



FLORIDA'S FIRST & FUTURE

# PROPOSED ANNUAL BUDGET FISCAL YEAR 2020

For the Year Ending September 30, 2020

City of Pensacola, Florida  
Grover C. Robinson, IV, Mayor

# Fiscal Year 2020 Financial Overview

- This year's budget invests in one of our most important resources; Our Team
- Maintains financial stability
- Preservation of essential services
- Implementing organizational improvements
- Continued economic growth is funding the vision
- General fund \$2.3 million revenue growth
- \$1.7 million Fund Balance appropriated
- Retaining \$13.522 million Council Reserves

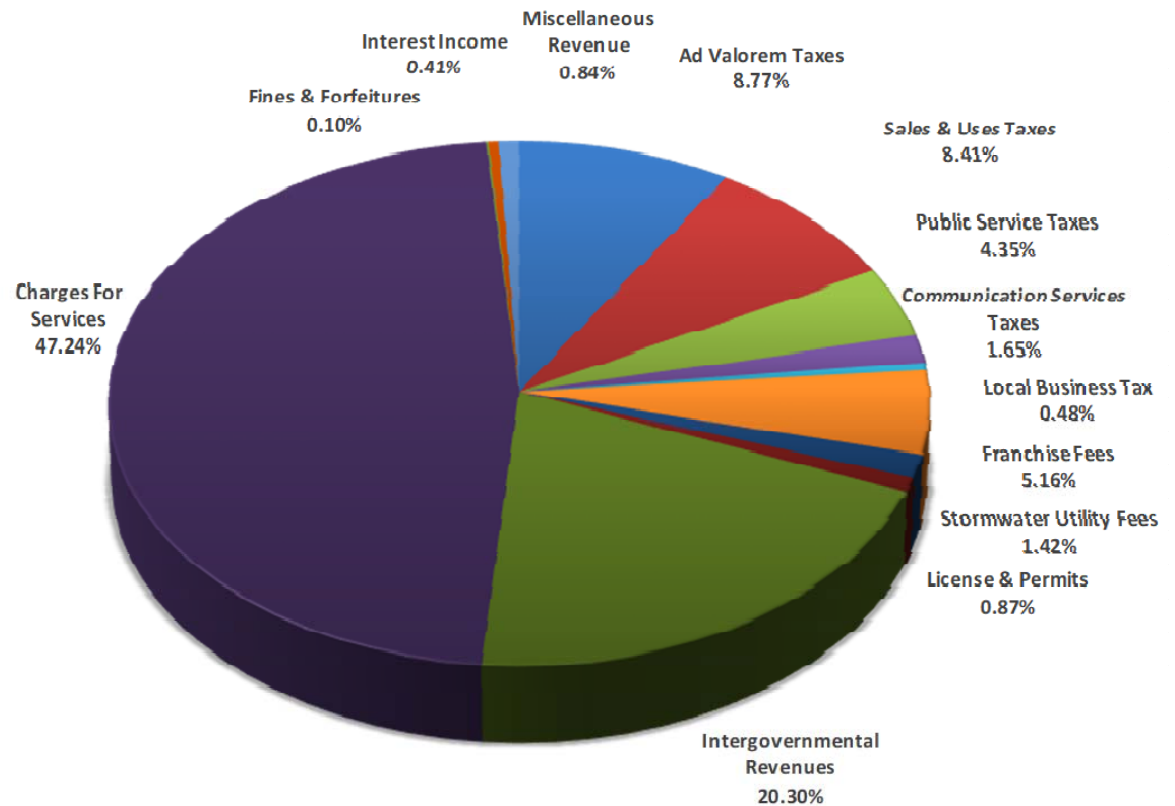
## WHERE THE MONEY COMES FROM FISCAL YEAR 2020 BUDGET

### FISCAL YEAR 2020 FINANCIAL SOURCES ALL FUNDS

#### SOURCES OF FUNDS

##### Revenues

Ad Valorem Taxes	\$ 16,852,200
Sales & Uses Taxes	16,171,800
Public Service Taxes	8,351,700
Communication Services Taxes	3,165,100
Local Business Tax	930,000
Franchise Fees	9,922,200
Stormwater Utility Fees	2,735,000
License & Permits	1,680,900
Intergovernmental Revenues	39,023,300
Charges For Services	90,789,700
Fines & Forfeitures	183,500
Interest Income	778,900
Miscellaneous Revenue	1,616,000
<b>Sub-Total Revenues</b>	<b>\$ 192,200,300</b>
Other Financing Sources	44,445,100
Appropriated Fund Balance	8,445,400
<b>TOTAL FINANCIAL SOURCES</b>	<b>\$ 245,090,800</b>



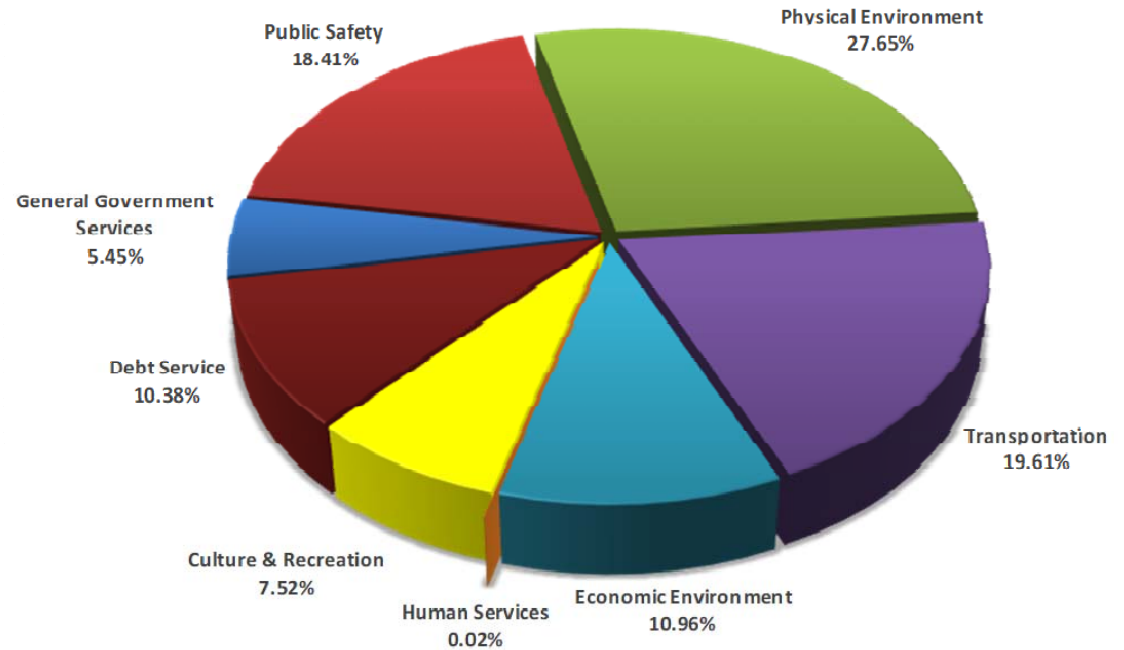
## WHERE THE MONEY GOES FISCAL YEAR 2020 BUDGET

### FISCAL YEAR 2020 USES OF FUNDS ALL FUNDS

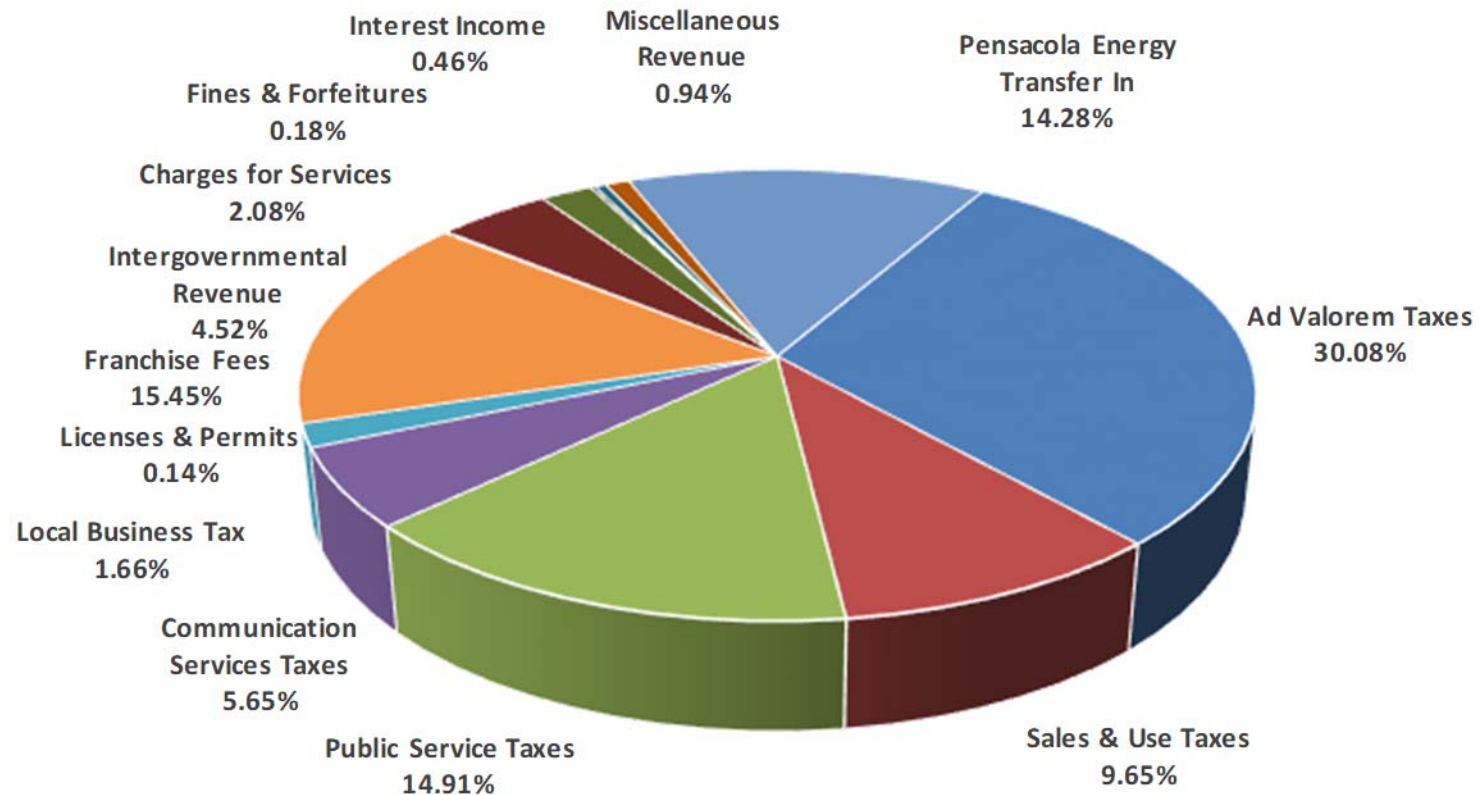
#### USES OF FUNDS

##### Expenditures/Expenses

General Government Services	\$ 10,861,900
Public Safety	36,686,600
Physical Environment	55,101,900
Transportation	39,113,000
Economic Environment	21,844,900
Human Services	30,000
Culture & Recreation	14,993,900
Debt Service	20,679,800
<b>Sub-Total Expenditures/Expenses</b>	<b><u>\$ 199,312,000</u></b>
Other Financing Uses	<u>45,778,800</u>
<b>TOTAL FINANCIAL USES</b>	<b><u>\$ 245,090,800</u></b>



## GENERAL FUND REVENUES FISCAL YEAR 2020 BUDGET

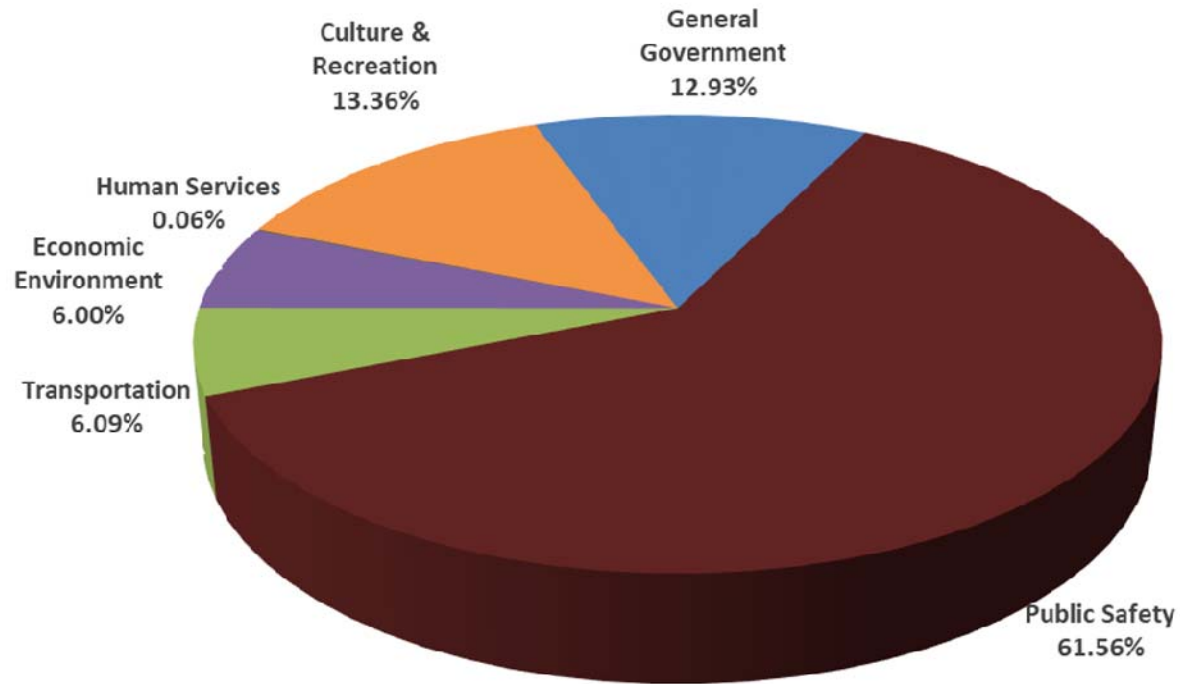


Ad Valorem Taxes	\$ 16,852,200
Sales & Use Taxes	5,404,000
Public Service Taxes	8,351,700
Communication Services Taxes	3,165,100
Local Business Tax	930,000
Franchise Fees	8,657,200
Licenses & Permits	77,000

Intergovernmental Revenue	\$ 2,529,800
Charges for Services	1,168,000
Fines & Forfeitures	103,500
Interest Income	260,000
Miscellaneous Revenue	525,000
Pensacola Energy Transfer In	8,000,000

Sub-Total Revenues	<u>\$ 56,023,500</u>
Appropriated Fund Balance	<u>1,700,000</u>
Total Financial Sources	<u>\$ 57,723,500</u>

## GENERAL FUND EXPENDITURES FISCAL YEAR 2020 BUDGET



General Government	\$ 7,080,000	Economic Environment	\$ 3,285,400
Public Safety	33,697,000	Human Services	30,000
Transportation	3,333,800	Culture & Recreation	7,312,300
Sub-Total Expenditures		\$ 54,738,500	
Other Financial Uses		2,985,000	
TOTAL EXPENDITURES		\$ 57,723,500	

# City of Pensacola

## All Funds

### FY 2019 TO FY 2020 Budget Comparison

	FY 2019 Beginning Budget	FY 2020 Proposed Budget	Difference	Percentage Difference
Personal Services	65,115,500	69,406,500	4,291,000	6.59%
Operating Expenses	83,719,400	88,451,100	4,731,700	5.65%
Sub-Total	148,834,900	157,857,600	9,022,700	6.06%
Capital Outlay	30,327,400	27,783,900	(2,543,500)	-8.39%
Debt Service	22,126,000	19,379,800	(2,746,200)	-12.41%
Grants and Aids	1,747,800	1,983,000	235,200	13.46%
Non-Operating	36,682,500	38,086,500	1,404,000	3.83%
Total	239,718,600	245,090,800	5,372,200	2.24%

# City of Pensacola

## General Fund

### FY 2019 TO FY 2020 Budget Comparison

	FY 2019 Beginning Budget	FY 2020 Proposed Budget	Difference	Percentage Difference
Personal Services	37,943,300	40,585,400	2,642,100	6.96%
Operating Expenses	12,978,000	14,115,400	1,137,400	8.76%
Sub-Total	50,921,300	54,700,800	3,779,500	7.42%
Grants and Aids	882,400	941,400	59,000	6.69%
Non-Operating	1,889,700	2,081,300	191,600	10.14%
Total	53,693,400	57,723,500	4,030,100	7.51%

# **FY 2020 Proposed Budget Highlights**

- **Property Tax**
  - **FY 2020 Property Valuation**
    - **Based on July 1<sup>st</sup> Valuation – \$4,098,203,176 (8.47% Increase Over Final FY 2019)**
      - **Estimated Revenue To Increase \$1,393,200 Over FY 2019 Beginning**
        - **Net Increase After TIF Payments - \$976,600**
        - **\$16,852,200 [(Gross)– \$2,870,400 (TIF) = \$13,981,800 (Net)]**
  - **Millage Rate**
    - **City – 4.2895 Mils (9<sup>th</sup> Year No Increase)**
  - **FY 2019 - 1 Mill Equals \$3,603,900 (Net Mil - \$3,031,900)**
  - **FY 2020 – 1 Mil Equals \$3,928,700 (Net Mil - \$3,259,500)**

# **FY 2020 Proposed Budget Highlights**

- **Property Tax (Continued)**
  - **TIF Districts**
    - **Urban Core (CRA)**
      - **July 1<sup>st</sup> Valuation Increase – 14.39% (FY 2019 – 11.96%)**
      - **Revenue Increase - \$941,000 From FY 2019 Beginning Budget \$5,898,700**
    - **Eastside TIF**
      - **July 1st Valuation Increase – 26.88% (FY 2018 – 32.15%)**
      - **Revenue Increase - \$17,100 From FY 2019 Beginning Budget \$190,000**
    - **Westside TIF**
      - **July 1st Valuation Increase – 47.28% (FY 2018 – 40.76%)**
      - **Revenue Increase - \$204,400 From FY 2019 Beginning Budget \$432,200**

# **FY 2020 Proposed Budget Highlights**

- **Maintain Transfer From Pensacola Energy (\$8,000,000)**
  - **Council Policy**
    - Long term, the budgeted transfer should not be more than 15% of budgeted Pensacola Energy revenues (FY 18 – 15.49%; FY 19 – 15.30%; FY 20 – 15.21% )
- **Discretionary Funds for City Council**
  - **Maintaining \$10,000 per Council Member**
  - **Discretionary Funds Policy Discussion**
- **Tree Planting Trust Fund**
  - **No Appropriations Since October 1, 2017**
    - **SCAPE Plan Tree Canopy Suggestion**
    - **Balance As of June 30, 2019 - \$492,603**

# **FY 2020 Proposed Budget Highlights**

- **Pensions**
  - **City-Wide Increase - \$38,400 (\$13,952,700)**
  - **General Pension**
    - **City-Wide Decrease – <\$254,100>**
  - **Fire Pension**
    - **City-Wide Increase - \$54,500**
  - **Police Pension**
    - **City-Wide Decrease - <\$191,100>**
  - **Florida Retirement System**
    - **City-Wide Increase - \$429,100**

# **FY 2020 Proposed Budget Highlights**

- **Position Changes**
  - **Additional Eleven (11) Positions**
    - **FY 2019 Beginning Total Positions - 781**
      - **Executive Branch – 774**
      - **Legislative Branch – 5**
      - **CRA – 2**
    - **FY 2020 Proposed Beginning Positions – 792**
      - **Executive Branch – 785**
        - **FY 2019 – Four (4) Additional Positions**
        - **FY 2020 – Seven (7) Additional Positions**
      - **Legislative Branch – 5**
      - **CRA - 2**

# **FY 2020 Proposed Budget Highlights**

- **Employee Compensation**
  - **Transition Team Recommendations Regarding Pay Inequities**
  - **Employee Survey**
  - **Evergreen Pay Study**
    - **Revised Pay Plan (Page 503)**
  - **Union Agreements**
    - **Fire Union – 3% - Year 3 (FY 20) of 3 (FY 20)**
    - **Police Unions**
      - **Police Officer Union – 4% - Year 2 (FY 20) of 3 (FY 21)**
        - **Year 3 (FY 21) – 4%**
      - **Police Sergeant Union – 4% - Year 2 (FY 20) of 3 (FY 21)**
        - **Year 3 (FY 21) – 4%**
      - **Police Lieutenant – 3% - Year 2 (FY 20) of 3 (FY 21)**
        - **Year 3 (FY 21) – 3%**

# **FY 2020 Proposed Budget Highlights**

- **Employee Compensation (Continued)**
  - **AFSCME – 3.5% Year 2 (FY 20) of 3 (FY 21)**
    - **Year 3 (FY 21) – 4%**
  - **Non-Union Employees – 4% (FY 20)**
  - **Performance Based Pay – 2%**
    - **9195 – Salary Increases (Union)**
    - **9196 – Salary Increases (Non-Union)**
  - **Additional 0.5% to 1.0% Plus Up to A 2.0% Performance Based Pay Increase**
    - **Will Need To Be Negotiated With Unions**

# **FY 2020 Proposed Budget Highlights**

- **Non-Departmental Less TIF's**
  - **Increasing \$54,000 from FY 2019 Beginning Budget**
    - **Saenger Theatre MIS Allocation Decreasing \$5,000**
    - **First City Lights Festival Decreasing \$41,000 (Total Budget \$50,000)**
    - **Human Relations Commission Increasing \$10,000 (total Budget \$89,000)**
    - **Pensacola Escambia Development Commission Increasing \$25,000 (Total Budget \$175,000)**
    - **BRACE – Allocating \$15,000 (Prior Years Included On Carryover Resolution)**
    - **Homeless Initiative – Allocating \$50,000 (Prior Years Included On Carryover Resolution)**

# **FY 2020 Proposed Budget Highlights**

- **Municipal Golf Course (\$775,100)**
  - **Increases in Daily Fees and Driving Range Fees (Page 433)**
  - **Overall Decrease of \$10,100**
    - **Transfer From General Fund Increasing \$30,000 (Total Budget \$250,000)**
- **Recreation Fund (\$1,263,500)**
  - **Recommending fee increases to various areas (Mainly Facility Rental Fees - See pages 425 – 434 of FY 2020 Proposed Budget)**

# **FY 2020 Proposed Budget Highlights**

- **Housing Division**
  - **Community Development Block Grant Fund (\$1,048,500)**
    - Overall Fund Increasing \$114,000 – Federal Funding
  - **Section 8 Housing Assistance Fund (\$18,462,200)**
    - Overall Fund Increasing \$620,600 – Federal Funding
- **Inspection Services (\$1,603,900)**
  - FY 2020 Budget Includes Increase in Permit Application Fee
  - Will Bring Ordinance to City council
  - Overall Fund Increasing \$78,900

# **FY 2020 Proposed Budget Highlights**

- **Gas Utility Fund (\$52,600,500)**
  - **Estimated Revenue Increasing by \$320,600 from FY 2019 Beginning Budget**
    - **No Fund Balance Drawdown**
    - **Rate change in accordance with FY 2020 CPI increase of 1.9%.**
- **Sanitation Fund (\$8,858,600)**
  - **Estimated Operating Revenue Increased by \$240,500 from FY 2019 Beginning Budget**
    - **Rate change in accordance with FY 2020 CPI Increase of 1.9%**
      - **Sanitation Rate From \$24.64 to \$25.11 Per Month**
      - **Sanitation Equipment Surcharge From \$2.00 to \$2.04 Per Month**

# **FY 2020 Proposed Budget Highlights**

- **Sanitation Fund (Continued)**
  - **Code Enforcement Increasing \$127,600**
    - **No Rate Increase**
    - **Commercial Solid Waste Franchise Fee Revenues Increasing \$13,100**
    - **Lot Cleaning Revenues Decreasing \$20,000**
    - **Code Enforcement Contingency increasing \$118,500**

# **FY 2020 Proposed Budget Highlights**

- **Port Fund (\$2,127,800)**
  - **Estimated Operating Revenue Increased by \$508,700 from FY 2019 Beginning Budget**
  - **Increased Activity At Port**
  - **Port Vision Plan and Reinvestment Strategy**
- **Airport Fund (\$40,054,400)**
  - **Estimated Operating Revenue Increased by \$1,901,000 from FY 2019 Beginning Budget**
    - **Increase In Non-Airline Revenues - \$1,688,000**
    - **Decrease in Airline Revenues of \$147,000**

# Budget Workshop Initial Questions

- Performance Improvement
  - Strategies & Processes
    - Transition Team Recommendations
    - Strategic Planning Session
  - Technology Investments
    - Inspection Services Software
    - Replacement of Personal Computers/Laptops
    - Street Lighting
  - Work Force Changes
    - 11 New Positions since FY 2019 Beginning Budget
      - 4 Positions During FY 2019
      - 7 Positions Proposed In FY 2020
    - Pay Inequities
      - Evergreen Study
      - New Pay Plan
      - Performance Based Pay

# Budget Workshop Initial Questions

- Personal Services
  - Are adequate staffing needs being met?
    - Total of 39 positions requested
      - 7 New Positions Recommended In FY 2020
    - In discussions with departments/divisions staffing is adequate to achieve the FY 2020 goals.
  - What trends or difficulties are anticipated in meeting future staffing needs?
    - Economy
    - Pay Inequities

# Budget Workshop Initial Questions

- Operations & Maintenance
  - To what extent are specific operation project needs met?
    - In discussions with departments/divisions the FY 2020 Budget provides sufficient funds to meet the operational needs of the city.
  - Non-LOST Eligible Shifted To General Fund Operating
    - Intersection Improvements - \$100,000
    - Sidewalk Repairs - \$200,000
    - Street Striping (Complete Streets) - \$150,000

# Budget Workshop Initial Questions

- Capital Improvements/Purchases
  - What major capital purchase are planned for next year?
    - Stormwater Capital Projects Fund includes \$2,060,800 in projects (see page 99)
    - LOST Fund includes \$5,001,500 in projects and \$2,241,800 in capital equipment purchases (see pages 106 - 109)
    - Within other funds \$18,479,800 is included for various equipment purchases and capital improvement projects.
      - Enterprise Departments account for \$17,761,700
        - Airport Grants and Passenger Facility Charges - \$12,638,000
        - Airport Capital - \$2,947,700
        - Pensacola Energy - \$1,242,000
        - Sanitation Services - \$934,000

## Capital Improvement Plan

- Fiscal Year 2020 Stormwater Capital Projects
  - \$2,576,400 (Page 99)
- Fiscal Year 2020 Local Option Sales Tax IV Plan
  - \$9,397,800 (Pages 106-109)

# **FY 2020 Proposed Budget Highlights**

- **Future Dates**
  - **Monday, August 5, 2019 – Approval By CRA Of The FY 2020 Budget**
  - **Wednesday, September 11, 2019 – First Public Hearing**
  - **Wednesday, September 18, 2019 – Final Public Hearing**



FLORIDA'S FIRST & FUTURE

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Grover C. Robinson, IV, Mayor