



# FISCAL YEAR 2021 PROPOSED ANNUAL BUDGET



For the year ending September 30, 2021

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

# Fiscal Year 2021 Financial Overview

- **FY 2021 Budget Challenges**
  - Ransomware Attack
  - COVID-19 Pandemic
- **General Fund \$1.8 million revenue growth**
- **\$1.7 million Fund Balance appropriated**
- **Retaining \$13.793 million Council Reserves**
- **Balanced budget despite COVID-19 economic impacts**
  - Continued downward trend may require adjustments to FY 2021 Budget after adoption

# Fiscal Year 2021 Financial Overview

- No Millage Rate Increase
- No Rate Increase for Pensacola Energy or Sanitation despite 1.5% CPI increase as prescribed by ordinance
- Sanitation Equipment Surcharge increasing \$1.00 per month for much needed capital
- Bringing Zone 1 and CRA Landscape Maintenance In House
- Bringing Pensacola Energy contract work in house
- Converting seven temporary positions to full-time positions



# WHERE THE MONEY COMES FROM

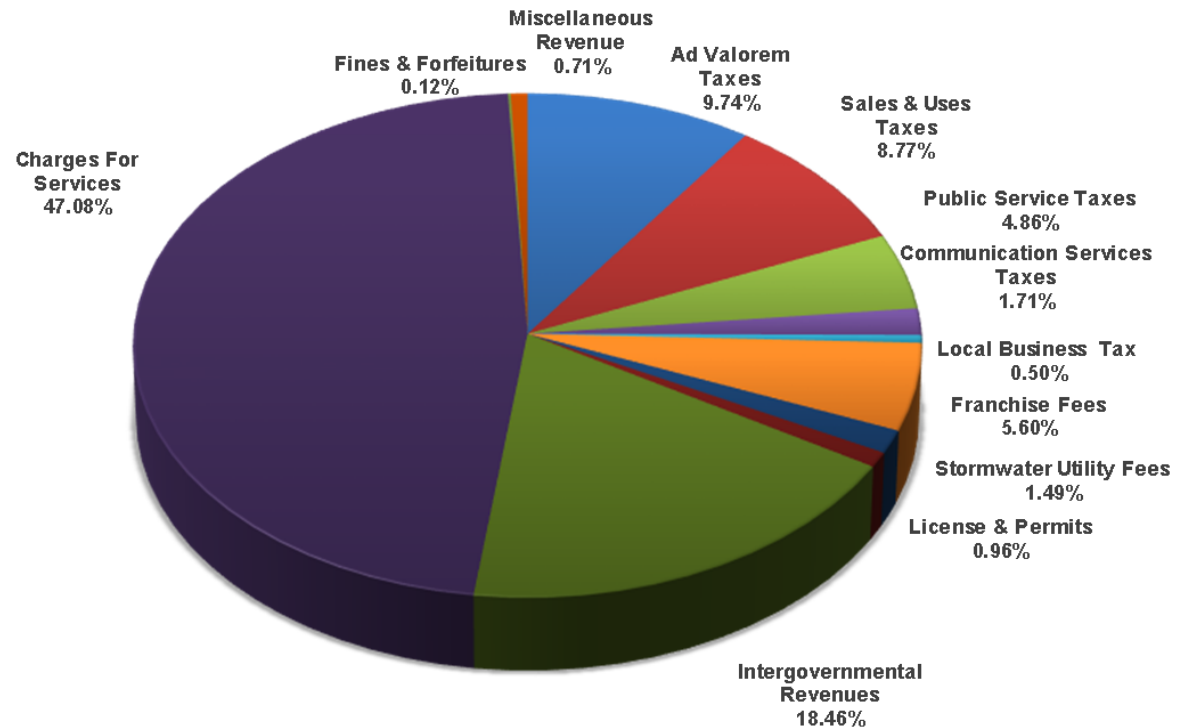
## FISCAL YEAR 2021 BUDGET

### FISCAL YEAR 2021 FINANCIAL SOURCES ALL FUNDS

#### SOURCES OF FUNDS

##### Revenues

Ad Valorem Taxes	\$ 17,890,900
Sales & Uses Taxes	16,099,300
Public Service Taxes	8,917,900
Communication Services Tax	3,148,100
Local Business Tax	915,000
Franchise Fees	10,285,700
Stormwater Utility Fees	2,735,000
License & Permits	1,763,200
Intergovernmental Revenues	33,902,200
Charges For Services	86,449,400
Fines & Forfeitures	228,500
Miscellaneous Revenue	1,299,500
<b>Sub-Total Revenues</b>	<b>\$ 183,634,700</b>
Other Financing Sources	46,355,400
Appropriated Fund Balance	6,005,600
<b>TOTAL FINANCIAL SOURCES</b>	<b>\$ 235,995,700</b>



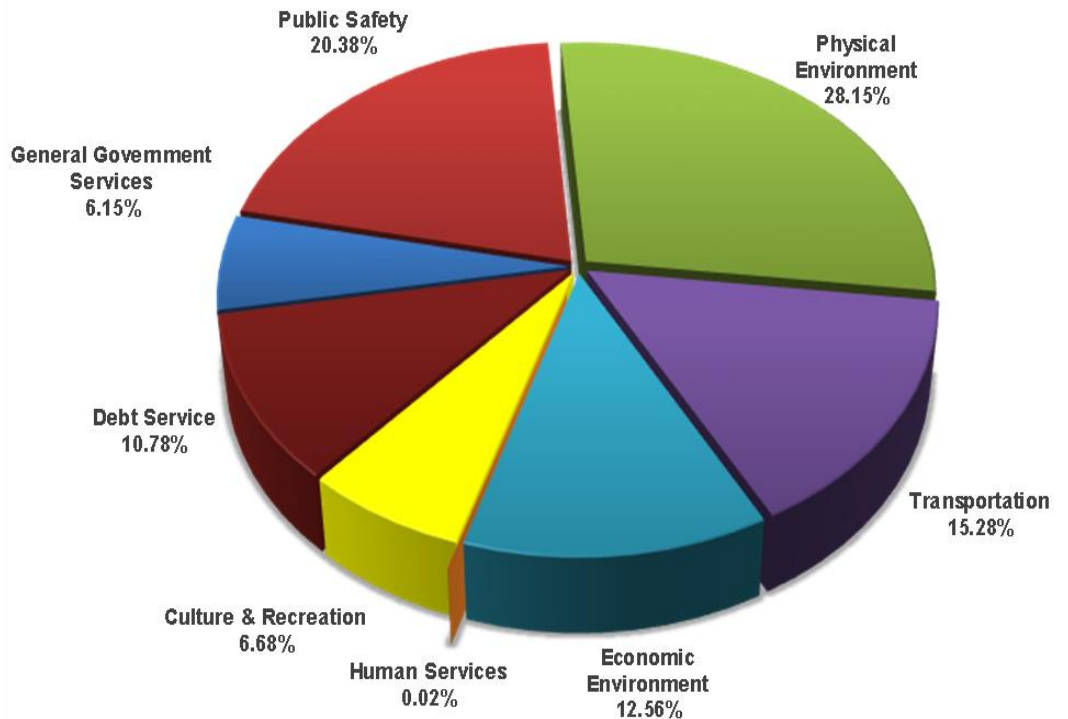
## WHERE THE MONEY GOES FISCAL YEAR 2021 BUDGET

### FISCAL YEAR 2021 USES OF FUNDS ALL FUNDS

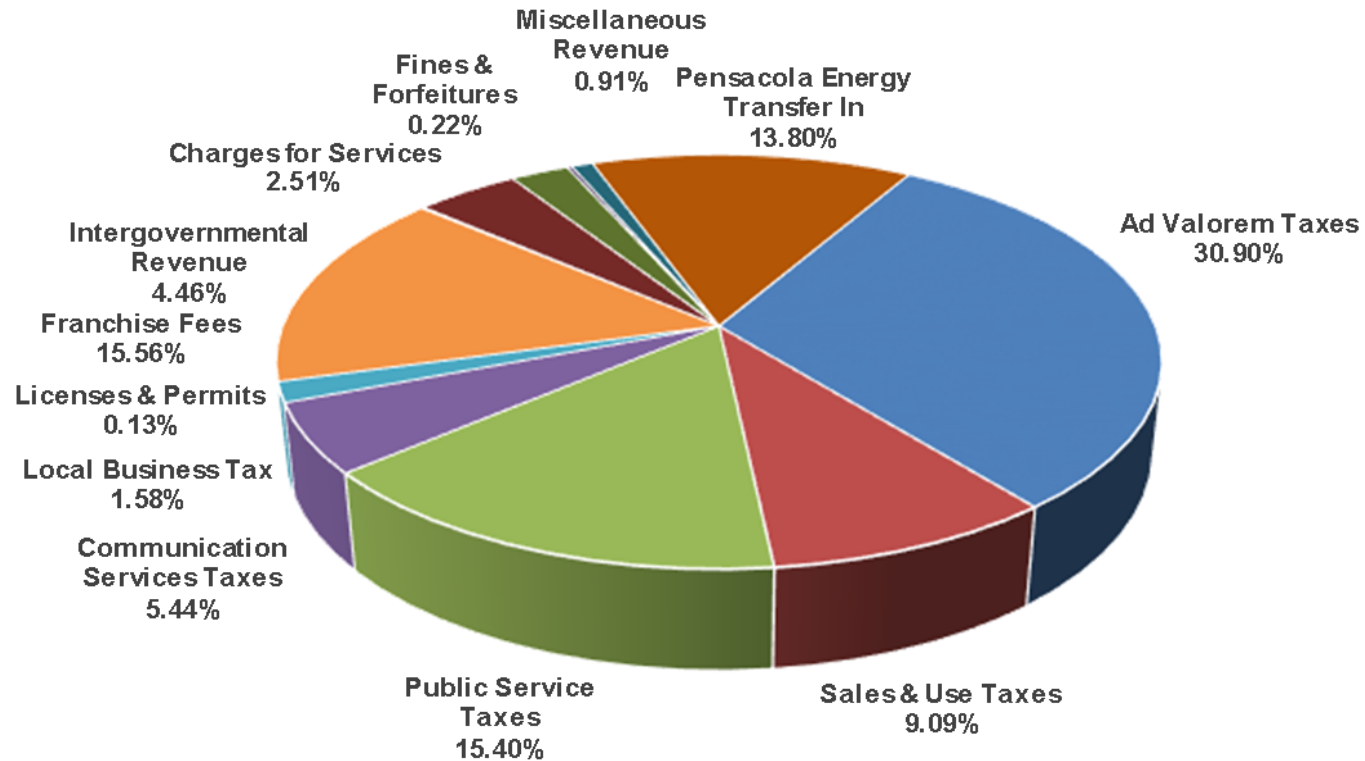
#### USES OF FUNDS

##### Expenditures/Expenses

General Government Services	\$ 11,627,600
Public Safety	38,543,900
Physical Environment	53,247,100
Transportation	28,888,900
Economic Environment	23,748,500
Human Services	30,000
Culture & Recreation	12,639,400
Debt Service	20,387,600
Sub-Total Expenditures/Expenses	<u>\$ 189,113,000</u>
Other Financing Uses	<u>46,882,700</u>
<b>TOTAL FINANCIAL USES</b>	<b><u>\$ 235,995,700</u></b>



## GENERAL FUND REVENUES FISCAL YEAR 2021 BUDGET

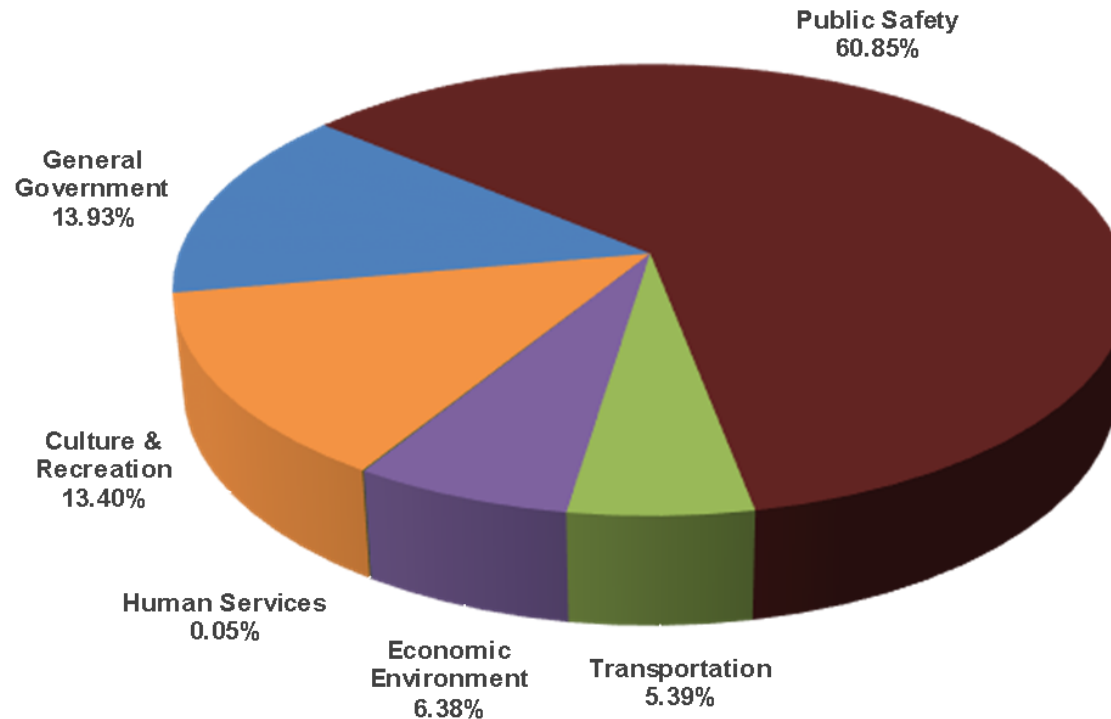


Ad Valorem Taxes	\$ 17,890,900
Sales & Use Taxes	5,262,900
Public Service Taxes	8,917,900
Communication Services Taxes	3,148,100
Local Business Tax	915,000
Franchise Fees	9,008,000
Licenses & Permits	76,000

Intergovernmental Revenue	\$ 2,583,500
Charges for Services	1,452,500
Fines & Forfeitures	128,500
Miscellaneous Revenue	525,000
Pensacola Energy Transfer In	8,000,000

Sub-Total Revenues	<u>57,908,300</u>
Appropriated Fund Balance	<u>1,700,000</u>
Total Financial Sources	\$ 59,608,300

## GENERAL FUND EXPENDITURES FISCAL YEAR 2021 BUDGET



General Government	\$ 7,890,400
Public Safety	34,447,700
Transportation	3,052,600

Economic Environment	\$ 3,612,900
Human Services	30,000
Culture & Recreation	7,589,700

Sub-Total Expenditures	56,623,300
Other Financial Uses	2,985,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 59,608,300</b>

# City of Pensacola

## All Funds

### FY 2020 TO FY 2021 Budget Comparison

	FY 2020 Beginning Budget	FY 2021 Proposed Budget	Difference	Percentage Difference
Personal Services	69,406,500	73,347,500	3,941,000	5.68%
Operating Expenses	88,451,100	83,711,700	(4,739,400)	-5.36%
Sub-Total	157,857,600	157,059,200	(798,400)	-0.51%
Capital Outlay	27,783,900	18,816,200	(8,967,700)	-32.28%
Debt Service	19,379,800	19,087,600	(292,200)	-1.51%
Grants and Aids	1,983,000	1,950,000	(33,000)	-1.66%
Non-Operating	38,086,500	39,082,700	996,200	2.62%
Total	245,090,800	235,995,700	(9,095,100)	-3.71%



# City of Pensacola

## General Fund

### FY 2020 TO FY 2021 Budget Comparison

	FY 2020 Beginning Budget	FY 2021 Proposed Budget	Difference	Percentage Difference
Personal Services	40,585,400	42,461,500	1,876,100	4.62%
Operating Expenses	14,073,700	13,712,700	(361,000)	-2.57%
Sub-Total	<u>54,659,100</u>	<u>56,174,200</u>	<u>1,515,100</u>	<u>2.77%</u>
Non-Departmental Less TIFs	983,100	976,400	(6,700)	-0.68%
Transfer to TIF Districts	2,870,400	3,197,900	327,500	11.41%
Non-Operating	2,985,000	2,985,000	-	0.00%
Allocated Overhead/Cost Rec	(3,774,100)	(3,725,200)	48,900	-1.30%
Total	<u><u>57,723,500</u></u>	<u><u>59,608,300</u></u>	<u><u>1,884,800</u></u>	<u><u>3.27%</u></u>

# **FY 2021 Proposed Budget Highlights**

- **Property Tax**
  - **FY 2021 Property Valuation**
    - **Based on July 1<sup>st</sup> Property Appraiser Valuation – \$4,359,574,250 (6.65% Increase Over Final FY 2020)**
      - **Estimated Revenue To Increase \$1,038,700 Over FY 2020 Beginning [\$1,038,700 - \$327,500 (TIF) = \$711,200 Net Growth]**
        - **\$17,890,900 [(Gross)– \$3,197,900 (TIF) = \$14,693,000 (Net)]**
  - **Millage Rate**
    - **City – 4.2895 Mils (No Increase)**
    - **DIB – 2.00 Mils (No Change)**
  - **Currently 1 Mill Equals \$3,928,700 (Net Mil = \$3,259,500)**
    - **July 1<sup>st</sup> Property Appraiser Valuation – 1 Mil - Gross Equals \$4,170,900 (Net Mil = \$3,252,500)**

# **FY 2021 Proposed Budget Highlights**

- **Property Tax (Continued)**
  - **TIF Districts**
    - **Urban Core (CRA)**
      - **July 1<sup>st</sup> Valuation Increase – 9.65% (FY 2020 – 14.39%)**
      - **Revenue Increase - \$669,200 From FY 2020 Beginning Budget \$6,839,700**
    - **Eastside TIF**
      - **July 1st Valuation Increase – 16.04% (FY 2020 – 26.88%)**
      - **Revenue Increase - \$132,500 From FY 2020 Beginning Budget \$102,100**
    - **Westside TIF**
      - **July 1st Valuation Increase – 27.82% (FY 2020 – 47.28%)**
      - **Revenue Increase - \$177,000 From FY 2020 Beginning Budget \$636,600**

# **FY 2021 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 19 – 15.30%; FY 20 – 15.21%; FY 21 – 16.21% )
- **Discretionary Funds for City Council**
  - **Maintaining \$10,000 per Council Member**
    - Discretionary Funds can be used at the discretion of the council member subject to the Mayor and Finance Director's approval and is for a Public Purpose.
  - **Tree Planting Trust Fund**
    - **No Appropriations**
    - Pending Full Review of Tree Planting Trust Fund Expenditures Per City Council Action at First Public Hearing on FY 2018 Budget.
    - Balance As of May 31, 2020 - \$526,153

# **FY 2021 Proposed Budget Highlights**

- **Pensions**
  - **City-Wide Increase - \$546,490 (\$14,499,600)**
  - **General Pension**
    - **City-Wide – No Change**
  - **Fire Pension**
    - **City-Wide Increase - \$159,300**
  - **Police Pension**
    - **City-Wide Decrease - <\$97,300>**
  - **Florida Retirement System**
    - **City-Wide Increase - \$484,900**



# **FY 2021 Proposed Budget Highlights**

- **Position Changes**
  - **Additional Thirty-Five (35) Positions Since Beginning FY 2020**
    - **FY 2020 Beginning Total Positions - 792**
      - **Executive Branch – 785**
      - **Legislative Branch – 5**
      - **CRA – 2**
    - **FY 2021 Proposed Beginning Positions – 827**
      - **Executive Branch – 822**
        - **FY 2020 – Eight (8) Additional Positions**
        - **FY 2021 – Twenty-Seven (27) Additional Positions**
      - **Legislative Branch – 5**
      - **CRA - 2**

# **FY 2021 Proposed Budget Highlights**

- **Employee Compensation**
  - **Union Agreements**
    - **Fire Union – Currently in Negotiations**
    - **Police Unions**
      - **Police Officer Union – 4% - Year 3 (FY 21) of 3 (FY 21)**
      - **Police Sergeant Union – 4% - Year 3 (FY 21) of 3 (FY 21)**
      - **Police Lieutenant – 3% - Year 3 (FY 21) of 3 (FY 21)**
    - **AFSCME – 4% - Year 3 (FY 21) of 3 (FY 21)**
  - **Non-Union Employees – 3% Budgeted**
  - **Performance Based Pay – 2%**
    - **9195 – Salary Increases (Union)**
    - **9196 – Salary Increases (Non-Union)**

# **FY 2021 Proposed Budget Highlights**

- **Non-Departmental Less TIF's**
  - **Decreasing \$6,700 from FY 2020 Beginning Budget**
    - **Saenger Theatre Innovation & Technology decreasing <\$6,700>**
- **Interest Income**
  - **Due to COVID-19 all Interest Income budgets have been eliminated**

# **FY 2021 Proposed Budget Highlights**

- **Housing Division**
  - **Community Development Block Grant Fund (\$1,137,800)**
    - **Overall Fund Increasing \$89,300 – Federal Funding**
  - **Section 8 Housing Assistance Fund (\$20,072,700)**
    - **Overall Fund Increasing \$1,610,500 – Federal Funding**
- **Inspection Services (\$1,687,200)**
  - **Overall Fund Increasing \$83,300**
  - **Includes one-time expenditure of \$100,000 to remodel Inspection Services area on 5<sup>th</sup> Floor**

# **FY 2021 Proposed Budget Highlights**

- **Gas Utility Fund (\$49,617,900)**
  - **Estimated Revenue decreased by <\$2,982,600> from FY 2020 Beginning Budget**
    - **FY 2021 CPI Increase of 1.5% however no increase is being proposed**
    - **Reduction primarily due to lower gas costs**
    - **Interest Income eliminated - \$200,000 reduction**
- **Sanitation Fund (\$10,404,700)**
  - **Estimated Operating Revenue increased by \$1,025,400 from FY 2020 Beginning Budget**
    - **FY 2021 CPI Increase of 1.5% however no increase is being proposed**
    - **Proposed increase in Sanitation Equipment Surcharge by \$1.00 per month**



# **FY 2021 Proposed Budget Highlights**

- **Sanitation Fund (Continued)**
  - **Sanitation Rate Will Remain at \$25.11 per month**
  - **Sanitation Equipment Surcharge from \$2.04 to \$3.04 per month**
  - **CNG Rebates estimated to be \$500,000**
  - **Additional \$80,200 revenue from Pensacola Energy for advertising on Sanitation Trucks**
- **Code Enforcement Increasing \$32,700**
  - **Commercial Solid Waste Franchise Fee Revenues Increasing \$12,700**
    - **No change in fee proposed**
  - **Code Enforcement Violations Increasing \$20,000**
  - **Code Enforcement Contingency Decreasing \$44,000 (Total Contingency \$74,500)**

# **FY 2021 Proposed Budget Highlights**

- **Port Fund (\$2,456,000)**
  - **Estimated Operating Revenue Increased by \$328,200 from FY 2020 Beginning Budget (Increased Activity at Port)**
  - **Seville Harbor Lease Revenue will move from General Fund to Port Fund \$46,100**
- **Airport Fund (\$29,178,600)**
  - **Estimated Operating Revenue decreased by <\$10,875,800> from FY 2020 Beginning Budget mainly due to COVID-19**
  - **Decrease In Non-Airline Revenues - <\$3,503,900>**
  - **Decrease in Rental Car Customer Facility Charge - <\$1,636,000>**
  - **Increase in Airline Revenues of \$1,465,000**

# Capital Improvement Plan

- Fiscal Year 2021 Stormwater Capital Projects
  - \$2,735,000 (Page 101)
- Fiscal Year 2021 Local Option Sales Tax IV Plan
  - \$10,336,400 (Pages 108-112)

# FY 2021 Proposed Budget

- **Future Dates**
  - **Wednesday, September 9, 2020 – First Public Hearing**
  - **Wednesday, September 16, 2020 – Final Public Hearing**



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