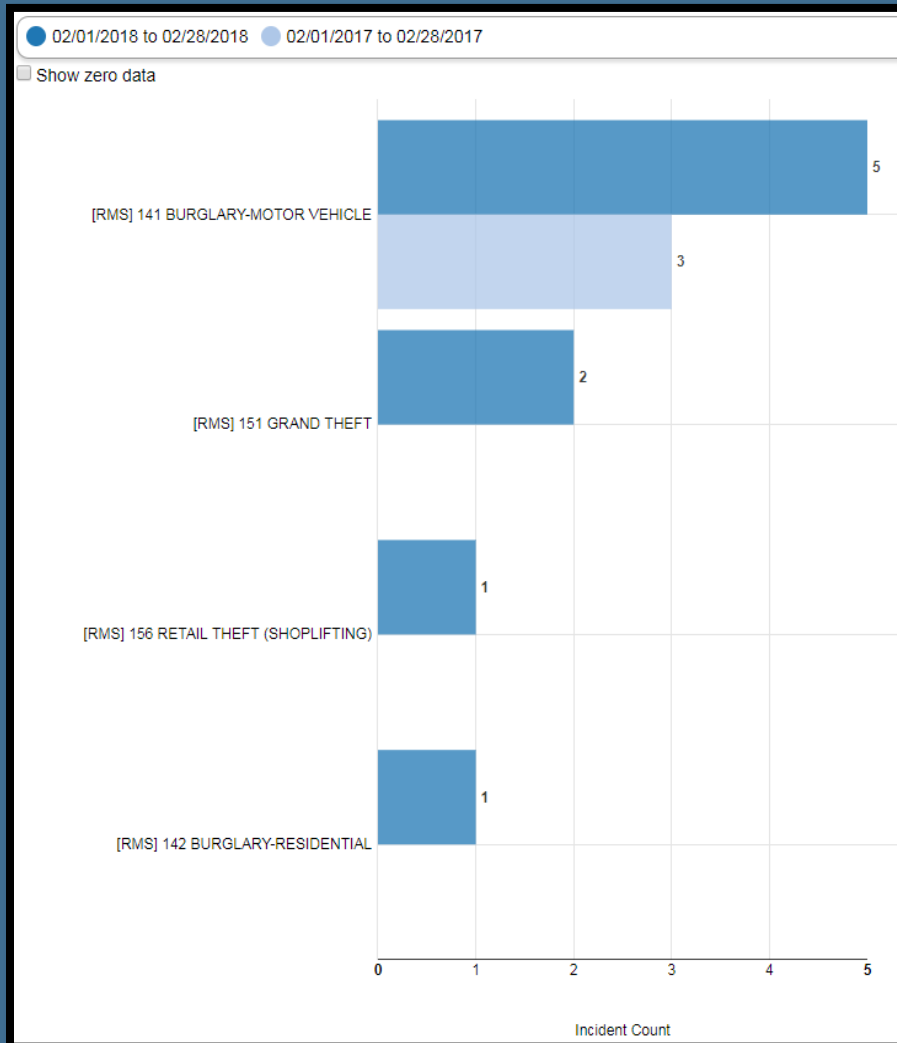




# District 2 February 2017-2018 Comparison



# District 3 February 2017-2018 Comparison

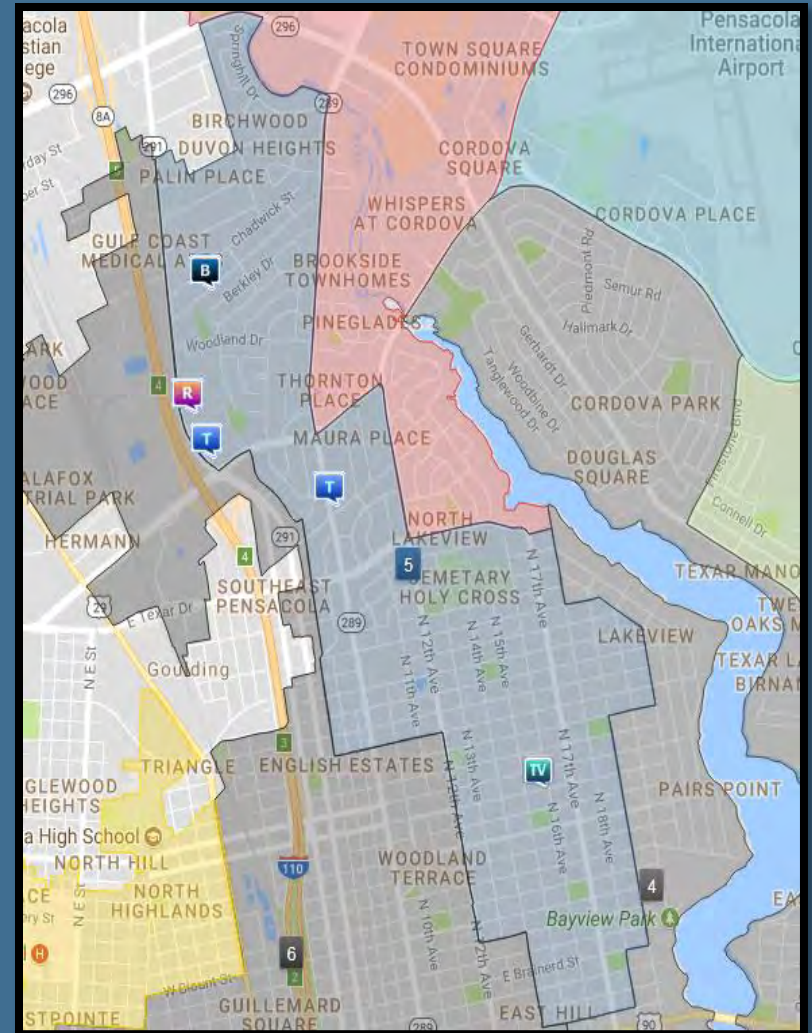
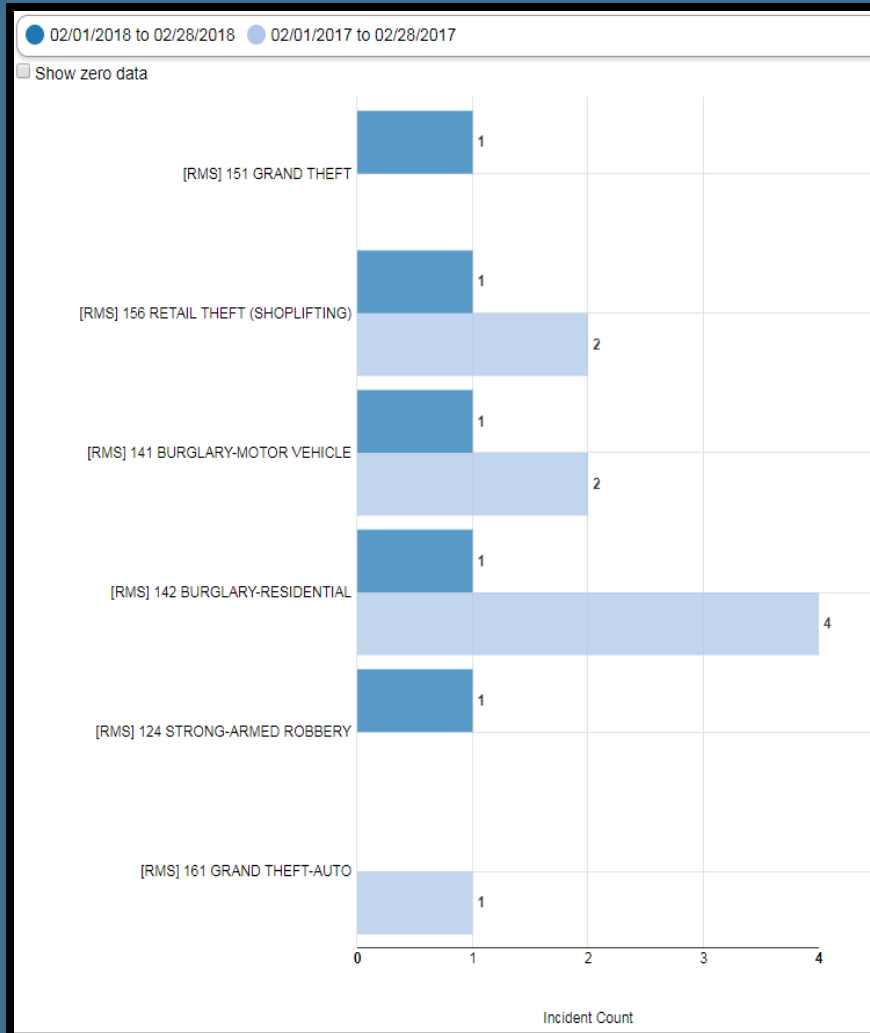


# District 4

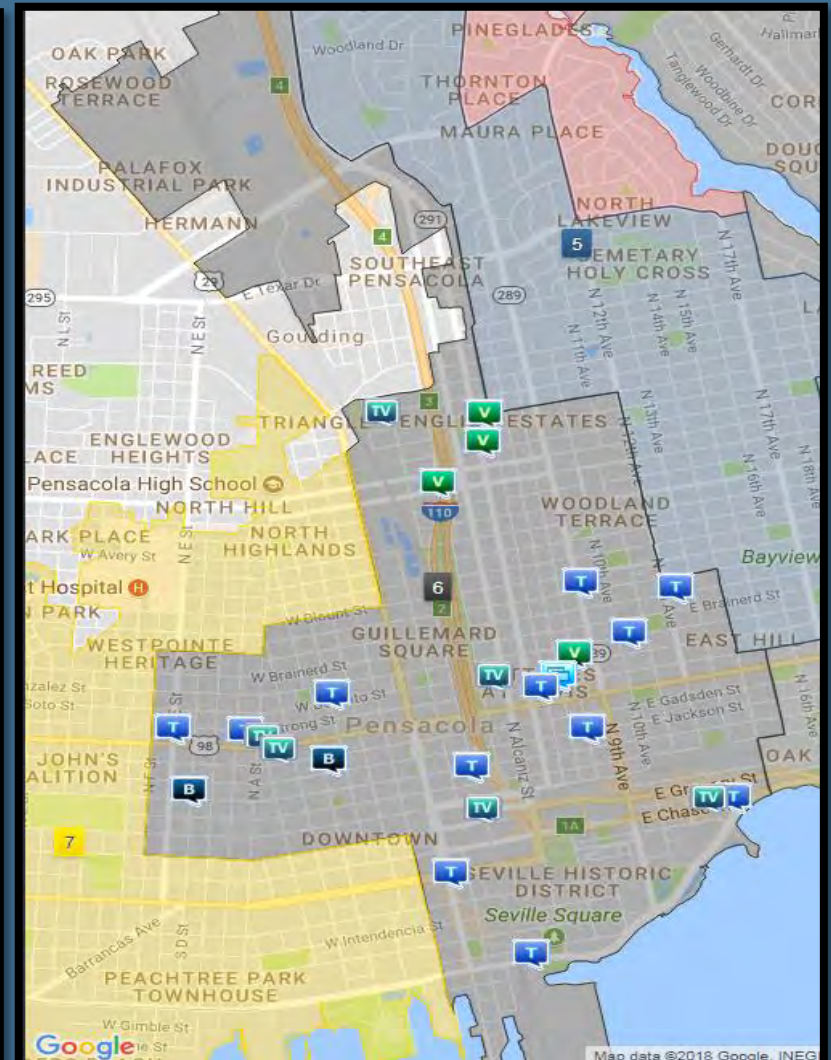
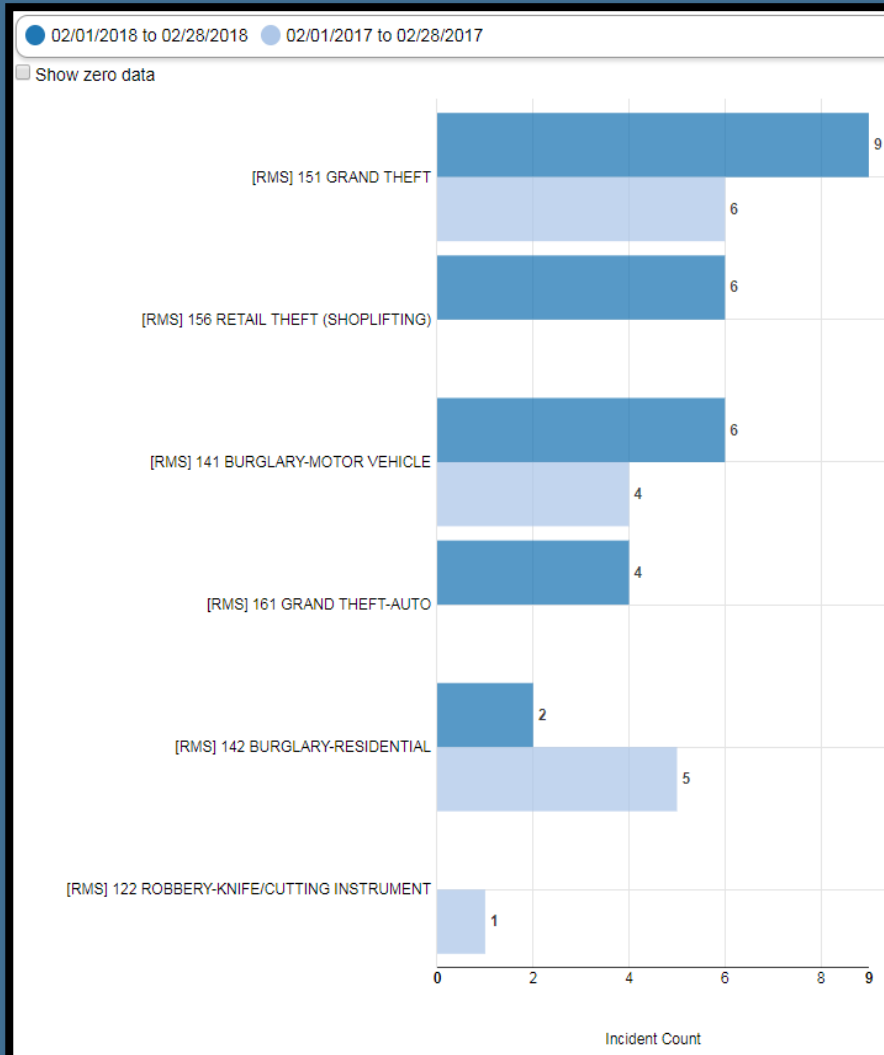
## February 2017-2018 Comparison



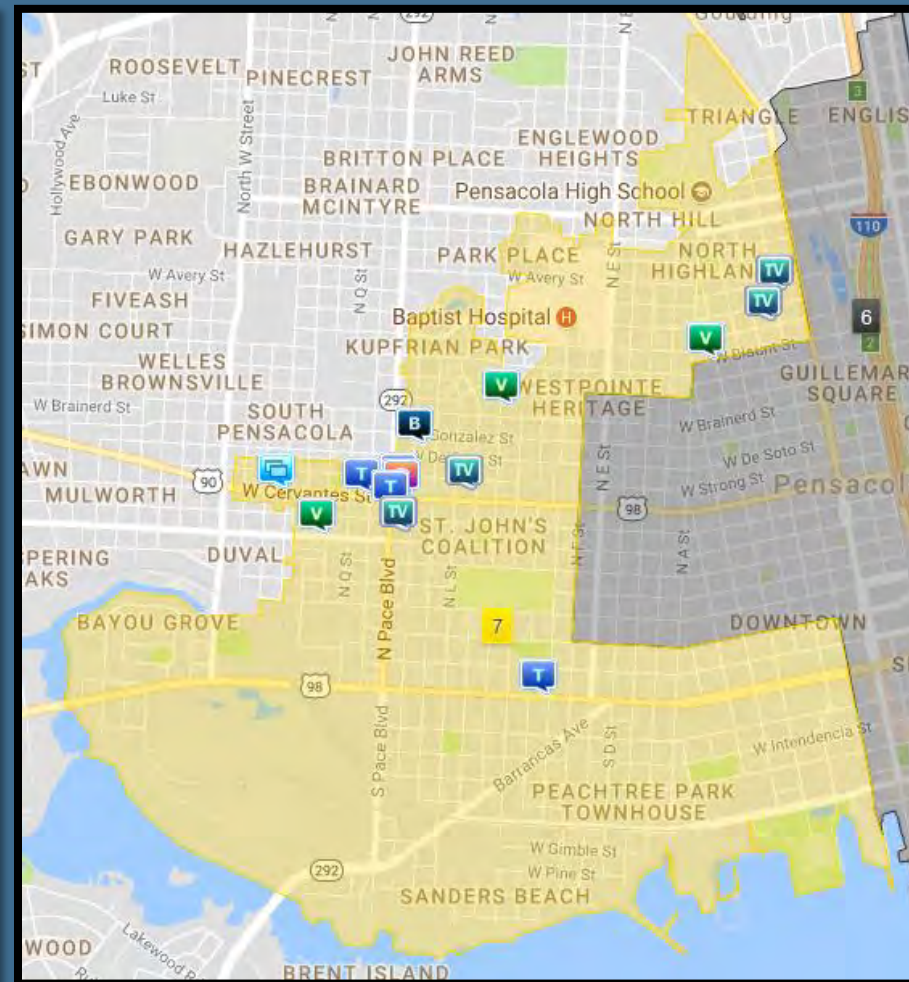
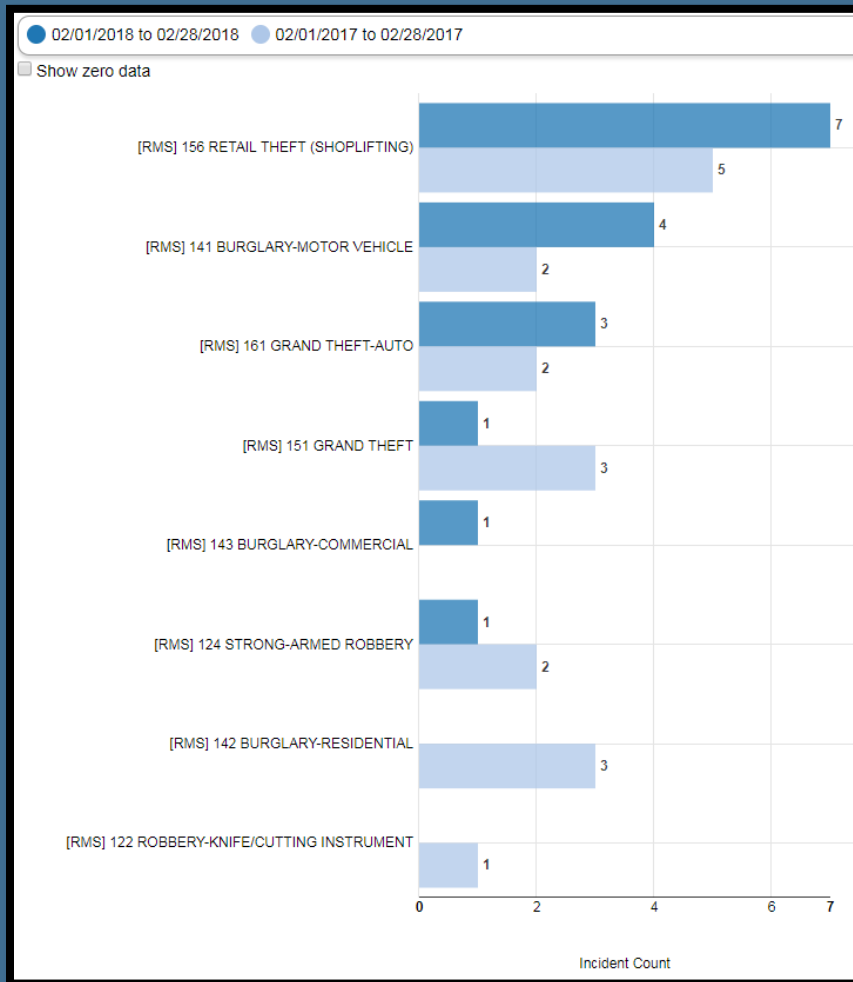
# District 5 January 2017-2018 Comparison



# District 6 February 2017-2018 Comparison

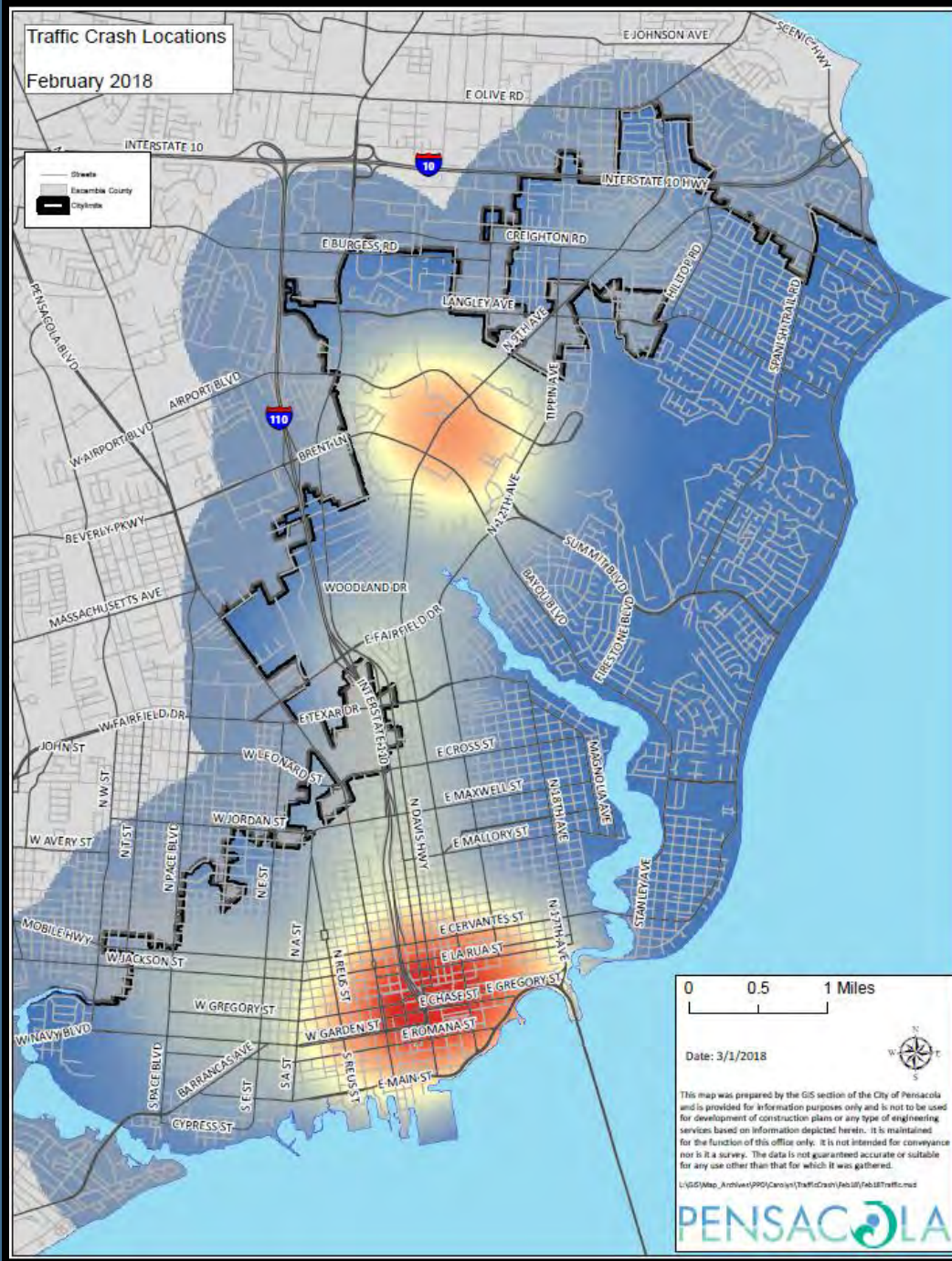
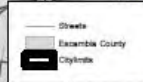


# District 7 February 2017-2018 Comparison



# Traffic Crash Locations

February 2018



# February 2018 Traffic Crash Heat Map

0 0.5 1 Miles

Date: 3/1/2018

This map was prepared by the GIS section of the City of Pensacola and is provided for information purposes only and is not to be used for development of construction plans or any type of engineering services based on information depicted herein. It is maintained for the function of this office only. It is not intended for conveyance nor is it a survey. The data is not guaranteed accurate or suitable for any use other than that for which it was gathered.

L:\GIS\Map\_Archive\990\Carolin\TrafficCrash\Feb18\Feb18Traffic.mxd

# Traffic Crashes Top 5 Intersections February 2018

Intersection	Num.
Bay Bridge/Gregory St.	4
12 <sup>th</sup> Ave/Bayou Blvd	4
Pace Blvd/Cervantes St.	3
5151 N. 9 <sup>th</sup> Ave/Bayou Blvd	3
Maxwell St./Hayne St.	3









# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 18-00026

City Council

3/8/2018

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**SUBJECT:**

MONTHLY FINANCIAL REPORT - CHIEF FINANCIAL OFFICER RICHARD BARKER, JR.

# Monthly Financial Review



**February, 2018**





# Revenues

## February, 2018

- **General Fund**

- Four Months Collected

- **Franchise Fee & Public Service Tax** + **7.87%**
    - **Half-Cent Sales Tax** + **10.88%**
    - **Communication Services Tax** + **4.04%**

- Five Months Collected

- **Municipal Revenue Sharing** + **2.04%**





# Other Funds

## February, 2018

- **Local Option Sales Tax** + **10.70%**
- **Local Option Gas Tax** + **0.20%**
- **Tree Planting Trust Fund** \$387,152
- **Housing Initiatives Fund**
  - City \$124,162
  - CRA \$440,000





# Contracts/Expenditures Over \$25,000 Approved By Mayor 02/01/18 – 02/28/18

## •Quotations & Direct Negotiations

### •Atkins North America, Inc.

- SA for Architectural & Engineering Work - Sanitation
- SBE – No
- Purchase Method – Continuing Contract Services under RFQ15-038 Professional Engineering Services
- \$33,300
- Budgeted – Yes

### •Elite Line Services, Inc.

- Belt Loader for Luggage Valet at Gate 6- Pensacola International Airport
- SBE – No
- Purchase Method – Quote
- \$35,910
- Budgeted – Yes





# Contracts/Expenditures Over \$25,000 Approved By Mayor 02/01/18 – 02/28/18

## •Quotations & Direct Negotiations

### •Enmon Enterprises LLC dba Jani-King

- Janitorial Services, Pensacola City Hall – Public Works
- SBE – No
- Purchase Method – Quote
- \$64,902
- Budgeted – Yes

### •The Fiorentino Group, LLC

- Professional Services- Mayor's Office
- SBE – No
- Purchase Method – Direct Negotiation
- \$60,307
- Budgeted – Yes





# Contracts/Expenditures Over \$25,000 Approved By Mayor 02/01/18 – 02/28/18

## •Quotations & Direct Negotiations

### •**Mott MacDonald Florida**

- Service Authorization Stormwater Masterplan Update Phase II- Public Works
- SBE – No
- Purchase Method – Continuing contract services under RQ15-038 Professional Engineering Services
- \$150,690
- Budgeted – Yes

### •**National Fitness Campaign, LLC**

- Fitness Court at Maritime Park- Parks and Recreation
- SBE – No
- Purchase Method – Quote
- \$75,000
- Budgeted – Yes







# Contracts/Expenditures Over \$25,000 Approved By Mayor 02/01/18 – 02/28/18

## •Quotations & Direct Negotiations

### •Pugh & Associates, Inc.

- Surge Tank Installation for Fire Suppression – Pensacola International Airport
- SBE – No
- Purchase Method – Sole Source
- \$35,125
- Budgeted – Yes

### •Young Engineering

- 2 Surge Tanks for Fire Suppression – Pensacola International Airport
- SBE – No
- Purchase Method – Quote
- \$64,790
- Budgeted – Yes





# Contracts/Expenditures Over \$25,000 Approved By Mayor 02/01/18 – 02/28/18

## •State, Federal or Other Buying Contracts

### •Duval Ford, LLC

- 2018 Ford F250 Utility Truck - Garage
- SBE – No
- Purchase Method – State Contract: FSA17-VEL25.0
- \$30,531
- Budgeted – Yes

### •Johnson Controls, Inc.

- Retrofitting Control System at Field Service Center- public Works
- SBE – No
- Purchase Method – NJPA Contract: 030817-JHN
- \$42,900
- Budgeted – Yes





# Contracts/Expenditures Over \$25,000 Approved By Mayor 02/01/18 – 02/28/18

## •State, Federal or Other Buying Contracts

### •Trane U.S.,Inc.

- HVAC Units (10) for Fricker Resource Center- Parks and Recreation
- SBE – No
- Purchase Method – U.S. Communities Co-Op Contract Number: USC 15-JPL-023
- \$60,371
- Budgeted – Yes

### •Wesco Turf, Inc.

- Gang Rough & Z-Turn Mowers Osceola- Park and Recreation
- SBE – No
- Purchase Method – Florida State Contract: 21100000-15-1
- \$45,085
- Budgeted – Yes



# Monthly Financial Review



**February, 2018**





# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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File #: 18-00092

City Council

3/8/2018

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**SUBJECT:**

QUARTERLY FINANCIAL REPORT - THREE MONTHS ENDING DECEMBER 31, 2017 - CHIEF FINANCIAL OFFICER RICHARD BARKER, JR.

**FINANCIAL REPORT  
THREE MONTHS ENDING DECEMBER 31, 2017**

***These statements are unaudited and are not the official financial statements of the City but rather are a review of the progress to date each quarter as it relates to the budget. The official financial statements of the City are included in the Comprehensive Annual Financial Report (CAFR) and will be presented to the City Council in the first quarter of each calendar year following the end of each fiscal year (September 30th).***

Attached are financial schedules setting forth the status of the major General Government, Special Revenue, Capital Projects and Proprietary Funds for the City of Pensacola for the three months ended December 31, 2017. The financial schedules compare actual results for the three-month period against the City's budget and against comparable percentages of a year ago. Such comparisons are useful in projecting potential problem areas, allowing management to take early corrective action. The City's debt service and investment schedules are also attached for Council's review.

Growth in the economy continues. Both Half-Cent Sales Tax and Local Option Sales Tax (PFP) revenues continue to show growth from FY 2016 to FY 2017. Half-Cent Sales Tax revenue increased 2.76% and Local Option Sales Tax revenue increased by 2.86% from FY 2016 to FY 2017. In addition, Ad Valorem Taxable Valuations continue to show positive growth. While these are positive indicators, both revenues and expenditures continue to be closely monitored to assure a balanced budget. Expenditures in total are in line with budgeted projections. Significant variances from the current approved budget are noted in the individual fund narrative below.

The Investment Section of this financial report provides a comparison of interest rates for FY 2016 to FY 2018.

The Legal Services and Fees of this financial report provides a listing of legal services and fees paid through the first quarter of FY 2018.

**General Fund:**

In total, General Fund revenues exceeded the budget for the first quarter and are mainly attributed to revenues from Property Tax, Local Business Tax and the transfer from Pensacola Energy the majority of which were paid during the first quarter. During the first quarter total Franchise Fees and Public Service Tax revenues exceeded budget by \$67,600 or 2.36%. Half-Cent Sales Tax revenues exceeded budget by \$37,700 or 5.28%. Communication Services Tax revenue exceeded budget by \$20,600 or 4.27% and Municipal Revenue Sharing revenue also exceeded budget by \$11,700 or 2.07%.

In total revenues at fiscal year end are projected to meet or exceed budget. Staff will continue to monitor revenues and expenditures and take appropriate actions as necessary in order to assure a balanced budget.

The Transfer from the General Fund to the Stormwater Capital Projects Fund appears to exceed budget. Since the Stormwater Utility Fee is on the Property Tax bill, the receipts coincide with the Property Tax Revenues.

First quarter expenditures in total were within budget. All General Fund capital equipment has been funded in Local Option Sales Tax Series IV, therefore the only savings that can be realized are in operating and personal services.

### **Tree Planting Trust Fund**

The Tree Planting Trust Fund revenue and expenditures are recorded in the General Fund. For the first quarter the "Tree Planting Trust Fund" account contributions and interest income equaled \$1,100 and there were no expenditures or encumbrances. During the Tentative Public Hearing to approve the FY 2018 budget, City Council voted to move \$300,000 within the Tree Planting Trust Fund from the various projects to a reserved account in order to allow for a full review of Tree Planting Trust Fund expenditures.

The unencumbered balance in the "Tree Planting Trust Fund" at the end of the first quarter was \$385,900.

### **Housing Initiatives Fund/Inner City Housing Initiatives Fund**

On January 12, 2017 City Council authorized the establishment of an assigned Fund Balance which would be used for the Housing Initiatives Fund, dedicated to receiving specified funds to supplement existing and future adopted Housing Program Initiatives. This initiative moves City-owned surplus properties back into productive use through the development and sale of surplus properties. The proceeds from those sales can be dedicated to expanding existing homeowner assistance programs. These funds have been recorded in the General Fund as the "Housing Initiatives Fund".

On August 10, 2017 City Council allocated \$440,000 from the General Fund's portion of the sale of 16 South Palafox to be designated to the Housing Initiatives Fund specifically for use in the Pensacola Inner City Community Redevelopment Area in order to fund the Urban Core, Eastside and Westside affordable housing rehabilitation projects. These funds have been designated separately from the "Housing Initiatives Fund" and are recorded as the "Inner City Housing Initiatives Fund".

For the first quarter of FY 2018 the "Housing Initiatives Fund" account contributions equaled \$124,800 and there were no expenditures. The total balance in the "Housing Initiatives Fund" at the end of the first quarter was \$124,785.

There were no contributions nor expenditures in the “Inner City Housing Initiatives Fund” during the first quarter. The total balance in the “Inner City Housing Initiatives Fund” at the end of the first quarter was \$440,000.

**Local Option Gasoline Tax Fund:**

Local Option Gasoline Tax revenue were even with the budgeted levels through the first quarter of FY 2018. During FY 2017 there was an appeal by the City concerning the calculation for the distribution of funds between the City of Pensacola and Escambia County. These funds were held in escrow by the Escambia County Clerk of Court until such time that there was either a settlement agreement or a final decision on the City’s appeal. A settlement agreement was reached between the City and the County dated April 6, 2017 and the funds held in escrow were released and were received by the City on May 1, 2017. For comparison purposes, revenue for the prior fiscal year are provided and reflect collections for a two month period. Fund expenditures will not exceed budget for the fiscal year.

**Stormwater Utility Fund:**

Total utility fee revenue of \$1,910,000 represents 68.82% of budgeted Stormwater Utility Fee Revenue for the fiscal year. The revenue for the State Right of Way Maintenance is consistent with the prior year however it is not anticipated to meet the current budgeted level of \$289,500. In the development of the FY 2018 Budget, Public Works Staff anticipated an additional contract with the State that would have provided sweeping of the Pensacola Bay Bridge. However, subsequent to the adoption of the FY 2018 Budget the State elected not to have the additional sweeping performed by the City. Adjustments to the budget will be made in a supplemental budget resolution later this fiscal year.

Fund expenditures are consistent with budget for the first quarter.

**Municipal Golf Course Fund:**

During first quarter FY 2018, the Golf Course expenditures (including total City sponsored pension costs) exceeded revenues by \$117,900 before the General Fund subsidy of \$55,000. When compared to FY 2017, revenue for this fiscal year is \$14,800 less than the prior year first quarter revenues. This decrease in revenues is mainly due to the unseasonably cold weather experienced during the first quarter causing a significant drop in course play.

During the first quarter of FY 2017, 5,070 rounds were played plus 1,019 of driving range usage and in the first quarter of FY 2018, 4,606 rounds were played plus 1,332 of driving range usage, a decrease of 464 rounds and an increase of 313 driving range usage. Staff will continue to advertise the golf course through local media outlets as well as continue to keep the golf course’s website updated. Additionally, Staff will continue to monitor revenues and implement marketing strategies as appropriate.



Concession payments from Fusion Grill, Inc. are current through the first quarter of FY 2018.

Expenditures at the Golf Course are consistent with the adopted FY 2018 budget.

**Inspection Services Fund:**

In total, expenditures (including total City sponsored pension costs) exceeded revenues by \$156,300. Revenues for the first quarter in FY 2018 were \$38,200 more than the same period in FY 2017. Large construction projects continue to be underway and permits to complete the jobs continue to be issued.

Expenditures for Inspection Services were consistent with budget.

**Roger Scott Tennis Center:**

First quarter revenues are historically below budget for the Roger Scott Tennis Center because the annual tennis memberships renew during the second quarter. Compared to the first quarter of FY 2017, revenues for FY 2018 were \$6,900 more than last fiscal year. Expenditures are not anticipated to exceed budget by fiscal year end.

In May 2017, the City issued an RFP for the operation and maintenance of the Roger Scott Tennis Center. On November 9, 2017, City Council awarded a contract for the operation and management of the Roger Scott Tennis Center to Gulf Coast Tennis Group, LLC. As part of the contract, the City will receive a minimum annual guaranteed revenue of \$125,000 which is estimated to fund the City's cost of operations as outlined in the RFP. Gulf Coast Tennis Group, LLC began operations in January 2018.

The following is a comparison of the activity at Roger Scott Tennis Center between Fiscal Years 2017 and 2018.

	<u>1ST QTR FY 2017</u>	<u>1ST QTR FY 2018</u>	<u>DIFF</u>
Daily Participants			
Hard Courts	351	407	56
All Courts (Includes Clay Courts)	690	615	(75)
Sub-Total	<u>1,041</u>	<u>1,022</u>	<u>(19)</u>
Playing Members	<u>6,375</u>	<u>5,750</u>	<u>(625)</u>
<b>Sub-Total</b>	<b><u>7,416</u></b>	<b><u>6,772</u></b>	<b><u>(644)</u></b>
Instructional Students	1,977	2,043	66
Rentals/Special Events/Programs	2,996	2,601	(395)
<b>Total Players</b>	<b><u><u>12,389</u></u></b>	<b><u><u>11,416</u></u></b>	<b><u><u>(973)</u></u></b>

### **Community Maritime Park Management Services Fund:**

In May 2017, the New Market Tax Credit (NMTC) Financing structure that funded the public improvements at the Community Maritime Park was completed. Upon the unwind of the financing structure the assets and liabilities of the Community Maritime Park Associates, Inc. (CMPA) were transferred to the City and the CMPA was dissolved in June 2017. Additionally, the Management Services Agreement and the Employee Leasing Agreement between the City and CMPA was terminated and the operation and maintenance of the Community Maritime Park was assumed by the City. Therefore, FY 2018 will be the first full year of operations by the City whereby all revenue and expenditures of the Community Maritime Park are reflected in the Community Maritime Park Management Services Fund.

In total, expenditures (including total City sponsored pension costs) exceeded revenues by \$166,000. Expenditures were consistent with budget.

### **Local Option Sales Tax Fund:**

First quarter revenues exceeded budget by \$76,000 or 5.78%. Expenditures in total were consistent with budget for the first quarter.

All bond eligible expenses have been accounted for separately. An extension of the Local Option Sales Tax was approved in November 2014 and began January 1, 2018. It will expire on December 31, 2028. This is the fourth series of the Local Option Sales Tax. However on October 18, 2017, the City issued the \$25 million Infrastructure Sales Surtax Revenue bond, Series 2017 in order to fund projects identified in the LOST IV Plan.

In previous fiscal years, a draw upon the City's pooled cash to cover cash shortfalls in the fund occurred. However on October 18, 2017, the City issued the \$25 million Infrastructure Sales Surtax Revenue bond, Series 2017 in order to fund projects identified in the LOST IV Plan reducing the need to draw upon the City's pool cash.

### **Local Option Gasoline Tax (LOGT) Series 2016 Project Fund:**

The LOGT Series 2016 Project Fund provides funding for a three phase program to accelerate street rehabilitation that would normally be completed over a ten year period. On July 14, 2016 City council approved financing for the street rehabilitation improvements. Prior year expenditures through the first quarter represent the first phase of this plan. Phase II and Phase III of the street rehabilitation project were switched to accommodate Pensacola Energy's Gas Pipeline Replacement project schedule in order to minimize potential infrastructure conflicts and allow for timely replacement of the gas lines. Expenditures through the first quarter of FY 2018 represents the third phase of this plan. The proposed project list for Phase II was approved by City Council at the December 2017 Council Meeting and contracts were awarded at the February 2018 City Council Meeting. The funding for Phase II will come from the Local Option Sales Tax Fund.

### **Stormwater Capital Projects Fund:**

The \$1,910,000 transfer from the General Fund to the Stormwater Capital Projects Fund equaled the revenue fee collection in the Stormwater Utility Fund. First quarter expenditures were within budget.

### **Gas Utility Fund:**

Appropriated fund balance in the amount of \$3,542,600 and operating revenue were below gas operating expenses and encumbrances (including total City sponsored pension costs) by \$3.7 million for the first quarter. The majority of capital outlay, debt service and transfer expenditures occurred in the first quarter but will levelize over the remainder of the fiscal year.

First quarter FY 2018 revenues exceeded first quarter FY 2017 revenues mainly due to the colder start to winter this year. Current projected revenues for FY 2018 are anticipated to be within budgeted level.

Pensacola Energy has included 10¢ in the Purchase Gas Adjustment (PGA) calculation to restore the Pensacola Energy reserve. By the end of Fiscal Year 2017 that reserve was down by \$3.94 million below the reserve requirements recommended by Black & Veatch in the FYE 2012 Gas System Annual Report. At the end of December, 2017, the additional \$0.10 per Ccf collected has amounted to \$378,300 which is included in the aforementioned revenue. This recovery of reserve is a multi-year endeavor to recoup the shortfall experienced in prior years.

As reflected in the rate study and in accordance with the plan that Pensacola Energy submitted to the state Public Service Commission for the replacement of cast iron and steel pipes, the Infrastructure Cost Recovery began in FY 2013. This fee is charged for expenses that were made in the prior fiscal year. For the first quarter of FY 2018, \$757,700 has been received from Infrastructure Cost Recovery Revenue.

In total, expenses for the Gas Utility Fund were consistent with budget for the first quarter.

All bond eligible gas construction and infrastructure expenses have been accounted for separately.

### **Sanitation Fund:**

In total, appropriated fund balance in the amount of \$1,111,0000 and operating revenue were below operating expenses and encumbrances (including total City sponsored pension costs) by \$452,600 for the first quarter. Sanitation Fund revenues for FY 2018 were \$60,800 above the FY 2017 revenues for the same time period. Effective June 1, 2017, the monthly Sanitation rate of \$22.80 increased by \$1.26 to a new monthly rate of \$14.06 as well as a \$1.00 per month

Sanitation Equipment Surcharge followed by an increase in that surcharge by an additional \$1.00 in FY 2019.

The first quarter financial statement historically reflects minimal Franchise Fee revenue for the current fiscal year. This is due to accrual reversals from the previous fiscal year.

In total, first quarter Sanitation expenses were consistent with budget.

**Port Fund:**

First quarter Port appropriated fund balance of \$241,900 and operating revenue were below operating expenses and encumbrances (including total City sponsored pension costs) by \$151,500. Operating revenues for FY 2018 were \$33,500 below the FY 2017 operating revenues for the same time period. The majority of this decrease is due to a decrease in dockage and property rental revenue. The decrease in dockage is the result of fewer vessel dockage days being logged in the first quarter of FY 2018 as compared to the first quarter of FY 2017. This is primarily attributable to the depressed state of the offshore oil & gas industry resulting in the vessels supporting that industry not requiring lengthy port stays for project mobilization, demobilization or vessel maintenance work. The decline in property rental revenue is due to early termination of the Offshore Inland lease for the DeepFlex facility location.

At the end of FY 2017 Port expenditures exceeded Port revenue by \$721,400 leaving a Port reserve balance of \$370,773. Should this pattern continue for FY 2018, it is estimated that the Port would be short by \$330,000 after depleting the reserves. The Port's financial position will continue to be monitored.

Port expenses, in total, were at or below budget and were \$135,600 less than FY 2017 expenses for the same time period. With the decline in revenue experienced in prior years, staff continues to operate at minimal costs in order to meet revenues.

All Port lease payments have been paid and are current. The lease payments due from Offshore Inland Marine are current. However, dockage and other vessel fees, which Offshore Inland recovers from its customers and then remits to the port, continue to be slower to pay. Currently this account had an outstanding balance of \$524,609.92, which is detailed below. Included in this amount is \$363,000 which was recorded as an allowance for doubtful accounts by the end of FY 2017. This transaction is part of the accounting procedure, however the funds are still due and payable.

Offshore Inland's past-due balance of \$508,000 has been addressed via the establishment of a payment plan incorporated into an amendment to the tenant's lease which City Council approved at its May 2017 regular meeting and amended on November 9, 2017. The amendment to the tenant's lease authorizes them to continue monthly installment payments of \$10,000 until full repayment of the debt has been made. This balance includes \$363,000 in invoices that are being held in abeyance pending construction of an overhead crane facility in Port Warehouse #1 and final

reconciliation of project-related grant expenses, including expenses incurred by Offshore Inland. A process for final settlement of those funds was also included in the lease amendment.

	<u>30-Dec-17</u>	<u>Sept 30, 2017</u>	<u>Difference</u>
Current	\$ 16,609.92	962.68	15,647.24
30 - 59 Days	-	-	-
60 - 89 Days	-	-	-
90 - 119 Days	-	-	-
Over 120 Days	<u>508,000.00</u>	<u>528,000.00</u>	<u>(20,000.00)</u>
Total	<u>\$ 524,609.92</u>	<u>528,962.68</u>	<u>(4,352.76)</u>

**Airport Fund:**

Appropriated fund balance of \$5.6 million and operating revenue exceeded operating expenses and encumbrances (including total City sponsored pension costs) by \$2.9 million for the first quarter. Enplaned passenger traffic at Pensacola International Airport increased by 8.55%, when compared to the first quarter of FY 2017. This increase in passenger traffic is due, in part, to improved general economic conditions. Overall Airport operating revenues were \$326,800 over the FY 2017 operating revenue for the same time period. Airline Revenues were \$34,500 over the prior fiscal year and Non-Airline Revenues exceeded the prior year by \$326,800. The increase in Airline Revenues is mainly attributed to three new revenue sources, Cargo Landing Fees, Cargo Apron Area Rental and Baggage Handling System, which total \$366,200 and are offset by a decrease of \$381,400 in Air Carrier Landing Fees for this fiscal year compared to the prior fiscal year. Air Carrier Landing fees are currently \$0.65 per 1,000 lbs. as compared to last fiscal year when the charge was \$1.90 per 1,000 lbs. All Air Carrier Landing Fees are recalculated annually. The bulk of the Non-Airline Revenue increase is from parking revenue, and concessions. Revenue collected from concessions at the Airport exceeded the prior fiscal year by \$27,800 and revenue from Parking Lot was \$185,300 over the prior year.

The lease agreement with the FAA for the FASCO tower is currently in negotiations with the final tower construction payment received in FY 2015. FAA continues to remit the same amount as in the previous agreement until such time as a final lease agreement is agreed upon. The Airport submitted Facility Review documents at the request of the FAA on December 22, 2016. The Airport wishes to move forward with a 5-year lease.

It should be noted that the Airport’s agreement with the airlines provides for the airlines to fund any shortfall, excluding incentives, should that occur. In the last quarter, Airport staff completed, and City Council has approved, new airline agreements establishing the business strategy and rate making formula for the Pensacola International airport. These five-year agreements use an industry-standard structure to allow the Airport to continue to maintain full financial self-sufficiency with no reliance on the City’s General Fund.

Expenses for the quarter are consistent with budget.

**Risk Management / Central Services Fund:**

These funds are categorized as internal service funds. They provide services to the City's other operating funds. Revenues and expenses in these funds were consistent with budgeted levels.

**Investment Schedule / Debt Service Schedule:**

Also provided for information is a listing of City investments and a listing of the City's various debt issues.

The weighted interest rates received on investments during the first quarter of the last three fiscal years are as follows:

	<u>FY 2018</u>	<u>FY 2017</u>	<u>FY 2016</u>
October	0.84%	0.72%	0.39%
November	0.79%	0.62%	0.39%
December	1.05%	0.64%	0.32%

**Legal Costs Schedule:**

A schedule of legal costs paid to attorneys and/or firms who have provided services to the City has also been included in the quarterly report. This schedule lists the payee, the amount paid and the nature of the services provided to the City.

**CITY OF PENSACOLA  
GENERAL FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 0	1,790,900	1,790,900	1,790,900	100.00%	2,020,263	100.00%	1,518,702	100.00%
REVENUES:									
GENERAL PROPERTY TAXES									
Current Taxes	14,340,800	14,340,800	14,340,800	10,198,776	71.12%	9,412,561	68.41%	13,768,035	100.00%
Delinquent Taxes	30,000	30,000	30,000	9,527	31.76%	(1,246)	-4.15%	12,989	100.00%
Sub-Total	14,370,800	14,370,800	14,370,800	10,208,303	71.04%	9,411,315	68.26%	13,781,024	100.00%
FRANCHISE FEE									
Gulf Power - Electricity	6,100,200	6,100,200	6,100,200	991,218	16.25%	1,004,341	17.08%	5,687,912	100.00%
City of Pensacola - Gas	915,000	915,000	915,000	181,290	19.81%	148,525	17.22%	898,228	100.00%
ECUA - Water and Sewer	1,611,600	1,611,600	1,611,600	330,572	20.51%	273,222	17.61%	1,632,741	100.00%
Miscellaneous	0	0	0	0	----	0	----	0	----
Sub-Total	8,626,800	8,626,800	8,626,800	1,503,081	17.42%	1,426,088	17.20%	8,218,881	100.00%
PUBLIC SERVICE TAX									
Gulf Power - Electricity	6,132,900	6,132,900	6,132,900	1,080,685	17.62%	1,037,986	17.43%	6,130,379	100.00%
City of Pensacola - Gas	815,000	815,000	815,000	158,664	19.47%	126,176	16.82%	686,553	100.00%
ECUA - Water	1,025,300	1,025,300	1,025,300	193,830	18.90%	183,012	18.70%	1,029,138	100.00%
Miscellaneous	20,000	20,000	20,000	8,697	43.49%	6,127	30.64%	27,572	100.00%
Sub-Total	7,993,200	7,993,200	7,993,200	1,441,876	18.04%	1,353,301	17.56%	7,873,642	100.00%
LOCAL BUSINESS TAX									
Local Business Tax	910,000	910,000	910,000	850,397	93.45%	834,580	91.71%	902,333	100.00%
Local Business Tax Penalty	10,000	10,000	10,000	7,405	74.05%	5,830	58.30%	12,988	99.91%
Sub-Total	920,000	920,000	920,000	857,802	93.24%	840,410	91.35%	915,321	100.00%

**CITY OF PENSACOLA  
GENERAL FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
REVENUES: (continued)									
LICENSES, PERMITS & PENALTIES									
Special Permits (Planning)	50,000	50,000	50,000	12,295	24.59%	5,325	10.65%	71,311	100.00%
Taxi Permits	7,500	7,500	7,500	5,362	71.49%	2,350	31.33%	5,846	100.00%
Fire Permits	21,000	21,000	21,000	9,255	44.07%	2,190	10.43%	15,920	100.00%
Sub-Total	<u>78,500</u>	<u>78,500</u>	<u>78,500</u>	<u>26,912</u>	34.28%	<u>9,865</u>	12.57%	<u>93,077</u>	100.00%
INTERGOVERNMENTAL									
FEDERAL									
Payment in Lieu of Taxes	17,000	17,000	17,000	13,979	82.23%	18,374	108.08%	18,374	99.86%
STATE									
1/2 Cent Sales Tax	4,478,700	4,478,700	4,478,700	752,129	16.79%	714,487	16.27%	4,479,119	100.00%
Beverage License Tax	100,000	100,000	100,000	86,017	86.02%	93,859	98.80%	108,132	100.00%
Mobile Home Tax	8,000	8,000	8,000	3,724	46.55%	4,398	58.64%	13,095	100.00%
Communication Services Tax	3,056,900	3,056,900	3,056,900	503,528	16.47%	468,844	16.02%	2,967,772	100.00%
State Rev Sharing - Motor Fuel Tax	543,800	543,800	543,800	137,188	25.23%	135,879	23.47%	550,313	100.00%
State Rev Sharing - Sales Tax	1,741,300	1,741,300	1,741,300	438,989	25.21%	435,042	24.87%	1,760,844	100.00%
Gas Rebate Municipal Vehicles	12,000	12,000	12,000	3,292	27.43%	17,744	114.48%	10,799	99.99%
Fire Fighter Supplemental Compensation	40,000	40,000	40,000	11,106	27.77%	10,506	26.27%	43,894	100.00%
Sub-Total	<u>9,997,700</u>	<u>9,997,700</u>	<u>9,997,700</u>	<u>1,949,952</u>	19.50%	<u>1,899,133</u>	19.34%	<u>9,952,342</u>	100.00%



**CITY OF PENSACOLA**  
**GENERAL FUND**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL**  
**For the Three Months Ended December 31, 2017**  
**(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	% OF ACTUAL BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	
REVENUES: (continued)									
OTHER CHARGES FOR SERVICES									
Swimming Pool Fees	0	0	0	2	----	342	----	5,425	100.02%
Boat Launch Fees	17,000	17,000	17,000	1,909	11.23%	3,457	20.34%	20,431	100.00%
Esc. School Board - SRO	185,500	185,500	185,500	0	0.00%	0	0.00%	218,625	100.00%
ECSD - 911 Calltakers	237,400	237,400	237,400	65,175	27.45%	63,170	25.78%	235,081	100.00%
State Traffic Signal Maintenance	326,600	326,600	326,600	0	0.00%	0	0.00%	326,622	100.01%
State Street Light Maintenance	303,600	303,600	303,600	0	0.00%	0	0.00%	312,677	99.99%
Pensacola Fire Academy	0	0	0	----	0	0.00%	37,135	100.00%	
Miscellaneous	40,000	40,000	40,000	10,748	26.87%	11,014	27.54%	43,544	100.00%
Sub-Total	<u>1,110,100</u>	<u>1,110,100</u>	<u>1,110,100</u>	<u>77,834</u>	<u>7.01%</u>	<u>77,983</u>	<u>6.65%</u>	<u>1,199,540</u>	<u>100.00%</u>
FINES, FORFEITURES & PENALTIES									
POLICE									
Court Fines	14,500	14,500	14,500	3,420	23.59%	2,742	18.91%	12,580	100.00%
Traffic Fines	90,000	90,000	90,000	17,532	19.48%	15,469	19.34%	97,655	100.00%
OTHER FINES									
Miscellaneous	5,000	5,000	5,000	2,161	43.22%	1,181	9.84%	7,611	100.53%
Sub-Total	<u>109,500</u>	<u>109,500</u>	<u>109,500</u>	<u>23,113</u>	<u>21.11%</u>	<u>19,392</u>	<u>18.21%</u>	<u>117,846</u>	<u>100.03%</u>

**CITY OF PENSACOLA  
GENERAL FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
REVENUES: (continued)									
INTEREST									
Investments and Deposits	50,000	50,000	50,000	666	1.33%	4,090	13.63%	108,576	97.08%
Sub-Total	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>666</u>	1.33%	<u>4,090</u>	13.63%	<u>108,576</u>	97.08%
OTHER REVENUES									
Miscellaneous	500,000	500,000	500,000	106,217	21.24%	124,621	31.16%	371,874	102.79%
Miscellaneous - Saenger Facility Fee	75,000	75,000	75,000	0	0.00%	0	0.00%	86,112	100.00%
Sale of Assets	50,000	67,625	67,625	51,645	76.37%	502,605	102.57%	104,058	99.96%
Sub-Total	<u>625,000</u>	<u>642,625</u>	<u>642,625</u>	<u>157,862</u>	24.57%	<u>627,226</u>	65.68%	<u>562,044</u>	101.82%
Sub-Total Revenues	<u>43,881,600</u>	<u>43,899,225</u>	<u>43,899,225</u>	<u>16,247,400</u>	37.01%	<u>15,668,803</u>	36.55%	<u>42,822,293</u>	100.02%
TRANSFERS IN									
Gas Utility Fund	8,000,000	8,000,000	8,000,000	4,000,000	50.00%	4,000,000	50.00%	8,000,000	100.00%
Sub-Total	<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>	<u>4,000,000</u>	50.00%	<u>4,000,000</u>	50.00%	<u>8,000,000</u>	100.00%
TOTAL REVENUES	<u>51,881,600</u>	<u>51,899,225</u>	<u>51,899,225</u>	<u>20,247,400</u>	39.01%	<u>19,668,803</u>	38.67%	<u>50,822,293</u>	100.01%
TOTAL REVENUES AND FUND BALANCE	<u>\$ 51,881,600</u>	<u>53,690,125</u>	<u>53,690,125</u>	<u>22,038,300</u>	41.05%	<u>21,689,066</u>	41.01%	<u>52,340,995</u>	100.01%

**CITY OF PENSACOLA  
GENERAL FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
<b>EXPENDITURES:</b>									
<b>CITY COUNCIL</b>									
Personal Services	\$ 608,400	608,400	608,416	125,872	20.69%	95,982	15.46%	482,790	77.77%
City Sponsored Pensions	0	0	50	10	20.00%	9	60.00%	30	73.17%
Sub-Total	608,400	608,400	608,466	125,882	20.69%	95,991	15.46%	482,820	77.77%
Operating Expenses	478,400	672,859	672,793	160,135	23.80%	171,750	27.60%	328,614	68.32%
Sub-Total	1,086,800	1,281,259	1,281,259	286,017	22.32%	267,741	21.54%	811,434	73.04%
Allocated Overhead/(Cost Recovery)	(379,700)	(379,700)	(379,700)	(94,925)	25.00%	(80,600)	25.00%	(373,200)	100.00%
Sub-Total	707,100	901,559	901,559	191,092	21.20%	187,141	20.32%	438,234	61.48%
<b>MAYOR</b>									
Personal Services	991,000	991,000	991,000	234,563	23.67%	194,459	19.73%	923,892	95.25%
City Sponsored Pensions	48,800	48,800	48,800	48,800	100.00%	54,300	100.00%	54,300	100.00%
Sub-Total	1,039,800	1,039,800	1,039,800	283,363	27.25%	248,759	23.92%	978,192	95.50%
Operating Expenses	385,500	406,500	406,500	65,708	16.16%	77,028	18.95%	337,547	84.96%
Sub-Total	1,425,300	1,446,300	1,446,300	349,071	24.14%	325,787	22.53%	1,315,739	92.42%
Allocated Overhead/(Cost Recovery)	(601,100)	(601,100)	(601,100)	(150,275)	25.00%	(201,625)	25.00%	(700,900)	100.00%
Sub-Total	824,200	845,200	845,200	198,796	23.52%	124,162	19.41%	614,839	85.30%
<b>CITY CLERK</b>									
Personal Services	171,300	171,300	171,900	42,957	24.99%	45,786	20.72%	192,106	98.72%
City Sponsored Pensions	29,100	29,100	29,100	29,100	100.00%	32,100	100.00%	32,100	100.00%
Sub-Total	200,400	200,400	201,000	72,057	35.85%	77,886	30.77%	224,206	98.90%
Operating Expenses	45,100	45,100	44,500	9,869	22.18%	11,397	24.62%	42,492	78.84%
Sub-Total	245,500	245,500	245,500	81,926	33.37%	89,283	29.82%	266,698	95.05%
Allocated Overhead/(Cost Recovery)	(114,900)	(114,900)	(114,900)	(28,725)	25.00%	(17,075)	25.00%	(113,100)	100.00%
Sub-Total	130,600	130,600	130,600	53,201	40.74%	72,208	31.25%	153,598	91.70%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.

**CITY OF PENSACOLA  
GENERAL FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
EXPENDITURES: (continued)									
LEGAL									
Personal Services	430,700	430,700	430,700	81,272	18.87%	75,826	19.82%	345,107	99.64%
City Sponsored Pensions	19,600	19,600	19,600	19,600	100.00%	21,600	100.00%	21,600	100.00%
Sub-Total	450,300	450,300	450,300	100,872	22.40%	97,426	24.10%	366,707	99.66%
Operating Expenses	144,600	144,600	144,600	19,070	13.19%	21,038	14.33%	200,494	99.33%
Sub-Total	594,900	594,900	594,900	119,942	20.16%	118,464	21.50%	567,201	99.54%
Allocated Overhead/(Cost Recovery)	(233,700)	(233,700)	(233,700)	(58,425)	25.00%	(40,075)	25.00%	(230,200)	100.00%
Sub-Total	361,200	361,200	361,200	61,517	17.03%	78,389	20.06%	337,001	99.23%
HUMAN RESOURCES									
Personal Services	524,600	524,600	524,565	141,155	26.91%	101,283	21.18%	484,656	98.89%
City Sponsored Pensions	112,300	112,300	112,335	112,330	100.00%	120,430	100.00%	120,501	99.97%
Sub-Total	636,900	636,900	636,900	253,485	39.80%	221,713	37.04%	605,157	99.10%
Operating Expenses	162,800	162,800	162,800	38,175	23.45%	63,996	40.47%	139,966	95.80%
Sub-Total	799,700	799,700	799,700	291,660	36.47%	285,709	37.75%	745,123	98.46%
Allocated Overhead/(Cost Recovery)	(301,200)	(301,200)	(301,200)	(75,300)	25.00%	(73,375)	25.00%	(295,600)	100.00%
Sub-Total	498,500	498,500	498,500	216,360	43.40%	212,334	45.84%	449,523	97.48%
NON-DEPARTMENTAL FUNDING									
Operating Expenses	3,014,800	3,377,921	3,377,921	2,270,440	67.21%	2,042,739	63.12%	3,001,229	92.47%
Sub-Total	3,014,800	3,377,921	3,377,921	2,270,440	67.21%	2,042,739	63.12%	3,001,229	92.47%
FINANCIAL SERVICES									
Personal Services	1,567,800	1,567,800	1,602,400	392,870	24.52%	318,668	20.92%	1,532,123	98.38%
City Sponsored Pensions	287,200	287,200	287,800	287,334	99.84%	296,630	99.81%	296,929	99.91%
Sub-Total	1,855,000	1,855,000	1,890,200	680,204	35.99%	615,298	33.80%	1,829,052	98.63%
Operating Expenses	429,600	469,679	434,479	109,370	25.17%	127,949	26.72%	395,712	89.01%
Sub-Total	2,284,600	2,324,679	2,324,679	789,574	33.96%	743,247	32.33%	2,224,764	96.77%
Allocated Overhead/(Cost Recovery)	(1,473,200)	(1,473,200)	(1,473,200)	(368,300)	25.00%	(335,125)	25.00%	(1,470,500)	100.00%
Sub-Total	811,400	851,479	851,479	421,274	49.48%	408,122	42.58%	754,264	91.03%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.

**CITY OF PENSACOLA  
GENERAL FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
EXPENDITURES: (continued)									
PLANNING SERVICES									
Personal Services	507,300	507,300	507,300	121,012	23.85%	105,351	18.06%	503,478	86.33%
City Sponsored Pensions	67,800	67,800	67,800	67,800	100.00%	74,700	100.00%	74,700	100.00%
Sub-Total	575,100	575,100	575,100	188,812	32.83%	180,051	27.37%	578,178	87.88%
Operating Expenses	264,300	349,343	349,343	59,633	17.07%	44,034	5.22%	181,712	46.09%
Sub-Total	839,400	924,443	924,443	248,445	26.88%	224,085	14.93%	759,890	71.61%
PARKS & RECREATION									
Personal Services	2,710,100	2,710,100	2,713,051	606,320	22.35%	549,244	21.23%	2,417,486	93.53%
City Sponsored Pensions	680,300	680,300	680,649	680,396	99.96%	759,897	99.96%	760,224	99.99%
Sub-Total	3,390,400	3,390,400	3,393,700	1,286,716	37.91%	1,309,141	39.12%	3,177,710	95.00%
Operating Expenses	2,795,200	3,011,400	3,008,100	621,012	20.64%	714,746	26.05%	2,529,617	94.80%
Sub-Total	6,185,600	6,401,800	6,401,800	1,907,728	29.80%	2,023,887	33.23%	5,707,327	94.91%
Allocated Overhead/(Cost Recovery)	(5,800)	(5,800)	(5,800)	(1,450)	25.00%	(2,325)	25.00%	(7,400)	100.00%
Sub-Total	6,179,800	6,396,000	6,396,000	1,906,278	29.80%	2,021,562	33.24%	5,699,927	94.90%
PUBLIC WORKS & FACILITIES									
Personal Services	1,552,200	1,552,200	1,552,115	313,009	20.17%	325,600	21.19%	1,522,470	98.99%
City Sponsored Pensions	302,300	302,300	302,385	302,370	100.00%	352,182	99.99%	352,425	100.02%
Sub-Total	1,854,500	1,854,500	1,854,500	615,379	33.18%	677,782	35.88%	1,874,895	99.18%
Operating Expenses	2,457,300	2,832,982	2,832,982	722,071	25.49%	564,939	19.93%	2,277,600	88.63%
Sub-Total	4,311,800	4,687,482	4,687,482	1,337,450	28.53%	1,242,721	26.31%	4,152,495	92.90%
Allocated Overhead/(Cost Recovery)	(332,000)	(332,000)	(332,000)	(83,000)	25.00%	(62,875)	25.00%	(274,300)	100.00%
Sub-Total	3,979,800	4,355,482	4,355,482	1,254,450	28.80%	1,179,846	26.38%	3,878,195	92.45%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.

**CITY OF PENSACOLA  
GENERAL FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
EXPENDITURES: (continued)									
FIRE									
Personal Services	6,848,200	7,001,300	6,940,290	1,778,190	25.62%	1,444,095	21.45%	6,704,465	98.14%
City Sponsored Pensions	1,256,100	1,256,100	1,414,110	1,410,323	99.73%	1,632,739	99.75%	1,732,860	105.79%
Sub-Total	8,104,300	8,257,400	8,354,400	3,188,513	38.17%	3,076,834	36.76%	8,437,325	99.62%
Operating Expenses	1,496,000	1,554,603	1,457,603	478,254	32.81%	405,485	27.19%	1,286,953	96.56%
Sub-Total	9,600,300	9,812,003	9,812,003	3,666,767	37.37%	3,482,319	35.31%	9,724,278	99.19%
POLICE									
Personal Services	13,100,800	13,100,800	13,070,405	3,207,504	24.54%	2,652,086	20.69%	12,229,023	95.64%
City Sponsored Pensions	4,840,400	4,840,400	4,870,795	4,842,703	99.42%	4,720,589	99.97%	4,725,091	99.98%
Sub-Total	17,941,200	17,941,200	17,941,200	8,050,207	44.87%	7,372,675	42.04%	16,954,114	96.81%
Operating Expenses	3,998,300	4,299,538	4,299,538	1,528,356	35.55%	1,063,326	28.60%	3,405,515	93.04%
Sub-Total	21,939,500	22,240,738	22,240,738	9,578,563	43.07%	8,436,001	39.69%	20,359,629	96.15%
TRANSFERS OUT									
Municipal Golf Course Fund	220,000	220,000	220,000	55,000	25.00%	55,000	25.00%	220,000	100.00%
Stormwater Capital Projects Fund	2,775,000	2,775,000	2,775,000	1,910,009	68.83%	1,856,587	69.81%	2,748,923	100.00%
Sub-Total	2,995,000	2,995,000	2,995,000	1,965,009	65.61%	1,911,587	66.39%	2,968,923	100.00%
TOTAL EXPENDITURES	\$ 51,881,600	53,690,125	53,690,125	22,032,192	41.04%	20,380,495	38.53%	49,139,530	94.97%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.

**CITY OF PENSACOLA**  
**TREE PLANTING TRUST - GENERAL FUND**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL**  
**For the Three Months Ended December 31, 2017**  
**(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 290,000	290,000	290,000	290,000	100.00%	238,716	100.00%	202,591	100.00%
REVENUES:									
Tree Trust Fund	10,000	10,000	10,000	275	2.75%	8,875	88.75%	46,125	100.00%
Interest	0	0	0	862	----	0	----	3,261	----
TOTAL REVENUES	10,000	10,000	10,000	1,137	11.37%	8,875	88.75%	49,386	107.07%
TOTAL REVENUES AND FUND BALANCE	\$ 300,000	300,000	300,000	291,137	97.05%	247,591	99.55%	251,977	101.31%
EXPENDITURES:									
Operating Expenses	\$ 0	0	0	0	----	45,373	18.88%	116,717	48.57%
Capital Outlay	0	0	0	0	----	0	0.00%	0	0.00%
Sub-Total	0	0	0	0	----	45,373	18.24%	116,717	46.93%
RESERVED	300,000	300,000	300,000	0	0.00%	0	----	0	46.93%
TOTAL EXPENDITURES	\$ 300,000	300,000	300,000	0	0.00%	45,373	18.24%	116,717	46.93%

**CITY OF PENSACOLA**  
**HOUSING INITIATIVES FUND - GENERAL FUND**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL**  
**For the Three Months Ended December 31, 2017**  
**(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 0	0	0	0	----	0	----	0	----
REVENUES:									
Sale of Asset	0	125,725	125,725	124,785	99.25%	0	----	0	----
Interest	0	0	0	0	----	0	----	0	----
TOTAL REVENUES	0	125,725	125,725	124,785	99.25%	0	----	0	----
TOTAL REVENUES AND FUND BALANCE	\$ 0	125,725	125,725	124,785	99.25%	0	----	0	----
EXPENDITURES:									
Operating Expenses	\$ 0	125,725	125,725	0	0.00%	0	----	0	----
Capital Outlay	0	0	0	0	----	0	----	0	----
Sub-Total	0	125,725	125,725	0	0.00%	0	----	0	----
TOTAL EXPENDITURES	\$ 0	125,725	125,725	0	0.00%	0	----	0	----



**CITY OF PENSACOLA**  
**INNER CITY HOUSING INITIATIVES FUND - GENERAL FUND**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL**  
**For the Three Months Ended December 31, 2017**  
**(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 0	0	0	0	----	0	----	0	----
REVENUES:									
Sale of Asset	0	0	0	0	----	0	----	440,000	100.00%
Interest	0	0	0	0	----	0	----	0	----
TOTAL REVENUES	0	0	0	0	----	0	----	440,000	100.00%
TOTAL REVENUES AND FUND BALANCE	\$ 0	0	0	0	----	0	----	440,000	100.00%
EXPENDITURES:									
Operating Expenses	\$ 0	0	0	0	----	0	----	0	0.00%
Capital Outlay	0	0	0	0	----	0	----	0	----
Sub-Total	0	0	0	0	----	0	----	0	0.00%
TOTAL EXPENDITURES	\$ 0	0	0	0	----	0	----	0	0.00%

**CITY OF PENSACOLA  
LOCAL OPTION GASOLINE TAX FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				% OF BUDGET 12/17	FY 2017			
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17		ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 37,800	37,800	37,800	37,800	100.00%	94,139	100.00%	0	----
REVENUES:									
Gasoline Tax (6 cent local)	1,370,000	1,370,000	1,370,000	233,001	17.01%	230,839 **	17.26%	1,476,634 *	100.51%
Interest	0	0	0	33	----	0	----	1,165	68.53%
Miscellaneous	0	0	0	0	----	0	----	113,583	99.99%
Sub-Total	1,370,000	1,370,000	1,370,000	233,034	17.01%	230,839	17.26%	1,591,382	100.43%
TOTAL REVENUES	1,370,000	1,370,000	1,370,000	233,034	17.01%	230,839	17.26%	1,591,382	100.43%
TOTAL REVENUES AND FUND BALANCE	\$ 1,407,800	1,407,800	1,407,800	270,834	19.24%	324,978	22.71%	1,591,382	100.43%
EXPENDITURES:									
Capital Outlay	0	0	0	0	----	27,238	100.00%	27,238	58.45%
Allocated Overhead/(Cost Recovery)	37,800	37,800	37,800	9,450	25.00%	16,725	25.00%	37,900	100.00%
Sub-Total	37,800	37,800	37,800	9,450	25.00%	43,963	46.70%	65,138	77.09%
TRANSFERS OUT									
LOGT Debt Service fund	1,370,000	1,370,000	1,370,000	0	0.00%	0	0.00%	1,497,927	99.86%
TOTAL EXPENDITURES	\$ 1,407,800	1,407,800	1,407,800	9,450	0.67%	43,963	3.07%	1,563,065	98.65%

\* Revenue includes 13 payments versus 12 payments due to appeal to State on Distribution Formula.

\*\* For comparison purposes only. FY 2017 revenue was not received until May 1, 2017 due to appeal to State on Distribution Formula.

**CITY OF PENSACOLA  
STORMWATER UTILITY FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 0	10,850	10,850	10,850	100.00%	18,179	100.00%	0	----
REVENUES:									
Stormwater Utility Fees	2,770,000	2,770,000	2,770,000	1,907,602	68.87%	1,856,526	69.94%	2,744,262	99.96%
Delinquent Stormwater Utility Fee	5,000	5,000	5,000	2,407	48.14%	61	1.22%	4,661	128.90%
CHARGES FOR SERVICES:									
State Right of Way Maintenance	289,500	289,500	289,500	8,304	2.87%	8,304	8.34%	99,647	100.05%
Interest Income	0	0	0	185	----	0	----	7,551	377.55%
TOTAL REVENUES	<u>3,064,500</u>	<u>3,064,500</u>	<u>3,064,500</u>	<u>1,918,498</u>	62.60%	<u>1,864,891</u>	67.59%	<u>2,856,121</u>	100.20%
TOTAL REVENUES AND FUND BALANCE	<u>\$ 3,064,500</u>	<u>3,075,350</u>	<u>3,075,350</u>	<u>1,929,348</u>	62.74%	<u>1,883,070</u>	67.80%	<u>2,856,121</u>	100.20%
EXPENDITURES:									
STORMWATER O & M									
Personal Services	\$ 800,300	800,300	800,170	185,041	23.13%	155,939	20.18%	764,953	98.93%
City Sponsored Pensions	293,000	293,000	293,130	293,112	99.99%	306,302	99.99%	306,689	99.99%
Sub-Total	<u>1,093,300</u>	<u>1,093,300</u>	<u>1,093,300</u>	<u>478,153</u>	43.73%	<u>462,241</u>	42.84%	<u>1,071,642</u>	99.23%
Operating Expenses	450,600	461,450	460,815	77,893	16.90%	165,070	28.09%	609,241	94.65%
Capital Outlay	38,000	38,000	38,635	38,635	100.00%	0	0.00%	0	----
Allocated Overhead/(Cost Recovery)	175,900	175,900	175,900	43,975	25.00%	48,075	25.00%	178,600	100.00%
Sub-Total	<u>1,757,800</u>	<u>1,768,650</u>	<u>1,768,650</u>	<u>638,656</u>	36.11%	<u>675,386</u>	35.60%	<u>1,859,483</u>	97.73%
STREET CLEANING									
Personal Services	384,500	384,500	384,460	90,156	23.45%	90,595	23.43%	376,920	99.84%
City Sponsored Pensions	79,600	79,600	79,640	79,633	99.99%	87,727	99.99%	87,827	99.99%
Sub-Total	<u>464,100</u>	<u>464,100</u>	<u>464,100</u>	<u>169,789</u>	36.58%	<u>178,322</u>	37.59%	<u>464,747</u>	99.87%
Operating Expenses	356,700	356,700	356,700	82,384	23.10%	70,151	21.21%	370,813	98.73%
Capital Outlay	390,000	390,000	390,000	0	0.00%	0	----	0	----
Allocated Overhead/(Cost Recovery)	95,900	95,900	95,900	23,975	25.00%	18,775	25.00%	95,900	100.00%
Sub-Total	<u>1,306,700</u>	<u>1,306,700</u>	<u>1,306,700</u>	<u>276,148</u>	21.13%	<u>267,248</u>	30.36%	<u>931,460</u>	99.43%
TOTAL EXPENDITURES	<u>\$ 3,064,500</u>	<u>3,075,350</u>	<u>3,075,350</u>	<u>914,804</u>	29.75%	<u>942,634</u>	33.94%	<u>2,790,943</u>	98.29%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.

**CITY OF PENSACOLA  
MUNICIPAL GOLF COURSE FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 0	4,454	4,454	4,454	100.00%	8,908	100.00%	31,908	100.00%
REVENUES:									
GOLF COURSE CHARGES									
Green Fees	335,100	335,100	335,100	57,680	17.21%	65,022	21.01%	274,233	99.18%
Electric Cart Rentals	73,400	73,400	73,400	18,923	25.78%	21,055	29.08%	89,963	100.63%
Pull Cart Rentals	400	400	400	28	7.00%	9	2.25%	84	84.00%
Concessions	18,100	18,100	18,100	4,500	24.86%	4,500	24.86%	18,000	100.00%
Pro Shop Sales	15,100	15,100	15,100	3,038	20.12%	3,115	20.63%	10,458	101.53%
Tournaments	35,000	35,000	35,000	10,877	31.08%	12,376	36.19%	52,802	100.00%
Driving Range	30,000	30,000	30,000	5,818	19.39%	6,120	14.33%	27,918	99.71%
Capital Surcharge	50,000	50,000	50,000	7,829	15.66%	8,802	17.60%	37,167	99.91%
Advertising	0	0	0	0	----	2,500	----	7,500	100.00%
Miscellaneous	0	0	0	0	----	0	0.00%	0	----
Interest Income	0	0	0	4	----	0	----	532	532.00%
SUB-TOTAL REVENUES	557,100	557,100	557,100	108,697	19.51%	123,499	22.75%	518,657	99.76%
TRANSFERS IN GENERAL FUND	220,000	220,000	220,000	55,000	25.00%	55,000	25.00%	220,000	100.00%
TOTAL REVENUES	777,100	777,100	777,100	163,697	21.07%	178,499	23.40%	738,657	99.83%
TOTAL REVENUES AND FUND BALANCE	\$ 777,100	781,554	781,554	168,151	21.51%	187,407	24.28%	770,565	99.84%
EXPENDITURES:									
OPERATIONS									
Personal Services	\$ 354,900	354,900	354,900	80,215	22.60%	69,737	20.20%	340,898	97.54%
City Sponsored Pensions	48,800	48,800	48,800	48,800	100.00%	53,700	100.00%	53,700	100.00%
Sub-Total	403,700	403,700	403,700	129,015	31.96%	123,437	30.94%	394,598	97.87%
Operating Expenses	373,400	377,854	377,854	97,538	25.81%	103,440	27.74%	318,842	87.71%
TOTAL EXPENDITURES	\$ 777,100	781,554	781,554	226,553	28.99%	226,877	29.40%	713,440	93.01%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.

**CITY OF PENSACOLA**  
**INSPECTION SERVICES FUND**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL**  
**For the Three Months Ended December 31, 2017**  
**(Unaudited)**

	FY 2018				% OF BUDGET 12/17	FY 2017			
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17		ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 0	0	0	0	----	195,400	100.00%	(252,950)	100.00%
<b>REVENUES:</b>									
Building Permits	736,100	736,100	736,100	163,170	22.17%	147,119	24.52%	785,917	100.55%
Electrical Permits	200,000	200,000	200,000	54,855	27.43%	31,316	17.78%	255,838	100.29%
Gas Permits	36,500	36,500	36,500	11,800	32.33%	9,200	32.17%	40,387	100.22%
Plumbing Permits	93,000	93,000	93,000	28,130	30.25%	33,186	38.14%	149,684	100.26%
Mechanical Permits	66,500	66,500	66,500	16,523	24.85%	13,109	21.67%	96,497	101.47%
Miscellaneous Permits	10,000	10,000	10,000	2,509	25.09%	1,390	15.80%	8,446	100.55%
Zoning Review & Inspection Fees	65,000	65,000	65,000	17,800	27.38%	30,350	73.67%	124,550	100.61%
Permit Application Fee	200,000	200,000	200,000	51,100	25.55%	42,155	22.35%	217,453	100.63%
Interest Income	0	0	0	134	----	0	----	10,623	354.10%
Sale of asset	0	0	0	0	----	0	----	4,845	100.00%
<b>TOTAL REVENUES</b>	<u>1,407,100</u>	<u>1,407,100</u>	<u>1,407,100</u>	<u>346,021</u>	24.59%	<u>307,825</u>	25.85%	<u>1,694,240</u>	100.99%
<b>TOTAL REVENUES AND FUND BALANCE</b>	<u>\$ 1,407,100</u>	<u>1,407,100</u>	<u>1,407,100</u>	<u>346,021</u>	24.59%	<u>503,225</u>	36.30%	<u>1,441,290</u>	101.17%
<b>EXPENDITURES:</b>									
<b>OPERATIONS</b>									
Personal Services	\$ 705,100	705,100	705,075	181,859	25.79%	144,907	21.60%	708,428	99.54%
City Sponsored Pensions	144,900	144,900	144,925	144,921	100.00%	156,717	99.99%	156,781	100.00%
Sub-Total	<u>850,000</u>	<u>850,000</u>	<u>850,000</u>	<u>326,780</u>	38.44%	<u>301,624</u>	36.45%	<u>865,209</u>	99.63%
Operating Expenses	312,800	312,800	312,800	88,316	28.23%	72,510	24.51%	157,492	54.93%
Capital Outlay	45,000	45,000	45,000	37,442	83.20%	54,534	80.79%	54,534	80.79%
Sub-Total	<u>1,207,800</u>	<u>1,207,800</u>	<u>1,207,800</u>	<u>452,538</u>	37.47%	<u>428,668</u>	36.00%	<u>1,077,235</u>	88.11%
Allocated Overhead/(Cost Recovery)	199,300	199,300	199,300	49,825	25.00%	48,850	25.00%	202,000	100.00%
<b>TOTAL EXPENDITURES</b>	<u>\$ 1,407,100</u>	<u>1,407,100</u>	<u>1,407,100</u>	<u>502,363</u>	35.70%	<u>477,518</u>	34.45%	<u>1,279,235</u>	89.79%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.

**CITY OF PENSACOLA  
ROGER SCOTT TENNIS CENTER  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				% OF BUDGET 12/17	FY 2017			
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17		ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 27,500	27,500	27,500	27,500	100.00%	50,000	100.00%	80,700	100.00%
REVENUES:									
CHARGES FOR SERVICES									
Scott Tennis Court Fees	256,600	256,600	256,600	40,803	15.90%	33,397	14.73%	201,664	99.98%
Scott Tennis Concession Fees	0	0	0	32	----	527	8.78%	1,285	98.85%
Scott Tennis Pro Revenue	25,000	25,000	25,000	1,050	4.20%	1,050	6.91%	22,643	128.65%
Scott Tennis Pro Shop Lease	3,100	3,100	3,100	518	16.71%	518	8.63%	3,109	119.58%
Interest Income	0	0	0	8	----	0	----	668	668.00%
TOTAL REVENUES	<u>284,700</u>	<u>284,700</u>	<u>284,700</u>	<u>42,411</u>	14.90%	<u>35,492</u>	13.97%	<u>229,369</u>	102.72%
TOTAL REVENUES AND FUND BALANCE	<u>\$ 312,200</u>	<u>312,200</u>	<u>312,200</u>	<u>69,911</u>	22.39%	<u>85,492</u>	28.12%	<u>310,069</u>	102.00%
EXPENDITURES:									
OPERATIONS									
Personal Services	\$ 141,300	141,300	141,300	26,670	18.87%	29,101	21.57%	130,334	96.62%
Operating Expenses	170,900	170,900	170,900	20,142	11.79%	22,572	13.35%	152,541	90.21%
TOTAL EXPENDITURES	<u>\$ 312,200</u>	<u>312,200</u>	<u>312,200</u>	<u>46,812</u>	14.99%	<u>51,673</u>	17.00%	<u>282,875</u>	93.05%

**CITY OF PENSACOLA**  
**COMMUNITY MARITIME PARK MANAGEMENT SERVICES FUND**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL**  
**For the Three Months Ended December 31, 2017**  
**(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 0	328,272	328,272	328,272	100.00%	0	----	(661,100)	100.00%
REVENUES:									
COMMUNITY MARITIME PARK									
Event Scheduling Management									
Event Management	100,000	0	0	0	----	0	0.00%	0	---
Rentals	35,000	35,000	35,000	2,620	7.49%	3,000	6.15%	11,290	94.08%
Vendor Kiosk Management									
Kiosk Sales	1,200	1,200	1,200	0	0.00%	0	0.00%	100	100.00%
Donations	0	0	0	500	----	0	----	18,500	100.00%
Parking Management	54,700	54,700	54,700	0	0.00%	0	0.00%	100,720	99.72%
City Hall Parking	0	30,000	30,000	0	0.00%	0	----	0	---
CMPA - Return of Profit	0	0	0	0	----	0	----	(4,494)	---
Park Maintenance	0	0	0	0	----	0	0.00%	108,205	99.27%
CMPA - Insurance	0	0	0	0	----	0	0.00%	79,805	99.76%
Lease Fees	153,900	153,900	153,900	36,617	23.79%	0	----	0	---
User Fees									
Northwest Florida Professional Baseball	175,000	175,000	175,000	43,750	25.00%	0	----	58,333	58.33%
University of West Florida	15,000	15,000	15,000	16,667	111.11%	0	----	5,122	51.22%
Surcharge									
Variable Attendance	320,000	320,000	320,000	0	0.00%	0	----	270,527	100.20%
Variable Ticket	161,000	161,000	161,000	(4,870)	-3.02%	0	----	75,275	81.82%
Naming Rights	112,500	112,500	112,500	28,125	25.00%	0	----	37,500	56.82%
Community Event Concessions	30,000	30,000	30,000	0	0.00%	0	----	11,316	188.60%
Other Charges for Services	23,600	23,600	23,600	2,390	10.13%	0	----	7,781	97.26%
Interest Income	0	0	0	64	----	0	----	28	28.00%
Miscellaneous Revenue	0	0	0	16	----	0	----	144	144.00%
<b>SUBTOTAL</b>	<b>1,181,900</b>	<b>1,111,900</b>	<b>1,111,900</b>	<b>125,879</b>	<b>11.32%</b>	<b>3,000</b>	<b>0.55%</b>	<b>780,152</b>	<b>89.38%</b>
CHARGES FOR SERVICES									
Employee Leasing	0	0	0	0	----	12,014	11.55%	64,589	99.37%
Miscellaneous	0	0	0	0	----	2,706	27.06%	4,926	96.59%
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>----</b>	<b>14,720</b>	<b>12.91%</b>	<b>69,515</b>	<b>99.17%</b>
TRANSFER IN									
Recreation Fund	0	0	0	0	----	0	----	122,831	81.89%
Insurance Retention Fund	0	0	0	0	----	0	----	621,082	100.00%
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>----</b>	<b>0</b>	<b>----</b>	<b>743,913</b>	<b>96.47%</b>
<b>TOTAL REVENUES AND FUND BALANCE</b>	<b>\$ 1,181,900</b>	<b>1,440,172</b>	<b>1,440,172</b>	<b>454,151</b>	<b>31.53%</b>	<b>17,720</b>	<b>2.69%</b>	<b>932,480</b>	<b>88.56%</b>

**CITY OF PENSACOLA**  
**COMMUNITY MARITIME PARK MANAGEMENT SERVICES FUND**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL**  
**For the Three Months Ended December 31, 2017**  
**(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
<b>CMMTY MARITIME PARK MGT SVCS</b>									
Personal Services	\$ 0	0	0	0	----	7,885	10.08%	44,321	56.79%
City Sponsored Pensions	0	0	0	0	----	0	----	0	---
Sub-Total	0	0	0	0	----	7,885	10.08%	44,321	56.79%
Operating Expenses	0	0	0	0	----	72,225	15.52%	375,593	81.55%
Capital Outlay	0	0	0	0	----	0	----	0	---
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>----</b>	<b>80,110</b>	<b>14.74%</b>	<b>419,914</b>	<b>77.96%</b>
<b>MARITIME PARK - EMPLOYEE LEASING</b>									
Personal Services	0	0	0	0	----	21,886	21.04%	69,088	98.46%
City Sponsored Pensions	0	0	0	0	----	0	0.00%	4	100.00%
Sub-Total	0	0	0	0	----	21,886	21.04%	69,092	98.46%
Operating Expenses	0	0	0	0	----	70	0.70%	3,457	96.62%
Capital Outlay	0	0	0	0	----	0	----	0	---
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>----</b>	<b>21,956</b>	<b>19.26%</b>	<b>72,549</b>	<b>98.37%</b>
<b>COMMUNITY MARITIME PARK</b>									
Personal Services	75,400	75,400	75,400	8,832	11.71%	0	----	25,314	93.76%
Operating Expenses	1,036,900	1,231,976	1,231,976	199,838	16.22%	0	----	99,100	41.65%
Capital Outlay	0	63,196	63,196	63,196	100.00%	0	----	62,624	49.70%
<b>SUBTOTAL</b>	<b>1,112,300</b>	<b>1,370,572</b>	<b>1,370,572</b>	<b>271,866</b>	<b>19.84%</b>	<b>0</b>	<b>----</b>	<b>187,038</b>	<b>47.84%</b>
<b>TRANSFERS OUT</b>									
Insurance Retention Fund	0	49,600	49,600	0	0.00%	0	----	0	----
Sub-Total	0	49,600	49,600	0	0.00%	0	----	0	100.00%
<b>DEBT SERVICE</b>									
Interest	18,700	0	0	0	----	0	----	9,316	31.69%
Principal	50,900	20,000	20,000	20,000	100.00%	0	----	0	0.00%
<b>SUBTOTAL</b>	<b>69,600</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>100.00%</b>	<b>0</b>	<b>----</b>	<b>9,316</b>	<b>18.78%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,181,900</b>	<b>1,440,172</b>	<b>1,440,172</b>	<b>291,866</b>	<b>20.27%</b>	<b>102,066</b>	<b>15.52%</b>	<b>688,817</b>	<b>65.42%</b>



**CITY OF PENSACOLA**  
**LOCAL OPTION SALES TAX**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL**  
**For the Three Months Ended December 31, 2017**  
**(Unaudited)**

	FY 2018				% OF BUDGET 12/17	FY 2017			
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17		ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
<b>LOCAL OPTION SALES TAX FUND:</b>									
APPROPRIATED FUND BALANCE	\$ 7,310,100	15,392,464	15,392,464	15,392,464	100.00%	11,478,628	100.00%	13,803,628	100.00%
REVENUES:									
1-CT Local Option Sales Tax	7,883,000	7,883,000	7,883,000	1,391,032	17.65%	1,314,805	16.82%	7,881,842	100.28%
Interest	0	0	0	23	----	0	----	(13,774)	----
Rebates	0	0	0	0	----	0	----	14,948	99.65%
Transfer In From Central Services Fund	0	0	0	0	----	0	0.00%	188,014	99.95%
TOTAL REVENUES	7,883,000	7,883,000	7,883,000	1,391,055	17.65%	1,314,805	16.43%	8,071,030	100.10%
TOTAL REVENUES AND FUND BALANCE	\$ 15,193,100	23,275,464	23,275,464	16,783,519	72.11%	12,793,433	65.67%	21,874,658	100.04%
EXPENDITURES:									
CAPITAL PROJECTS									
Operating Expenses	0	65,228	302,192	3,602	1.19%	1,743	3.52%	284,428	68.21%
Capital Outlay	9,651,500	17,668,636	17,492,772	471,325	2.69%	1,844,515	14.41%	1,544,450	43.54%
Sub-Total	9,651,500	17,733,864	17,794,964	474,927	2.67%	1,846,258	14.37%	1,828,878	12.01%
DEBT SERVICE									
Principal	4,961,400	4,961,400	4,961,400	3,415,000	68.83%	3,245,000	52.43%	3,245,000	52.43%
Interest	580,200	580,200	519,100	87,509	16.86%	170,662	38.25%	446,186	100.00%
Sub-Total	5,541,600	5,541,600	5,480,500	3,502,509	63.91%	3,415,662	51.47%	3,691,186	55.63%
TOTAL EXPENDITURES	\$ 15,193,100	23,275,464	23,275,464	3,977,436	17.09%	5,261,920	27.01%	5,520,064	25.24%
<b>LOST SERIES 2017 PROJECT FUND:</b>									
APPROPRIATED FUND BALANCE	\$ 0	0	0	0	----	0	----	0	100.00%
REVENUES:									
Bond Proceeds	0	25,000,000	25,000,000	25,000,000	100.00%	0	----	0	----
Interest	0	0	0	2,224	----	0	----	0	----
TOTAL REVENUES	0	25,000,000	25,000,000	25,002,224	100.01%	0	----	0	----
TOTAL REVENUES AND FUND BALANCE	\$ 0	25,000,000	25,000,000	25,002,224	100.01%	0	----	0	----
EXPENDITURES:									
CAPITAL PROJECTS									
Operating Expenses	0	85,000	85,000	80,038	94.16%	0	----	0	----
Capital Outlay	0	24,915,000	24,915,000	5,636,722	22.62%	0	----	1,174,896	135.41%
Sub-Total	0	25,000,000	25,000,000	5,716,760	22.87%	0	----	1,174,896	135.41%
TOTAL LOST IV BOND EXPENDITURES	\$ 0	25,000,000	25,000,000	5,716,760	22.87%	0	----	1,174,896	135.41%
<b>TOTAL:</b>									
TOTAL REVENUES AND FUND BALANCE	\$ 15,193,100	48,275,464	48,275,464	41,785,743	86.56%	12,793,433	65.67%	21,874,658	100.04%
TOTAL EXPENDITURES	\$ 15,193,100	48,275,464	48,275,464	9,694,196	20.08%	5,261,920	27.01%	6,694,960	29.45%

Note. The Lost Series 2017 Project Fund was funded with the issuance of the Infrastructure Sales Surtax Revenue Bond, Series 2017 on October 18, 2017.

**CITY OF PENSACOLA**  
**LOGT SERIES 2016 PROJECT FUND**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL**  
**For the Three Months Ended December 31, 2017**  
**(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	% OF ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 0	7,169,546	7,169,546	7,169,546	100.00%	2,339,342	100.00%	13,852,179	100.00%
REVENUES:									
LOGT Series 2016 Bond Proceeds	0	0	0	0	----	0	----	0	----
Interest Income	0	0	0	503	----	0	----	60,199	301.00%
TOTAL REVENUES	<u>0</u>	<u>0</u>	<u>0</u>	<u>503</u>	----	<u>0</u>	----	<u>60,199</u>	301.00%
TOTAL REVENUES AND FUND BALANCE	<u>\$ 0</u>	<u>7,169,546</u>	<u>7,169,546</u>	<u>7,170,049</u>	100.01%	<u>2,339,342</u>	100.00%	<u>13,912,378</u>	100.29%
EXPENDITURES:									
CAPITAL PROJECTS									
Operating Expenses	0	2,265	2,265	2,241	98.94%	0	----	105,694	97.90%
Capital Outlay	0	7,167,281	7,167,281	6,433,916	89.77%	1,399,452	59.82%	6,637,138	96.32%
Sub-Total	<u>0</u>	<u>7,169,546</u>	<u>7,169,546</u>	<u>6,436,157</u>	89.77%	<u>1,399,452</u>	59.82%	<u>6,742,832</u>	96.33%
TOTAL EXPENDITURES	<u>\$ 0</u>	<u>7,169,546</u>	<u>7,169,546</u>	<u>6,436,157</u>	89.77%	<u>1,399,452</u>	59.82%	<u>6,742,832</u>	48.61%

**CITY OF PENSACOLA**  
**STORMWATER CAPITAL PROJECTS FUND**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL**  
**For the Three Months Ended December 31, 2017**  
**(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 0	6,185,404	6,185,404	6,185,404	100.00%	6,424,991	100.00%	6,407,713	100.00%
REVENUES:									
Interest	1,000	1,000	1,000	734	73.40%	0	0.00%	49,381	308.63%
Transfer In From General Fund	2,775,000	2,775,000	2,775,000	1,910,009	68.83%	1,856,587	69.81%	2,748,923	100.00%
TOTAL REVENUES	<u>2,776,000</u>	<u>2,776,000</u>	<u>2,776,000</u>	<u>1,910,743</u>	68.83%	<u>1,856,587</u>	69.78%	<u>2,798,304</u>	101.21%
TOTAL REVENUES AND FUND BALANCE	<u>\$ 2,776,000</u>	<u>8,961,404</u>	<u>8,961,404</u>	<u>8,096,147</u>	90.34%	<u>8,281,578</u>	91.15%	<u>9,206,017</u>	100.36%
EXPENDITURES:									
CAPITAL PROJECTS									
Operating Expenses	525,000	1,384,537	1,384,537	178,216	12.87%	354,147	29.14%	894,351	53.51%
Capital Outlay	2,050,000	7,375,867	7,375,867	2,355,754	31.94%	680,014	8.79%	1,942,242	42.25%
Sub-Total	<u>2,575,000</u>	<u>8,760,404</u>	<u>8,760,404</u>	<u>2,533,970</u>	28.93%	<u>1,034,161</u>	11.55%	<u>2,836,593</u>	44.68%
Allocated Overhead/(Cost Recovery) General Fund	<u>201,000</u>	<u>201,000</u>	<u>201,000</u>	<u>50,250</u>	25.00%	<u>32,550</u>	25.00%	<u>201,300</u>	100.00%
TOTAL EXPENDITURES	<u>\$ 2,776,000</u>	<u>8,961,404</u>	<u>8,961,404</u>	<u>2,584,220</u>	28.84%	<u>1,066,711</u>	11.74%	<u>3,037,893</u>	45.89%

**CITY OF PENSACOLA  
GAS UTILITY FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				% OF BUDGET 12/17	FY 2017			
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17		ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
<b>GAS OPERATIONS:</b>									
APPROPRIATED FUND BALANCE	\$ 2,113,700	3,542,613	3,542,613	3,542,613	100.00%	967,805	100.00%	967,805	100.00%
<b>REVENUES:</b>									
<b>GAS</b>									
Residential User Fees	23,281,700	23,281,700	23,281,700	4,019,648	17.27%	3,201,253	13.79%	19,529,462	93.70%
Commercial User Fees	12,992,300	12,992,300	12,992,300	2,340,976	18.02%	2,135,504	16.55%	12,512,353	94.63%
Municipal User Fees	302,200	302,200	302,200	59,145	19.57%	51,101	17.02%	285,801	96.00%
Interruptible User Fees	4,038,800	4,038,800	4,038,800	1,017,604	25.20%	926,654	23.10%	5,265,462	99.57%
Transportation User Fees	5,402,000	5,402,000	5,402,000	829,836	15.36%	676,879	12.61%	3,929,757	99.85%
Compressed Natural Gas	635,300	635,300	635,300	222,058	34.95%	208,742	23.94%	907,937	100.03%
Gas Piping Fees	0	0	0	0	----	39,785	19.89%	61,824	100.04%
Miscellaneous Charges	552,800	552,800	552,800	97,889	17.71%	103,523	15.22%	423,305	99.79%
New Accounts/Turn-on Fees	597,400	597,400	597,400	153,509	25.70%	146,255	24.38%	550,625	102.18%
Interest Income	100,000	100,000	100,000	17,791	17.79%	19,075	87.50%	220,828	245.09%
Infrastructure Cost Recovery	3,742,200	3,742,200	3,742,200	757,716	20.25%	408,755	18.79%	1,848,457	101.51%
Cookbooks	0	0	0	1,217	----	1,073	----	2,725	100.93%
Sale of Asset	0	0	0	28,595	----	18,201	----	31,905	100.02%
Rebates	0	0	0	50,026	----	35,992	5.74%	555,301	88.55%
<b>TOTAL REVENUES</b>	<b>51,644,700</b>	<b>51,644,700</b>	<b>51,644,700</b>	<b>9,596,010</b>	<b>18.58%</b>	<b>7,972,792</b>	<b>15.64%</b>	<b>46,125,742</b>	<b>95.91%</b>
<b>TOTAL REVENUES AND FUND BALANCE</b>	<b>\$ 53,758,400</b>	<b>55,187,313</b>	<b>55,187,313</b>	<b>13,138,623</b>	<b>23.81%</b>	<b>8,940,597</b>	<b>17.21%</b>	<b>47,093,547</b>	<b>95.99%</b>
<b>EXPENSES:</b>									
<b>GAS OPERATION &amp; MAINTENANCE</b>									
Personal Services	\$ 7,258,000	7,258,000	7,256,350	1,683,894	23.21%	1,221,734	19.70%	6,748,499	96.41%
City Sponsored Pensions	1,439,700	1,439,700	1,441,350	1,440,124	99.91%	1,340,902	99.83%	1,578,325	99.92%
Sub-Total	<b>8,697,700</b>	<b>8,697,700</b>	<b>8,697,700</b>	<b>3,124,018</b>	<b>35.92%</b>	<b>2,562,636</b>	<b>33.97%</b>	<b>8,326,824</b>	<b>97.05%</b>
Operating Expenses	31,704,400	32,962,325	32,962,325	5,802,058	17.60%	6,084,212	19.83%	25,131,992	95.97%
Capital Outlay	1,246,800	1,417,788	1,417,788	975,967	68.84%	563,841	28.51%	731,768	92.48%
Sub-Total	<b>41,648,900</b>	<b>43,077,813</b>	<b>43,077,813</b>	<b>9,902,043</b>	<b>22.99%</b>	<b>9,210,689</b>	<b>22.91%</b>	<b>34,190,584</b>	<b>96.11%</b>
<b>TRANSFERS OUT</b>									
General Fund	8,000,000	8,000,000	8,000,000	4,000,000	50.00%	4,000,000	50.00%	8,000,000	100.00%
Sub-Total	<b>8,000,000</b>	<b>8,000,000</b>	<b>8,000,000</b>	<b>4,000,000</b>	<b>50.00%</b>	<b>4,000,000</b>	<b>50.00%</b>	<b>8,000,000</b>	<b>100.00%</b>
Allocated Overhead/(Cost Recovery)	1,250,400	1,250,400	1,250,400	312,600	25.00%	299,150	25.00%	1,249,200	100.00%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.

**CITY OF PENSACOLA  
GAS UTILITY FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
EXPENSES: (continued)									
DEBT SERVICE									
Interest	334,100	334,100	334,100	175,286	52.47%	32,709	8.57%	371,886	97.40%
Principal	2,525,000	2,525,000	2,525,000	2,525,000	100.00%	2,155,000	100.00%	2,155,000	100.00%
Sub-Total	<u>2,859,100</u>	<u>2,859,100</u>	<u>2,859,100</u>	<u>2,700,286</u>	94.45%	<u>2,187,709</u>	86.24%	<u>2,526,886</u>	99.61%
TOTAL GAS OPERATIONS EXPENSES	<u>\$ 53,758,400</u>	<u>55,187,313</u>	<u>55,187,313</u>	<u>16,914,929</u>	30.65%	<u>15,697,548</u>	30.22%	<u>45,966,670</u>	97.02%
<b>GAS CONSTRUCTION:</b>									
APPROPRIATED FUND BALANCE	<u>\$ 0</u>	<u>9,137,310</u>	<u>9,137,310</u>	<u>9,137,310</u>	100.00%	<u>9,414,110</u>	100.00%	<u>14,096,785</u>	100.00%
EXPENSES:									
GAS CONSTRUCTION NOTE									
Personal Services	0	301,111	301,111	35,148	11.67%	202,901	18.28%	121,247	28.71%
City Sponsored Pensions	0	89	89	20	22.47%	236,099	99.96%	12	12.00%
Sub-Total	<u>0</u>	<u>301,200</u>	<u>301,200</u>	<u>35,168</u>	11.68%	<u>439,000</u>	32.62%	<u>121,259</u>	28.70%
Operating Expenses	0	8,640,393	8,640,393	6,870,603	79.52%	3,432,120	44.20%	4,739,335	90.32%
Capital Outlay	0	195,717	195,717	185,147	94.60%	301,210	99.41%	98,883	89.70%
Sub-Total	<u>0</u>	<u>9,137,310</u>	<u>9,137,310</u>	<u>7,090,918</u>	77.60%	<u>4,172,330</u>	44.32%	<u>4,959,477</u>	88.46%
TOTAL GAS CONSTRUCTION NOTE EXPENSES	<u>\$ 0</u>	<u>9,137,310</u>	<u>9,137,310</u>	<u>7,090,918</u>	77.60%	<u>4,172,330</u>	44.32%	<u>4,959,477</u>	88.46%
<b>TOTAL FUND:</b>									
TOTAL REVENUES AND FUND BALANCE	<u>\$ 53,758,400</u>	<u>64,324,623</u>	<u>64,324,623</u>	<u>22,275,933</u>	34.63%	<u>18,354,707</u>	29.92%	<u>61,190,332</u>	96.89%
TOTAL EXPENSES	<u>\$ 53,758,400</u>	<u>64,324,623</u>	<u>64,324,623</u>	<u>24,005,847</u>	37.32%	<u>19,869,878</u>	32.39%	<u>50,926,147</u>	95.11%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.

**CITY OF PENSACOLA  
SANITATION FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
<b>SANITATION OPERATIONS:</b>									
APPROPRIATED FUND BALANCE	\$ 330,500	1,111,020	1,111,020	1,111,020	100.00%	320,550	100.00%	699,930	100.00%
REVENUES:									
SANITATION									
Residential Refuse Container Charges	4,232,400	4,232,400	4,232,400	1,092,075	25.80%	1,008,184	25.21%	4,154,503	100.08%
Bulk Item Collection Charges	120,000	120,000	120,000	28,080	23.40%	29,799	22.92%	129,154	98.97%
Business Refuse Container Charges	150,000	150,000	150,000	33,883	22.59%	33,559	21.53%	134,319	99.94%
Fuel Surcharge	400,000	400,000	400,000	71,329	17.83%	60,907	12.18%	239,291	99.95%
County Landfill	1,200,500	1,200,500	1,200,500	279,373	23.27%	277,018	25.34%	1,115,033	99.96%
Equipment Surcharge	229,500	229,500	229,500	59,441	25.90%	0	----	79,704	99.88%
New Accounts/Transfer Fees	89,000	89,000	89,000	19,880	22.34%	22,180	26.09%	87,500	101.86%
Miscellaneous	45,000	45,000	45,000	12,940	28.76%	22,613	452.26%	443,434	99.85%
Interest Income	7,500	7,500	7,500	138	1.84%	0	----	17,200	573.33%
Sale of Assets	5,000	5,000	5,000	71	1.42%	22,325	446.50%	31,920	100.00%
SUB-TOTAL SANITATION REVENUES	6,478,900	6,478,900	6,478,900	1,597,210	24.65%	1,476,585	24.72%	6,432,058	100.26%
CODE ENFORCEMENT									
Franchise Fees	1,170,000	1,170,000	1,170,000	1,110	0.09%	1,091	0.09%	1,230,759	98.00%
Lot Cleaning (FY Cash Balance) *	65,200	65,200	65,200	11,450	17.56%	21,389	28.52%	78,142	71.76%
Code Enforcement Violations	100,300	100,300	100,300	6,724	6.70%	56,895	81.28%	110,989	99.90%
Sub-Total	1,335,500	1,335,500	1,335,500	19,284	1.44%	79,375	5.95%	1,419,890	96.21%
Zoning/Housing Code Enforcement	4,000	4,000	4,000	259	6.48%	0	0.00%	2,138	125.76%
Sub-Total	4,000	4,000	4,000	259	6.48%	0	0.00%	2,138	125.76%
SUB-TOTAL CODE ENFORCEMENT REVENUES	1,339,500	1,339,500	1,339,500	19,543	1.46%	79,375	5.88%	1,422,028	96.24%
SUB-TOTAL REVENUES	7,818,400	7,818,400	7,818,400	1,616,753	20.68%	1,555,960	21.25%	7,854,086	99.50%
TOTAL REVENUES AND FUND BALANCE	\$ 8,148,900	8,929,420	8,929,420	2,727,773	30.55%	1,876,510	24.55%	8,554,016	99.54%

\* Actual billings are \$21,046 however collections are typically lower.

**CITY OF PENSACOLA  
SANITATION FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018					FY 2017			
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
<b>SANITATION OPERATIONS CONTINUED:</b>									
EXPENSES:									
SANITATION SERVICES									
Personal Services	\$ 2,059,900	2,059,900	2,059,300	502,031	24.38%	399,718	19.93%	1,972,421	95.54%
City Sponsored Pensions	417,500	417,500	418,100	417,608	99.88%	447,735	99.91%	448,027	99.94%
Sub-Total	<u>2,477,400</u>	<u>2,477,400</u>	<u>2,477,400</u>	<u>919,639</u>	37.12%	<u>847,453</u>	34.53%	<u>2,420,448</u>	96.33%
Operating Expenses	3,149,200	3,166,067	3,166,067	669,368	21.14%	703,088	21.98%	3,026,352	95.44%
Capital Outlay	560,000	1,323,653	1,323,653	763,653	57.69%	0	----	0	0.00%
Capital Accumulation (Principal & Interest)	0	0	0	0	----	0	0.00%	81,460	95.72%
Allocated Overhead/(Cost Recovery)	395,900	395,900	395,900	98,975	25.00%	94,850	25.00%	397,700	100.00%
Sub-Total	<u>6,582,500</u>	<u>7,363,020</u>	<u>7,363,020</u>	<u>2,451,635</u>	33.30%	<u>1,645,391</u>	26.90%	<u>5,925,960</u>	83.86%
DEBT SERVICE									
Interest	\$ 15,300	15,300	15,300	7,159	46.79%	8,504	54.17%	15,664	99.77%
Principal	211,600	211,600	211,600	131,300	62.05%	128,700	100.00%	128,700	100.00%
Sub-Total	<u>226,900</u>	<u>226,900</u>	<u>226,900</u>	<u>138,459</u>	61.02%	<u>137,204</u>	95.02%	<u>144,364</u>	99.98%
SUB-TOTAL SANITATION O & M	<u>6,809,400</u>	<u>7,589,920</u>	<u>7,589,920</u>	<u>2,590,094</u>	34.13%	<u>1,782,595</u>	28.47%	<u>6,070,324</u>	84.18%
CODE ENFORCEMENT PROGRAM									
Personal Services	584,400	584,400	584,100	135,089	23.13%	116,429	19.07%	564,778	92.71%
City Sponsored Pensions	242,600	242,600	242,900	242,683	99.91%	260,565	99.91%	260,818	99.93%
Sub-Total	<u>827,000</u>	<u>827,000</u>	<u>827,000</u>	<u>377,772</u>	45.68%	<u>376,994</u>	43.26%	<u>825,596</u>	94.87%
Operating Expenses	252,900	252,900	252,900	89,680	35.46%	86,457	30.79%	227,486	84.96%
Capital Outlay	55,000	55,000	55,000	51,429	93.51%	49,823	90.59%	49,823	90.59%
Allocated Overhead/(Cost Recovery)	100,900	100,900	100,900	25,225	25.00%	22,150	25.00%	101,000	100.00%
Sub-Total	<u>1,235,800</u>	<u>1,235,800</u>	<u>1,235,800</u>	<u>544,106</u>	44.03%	<u>535,424</u>	41.32%	<u>1,203,905</u>	93.04%
CODE ENFORCEMENT ZONING/HOUSING									
Personal Services	55,200	55,200	55,150	13,957	25.31%	11,542	21.45%	54,351	97.08%
City Sponsored Pensions	29,100	29,100	29,150	29,111	99.87%	32,109	99.72%	32,145	99.95%
Sub-Total	<u>84,300</u>	<u>84,300</u>	<u>84,300</u>	<u>43,068</u>	51.09%	<u>43,651</u>	50.76%	<u>86,496</u>	98.13%
Operating Expenses	19,400	19,400	19,400	3,129	16.13%	0	----	0	---
Sub-Total	<u>103,700</u>	<u>103,700</u>	<u>103,700</u>	<u>46,197</u>	44.55%	<u>43,651</u>	50.76%	<u>86,496</u>	98.13%
SUB-TOTAL CODE ENFORCEMENT	<u>1,339,500</u>	<u>1,339,500</u>	<u>1,339,500</u>	<u>590,303</u>	44.07%	<u>579,075</u>	41.91%	<u>1,290,401</u>	93.37%
TOTAL EXPENSES SANITATION OPERATIONS	<u>\$ 8,148,900</u>	<u>8,929,420</u>	<u>8,929,420</u>	<u>3,180,397</u>	35.62%	<u>2,361,670</u>	30.90%	<u>7,360,725</u>	85.66%
<b>TOTAL FUND:</b>									
TOTAL REVENUES AND FUND BALANCE	<u>\$ 8,148,900</u>	<u>8,929,420</u>	<u>8,929,420</u>	<u>2,727,773</u>	30.55%	<u>1,876,510</u>	24.55%	<u>8,554,016</u>	99.54%
TOTAL EXPENSES	<u>\$ 8,148,900</u>	<u>8,929,420</u>	<u>8,929,420</u>	<u>3,180,397</u>	35.62%	<u>2,361,670</u>	30.90%	<u>7,360,725</u>	85.66%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.

**CITY OF PENSACOLA  
PORT FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				% OF BUDGET 12/17	FY 2017			
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17		ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 150,000	241,938	241,938	241,938	100.00%	833,571	100.00%	833,571	100.00%
REVENUES:									
PORT									
Handling	45,100	45,100	45,100	5,814	12.89%	5,524	15.78%	32,925	102.89%
Wharfage	280,400	280,400	280,400	50,073	17.86%	27,676	7.65%	335,539	111.14%
Storage	125,800	125,800	125,800	21,381	17.00%	4,720	2.59%	66,266	118.12%
Dockage	465,000	465,000	465,000	13,291	2.86%	28,222	5.13%	128,284	91.63%
Water Sales	6,000	6,000	6,000	409	6.82%	100	0.59%	1,566	97.88%
Property Rental	483,800	483,800	483,800	139,181	28.77%	198,479	30.35%	491,287	100.00%
Stevedore Fees	30,500	30,500	30,500	5,676	18.61%	3,539	9.05%	24,386	97.16%
Harbor	27,400	27,400	27,400	2,850	10.40%	3,650	12.17%	15,150	99.67%
Security Fees	63,200	63,200	63,200	4,198	6.64%	5,222	8.03%	32,019	97.03%
Interior Lighting	15,000	15,000	15,000	2,402	16.01%	4,221	8.44%	17,858	99.77%
Miscellaneous/Billed	15,000	15,000	15,000	6,610	44.07%	2,860	19.07%	29,740	100.81%
Sale of Asset	0	0	0	0	----	1,045	----	1,045	100.00%
Miscellaneous/Non-Billed	0	0	0	0	----	160	----	160	100.00%
Cedar Street Lease/Parking Lot	70,700	70,700	70,700	21,920	31.00%	21,920	31.00%	65,760	100.00%
Interest Income	0	0	0	16	----	0	----	(94)	-13.43%
TOTAL REVENUES	<u>1,627,900</u>	<u>1,627,900</u>	<u>1,627,900</u>	<u>273,821</u>	16.82%	<u>307,338</u>	14.85%	<u>1,241,891</u>	102.53%
TOTAL REVENUES AND FUND BALANCE	<u>\$ 1,777,900</u>	<u>1,869,838</u>	<u>1,869,838</u>	<u>515,759</u>	27.58%	<u>1,140,909</u>	39.30%	<u>2,075,462</u>	101.50%
EXPENSES:									
OPERATIONS & MAINTENANCE									
Personal Services	\$ 717,400	717,400	717,012	174,573	24.35%	158,034	20.03%	749,353	98.49%
City Sponsored Pensions	113,200	113,200	113,588	113,239	99.69%	120,433	99.97%	120,556	100.02%
Sub-Total	<u>830,600</u>	<u>830,600</u>	<u>830,600</u>	<u>287,812</u>	34.65%	<u>278,467</u>	30.61%	<u>869,909</u>	98.70%
Operating Expenses	823,500	867,853	839,312	272,346	32.45%	377,154	37.63%	905,281	99.26%
Capital Outlay	0	47,585	76,126	76,125	100.00%	123,442	13.78%	62,410	88.73%
Sub-Total	<u>1,654,100</u>	<u>1,746,038</u>	<u>1,746,038</u>	<u>636,283</u>	36.44%	<u>779,063</u>	27.75%	<u>1,837,600</u>	98.32%
Allocated Overhead/(Cost Recovery)	123,800	123,800	123,800	30,950	25.00%	23,800	25.00%	125,700	100.00%
TOTAL EXPENSES	<u>\$ 1,777,900</u>	<u>1,869,838</u>	<u>1,869,838</u>	<u>667,233</u>	35.68%	<u>802,863</u>	27.66%	<u>1,963,300</u>	98.43%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.



**CITY OF PENSACOLA**  
**AIRPORT FUND**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - BUDGETED AND ACTUAL**  
**For the Three Months Ended December 31, 2017**  
**(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 2,888,900	5,634,297	5,634,297	5,634,297	100.00%	2,816,098	100.00%	915,598	100.00%
REVENUES:									
AIRLINE REVENUES									
Loading Bridges Fees	215,000	215,000	215,000	128,366	59.71%	107,759	53.88%	358,996	99.75%
Air Carrier Landing Fees	2,700,000	2,700,000	2,700,000	163,054	6.04%	544,469	18.70%	2,303,756	101.02%
Cargo Landing Fees	0	0	0	22,736	----	0	----	0	----
Apron Area Rental	520,000	520,000	520,000	204,488	39.32%	151,673	29.17%	611,106	101.13%
Cargo Apron Area Rental	0	0	0	24,242	----	0	----	0	----
Baggage Handling System	0	0	0	319,260	----	0	----	0	----
Airline Rentals	2,500,000	2,500,000	2,500,000	703,825	28.15%	727,526	29.10%	2,845,424	96.89%
SUBTOTAL AIRLINE REVENUES	5,935,000	5,935,000	5,935,000	1,565,971	26.39%	1,531,427	24.97%	6,119,282	99.00%
NON-AIRLINE REVENUES									
U.S.Government - FASCO	80,000	80,000	80,000	62,000	77.50%	62,000	77.50%	248,002	100.00%
Rental Cars	3,400,000	3,400,000	3,400,000	795,939	23.41%	777,092	22.86%	3,618,853	100.00%
Rental Car Customer Facility Charge (Garage)	917,000	917,000	917,000	226,288	24.68%	201,185	22.07%	907,177	110.15%
CFC - Rental Car Svc Facility	2,177,000	2,177,000	2,177,000	535,042	24.58%	576,119	28.10%	2,597,824	97.94%
Rental Car Service Facility Rent	230,000	230,000	230,000	58,052	25.24%	54,898	23.87%	224,479	90.04%
Fixed Base Operators	157,000	157,000	157,000	52,861	33.67%	45,422	29.30%	199,091	100.55%
Restaurant and Lounge	500,000	500,000	500,000	152,782	30.56%	124,975	27.59%	570,812	95.18%
Advertising	90,000	90,000	90,000	25,949	28.83%	26,520	29.47%	102,762	95.95%
Hangar Rentals	240,000	240,000	240,000	62,229	25.93%	52,233	38.69%	163,417	99.04%
Airport & 12th	297,000	297,000	297,000	49,670	16.72%	27,000	21.09%	165,850	108.40%
Parking Lot	5,200,000	5,200,000	5,200,000	1,546,240	29.74%	1,360,898	26.55%	5,646,975	99.58%
Gift Shop	250,000	250,000	250,000	68,982	27.59%	61,235	20.41%	289,017	98.64%
Taxi Permits	110,000	110,000	110,000	4,418	4.02%	12,175	11.07%	93,448	77.29%
LEO/TSA Security	100,000	100,000	100,000	27,600	27.60%	27,600	25.09%	109,500	99.91%
Commercial Property Rentals	300,000	300,000	300,000	81,005	27.00%	73,847	21.10%	298,481	100.57%
GSA/TSA Term Rent	280,000	280,000	280,000	52,603	18.79%	71,695	25.61%	280,416	97.57%
Miscellaneous	50,000	50,000	50,000	77,912	155.82%	36,000	102.86%	135,013	113.27%
Interest Income	20,000	20,000	20,000	3,594	17.97%	0	0.00%	239,016	236.88%
SUB-TOTAL NON-AIRLINE REVENUES	14,398,000	14,398,000	14,398,000	3,883,166	26.97%	3,590,894	25.72%	15,890,133	100.48%
TOTAL OPERATING REVENUES	20,333,000	20,333,000	20,333,000	5,449,137	26.80%	5,122,321	25.49%	22,009,415	100.06%
TOTAL REVENUES AND FUND BALANCE	\$ 23,221,900	25,967,297	25,967,297	11,083,434	42.68%	7,938,419	34.65%	22,925,013	100.06%

**CITY OF PENSACOLA  
AIRPORT FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E	% OF BUDGET F.Y.E.
<b>EXPENSES:</b>									
<b>OPERATION &amp; MAINTENANCE</b>									
Personal Services	\$ 3,664,500	3,689,400	3,682,020	810,720	22.02%	743,294	20.70%	3,356,880	93.05%
City Sponsored Pensions	716,200	716,200	723,580	723,249	99.95%	768,442	99.96%	771,904	100.39%
Sub-Total	<u>4,380,700</u>	<u>4,405,600</u>	<u>4,405,600</u>	<u>1,533,969</u>	34.82%	<u>1,511,736</u>	34.67%	<u>4,128,784</u>	94.34%
Operating Expenses	11,889,200	13,957,705	13,957,705	3,257,453	23.34%	2,290,363	20.05%	7,825,954	76.35%
Capital Outlay	867,800	1,519,792	1,519,792	494,235	32.52%	314,983	26.81%	584,045	49.12%
Sub-Total	<u>17,137,700</u>	<u>19,883,097</u>	<u>19,883,097</u>	<u>5,285,657</u>	26.58%	<u>4,117,082</u>	24.28%	<u>12,538,783</u>	78.22%
<b>DEBT SERVICE GARB</b>									
Interest	1,178,400	1,178,400	1,178,400	361,861	30.71%	471,247	42.83%	881,117	80.07%
Principal	2,893,800	2,893,800	2,893,800	2,315,000	80.00%	2,275,000	80.00%	2,275,000	80.00%
Sub-Total	<u>4,072,200</u>	<u>4,072,200</u>	<u>4,072,200</u>	<u>2,676,861</u>	65.74%	<u>2,746,247</u>	69.63%	<u>3,156,117</u>	80.02%
<b>DEBT SERVICE CFC</b>									
Interest	488,900	488,900	488,900	43,924	8.98%	28,420	5.81%	146,197	29.91%
Principal	952,500	952,500	952,500	0	0.00%	0	0.00%	0	0.00%
Sub-Total	<u>1,441,400</u>	<u>1,441,400</u>	<u>1,441,400</u>	<u>43,924</u>	3.05%	<u>28,420</u>	2.01%	<u>146,197</u>	10.36%
<b>Allocated Overhead/(Cost Recovery)</b>									
General Fund	570,600	570,600	570,600	142,650	25.00%	148,925	25.00%	585,300	100.00%
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 23,221,900</u>	<u>25,967,297</u>	<u>25,967,297</u>	<u>8,149,092</u>	31.38%	<u>7,040,674</u>	30.73%	<u>16,426,397</u>	74.90%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.

**CITY OF PENSACOLA**  
**RISK MANAGEMENT SERVICES**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - BUDGETED AND ACTUAL**  
**For the Three Months Ended December 31, 2017**  
**(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 0	0	0	0	----	0	----	1,121,100	100.00%
REVENUES:									
Service Fees	1,441,600	1,641,600	1,641,600	485,569	29.58%	600,653	40.96%	1,313,188	89.55%
TOTAL REVENUES	1,441,600	1,641,600	1,641,600	485,569	29.58%	600,653	40.96%	1,313,188	89.55%
TOTAL REVENUES AND FUND BALANCE	\$ 1,441,600	1,641,600	1,641,600	485,569	29.58%	600,653	40.96%	2,434,288	94.08%
EXPENSES:									
RISK MANAGEMENT									
Personal Services	\$ 543,900	543,900	543,900	260,256	47.85%	264,786	49.45%	477,203	96.31%
City Sponsored Pensions	54,800	54,800	54,820	54,815	99.99%	59,912	99.85%	59,959	99.93%
Sub-Total	598,700	598,700	598,720	315,071	52.62%	324,698	54.53%	537,162	96.70%
Operating Expenses	711,200	911,200	911,180	122,980	13.50%	214,054	30.85%	617,911	84.21%
Sub-Total	1,309,900	1,509,900	1,509,900	438,051	29.01%	538,752	41.79%	1,155,073	89.59%
CITY CLINIC									
Personal Services	73,400	73,400	73,384	16,048	21.87%	25,159	21.40%	102,508	87.21%
City Sponsored Pensions	24,900	24,900	24,916	24,913	99.99%	27,811	99.99%	27,852	99.99%
Sub-Total	98,300	98,300	98,300	40,961	41.67%	52,970	36.43%	130,360	89.66%
Operating Expenses	33,400	33,400	33,400	6,557	19.63%	8,931	28.08%	27,755	87.28%
Sub-Total	131,700	131,700	131,700	47,518	36.08%	61,901	34.93%	158,115	89.23%
TRANSFER OUT									
Transfer Out to Eastside TIF	0	0	0	0	----	0	----	500,000	100.00%
Transfer Out to CMP Mgt Svcs	0	0	0	0	----	0	----	621,082	100.00%
Sub-Total	0	0	0	0	----	0	----	1,121,082	100.00%
TOTAL EXPENSES	\$ 1,441,600	1,641,600	1,641,600	485,569	29.58%	600,653	40.96%	2,434,270	94.07%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.

**CITY OF PENSACOLA  
CENTRAL SERVICES FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 0	0	0	0	----	0	----	200,000	100.00%
REVENUES:									
Service Fees									
Mail Room	84,500	84,500	84,500	36,007	42.61%	34,659	41.81%	91,585	90.54%
Technology Resources	2,520,400	2,688,356	2,688,356	817,708	30.42%	858,960	30.12%	2,472,799	87.25%
Engineering	767,000	767,000	767,000	225,420	29.39%	242,112	30.48%	579,773	72.98%
Central Garage	1,584,300	1,709,300	1,709,300	565,537	33.09%	497,693	33.89%	1,416,112	96.42%
TOTAL REVENUES	4,956,200	5,249,156	5,249,156	1,644,672	31.33%	1,633,424	31.42%	4,560,269	87.73%
TOTAL REVENUES AND FUND BALANCE	\$ 4,956,200	5,249,156	5,249,156	1,644,672	31.33%	1,633,424	31.42%	4,760,269	88.18%
EXPENSES:									
MAIL ROOM									
Personal Services	\$ 43,600	43,600	43,600	10,129	23.23%	7,841	18.45%	38,857	91.43%
City Sponsored Pensions	19,600	19,600	19,600	19,600	100.00%	21,600	100.00%	21,600	100.00%
Sub-Total	63,200	63,200	63,200	29,729	47.04%	29,441	45.93%	60,457	94.32%
Operating Expenses	21,300	21,300	21,300	6,278	29.47%	5,218	27.76%	15,165	80.66%
Capital Outlay	0	0	0	0	----	0	----	18,256	100.00%
Sub-Total Mail Room	84,500	84,500	84,500	36,007	42.61%	34,659	41.81%	93,878	92.81%
TECHNOLOGY RESOURCES									
Personal Services	990,400	990,400	990,400	248,376	25.08%	210,341	21.20%	949,477	95.76%
City Sponsored Pensions	197,300	197,300	197,570	197,328	99.88%	216,723	99.96%	216,812	100.00%
Sub-Total	1,187,700	1,187,700	1,187,970	445,704	37.52%	427,064	35.32%	1,166,289	96.52%
Operating Expenses	1,116,500	1,191,148	1,190,878	368,809	30.97%	386,375	32.54%	982,487	83.86%
Capital Outlay	216,200	309,508	309,508	3,195	1.03%	9,335	4.13%	109,015	52.48%
Sub-Total	2,520,400	2,688,356	2,688,356	817,708	30.42%	822,774	31.37%	2,257,791	87.23%
TRANSFER OUT									
Local Option Sales Tax	0	0	0	0	----	0	0.00%	188,014	99.95%
General Stock Fund	0	0	0	0	----	0	----	200,000	100.00%
Sub-Total	0	0	0	0	----	0	0.00%	388,014	99.98%
DEBT SERVICE									
Interest	0	0	0	0	----	1,447	85.12%	1,682	99.76%
Principal	0	0	0	0	----	34,739	86.85%	39,999	99.96%
Sub-Total	0	0	0	0	----	36,186	86.78%	41,681	99.95%
Sub-Total Technology Resources	2,520,400	2,688,356	2,688,356	817,708	30.42%	858,960	30.12%	2,687,486	89.04%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.

**CITY OF PENSACOLA  
CENTRAL SERVICES FUND  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - BUDGETED AND ACTUAL  
For the Three Months Ended December 31, 2017  
(Unaudited)**

	FY 2018				FY 2017				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL 12/17	% OF BUDGET 12/17	ACTUAL 12/16	% OF BUDGET 12/16	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
<b>ENGINEERING</b>									
Personal Services	543,000	543,000	542,920	98,457	18.13%	81,323	15.40%	378,141	82.72%
City Sponsored Pensions	87,200	87,200	87,280	87,222	99.93%	105,018	99.95%	105,088	100.01%
Sub-Total	<u>630,200</u>	<u>630,200</u>	<u>630,200</u>	<u>185,679</u>	29.46%	<u>186,341</u>	29.43%	<u>483,229</u>	85.95%
Operating Expenses	136,800	136,800	136,800	39,741	29.05%	28,000	22.91%	166,914	86.39%
Capital Outlay	0	0	0	0	---	27,771	71.21%	27,771	71.21%
Sub-Total Engineering	<u>767,000</u>	<u>767,000</u>	<u>767,000</u>	<u>225,420</u>	29.39%	<u>242,112</u>	30.48%	<u>677,914</u>	85.34%
<b>CENTRAL GARAGE</b>									
Personal Services	931,300	956,300	956,100	222,132	23.23%	188,954	20.53%	848,103	94.91%
City Sponsored Pensions	201,600	201,600	201,800	201,662	99.93%	216,166	99.94%	216,380	99.94%
Sub-Total	<u>1,132,900</u>	<u>1,157,900</u>	<u>1,157,900</u>	<u>423,794</u>	36.60%	<u>405,120</u>	35.64%	<u>1,064,483</u>	95.89%
Operating Expenses	281,400	381,400	381,400	124,033	32.52%	67,162	23.10%	247,338	79.87%
Capital Outlay	170,000	170,000	170,000	17,710	10.42%	25,411	61.53%	13,662	27.92%
Sub-Total Central Garage	<u>1,584,300</u>	<u>1,709,300</u>	<u>1,709,300</u>	<u>565,537</u>	33.09%	<u>497,693</u>	33.89%	<u>1,325,483</u>	90.25%
<b>TOTAL EXPENSES</b>	<u>\$ 4,956,200</u>	<u>5,249,156</u>	<u>5,249,156</u>	<u>1,644,672</u>	31.33%	<u>1,633,424</u>	31.42%	<u>4,784,761</u>	88.89%

The City's general, fire and police pension fund annual contributions were paid in a lump sum contribution on October 1st which have been separated from personal services.

**CITY OF PENSACOLA  
BUDGET PROGRAMS  
FISCAL YEAR 2018  
(Unaudited)**

PROGRAM	FY 2018					
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	DIFFERENCE APPROVED - AMENDED	FY 2018 ACTUAL 12/17	% OF BUDGET 12/17
<b>AIRPORT</b>						
Aircraft Rescue & Firefighting Facility (ARFF)	\$ 773,300	835,300	835,300	-	217,737	26.07%
Airport Administration	3,405,200	3,409,584	3,409,584	-	1,143,056	33.52%
Maintenance	11,685,200	14,364,213	14,364,213	-	3,383,993	23.56%
Operations	894,700	894,700	894,700	-	340,738	38.08%
Security	949,900	949,900	949,900	-	342,783	36.09%
Sub-total	<u>17,708,300</u>	<u>20,453,697</u>	<u>20,453,697</u>	<u>-</u>	<u>5,428,307</u>	26.54%
<b>CITY CLERK</b>						
Administration of Legal Documents	36,400	36,400	36,100	(300)	29,575	81.93%
City Elections/Appointments	25,700	25,700	25,700	-	6,443	25.07%
City Council Meetings Preparation	68,500	68,500	68,800	300	17,183	24.98%
Sub-total	<u>130,600</u>	<u>130,600</u>	<u>130,600</u>	<u>-</u>	<u>53,201</u>	40.74%
<b>CITY COUNCIL</b>						
Audit	99,700	196,300	196,300	-	96,600	49.21%
City Council Support	288,400	301,800	301,800	-	38,619	12.80%
Office of the City Council	319,000	403,459	403,459	-	55,873	13.85%
Sub-total	<u>707,100</u>	<u>901,559</u>	<u>901,559</u>	<u>-</u>	<u>191,092</u>	21.20%
<b>COMMUNITY REDEVELOPMENT AGENCY - CRA</b>						
Asset Maintenance and Operation	248,900	508,826	633,526	124,700	85,077	13.43%
Community Policing	100,000	100,000	100,000	-	55,036	55.04%
Enlivening Public Spaces	30,000	30,000	-	(30,000)	-	----
Non-Capital Projects and Activities	336,600	1,395,501	1,268,501	(127,000)	216,883	17.10%
Redevelopment Plan Implementation	437,300	753,793	786,093	32,300	171,237	21.78%
2009 ECUA/WWTP Relocation	1,300,000	1,300,000	1,300,000	-	-	0.00%
Eastside Redevelopment Area Plan Implementation	30,600	645,363	645,363	-	8,555	1.33%
Westside Redevelopment Area Plan Implementation	32,100	150,492	150,492	-	10,061	6.69%
Sub-total	<u>2,515,500</u>	<u>4,883,975</u>	<u>4,883,975</u>	<u>-</u>	<u>546,849</u>	11.20%
<b>FINANCIAL SERVICES</b>						
Accounting	385,200	385,200	413,100	27,900	227,831	55.15%
Budget	52,000	52,000	50,600	(1,400)	34,715	68.61%
Contract & Lease Services	91,700	91,700	92,100	400	23,960	26.02%
Payroll	194,900	194,900	184,200	(10,700)	74,473	40.43%
Purchasing	87,600	127,679	111,479	(16,200)	60,295	54.09%
Sub-total	<u>811,400</u>	<u>851,479</u>	<u>851,479</u>	<u>-</u>	<u>421,274</u>	49.48%
<b>FINANCIAL SERVICES - RISK MANAGEMENT SERVICES</b>						
Risk Management Services	1,309,900	1,509,900	1,509,900	-	438,051	29.01%
Sub-total	<u>1,309,900</u>	<u>1,509,900</u>	<u>1,509,900</u>	<u>-</u>	<u>438,051</u>	29.01%

**CITY OF PENSACOLA  
BUDGET PROGRAMS  
FISCAL YEAR 2018  
(Unaudited)**

PROGRAM	FY 2018					% OF BUDGET 12/17
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	DIFFERENCE APPROVED - AMENDED	FY 2018 ACTUAL 12/17	
<b>FINANCIAL SERVICES - MAIL ROOM</b>						
Mail Room	84,500	84,500	84,500	-	36,007	42.61%
Sub-total	84,500	84,500	84,500	-	36,007	42.61%
<b>FINANCIAL SERVICES - TECHNOLOGY RESOURCES</b>						
Information Management	998,300	1,110,956	1,111,526	570	394,578	35.50%
Network/System Management	1,085,200	1,140,500	1,141,015	515	306,637	26.87%
Public Safety	235,500	235,500	235,670	170	47,464	20.14%
Technology Resources Administration	201,400	201,400	200,145	(1,255)	69,029	34.49%
Sub-total	2,520,400	2,688,356	2,688,356	-	817,708	30.42%
<b>FIRE</b>						
Administrative Support	404,100	404,700	426,200	21,500	140,406	32.94%
City Emergency Management	11,500	11,500	11,600	100	2,878	24.81%
Emergency Operations - Fire Suppression	7,303,100	7,439,200	7,475,200	36,000	2,876,991	38.49%
Emergency Operations - Rescue	430,700	438,600	392,500	(46,100)	155,148	39.53%
Facilities and Apparatus Management	843,800	888,800	889,400	600	268,353	30.17%
Fire Cadet	187,000	187,000	180,800	(6,200)	50,513	27.94%
Fire Code Enforcement	222,000	226,500	224,500	(2,000)	87,584	39.01%
Marine Operations	42,700	56,903	56,903	-	20,218	35.53%
Technical Support to City	11,500	11,500	11,600	100	2,878	24.81%
Training	143,900	147,300	143,300	(4,000)	61,798	43.12%
Sub-total	9,600,300	9,812,003	9,812,003	-	3,666,767	37.37%
<b>HOUSING</b>						
HOME Program	133,700	285,069	285,069	-	110,939	38.92%
SHIP Program	74,500	120,908	120,908	-	23,267	19.24%
Sub-total	208,200	405,977	405,977	-	134,206	33.06%
<b>HOUSING - CDBG</b>						
Community Development Block Grant (CDBG) Program	350,900	351,188	351,188	-	57,344	16.33%
Housing Rehabilitation	508,500	650,563	650,563	-	58,073	8.93%
Sub-total	859,400	1,001,751	1,001,751	-	115,417	11.52%
<b>HOUSING - SECTION 8</b>						
Section 8 Housing Assistance Payments Program Fund	17,841,600	17,908,404	17,908,404	-	4,463,449	24.92%
Sub-total	17,841,600	17,908,404	17,908,404	-	4,463,449	24.92%

**CITY OF PENSACOLA  
BUDGET PROGRAMS  
FISCAL YEAR 2018  
(Unaudited)**

PROGRAM	FY 2018					
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	DIFFERENCE APPROVED - AMENDED	FY 2018 ACTUAL 12/17	% OF BUDGET 12/17
<b>HUMAN RESOURCES</b>						
Human Resources Administration	375,200	375,200	375,200	-	184,966	49.30%
Recruiting & Training	123,300	123,300	123,300	-	31,394	25.46%
Sub-total	<u>498,500</u>	<u>498,500</u>	<u>498,500</u>	<u>-</u>	<u>216,360</u>	43.40%
<b>HUMAN RESOURCES - CLINIC</b>						
Clinic	131,700	131,700	131,700	-	47,518	36.08%
Sub-total	<u>131,700</u>	<u>131,700</u>	<u>131,700</u>	<u>-</u>	<u>47,518</u>	36.08%
<b>INSPECTION SERVICES</b>						
Inspection Services	1,318,400	1,318,400	1,318,400	-	467,520	35.46%
Plan Review and Permitting	88,700	88,700	88,700	-	34,843	39.28%
Sub-total	<u>1,407,100</u>	<u>1,407,100</u>	<u>1,407,100</u>	<u>-</u>	<u>502,363</u>	35.70%
<b>LEGAL</b>						
Client Legal Advisory Services	140,000	140,000	104,950	(35,050)	21,184	20.18%
Legal Management and Operations Services	215,400	215,400	215,450	50	37,199	17.27%
Public Records Law Compliance and Process Services	5,800	5,800	40,800	35,000	3,134	7.68%
Sub-total	<u>361,200</u>	<u>361,200</u>	<u>361,200</u>	<u>-</u>	<u>61,517</u>	17.03%
<b>MAYOR</b>						
City Administrator/Cabinet	422,100	443,100	443,100	-	135,003	30.47%
Communications	125,000	125,000	125,000	-	17,061	13.65%
Constituent Services	157,500	157,500	157,500	-	29,795	18.92%
Office of the Mayor	119,600	119,600	119,600	-	16,937	14.16%
Sub-total	<u>824,200</u>	<u>845,200</u>	<u>845,200</u>	<u>-</u>	<u>198,796</u>	23.52%
<b>NON-DEPARTMENTAL FUNDING</b>						
Agency funding	3,014,800	3,377,921	3,377,921	-	2,270,440	67.21%
Sub-total	<u>3,014,800</u>	<u>3,377,921</u>	<u>3,377,921</u>	<u>-</u>	<u>2,270,440</u>	67.21%



**CITY OF PENSACOLA  
BUDGET PROGRAMS  
FISCAL YEAR 2018  
(Unaudited)**

PROGRAM	FY 2018					% OF BUDGET 12/17
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	DIFFERENCE APPROVED - AMENDED	FY 2018 ACTUAL 12/17	
<b>PARKS &amp; RECREATION</b>						
Aquatics	243,600	243,600	243,600	-	29,579	12.14%
Athletic Field Maintenance	370,200	377,150	377,150	-	137,897	36.56%
Athletics	442,600	446,100	446,100	-	124,748	27.96%
Office of the Director (Administration)	829,000	829,000	828,900	(100)	237,122	28.61%
Park Administration & Maintenance	2,376,900	2,582,650	2,582,750	100	903,506	34.98%
Recreation/Resource Center Administration	753,200	753,200	754,200	1,000	218,591	28.98%
Resource Center	907,500	907,500	901,510	(5,990)	197,191	21.87%
Senior Center	190,400	190,400	195,390	4,990	56,518	28.93%
Volunteer & Outdoor Pursuits	66,400	66,400	66,400	-	1,126	1.70%
Sub-total	<u>6,179,800</u>	<u>6,396,000</u>	<u>6,396,000</u>	<u>-</u>	<u>1,906,278</u>	<u>29.80%</u>
<b>PARKS &amp; RECREATION - GOLF</b>						
Osceola Golf Course	777,100	781,554	781,554	-	226,553	28.99%
Sub-total	<u>777,100</u>	<u>781,554</u>	<u>781,554</u>	<u>-</u>	<u>226,553</u>	<u>28.99%</u>
<b>PARKS &amp; RECREATION - TENNIS</b>						
Roger Scott Tennis Center	312,200	312,200	312,200	-	46,812	14.99%
Sub-total	<u>312,200</u>	<u>312,200</u>	<u>312,200</u>	<u>-</u>	<u>46,812</u>	<u>14.99%</u>
<b>PARKS &amp; RECREATION - CMP</b>						
Community Maritime Park Cultural Events	1,181,900	1,440,172	1,440,172	-	291,866	20.27%
Sub-total	<u>1,181,900</u>	<u>1,440,172</u>	<u>1,440,172</u>	<u>-</u>	<u>291,866</u>	<u>20.27%</u>
<b>PENSACOLA ENERGY</b>						
Customer Service	1,008,300	1,010,084	1,010,084	-	351,807	34.83%
Gas Construction	4,422,300	4,648,566	4,693,466	44,900	1,507,850	32.13%
Gas Cost	18,228,800	18,228,800	18,228,800	-	2,879,464	15.80%
Gas Marketing	2,115,000	2,118,200	2,118,200	-	548,347	25.89%
Gas Operations	10,072,300	10,618,173	10,530,073	(88,100)	3,962,032	37.63%
Gas Renewal & Replacement	3,853,600	4,460,705	4,460,705	-	755,567	16.94%
Gas Training	298,200	298,200	336,300	38,100	94,626	28.14%
Infrastructure Replacement	2,900,800	2,945,485	2,950,585	5,100	114,950	3.90%
Sub-total	<u>42,899,300</u>	<u>44,328,213</u>	<u>44,328,213</u>	<u>-</u>	<u>10,214,643</u>	<u>23.04%</u>

**CITY OF PENSACOLA  
BUDGET PROGRAMS  
FISCAL YEAR 2018  
(Unaudited)**

PROGRAM	FY 2018					% OF BUDGET 12/17
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	DIFFERENCE APPROVED - AMENDED	FY 2018 ACTUAL 12/17	
<b>PLANNING SERVICES</b>						
Business Licenses	42,000	42,000	42,500	500	24,739	58.21%
Neighborhood Planning	47,500	47,500	47,500	-	9,500	20.00%
Pensacola Neighborhood Challenge (PNC)	24,900	109,943	109,943	-	-	0.00%
Planning Services	725,000	725,000	724,500	(500)	214,206	29.57%
Sub-total	<u>839,400</u>	<u>924,443</u>	<u>924,443</u>	<u>-</u>	<u>248,445</u>	<u>26.88%</u>
<b>POLICE</b>						
Administration - Chief's Office	1,924,100	1,927,143	1,927,539	396	742,186	38.50%
Cadets	346,600	346,600	349,300	2,700	114,546	32.79%
Central Records	455,600	455,600	455,600	-	146,266	32.10%
Communications Center	1,627,400	1,627,400	1,627,400	-	595,927	36.62%
Community Oriented Policing Squad	1,136,500	1,156,500	1,156,599	99	523,646	45.27%
Crime Scene Investigation	729,000	729,000	729,495	495	352,917	48.38%
Criminal Intelligence Unit	85,300	85,300	89,458	4,158	35,655	39.86%
Criminal Investigation Unit	2,202,200	2,202,200	2,199,428	(2,772)	990,650	45.04%
Neighborhood Unit	564,300	564,300	564,498	198	233,892	41.43%
Property Management	367,400	478,495	478,495	-	225,847	47.20%
School Resource Office (SRO)	643,600	643,600	644,194	594	293,675	45.59%
Traffic	971,800	971,800	972,592	792	454,270	46.71%
Training/Personnel	677,300	677,300	677,498	198	281,164	41.50%
Uniform Patrol	9,625,300	9,792,400	9,785,245	(7,155)	4,346,508	44.42%
Vice & Narcotics	583,100	583,100	583,397	297	241,414	41.38%
Sub-total	<u>21,939,500</u>	<u>22,240,738</u>	<u>22,240,738</u>	<u>-</u>	<u>9,578,563</u>	<u>43.07%</u>
<b>PORT</b>						
Administration	340,100	384,453	434,960	50,507	219,273	50.41%
Business & Trade Development	208,600	208,600	197,456	(11,144)	55,348	28.03%
Operations & Maintenance	900,800	900,800	839,027	(61,773)	233,731	27.86%
Seaport Security	328,400	328,400	350,810	22,410	82,756	23.59%
Federal/State Matching Grant	-	47,585	47,585	-	76,125	159.98%
Sub-total	<u>1,777,900</u>	<u>1,869,838</u>	<u>1,869,838</u>	<u>-</u>	<u>667,233</u>	<u>35.68%</u>

**CITY OF PENSACOLA  
BUDGET PROGRAMS  
FISCAL YEAR 2018  
(Unaudited)**

PROGRAM	FY 2018					% OF BUDGET 12/17
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	DIFFERENCE APPROVED - AMENDED	FY 2018 ACTUAL 12/17	
<b>PUBLIC WORKS &amp; FACILITIES - GENERAL FUND</b>						
Building Maintenance Administration	171,600	222,973	223,085	112	25,137	11.27%
City Facility Maintenance & Repair	1,274,400	1,483,757	1,484,106	349	481,513	32.44%
Daily Operations	260,000	261,494	261,494	-	57,200	21.87%
Resource Center Maintenance	166,600	220,279	219,818	(461)	49,376	22.46%
Street Daily Operation	680,000	681,494	681,494	-	183,099	26.87%
Traffic Signals & Street Lighting	1,386,400	1,444,685	1,444,685	-	447,389	30.97%
Traffic Striping	40,800	40,800	40,800	-	10,736	26.31%
Sub-total	<u>3,979,800</u>	<u>4,355,482</u>	<u>4,355,482</u>	<u>-</u>	<u>1,254,450</u>	28.80%
<b>PUBLIC WORKS &amp; FACILITIES - STORMWATER FUND</b>						
Stormwater Operation & Maintenance	1,757,800	1,768,650	1,768,650	-	638,656	36.11%
Street Sweeping FDOT Roadways	45,400	45,400	46,624	1,224	14,191	30.44%
Street Sweeping Operation & Maintenance	1,261,300	1,261,300	1,260,076	(1,224)	261,957	20.79%
Sub-total	<u>3,064,500</u>	<u>3,075,350</u>	<u>3,075,350</u>	<u>-</u>	<u>914,804</u>	29.75%
<b>PUBLIC WORKS &amp; FACILITIES - CENTAL SERVICES FUND</b>						
Plan Review	79,300	79,300	79,300	-	13,550	17.09%
Project Design	317,300	317,300	317,300	-	79,851	25.17%
Project Management	359,300	359,300	359,300	-	129,587	36.07%
Survey Operations Coordination	11,100	11,100	11,100	-	2,432	21.91%
Sub-total	<u>767,000</u>	<u>767,000</u>	<u>767,000</u>	<u>-</u>	<u>225,420</u>	29.39%
<b>SANITATION SERVICES</b>						
Code Enforcement	1,235,800	1,235,800	1,235,800	-	544,106	44.03%
Code Enforcement-Zoning/Housing	103,700	103,700	103,700	-	46,197	44.55%
Recycling Collection	983,800	1,502,769	1,502,769	-	781,052	51.97%
Residential Garbage Collection	3,568,400	3,829,951	3,829,951	-	1,079,134	28.18%
Transfer Station	369,000	369,000	369,000	-	101,646	27.55%
Yard Trash/Bulk Waste Collection	1,744,000	1,744,000	1,744,000	-	489,803	28.09%
Sub-total	<u>8,004,700</u>	<u>8,785,220</u>	<u>8,785,220</u>	<u>-</u>	<u>3,041,938</u>	34.63%
<b>SANITATION SERVICES - GARAGE</b>						
Central Garage	1,584,300	1,709,300	1,709,300	-	565,537	33.09%
Sub-total	<u>1,584,300</u>	<u>1,709,300</u>	<u>1,709,300</u>	<u>-</u>	<u>565,537</u>	33.09%
<b>TOTAL</b>	<u>\$ 153,842,100</u>	<u>164,239,332</u>	<u>164,239,332</u>	<u>-</u>	<u>48,791,864</u>	29.71%

**City of Pensacola, Florida**  
**Investment Schedule**  
**As of December 31, 2017**  
**(Unaudited)**

<b><u>POOLED INVESTMENTS</u></b>		<b><u>Invest Type</u></b>	<b><u>Purchase Date</u></b>	<b><u>Maturity Date</u></b>	<b><u>Interest Rate</u></b>	<b><u>Principal Amount</u></b>	<b><u>Market Value</u></b>
Hancock	695359	CD	04/13/17	01/13/18	0.90%	5,000,000.00	<b>5,000,000.00</b>
Compass	6748094650	CD	04/13/17	01/13/18	1.10%	10,000,000.00	<b>10,000,000.00</b>
BankUnited	1815051005	CD	07/20/17	07/20/18	1.40%	20,000,000.00	<b>20,000,000.00</b>
Hancock	701381	CD	08/03/17	05/03/18	1.27%	10,000,000.00	<b>10,000,000.00</b>
Servis1st Bank	169540	CD	08/05/17	08/05/18	1.36%	10,000,000.00	<b>10,000,000.00</b>
Servis1st Bank	170043	CD	08/31/17	05/31/18	1.16%	5,000,000.00	<b>5,000,000.00</b>
Compass	6752271214	CD	09/01/17	08/31/18	1.41%	10,000,000.00	<b>10,000,000.00</b>
Compass	6752309920	MM	09/01/17		1.05%	5,000,000.00	<b>5,000,000.00</b>
Florida Community Bank	218829900	CD	09/27/17	09/27/18	1.09%	20,000,000.00	<b>20,000,000.00</b>
Hancock	705078	CD	12/04/17	12/04/18	1.65%	10,000,000.00	<b>10,000,000.00</b>
Compass	6754744594	CD	12/04/17	12/04/18	1.60%	5,000,000.00	<b>5,000,000.00</b>
BankUnited	1815080379	CD	12/05/17	12/05/18	1.61%	5,000,000.00	<b>5,000,000.00</b>
Florida Community Bank	2161808901	CD	12/05/17	12/05/18	1.72%	10,000,000.00	<b>10,000,000.00</b>
<b><u>City's- GCA (checking account)</u></b>							
Wells Fargo Bank	Public Now Account		ERC .35% up to fees and .10% on excess balance			33,158,990.01	<b>33,158,990.01</b>
<b>TOTAL INVESTMENTS</b>						<b>\$ 158,158,990.01</b>	<b>\$ 158,158,990.01</b>

Money Market interest rates are good through December 31, 2017.

Wells Fargo Bank is the City's primary depository, expires June 30, 2019.

**CITY OF PENSACOLA  
DEBT SERVICE SCHEDULE  
December 31, 2017  
(Unaudited)**

	BALANCE 09/30/17	ADDITION OR (RETIREMENT) OF PRINCIPAL	BALANCE 12/31/17	REQUIRED RESERVES <sup>(a)</sup>	FUTURE INTEREST	MATURITY DATE
2008 AIRPORT TAXABLE CFC REVENUE NOTE	8,800,000.00	0.00	8,800,000.00	0.00	529,576.71 <sup>(b)</sup>	12/31/18
2008 AIRPORT REVENUE BONDS	31,475,000.00	(730,000.00)	30,745,000.00	3,325,607.53	25,022,537.50	10/01/38
2009 REDEVELOPMENT REVENUE BONDS (CMP)	42,315,000.00	0.00	42,315,000.00	0.00	40,909,286.26 <sup>(c)</sup>	04/01/40
2010 AIRPORT REVENUE REFUNDING NOTE (97B, 98A AIRPORT)	2,535,000.00	(1,250,000.00)	1,285,000.00	214,582.33	30,711.52	10/01/18
2010A-1 CAPITAL FUNDING REVENUE BONDS (2000A LOST)	1,110,000.00	(1,110,000.00)	0.00	0.00	0.00	10/01/17
2010A-2 CAPITAL FUNDING REVENUE BONDS (2000B LOST)	2,305,000.00	(2,305,000.00)	0.00	0.00	0.00	10/01/17
2010B-1 CAPITAL FUNDING REVENUE BONDS (2008 GAS/AMR)	755,000.00	(755,000.00)	0.00	0.00	0.00	10/01/17
2010B-2 CAPITAL FUNDING REVENUE BONDS (1999 GAS)	965,000.00	(965,000.00)	0.00	0.00	0.00	10/01/17
2011 GAS SYSTEM REVENUE NOTE	2,635,000.00	(505,000.00)	2,130,000.00	0.00	112,442.00	10/01/21
2015 AIRPORT REFUNDING REVENUE NOTE	11,550,000.00	(925,000.00)	10,625,000.00	795,508.58	1,546,702.50	10/01/27
2016 LOCAL OPTION GAS TAX REVENUE BOND	14,043,000.00	(1,293,000.00)	12,750,000.00	0.00	1,194,825.30	12/31/26
2016 GAS SYSTEM REVENUE NOTE	15,000,000.00	(300,000.00)	14,700,000.00	0.00	1,595,542.40	10/01/26
2016 EASTSIDE REDEVELOPMENT REVENUE LOAN <sup>(d)</sup>	500,000.00	0.00	500,000.00	0.00	362,949.00	12/31/45
2017 EASTSIDE REDEVELOPMENT REVENUE BOND	1,307,000.00	0.00	1,307,000.00	0.00	482,467.24	04/01/37
2017 WESTSIDE REDEVELOPMENT REVENUE BOND	4,082,000.00	0.00	4,082,000.00	0.00	1,506,278.51	04/01/37
2017 AIRPORT REFUNDING REVENUE NOTE	6,300,000.00	0.00	6,300,000.00	0.00	918,848.25	10/01/27
2017 INFRASTRUCTURE SALES SURTAX REVENUE BOND	0.00	25,000,000.00	25,000,000.00	0.00	3,324,382.56	10/01/28
2017 URBAN CORE REDEVELOPMENT REVENUE BOND	0.00	8,000,000.00	8,000,000.00	0.00	4,348,268.00 <sup>(b)</sup>	04/01/40
<b>TOTAL</b>	<b>\$ 145,677,000.00</b>	<b>22,862,000.00</b>	<b>168,539,000.00</b>	<b>4,335,698.44</b>	<b>81,884,817.75</b>	

<sup>(a)</sup> Does not include required O&M and R&R reserves.

<sup>(b)</sup> Estimated.

<sup>(c)</sup> Interest is shown as a gross amount. The federal government subsidy for Build America Bonds is \$14,243,229.89 for a net interest on the bonds of \$26,666,056.37.

<sup>(d)</sup> On August 10, 2017, City Council approved Resolution 17-34 which extended the 2016 Eastside Loan through the end of the Eastside Redevelopment Trust Fund term.

**CITY OF PENSACOLA**  
**DEBT SERVICE SCHEDULE BY ALLOCATION**  
**December 31, 2017**  
**(Unaudited)**

	BALANCE 09/30/17	ADDITION OR (RETIREMENT) OF PRINCIPAL	BALANCE 12/31/17	REQUIRED RESERVES (a)	FUTURE INTEREST	MATURITY DATE
<b><u>LOCAL OPTION GAS TAX FUND</u></b>						
2016 LOCAL OPTION GAS TAX REVENUE BOND	14,043,000.00	(1,293,000.00)	12,750,000.00	0.00	1,194,825.30	12/31/26
TOTAL LOCAL OPTION GAS TAX FUND	14,043,000.00	(1,293,000.00)	12,750,000.00	0.00	1,194,825.30	
<b><u>COMMUNITY REDEVELOPMENT AGENCY</u></b>						
2009 REDEVELOPMENT REVENUE BONDS (CMP) (d)	42,315,000.00	0.00	42,315,000.00	0.00	40,909,286.26 (c)	04/01/40
2016 EASTSIDE REDEVELOPMENT REVENUE LOAN (e)	500,000.00	0.00	500,000.00	0.00	362,949.00	12/31/45
2017 EASTSIDE REDEVELOPMENT REVENUE BOND	1,307,000.00	0.00	1,307,000.00	0.00	482,467.24	04/01/37
2017 WESTSIDE REDEVELOPMENT REVENUE BOND	4,082,000.00	0.00	4,082,000.00	0.00	1,506,278.51	04/01/37
2017 URBAN CORE REDEVELOPMENT REVENUE BOND	0.00	8,000,000.00	8,000,000.00		4,348,268.00	10/01/28
TOTAL COMMUNITY REDEVELOPMENT AGENCY	48,204,000.00	8,000,000.00	56,204,000.00	0.00	47,609,249.01	
<b><u>LOCAL OPTION SALES TAX FUND</u></b>						
2010A-1 CAPITAL FUNDING REVENUE BONDS (2000A LOST)	1,110,000.00	(1,110,000.00)	0.00	0.00	0.00	10/01/17
2010A-2 CAPITAL FUNDING REVENUE BONDS (2000B LOST)	2,305,000.00	(2,305,000.00)	0.00	0.00	0.00	10/01/17
2017 INFRASTRUCTURE SALES SURTAX REVENUE BOND	0.00	25,000,000.00	25,000,000.00	0.00	3,324,382.56	10/01/28
TOTAL LOCAL OPTION SALES TAX FUND	3,415,000.00	21,585,000.00	25,000,000.00	0.00	3,324,382.56	
<b><u>GAS UTILITY FUND</u></b>						
2010B-1 CAPITAL FUNDING REVENUE BONDS (2008 GAS/AMR)	755,000.00	(755,000.00)	0.00	0.00	0.00	10/01/17
2010B-2 CAPITAL FUNDING REVENUE BONDS (1999 GAS)	965,000.00	(965,000.00)	0.00	0.00	0.00	10/01/17
2011 GAS SYSTEM REVENUE NOTE	2,635,000.00	(505,000.00)	2,130,000.00	0.00	112,442.00	10/01/21
2016 GAS SYSTEM REVENUE NOTE	15,000,000.00	(300,000.00)	14,700,000.00	0.00	1,595,542.40	10/01/26
TOTAL GAS UTILITY FUND	19,355,000.00	(2,525,000.00)	16,830,000.00	0.00	1,707,984.40	
<b><u>AIRPORT FUND</u></b>						
2008 AIRPORT TAXABLE CFC REVENUE NOTE	8,800,000.00	0.00	8,800,000.00	0.00	529,576.71 (b)	12/31/18
2008 AIRPORT REVENUE BONDS	31,475,000.00	(730,000.00)	30,745,000.00	3,325,607.53	25,022,537.50	10/01/38
2010 AIRPORT REVENUE REFUNDING NOTE (97B, 98A AIRPORT)	2,535,000.00	(1,250,000.00)	1,285,000.00	214,582.33	30,711.52	10/01/18
2015 AIRPORT REFUNDING REVENUE NOTE	11,550,000.00	(925,000.00)	10,625,000.00	795,508.58	1,546,702.50	10/01/27
2017 AIRPORT REFUNDING REVENUE NOTE	6,300,000.00	0.00	6,300,000.00	0.00	918,848.25	10/01/27
TOTAL AIRPORT FUND	60,660,000.00	(2,905,000.00)	57,755,000.00	4,335,698.44	28,048,376.48	
TOTAL	\$ 145,677,000.00	22,862,000.00	168,539,000.00	4,335,698.44	81,884,817.75	

(a) Does not include required O&M and R&R reserves.

(b) Estimated.

(c) Interest is shown as a gross amount. The federal government subsidy for Build America Bonds is \$14,243,229.89 for a net interest on the bonds of \$26,666,056.37.

(d) In prior years, bond was previously shown in the Maritime Community Park Construction Fund.

(e) On August 10, 2017, City Council approved Resolution 17-34 which extended the 2016 Eastside Loan through the end of the Eastside Redevelopment Trust Fund term.

CITY OF PENSACOLA  
 SCHEDULE OF LEGAL COSTS  
 December 31, 2017  
 (Unaudited)

ATTORNEY NAME OR FIRM	AMOUNT PAID	NATURE OF SERVICES PROVIDED
ALLEN NORTON & BLUE P A	\$50,686.46	Administrative, Collective Bargaining and Employee Matters
BEGGS & LANE	68,590.29	Contract and Real Estate Law
BRYANT MILLER OLIVE PA	54,323.98	Bond Counsel
CARLTON FIELDS JORDEN BURT	3,300.06	Environmental and Real Estate
GRAY ROBINSON PA	6,705.00	Fee, Tax and Pension Plan Compliance
JOLLY & PETERSON PA	19,763.40	Police Liability Claims
QUINTAIROS PRIETO WOOD & BOYER PA	8,607.00	Workers Compensation and Liability Claims
RODERIC G. MAGIE, PA	8,074.89	Workers Compensation Claims
STEINMEYER FIVEASH LLP	3,247.03	Environmental and Property Matters
WILSON HARRELL & FARRINGTON PA	102,707.42	Claims and Litigation
WOODEN LAW FIRM PC	<u>26,005.00</u>	Land Development Matters
REPORT TOTAL	<u><u>\$352,010.53</u></u>	

# Financial Report

City of Pensacola

1st Quarter Financial Statement

Three Months Ending December 31, 2017





# FY 2018 Issues

- Growth in the Economy Continues
- Half-Cent Sales Tax & Local Option Sales Tax (PFP)
  - Growth from FYE 2016 to FYE 2017
    - Half-Cent Sales Tax increased by **2.76%**
    - Local Option Sales Tax increased by **2.86%**
- Ad Valorem Taxable Valuations
  - Positive Growth
- Expenditures in total, in line with Budgeted Projections
- Interest Rates
- Legal Services and Fees



# General Fund

- In Total, Revenues Exceeded Budget
  - Attributed to Property Tax, Local Business Tax Revenues & Transfer from Pensacola Energy
  - Franchise Fees & Public Service Tax – **+\$67,600** or **2.36%** Up
  - Half-Cent Sales Tax – **+\$37,700** or **5.28%** Up
  - Communication Services Tax – **+\$20,600** or **4.27%** Up
  - Municipal Revenue Sharing – **+\$11,700** or **2.07%** Up



# General Fund

- In Total, Revenues Projected to Meet or Exceed budget
- General Fund Transfer to Stormwater Capital Projects Exceed Budget
- First Quarter Expenditures, In Total, Within Budget



# Tree Planting Trust Fund

- Revenue and Expenditures Recorded in General Fund
  - Total Contributions Plus Interest Income - \$1,100
  - Expenditures/Encumbrances - \$0
  - City Council Voted to move \$300,000 to a reserved account
    - Review of Tree Planting Trust Fund expenditures
  - End of First Quarter Unencumbered Balance - \$385,900



# Housing Initiatives Fund/Inner City Housing Initiatives Fund

- Revenue and Expenditures Recorded in General Fund
  - Establishment of Fund January 12, 2017
  - Pensacola Inner City Community Redevelopment Area
    - City Council Allocated funds August 10, 2017 - \$440,000
  - First Quarter Total Contributions - \$124,800
  - Expenditures/Encumbrances - \$0



# Special Revenue Funds

- Local Option Gasoline Tax Fund
  - Revenue equaled Budget for 1<sup>st</sup> Quarter
  - FY 17 City Appeal Concerning Calculation for Distribution of funds
    - Funds Held in Escrow until Settlement
    - Settlement Agreement Reached April 6, 2017
      - Funds Released and Received on May 1, 2017
      - For comparison purposes revenue for prior fiscal year provided to reflect two-month period.
  - Expenditures will not Exceed Budget for the fiscal year



# Special Revenue Funds

- Stormwater Utility Fund
  - Revenue of \$1,910,000 Represents 68.82% of Budget
  - State Right of Way Maintenance
    - Consistent with Prior Year Actual Amount of \$99,600
    - Fiscal Year End Estimated Revenues To Be Adjusted \$189,900
  - Expenditures are Consistent with Budget for 1<sup>st</sup> Quarter



# Special Revenue Funds

- Municipal Golf Course Fund
  - Expenditures Exceeded Revenue by **\$117,900**  
Before General Fund Subsidy (\$55,000)
    - **\$14,800** below FY 2017 1st Quarter Revenues
      - Decrease in Revenue Due to Unseasonably Cold Weather





# Special Revenue Funds

- **Municipal Golf Course Fund**

- 4,606 Rounds played in 1<sup>st</sup> Quarter of FY 2018 - a decrease of **464** Rounds from FY 2017
- 1,332 of Driving Range usage in 1<sup>st</sup> Quarter of FY 2018 - an increase of **313** Driving Range usage from FY 2017
- Concession payments are current through the 1<sup>st</sup> quarter of FY 2018
- Expenditures Consistent with Budget

- **Inspection Services Fund**

- In total, Expenditures Exceeded Revenues By **\$156,300**
- Revenues **\$38,200** above Prior Year
- Expenditures Were Consistent With Budget



# Special Revenue Funds

## ■ Roger Scott Tennis Center

- Revenues Below Budget
  - Membership Renewal
- Revenues **\$6,900** above Prior Year
- Expenditures Not Anticipated to Exceed Budget
- Awarded Contract for Operation & Management of Roger Scott Tennis Center to Gulf Coast Tennis Group, LLC on November 9, 2017
  - Began Operation in January 2018
  - City receives minimum annual guaranteed revenue of \$125,000
    - Estimated to fund City's cost of Operations



# Special Revenue Funds

- Community Maritime Park Management Services Fund
  - Community Maritime Park
    - New Market Tax Credit (NMTC) Completed
    - Assets & Liabilities of Community Maritime Park Associates, Inc. (CMPA) transferred to City
    - CMPA dissolved June 2017
    - FY 2018 First Full Year Of Operations By The City
    - Expenditures Exceeded revenues by **\$166,000**
    - Expenses Consistent with Budget



# Capital Projects Funds

- Local Option Sales Tax Fund
  - Revenues Exceeded Budget by **\$76,000** or **5.781%** Up
  - Expenditures in Total, Consistent with Budget
  - Extension of Local Option Sales Tax (Fourth Series)
- Local Option Gasoline Tax Series 2016 Project Fund
  - Three Phase program to Accelerate Street Rehabilitation
    - Phase I – Complete
      - Funding From LOGT Bond Proceeds
    - Phase III – In Progress
      - Funding from LOGT Bond Proceeds
    - Phase II – approved by City Council December 2017
      - Funding from Local Option Sales Tax Fund



# Capital Projects Funds

- Stormwater Capital Projects Fund
  - General Fund Transfer Equaled Collection - \$1,910,000
  - Expenditures Within Budget



# Enterprise Funds

## ■ Gas Utility Fund

- Expenses and Encumbrances Exceed Fund Balance and Revenue by **\$3.7 Million**
  - Capital Outlay, Debt Service & Transfer Expenditures
- First Quarter FY18 Revenues exceed FY17 Revenues
  - Due to colder start of winter
- FY17 Reserve Shortfall - \$3.94 million
  - Additional \$0.10 per Ccf - \$378,300
- Infrastructure Cost Recovery Fee - \$757,700
- In total, Expenses Consistent with Budget



# Enterprise Funds

## ■ Sanitation Fund

- Fund Balance and Operating Revenue were Below Operating Expenses and Encumbrances by

**\$452,600**

- Fund Revenues were **\$60,800** above FY 17 Revenues

- Expenses Consistent with Budget



# Enterprise Funds

## ■ Airport Fund

- Fund Balance and Revenue Exceeded Expenses and Encumbrances by **\$2.9 million**
- Passenger Traffic Increased by 8.55% Compared to First Quarter of FY 2017
- Airport Revenues were **\$326,800** above FY 2017
  - Airline Revenues **\$34,500** above prior fiscal year
  - Non-Airline Revenues Exceeded prior fiscal year by **\$326,800**
    - Due to increase Parking revenue and Concessions
  - Concession Revenue Exceeded prior year fiscal year by **\$27,800**
  - Parking Lot Revenue was **\$185,300** over prior year
- FAA Lease Agreement for FASCO tower in negotiations
- Expenses Consistent with Budget





# Enterprise Funds

## ■ Port of Pensacola

- Fund Balance and Revenues Below Expenses and Encumbrances by **\$151,500**
- Revenues Below FY 17 Revenues By **\$33,500**
  - Decrease in Dockage
    - Result of fewer vessel dockage days
      - Attributable to the depressed state of offshore oil and gas industry



# Enterprise Funds

## ■ Port of Pensacola

- Expenses, In Total, were at or below Budget
  - Expenses **\$135,600** less than FY 2017 for same time period
  - Due to two large infrastructure repair projects in FY 2017:
    - Projects to repair damaged rail track and inoperable fire suppression systems
- All Port Lease Payments are Current
- Offshore Inland – Balance of **\$508,000**
  - \$16,609.92 – Current
  - \$0 – More than 30 days past due
  - \$508,000 – More than 120 days past due



# Enterprise Funds

- Port of Pensacola

- Update Offshore Inland

- Over 120 Days

- December 31, 2017 - \$508,000.00

- An Establishment of payment plan incorporated into an amendment to tenants lease approved by City Council

- \$10,000 until full repayment of debt - \$145,000

- Includes \$363,000 in invoices being held in abeyance pending construction of an overhead crane Facility in Port Warehouse #1



# Enterprise Funds

- Port of Pensacola

- Financial Position Update

- FYE 2017

- Port Expenditures Exceeded Port Revenues - **\$721,400**

- Port Reserve Balance **\$370,773**

- If FYE 2018 Is Same As FYE 2017

- Port Reserves Would Be Depleted

- Port would be short **\$330,000**

- Plan of Action

- Optimal Return on Port's Assets

- Is In Process



# 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



# Legal Costs Schedule

- Schedule of legal costs paid to attorneys and/or firms who have provided services to the City



# Legal Costs Schedule

CITY OF PENSACOLA  
SCHEDULE OF LEGAL COSTS  
December 31, 2017  
(Unaudited)

<u>ATTORNEY NAME OR FIRM</u>	<u>AMOUNT PAID</u>	<u>NATURE OF SERVICES PROVIDED</u>
ALLEN NORTON & BLUE P A	\$50,686.46	Administrative, Collective Bargaining and Employee Matters
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# Financial Report

City of Pensacola

1st Quarter Financial Statement

Three Months Ending December 31, 2017

