



City of Pensacola

Agenda Conference

Agenda

Monday, April 24, 2023, 3:30 PM

Council Chambers, 1st Floor

The meeting can be watched via live stream at cityofpensacola.com/video.

ROLL CALL

PRESENTATION ITEMS

1. [23-00341](#) PRESENTATION - PORT TRIUMPH GULF COAST FUNDING APPLICATION UPDATE
Recommendation: That City Council receive a Port Triumph Funding Application Update from Erica Grancagnolo.
Sponsors: Grover C. Robinson, IV

REVIEW OF CONSENT AGENDA ITEMS

2. [23-00317](#) DISCRETIONARY FUNDING ALLOCATION - CITY COUNCIL VICE PRESIDENT CASEY JONES - DISTRICT 3
Recommendation: That City Council approve funding of \$1,000 for the Watson Family Foundation, Inc. from the City Council Discretionary Funds for District 3.
Sponsors: Casey Jones
3. [23-00330](#) DISCRETIONARY FUNDING ALLOCATION - CITY COUNCIL MEMBER TENIADE BROUGHTON - DISTRICT 5
Recommendation: That City Council approve funding of \$500 for the Real Women Radio Foundation, Inc. and \$1,000 for the After-School Program at Allen Chapel AME Church from the City Council Discretionary Funds for District 5
Sponsors: Teniade Broughton
4. [23-00337](#) DISCRETIONARY FUNDING ALLOCATION - CITY COUNCIL PRESIDENT DELARIAN WIGGINS - DISTRICT 7
Recommendation: That City Council approve funding of \$500 for Together We Weather from the City Council Discretionary Funds for District 7.
Sponsors: Delarian Wiggins

5. [23-00288](#) AWARD OF BID # 23-018: 2023 SIDEWALK PROJECT PHASE 1
- Recommendation:** That City Council approve Award of Bid # 23-018 - 2023 Sidewalk Project 1 to JRM Construction Group, Inc. of Pace, Florida, the lowest and most responsible bidder with a base bid of \$123,700, plus a 10% contingency in the amount of \$12,370.00 for the total amount of \$136,070.00. Further, that City Council authorize the Mayor to take the actions necessary to execute and administer this contract and complete the work, consistent with the bid, contracting documents, and the Mayor's Executive Powers as granted in the City Charter.
- Sponsors:** D.C. Reeves
- Attachments:** [Bid Tabulation](#)
[Final Vendor Reference List, Bid # 23-018.pdf](#)
[Project Limits Map](#)
6. [23-00338](#) APPOINTMENT: PARKS AND RECREATION BOARD
- Recommendation:** That City Council appoint one individual to the Parks and Recreation Board to fill an unexpired term ending March 31, 2025.
- Sponsors:** Delarian Wiggins
- Attachments:** [Member List](#)
[Nomination Form - John W Renfroe III](#)
[Application of Interest - John W Renfroe III](#)
[Ballot](#)

REVIEW OF REGULAR AGENDA ITEMS (Sponsor)

7. [23-00283](#) FY 2022 CITY OF PENSACOLA ANNUAL COMPREHENSIVE FINANCIAL REPORT
- Recommendation:** That City Council accept the City of Pensacola Annual Comprehensive Financial Report for the year ended September 30, 2022 as prepared by the Financial Services Department and the Independent Auditors Report issued thereupon.
- Sponsors:** D.C. Reeves
- Attachments:** [FY 22 Annual Comprehensive Financial Report](#)
[FY 22 Audit SAS 114 Letter - City of Pensacola](#)

8. [23-00322](#) CONSENT TO MAYOR'S APPOINTMENT OF LISSA DEES, PARKING MANAGEMENT DIRECTOR
- Recommendation:* That City Council consent to the Mayor's appointment of Lissa Dees to the position of Parking Management Director.
- Sponsors:* D.C. Reeves
- Attachments:* [LISSA DEES Resume 2023](#)
9. [23-00243](#) APPROVAL OF LEASE AGREEMENT WITH WAREHOUSE 4 SPORTS, LLC, FOR PORT OF PENSACOLA WAREHOUSE #4
- Recommendation:* That City Council approve the Lease Agreement between the City of Pensacola and Warehouse 4 Sports, LLC for Port of Pensacola Warehouse #4. Further, that City Council authorize the Mayor to take those actions necessary to finalize, execute and administer this Lease, consistent with the terms of the attached draft lease agreement and the Mayor's Executive Powers as granted in the City Charter.
- Sponsors:* Grover C. Robinson, IV
- Attachments:* [Key Deal Points](#)
 [Draft Lease Agreement](#)
10. [22-01188](#) APPROVAL TO ALLOCATE A PORTION OF LOST IV FUNDING FOR THE PAVING OF THE FIRST CITY ART CENTER PARKING LOT
- Recommendation:* That City Council approve the transfer of LOST IV funding in the amount of \$60,000 from the Pavement Management project to a project for the rehabilitation of the parking lot at the First City Art Center parking lot located at 1060 N. Guillemard St.
- Sponsors:* D.C. Reeves
- Attachments:* [Project Location Map](#)
 [FCAC Executive Summary City of Pensacola](#)
11. [23-00302](#) APPROVAL TO REALLOCATE LOST IV FUNDING FOR THE 17TH AVENUE BRIDGE (GRAFFITI BRIDGE) OVERHEAD LOW CLEARANCE WARNING SYSTEM
- Recommendation:* That the City Council approve the reallocation of funds from LOST IV - Street Reconstruction and LOST IV - Reserved - Capital Equipment for the design and construction of two overhead low clearance warning systems at the 17th Avenue Graffiti Bridge.
- Sponsors:* D.C. Reeves
- Attachments:* [Warning system concept](#)

12. [23-00346](#) NAMING OF THE SKATEPARK LOCATED AT HOLLICE T. WILLIAMS PARK IN HONOR OF BLAKE DOYLE
- Recommendation:** That City Council approve the naming of the skatepark located at Hollice T. Williams Park in honor of Blake Doyle.
- Sponsors:** D.C. Reeves
- Attachments:** [Park Amenity Dedication Form - Blake Doyle Skatepark at Hollice T. February 16, 2023, Parks Board Meeting Minutes- Approved Upward Intuition Letter](#)
13. [23-00251](#) APPROVAL OF THE CITY OF PENSACOLA YOUTH SPORTS ORGANIZATION FIELD USE LEASE AGREEMENT WITH PENSACOLA YOUTH SOCCER, INC., FOR THE USE OF HITZMAN-OPTIMIST SOCCER FIELD
- Recommendation:** That City Council approve a City of Pensacola Youth Sports Organization Field Use Lease Agreement with Pensacola Youth Soccer, Inc., for the use of Hitzman-Optimist Soccer Field to establish the terms and responsibilities of both parties as to the use of the Hitzman-Optimist Soccer Field for conducting a youth soccer program. Further, that City Council authorize the Mayor to take the action necessary to execute and administer this field use lease agreement, consistent with the terms of the agreement and the Mayor's Executive Powers as granted in the City Charter.
- Sponsors:** D.C. Reeves
- Attachments:** [City of Pensacola Youth Sports Organization Field Use Agreement](#)
14. [23-00253](#) APPROVAL OF THE CITY OF PENSACOLA YOUTH SPORTS ORGANIZATION FIELD USE LEASE AGREEMENT WITH SOUTHERN YOUTH SPORTS ASSOCIATION, FOR THE USE OF LEGION FIELD.
- Recommendation:** That City Council approve a City of Pensacola Youth Sports Organization Field Use Lease Agreement with Southern Youth Sports Association for the use of Legion Field to establish the terms and responsibilities of both parties as to the use of Legion Field for conducting a youth football program. Further, that City Council authorize the Mayor to take the action necessary to execute and administer this field use lease agreement, consistent with the terms of the agreement and the Mayor's Executive Powers as granted in the City Charter.
- Sponsors:** D.C. Reeves
- Attachments:** [City of Pensacola Youth Sports Organization Field Use Agreement -](#)

15. [09-23](#) AN ORDINANCE AMENDING SECTIONS 7-4-1, 7-4-2, 7-4-3, 7-4-4, 7-4-6, AND 7-4-11 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA; REMOVING AUTHORITY TO OPERATE BOTTLE CLUBS; ADDING DEFINITION OF RESTAURANT; LIMITING RESTRICTION ON NUMBER AND LOCATION OF ESTABLISHMENTS WHERE ALCOHOLIC BEVERAGES CAN BE SOLD; EXPANDING THE EXEMPTION FOR RESTAURANT TO SELL ALCOHOLIC BEVERAGES..

Recommendation: That City Council approve Proposed Ordinance No. 09-23 on first reading.

AN ORDINANCE AMENDING SECTIONS 7-4-1, 7-4-2, 7-4-3, 7-4-4, 7-4-6, AND 7-4-11 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA; REMOVING AUTHORITY TO OPERATE BOTTLE CLUBS; ADDING DEFINITION OF RESTAURANT; LIMITING RESTRICTION ON NUMBER AND LOCATION OF ESTABLISHMENTS WHERE ALCOHOLIC BEVERAGES CAN BE SOLD; EXPANDING THE EXEMPTION FOR RESTAURANT TO SELL ALCOHOLIC BEVERAGES; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

Sponsors: D.C. Reeves

Attachments: [Proposed Ordinance No. 09-23](#)

16. [10-23](#) PROPOSED ORDINANCE NO. 10-23 - REPEAL OF SECTION 11-4-17, PROHIBITION OF SKATEBOARDS ON SIDEWALKS.

Recommendation: That City Council approve Proposed Ordinance No. 10-23 on first reading:

AN ORDINANCE REPEALING, IN ITS ENTIRETY, SECTION 11-4-17 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

Sponsors: Casey Jones, D.C. Reeves

Attachments: [Proposed Ordinance 10-23 -- Repeal of Section 11-4-17 of the City C](#)

CONSIDERATION OF ANY ADD-ON ITEMS

FOR DISCUSSION

17. [23-00012](#) QUARTERLY FINANCIAL REPORT- TWELVE MONTHS ENDING SEPTEMBER 30, 2022 (UNAUDITED) - FINANCE DIRECTOR AMY LOVOY
- Sponsors: D.C. Reeves
- Attachments: [Financial Report - Twelve Months Ending September 30, 2022 \(Unaudited\)](#)
18. [23-00323](#) FINANCIAL UPDATE- FINANCE DIRECTOR AMY LOVOY
- Sponsors: D.C. Reeves
- Attachments: [25k report Dec- 1st Quarter FY23](#)
 [Financial Update 042723 \(2\)](#)

READING OF ITEMS FOR COUNCIL AGENDA

COMMUNICATIONS

CITY ADMINISTRATOR'S COMMUNICATION

CITY ATTORNEY'S COMMUNICATION

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

File #: 23-00341

City Council

4/27/2023

PRESENTATION ITEM

FROM: City Council President Delarian Wiggins
D.C. Reeves, Mayor

SUBJECT:

PRESENTATION - PORT TRIUMPH GULF COAST FUNDING APPLICATION UPDATE

REQUEST:

That City Council receive a Port Triumph Funding Application Update from Erica Grancagnolo.

SUMMARY:

This presentation will give Economic Development and Neighborhood Services Director Erica Grancagnolo the opportunity to provide City Council an update on the Port Triumph Gulf Coast Funding application.

PRIOR ACTION:

None

STAFF CONTACT:

Don Kraher, Council Executive
Erica Grancagnolo, Economic Development and Neighborhood Services Director

ATTACHMENTS:

1) None

PRESENTATION: Yes



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 23-00317

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: City Council Vice President Casey Jones

SUBJECT:

DISCRETIONARY FUNDING ALLOCATION - CITY COUNCIL VICE PRESIDENT CASEY JONES - DISTRICT 3

RECOMMENDATION:

That City Council approve funding of \$1,000 for the Watson Family Foundation, Inc. from the City Council Discretionary Funds for District 3.

HEARING REQUIRED: No Hearing Required

SUMMARY:

In accordance with the Section 3.28-3.33 of the Policies of the City Council, prior to any distribution of grant or sponsorship funds from the City Council Discretionary Funds, approval by City Council is required.

The Watson Family Foundation was created in 2016 with the opening of the Watson Firm, PLLC. Attorney Aaron Watson and his wife, Kimberly, were so moved by the community's support upon opening their law firm that they immediately began looking for meaningful ways to give back. The Watson Firm soon became known for its annual Thanksgiving Dinner Giveaway and its Backpack Giveaway. Guided by generational values, the Watsons believe in continuing their family legacy of faith-based outreach, community service and mentorship. The Watson Family Foundation's mission is to help bridge the gap that separates deserving families from the support needed to guide them toward leading thriving lives. Funding will be used towards their Second Annual Juneteenth - A Family Reunion for the Culture Festival on Saturday, June 17, 2023 at the Museum Plaza located at 120 Church Street.

PRIOR ACTION:

July 21, 2022 - City Council adopted Resolution No. 2022-065 establishing the City Council Discretionary Fund Policy

FUNDING:

Budget: \$29,567 Current Balance - District 3 Discretionary Funds

Actual: \$ 1,000 The Watson Family Foundation, Inc.

FINANCIAL IMPACT:

A balance of \$29,567 is currently within the District 3 Discretionary Fund Account. Upon approval by City Council, a balance of \$28,567 will remain in the District 3 Discretionary Fund Account.

STAFF CONTACT:

Don Kraher, Council Executive
Yvette McLellan, Special Assistant to the Council Executive

ATTACHMENTS:

None

PRESENTATION: No



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 23-00330

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: City Council Member Teniadé Broughton

SUBJECT:

DISCRETIONARY FUNDING ALLOCATION - CITY COUNCIL MEMBER TENIADE BROUGHTON - DISTRICT 5

RECOMMENDATION:

That City Council approve funding of \$500 for the Real Women Radio Foundation, Inc. and \$1,000 for the After-School Program at Allen Chapel AME Church from the City Council Discretionary Funds for District 5

HEARING REQUIRED: No Hearing Required

SUMMARY:

In accordance with Section 3.28-3.33 of the Policies of the City Council, prior to any distribution of grant or sponsorship funds from the City Council Discretionary Funds, approval by City Council is required.

The Real Women Radio Foundation, Inc. is a non-profit organization whose mission is to build economically vibrant and sustainable communities. The foundation has partnered with Erica Lanes, LLC, an education and training company, to bring the "My Selfie Needs No Filter" summer camp for teen girls to Pensacola, Florida. Created on the belief that today's youth are tomorrow's future leaders, the mission for the "My Selfie Needs No Filter" movement is to empower and inspire young lady leaders by providing them with the skills, knowledge and resources necessary to make a positive impact in their communities and the world. Funding will be used towards the free one-week camp for approximately 400 participants.

Allen Chapel AME Church is a historic African Methodist Episcopal church located at 500 North Guillemard Street. It was organized on May 16, 1866, by Henry Call and named in honor of Richard Allen, the founder of the AME denomination. Funding will be used towards their after-school program.

PRIOR ACTION:

July 21, 2022 - City Council adopted Resolution No. 2022-065 establishing the City Council Discretionary Fund Policy.

FUNDING:

Budget:	\$11,501	Current Balance District 5 Discretionary Funds
Actual:	\$ 500	The Real Women Radio Foundation, Inc.
	<u>1,000</u>	Allen Chapel AME Church
	<u>\$ 1,500</u>	

FINANCIAL IMPACT:

A balance of \$11,501 is currently within the District 5 Discretionary Fund Account. Upon approval by City Council, a balance of \$10,001 will remain in the District 5 Discretionary Fund Account.

STAFF CONTACT:

Don Kraher, Council Executive
Yvette McLellan, Special Assistant to the Council Executive

ATTACHMENTS:

None

PRESENTATION: No



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 23-00337

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: City Council President Delarian Wiggins

SUBJECT:

DISCRETIONARY FUNDING ALLOCATION - CITY COUNCIL PRESIDENT DELARIAN WIGGINS - DISTRICT 7

RECOMMENDATION:

That City Council approve funding of \$500 for Together We Weather from the City Council Discretionary Funds for District 7.

HEARING REQUIRED: No Hearing Required

SUMMARY:

In accordance with the Section 3.28-3.33 of the Policies of the City Council, prior to any distribution of grant or sponsorship funds from the City Council Discretionary Funds, approval by City Council is required.

Together We Weather is a local no-profit organization founded in 2017. It's mission is to improve the overall quality of life in underserved communities in Florida by educating them on health, finances and community building. They host countless events to raise awareness to thousands in at risk communities in an effort to promote better health and overall wellbeing. One of their events is Pensacola Happy Hour, which is an outdoor event featuring live music, DJs, comedians and more. While there, patrons will have the opportunity to receive wellness screenings such as blood pressure, HIV, mammograms and Diabetes just to name a few. The free event will be held every Friday from 5pm to 10pm and will be held at the Museum Plaza at 330 S. Jefferson Street. Funding will be used to help cover the costs associated with the event.

PRIOR ACTION:

July 21, 2022 - City Council adopted Resolution No. 2022-065 establishing the City Council Discretionary Fund Policy

FUNDING:

Budget: \$ 7,473 District 7 Discretionary Funds

Actual: \$ 500 Together We Weather

FINANCIAL IMPACT:

A balance of \$7,473 is currently within the District 7 Discretionary Fund Account. Upon approval by City Council, a balance of \$6,973 will remain in the District 7 Discretionary Fund Account.

STAFF CONTACT:

Don Kraher, Council Executive

Yvette McLellan, Special Assistant to the Council Executive

ATTACHMENTS:

None

PRESENTATION: No



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 23-00288

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: D.C. Reeves, Mayor

SUBJECT:

AWARD OF BID # 23-018: 2023 SIDEWALK PROJECT PHASE 1

RECOMMENDATION:

That City Council approve Award of Bid # 23-018 - 2023 Sidewalk Project 1 to JRM Construction Group, Inc. of Pace, Florida, the lowest and most responsible bidder with a base bid of \$123,700, plus a 10% contingency in the amount of \$12,370.00 for the total amount of \$136,070.00. Further, that City Council authorize the Mayor to take the actions necessary to execute and administer this contract and complete the work, consistent with the bid, contracting documents, and the Mayor's Executive Powers as granted in the City Charter.

HEARING REQUIRED: No Hearing Required

SUMMARY:

The purpose of this project is to provide continued ADA-compliant sidewalk connectivity and improve walkability throughout the city. The City website contains the background information related to the methodical process implemented to identify new sidewalk needs throughout the City. Within this same webpage, a list of new sidewalk locations was prioritized, utilizing a standardized prioritization matrix. The locations with the greatest need for new sidewalks received the lowest scores.

Specifically, the project limits for this first phase of new sidewalks are Firestone Boulevard from Summit Boulevard to Bayou Boulevard (approx. 3,225 l/f).

In addition, this new segment of sidewalk will ultimately connect to the sidewalks currently on Bayou Boulevard (Firestone Boulevard to Cervantes Street) as well as new sidewalks that FDOT has agreed to install following City Staff request in the Department's upcoming resurfacing project from Bayou Boulevard (Baisden Road to Davis Highway) in 2024. The new sidewalks along Bayou Boulevard will run from Baisden Road to the existing sidewalks at 12th Avenue.

PRIOR ACTION:

None.

FUNDING:

Budget:	\$209,642.90	LOST IV- GENERAL ADA IMPROV
Actual:	\$123,700.00	Construction Contract- Base Bid
	\$ 12,370.00	Required 10 % Contingency
	\$ 9,600.00	Engineering Management/Inspections (Estimate)
	<u>\$ 1,100.00</u>	<u>Construction Testing/Misc. (Estimate)</u>
	\$146,770.00	Total Needed to Award Project

FINANCIAL IMPACT:

The total budget for this project is \$209,642.90. City Council previously approved Local Option Sales Tax Series IV funds for sidewalk improvements.

LEGAL REVIEW ONLY BY CITY ATTORNEY: Yes

4/3/2023

STAFF CONTACT:

Kerrith Fiddler, City Administrator
David Forte, Deputy City Administrator
Amy Tootle, PE - Director of Public Works & Facilities
Brad Hinote, PE - City Engineer

ATTACHMENTS:

- 1) Bid Tabulation, Bid # 23-018
- 2) Final Vendor Reference List, Bid # 23-018
- 3) Project Limits Map

PRESENTATION: No

TABULATION OF BIDS

BID NO: 23-018

TITLE: 2023 SIDEWALK PROJECT PHASE I

Submittals Due: 03/29/23, 2:30 P.M.	JRM CONSTRUCTION GROUP, INC.	SITE & UTILITY, LLC	CHIVERS CONSTRUCTION, INC.	ROGAR MGMT & CONSULTING OF FL, LLC
Department: Engineering	Pace, FL	Pensacola, FL	Cantonment, FL	Miami, FL
Base Bid	\$123,700.00	\$190,040.00	\$218,525.00	\$338,696.25

Submittal Due Date: 03/29/23

Bid No.: 23-018

**FINAL VENDOR REFERENCE LIST
2023 SIDEWALK PROJECT PHASE I
ENGINEERING**

Vendor	Name	Address	City	St	Zip Code	SMWBE
004632	A E NEW JR INC	460 VAN PELT LANE	PENSACOLA	FL	32505	
067544	AFFORDABLE CONCRETE & CONSTRUCTION LLC	4089 E JOHNSON AVE	PENSACOLA	FL	32515	Y
077498	ALL PHASE CONSTRUCTION OF NW FL LLC	5340 BRIGHT MEADOW RD	MILTON	FL	32570	Y
071765	ATLAS BUILDERS GROUP	4366 AVALON BLVD	MILTON	FL	32583	
081043	BCK SPECUALTIES INC	1709 ANTIBES CIR	GULF BREEZE	FL	32563	
069786	BEAR GENERAL CONTRACTORS LLC	1216 N PALAFOX ST STE A	PENSACOLA	FL	32501	
036997	BELLVIEW SITE CONTRACTORS INC	3300 GODWIN LANE	PENSACOLA	FL	32526	Y
038068	BIGGS CONSTRUCTION CO INC	2510 NORTH PACE BOULEVARD	PENSACOLA	FL	32505	Y
053457	BIRKSHIRE JOHNSTONE LLC	PO BOX 30580	PENSACOLA	FL	32503	
065013	BKW INC	8132 PITTMAN AVE	PENSACOLA	FL	32534	Y
070527	BLOWERS, BENJAMIN DBA INNOVIS USA LLC	5540 LEESWAY BLVD	PENSACOLA	FL	32504	
022856	BROWN CONSTRUCTN OF NW FL INC	10200 COVE AVE	PENSACOLA	FL	32534	Y
078639	C W ROBERTS CONTRACTING INC	4375 MCCOY DRIVE	PENSACOLA	FL	32503	
042045	CHIVERS CONSTRUCTION INC	801 VIRECENT ROAD	CANTONMENT	FL	32533	
049653	CHRISTOPHER C BARGAINEER CONCRETE CONSTRUCTION INC	6810 FIELDS LANE	PENSACOLA	FL	32505	Y
070475	CRUZ, SHAWN C DBA COASTAL PROPERTY PREPARATION LLC	5700 ALMAX COURT	PENSACOLA	FL	32506	
033554	D K E MARINE SERVICES	P O BOX 2395	PENSACOLA	FL	32513	Y
070603	D+B BUILDERS	670 MOLINO ROAD	MOLINO	FL	32577	
007055	DAVIS MARINE CONSTRUCTION INC	8160 ASHLAND AVENUE	PENSACOLA	FL	32534	Y
065871	ECSC LLC	8400 LITLE JOHN JUNCTION	NAVARRE	FL	32566	Y
049947	EMERALD COAST CONSTRUCTORS INC	9425 WANDA DR	PENSACOLA	FL	32514	
048528	EMPIRE BUILDERS GROUP INC	3217 TALLSHIP LANE	PENSACOLA	FL	32526	Y
072705	EVAN CHASE CONSTRUCTION INC	2991 SOUTH HIGHWAY 29	CANTONMENT	FL	32533	Y
032038	EVANS CONTRACTING INC	400 NEAL ROAD	CANTONMENT	FL	32533	
055177	FLORIDA CONCRETE CONCEPTS INC	4432 ALANTHUS STREET	MILTON	FL	32583	
074355	GANNETT MHC MEDIA INC DBA PENSACOLA NEWS JOURNAL	2 NORTH PALAFOX ST	PENSACOLA	FL	32502	
050495	GB GREEN CONSTRUCTION MGMT & CONSULTING INC	303 MANO'WAR CIRCLE	CANTONMENT	FL	32533	Y
004285	GREENHUT CONSTRUCTION COMPANY	23 SOUTH A STREET	PENSACOLA	FL	32501	
058714	GREG ALLEN CONSTRUCTION INC	5006 PERSIMMON HOLLOW ROAD	MILTON	FL	32583	Y
063457	GSI CONSTRUCTION CORP INC	2993 WALLACE LAKE ROAD	PACE	FL	32571	Y
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
069565	GULF COAST INDUSTRIAL CONSTRUCTION LLC	12196 HWY 89	JAY	FL	32565	Y
074827	GULF COAST MINORITY CHAMBER OF COMMERCE INC	321 N DEVILLERS ST STE 104	PENSACOLA	FL	32501	

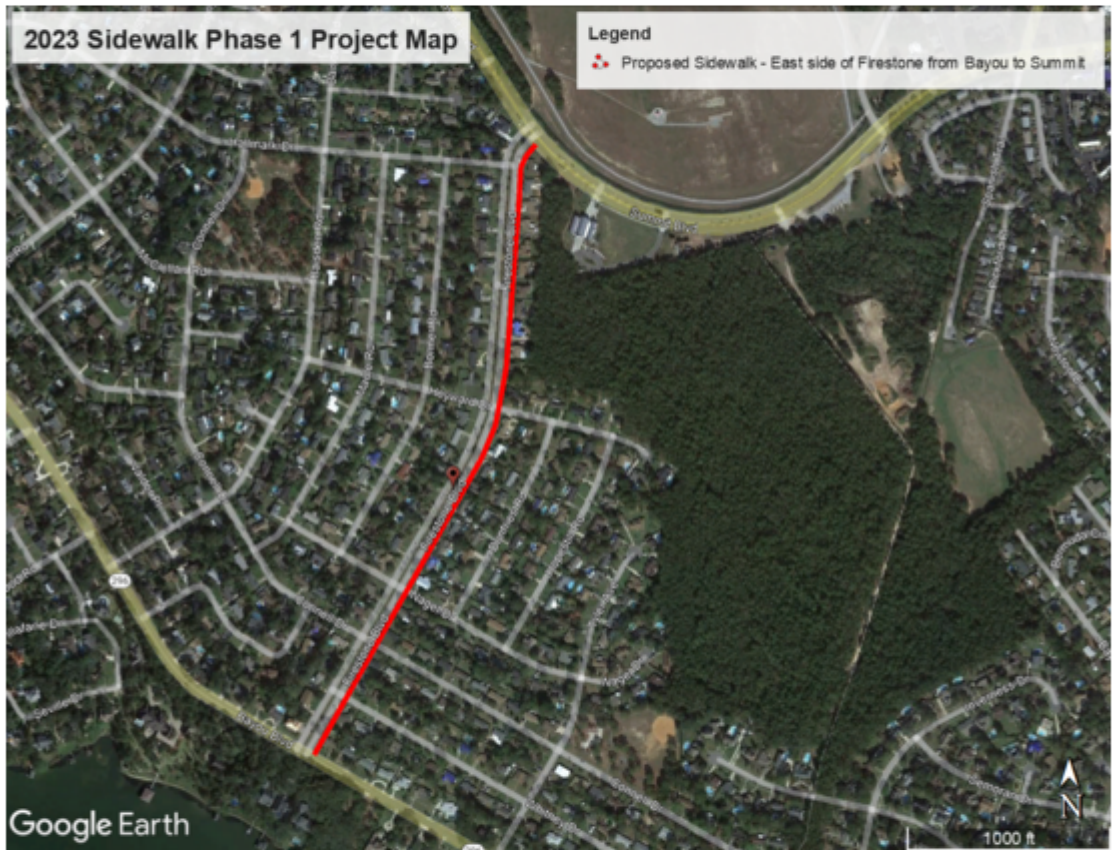
Submittal Due Date: 03/29/23

Bid No.: 23-018

**FINAL VENDOR REFERENCE LIST
2023 SIDEWALK PROJECT PHASE I
ENGINEERING**

Vendor	Name	Address	City	St	Zip Code	SMWBE
017352	GULF COAST TRAFFIC ENGINEERS	8203 KIPLING STREET	PENSACOLA	FL	32514	
036662	H H H CONSTRUCTION OF NWF INC	8190 BELLE PINES LANE	PENSACOLA	FL	32526	
070385	HANTO & CLARKE GENERAL CONTRACTORS LLC	1401 EAST BELMONT STREET	PENSACOLA	FL	32501	
080650	HARRIS INMAN CONSTRUCTN CO INC	3583 LAGUNA COURT	GULF BREEZE	FL	32563	
044713	HENRY HAIRE BUILDING & DEVELOPMENT INC	6341 HIGHWAY 90 STE B	MILTON	FL	32570	
022978	INGRAM SIGNALIZATION INC	4522 N DAVIS HWY	PENSACOLA	FL	32503	Y
067240	JAMES RICH BUILDERS INC	7049 WEATHERWOOD DRIVE	PENSACOLA	FL	32506	
071564	JOSEPH BRIDGES DBA JOE'S LINE UP	222 EHRMANN ST	PENSACOLA	FL	32507	
085396	JRM CONSTRUCTION GROUP INC	4617 HEATHERWOOD WAY	PACE	FL	32571	
068161	LEA, DOUGLAS C DBA L&L CONSTRUCTION SERVICES LLC	9655 SOUTH TRACE ROAD	MILTON	FL	32583	Y
076493	LTS CONSTRUCTION LLC	4771 BAYOU BLVD #290	PENSACOLA	FL	32503	Y
081795	LYNN, STEVEN W DBA MCCULLOUGH AND SON	1104 FRETZ STREET	PENSACOLA	FL	32534	
021606	MANGUM, RON DBA RESIDENTIAL RENOVATION COMPANY INC	6299 WINDWOOD DRIVE	PENSACOLA	FL	32504	
070661	MCDELT, LLC	4675 BALMORAL DRIVE	PENSACOLA	FL	32504	Y
016210	NORD, STEVE DBA SEA HORSE GENERAL CONTRACTORS INC	4238 GULF BREEZE PKWY	GULF BREEZE	FL	32563	Y
002720	PANHANDLE GRADING & PAVING INC	P O BOX 3717	PENSACOLA	FL	32516	
060344	PENSACOLA BAY AREA CHAMBER OF COMMERCE DBA GREATER PENSACOLA CHAMBER	117 W GARDEN ST	PENSACOLA	FL	32502	
055028	PERDIDO GRADING & PAVING	PO BOX 3333	PENSACOLA	FL	32516	Y
073174	PERRITT, CHRIS LLC	5340 BRIGHT MEADOWS ROAD	MILTON	FL	32570	Y
018305	R D WARD CONSTRUCTION CO INC	15 EAST HERMAN STREET	PENSACOLA	FL	32505	
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	
031881	ROADS INC OF NWF	106 STONE BLVD	CANTONMENT	FL	32533	
085765	ROGAR MGMT & CONSULTING OF FL LLC	12011 SW 129TH CT UNIT 5	MIAMI	FL	33186	
065450	SITE AND UTILITY LLC	PO BOX 30136	PENSACOLA	FL	32503	
011457	SOUTHERN UTILITY CO INC	P O BOX 2055	PENSACOLA	FL	32513	Y
028060	THE GREEN SIMMONS COMPANY INC	3407 NORTH W STREET	PENSACOLA	FL	32505	
002482	UTILITY SERVICE COMPANY INC	4326 GULF BREEZE PARKWAY	GULF BREEZE	FL	32563	
083934	VICKERS, TAYLOR	TAYLOR'D CONSTRUCTION & CO. LL	PENSACOLA	FL	32514	
030317	W P R INC	4175 BRIARGLEN RD	MILTON	FL	32583	Y
030448	WARRINGTON UTILITY & EXCAVATING INC	8401 UNTREINER AVE	PENSACOLA	FL	32534	Y
021725	WHITESSELL-GREEN INC	P O BOX 2849	PENSACOLA	FL	32513	
069212	YERKES SOUTH INC	634 LAKEWOOD RD	PENSACOLA	FL	32507	Y

Vendors: 67





City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 23-00338

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: City Council President Delarian Wiggins

SUBJECT:

APPOINTMENT: PARKS AND RECREATION BOARD

RECOMMENDATION:

That City Council appoint one individual to the Parks and Recreation Board to fill an unexpired term ending March 31, 2025.

HEARING REQUIRED: No Hearing Required

SUMMARY:

The Parks and Recreation Board advises and makes recommendations to the City Council and advises 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 also provides input on master plan updates and improvements, and policy development for the use of recreational facilities.

The following has been nominated.

Nominee:

John W. Renfroe, III

Nominated by:

Patton

PRIOR ACTION:

City Council makes appointments to this board annually.

FUNDING:

Budget: N/A

Actual: N/A

FINANCIAL IMPACT:

None.

STAFF CONTACT:

Ericka L. Burnett, City Clerk

ATTACHMENTS:

- 1) Member List
- 2) Nomination Form - John W. Renfroe, III
- 3) Application of Interest - John W. Renfroe, III
- 4) Ballot

PRESENTATION: No

Parks and Recreation Board

Name	Profession	Appointed By	No. of Terms	Year	Exp Date	First Appointed	Term Length	Comments
Borden, Renee	Realtor	Council	0	2023	3/31/2026	4/8/2021	3	
Brown, Kristin L.	Business Dev./Sales	Council	0	2023	3/31/2025	6/16/2022	3	
Bruni, Antonio	Attorney	Council	1	2023	3/31/2025	4/11/2019	3	
Del Gallo, David	Building Contractor	Council	1	2023	3/31/2025	4/11/2019	3	
Escobar-Ryan, Alejandra		Council	0	2023	3/31/2024	4/11/2019	3	
Harrison, Leah		Council	1	2023	3/31/2026	4/11/2019	3	
Hicks, Rand		Council	2	2023	3/31/2024	3/12/2015	3	
Jerralds, John	Ret Educator/Former CM	Council	0	2023	3/31/2025	7/21/2022	3	
Wolf, Michael C.	Landscape Architect	Council	0	2023	3/31/2024	4/23/2020	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, Allison Patton, do nominate John W. Renfroe, III
(Nominee)

4185 Baisden Rd (03)

(Home Address)

850-449-2314

(Phone)

(Business Address)

(Phone)

jakerenfroe@cox.net

(Email Address)

City Resident: ☒ YES ☐ NO

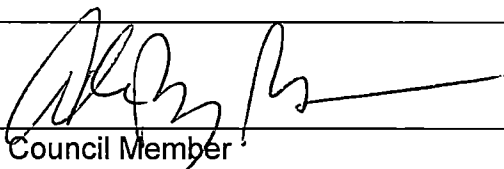
Property Owner within the City: ☒ YES ☐ NO

for appointment by the City Council for the position of:

**MEMBER
PARKS & RECREATION BOARD
(Unexpired term ending 3/31/2025)**

Provide a brief description of nominee's qualifications:

Extensive experience. See application.


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, City Clerk

From: noreply@civicplus.com
Sent: Thursday, April 13, 2023 1:07 PM
To: [Ericka Burnett](#); [Robyn Tice](#)
Subject: [EXTERNAL] Online Form Submittal: Application for Boards, Authorities, and Commissions - City Council Appointment

THIS EMAIL IS FROM AN EXTERNAL EMAIL ACCOUNT

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 for Council Member contact information. If you have any questions, contact the City Clerk's Office.

(Section Break)

Personal Information

Name	John W. (Jake) Renfroe, III
------	-----------------------------

Home Address	4185 Baisden Rd Pensacola, 32503
--------------	-------------------------------------

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)	850-449-2314
-----------------------------------	--------------

Email Address	jakerenfroe@cox.net
---------------	--

Upload Resume (optional)	<i>Field not completed.</i>
--------------------------	-----------------------------

(Section Break)

Details

Are you a City resident? Yes

If yes, which district? 4

If yes, how long have you been a City resident? 60 years

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 Board

Please list the reasons for your interest in this position: I've been a member of and chair of the Parks and Rec Board in prior years but needed to resign most volunteer positions to deal with an aging father in our family owned business. I've since retired and have time to devote to this board once again. I've long been interested in helping ensure our residents and visitors have access to the best programs, parks, and green spaces we can provide.

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 Male

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**
April 27, 2023
Unexpired term ending March 31, 2025

Member

_____ John W. Renfroe, III

Vote for One

Signed: _____
Council Member



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 23-00283

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: D.C. Reeves, Mayor

SUBJECT:

FY 2022 CITY OF PENSACOLA ANNUAL COMPREHENSIVE FINANCIAL REPORT

RECOMMENDATION:

That City Council accept the City of Pensacola Annual Comprehensive Financial Report for the year ended September 30, 2022 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 an Annual Comprehensive Financial Report as required by Section 11.45 of the Florida Statutes.

PRIOR ACTION:

April 13, 2023 - This item was withdrawn from the agenda to be moved to the April the 27th, 2023 meeting.

FUNDING:

Budget: \$ 105,000

Actual: \$ 99,625

FINANCIAL IMPACT:

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

LEGAL REVIEW ONLY BY CITY ATTORNEY: Yes

4/4/2023

STAFF CONTACT:

Kerrith Fiddler, City Administrator
Amy Lovoy, Finance Director

ATTACHMENTS:

- 1) FY 22 Annual Comprehensive Financial Report
- 2) FY 22 Audit SAS 114 Letter

PRESENTATION: Yes

FISCAL YEAR 2022

ANNUAL FINANCIAL REPORT

For the Year Ending September 30, 2022



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





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THE CITY OF PENSACOLA, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2022



Prepared by:
Financial Services Department

Amy Lovoy
Finance Director

ACCOUNTING STAFF
Lakia McNeal, CPA
Alicia Faller



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**CITY OF PENSACOLA, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2022
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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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D.C. Reeves
Mayor

March 23, 2023

The Honorable Delarian Wiggins, President
And Members of the City Council
City of Pensacola
Pensacola, Florida

Pursuant to applicable Florida Statutes and sound financial management practices, the Annual Comprehensive Financial Report (Annual Financial Report) of the City of Pensacola, Florida, for the fiscal year ended September 30, 2022, has been prepared and is submitted herewith.

The City of Pensacola's Annual Financial Report 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. Mayor Robinson served as the second Mayor under the City's strong mayor form of government between November 27, 2018 and November 21, 2022. This Annual Financial Report represents Mayor Robinson's final year in office and as such the initiatives set forth by Mayor Robinson are summarized below.

Upon his election in November 2018, Mayor Robinson formed a transition team of 12 volunteers to make recommendations to advance the City in multiple areas including neighborhoods, crime, walkability, economic development and transparency. The categories studied were:

- | | |
|-------------------------|---------------------------|
| • Strategic Goal Status | • Governance |
| • Crime and Safety | • Governmental Efficiency |
| • Economic Development | • Legal |
| • Education | • Neighborhoods |
| • Environment | • Traffic & Walkability |
| • Finance | • Transparency |

The implementation of the recommendations made by the transition team resulted in development of a Strategic Plan and will be a multi-year endeavor. However, the first recommendation, to create a mission, vision, values and an employee code of ethics for the City of Pensacola, was accomplished the first year in office. The City's mission is to provide the highest quality of life for all our citizens by providing cost effective municipal services, including public safety, infrastructure and public amenities and working together with the community to create a healthier environment and growing economy. All other recommendations have been accomplished. The City's fiscal year 2023 approved annual budget document details out each of these recommendations and how the recommendations were implemented.

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*.

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. In addition, Florida Statute section 163.387(8) requires an independent audit of the CRA's financial statements. A copy of the CRA's audited financial statements can be obtained by contacting the City's financial services department: City of Pensacola, 222 West Main Street, Pensacola, FL 32502.

Form of Government

The City operates under a Mayor-Council structure commonly referred to as a "Strong Mayor" form of government. With the Mayor-Council structure, the Council is the governing body of the City with all legislative powers of the City vested therein, which consisted of seven (7) Council Members, one (1) elected from each of the seven (7) election districts of the City. 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. Beginning in January 2022 and

every ten years thereafter, a Charter Review Commission will be established to review the City's charter. With the Mayor-Council 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.

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 by the Budget Analyst for City Council. Monthly reports are generated for public review to provide a more frequent overview of the financial status as compared to budget. In accordance with Chapter 166.241, Florida Statutes, budget amendments within a fund (transfers of amounts from one line item to another) are approved by the Finance Director 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 Finance Director. Additional assistance is employed through the services of RBC Capital Markets, the City's Financial Advisors.

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 2022 business-type activities paid a total of \$10.3 million and \$1.6 million, respectively, for principal and interest on bonds. The City typically issues debt with a levelized structure thereby eliminating large increases and decreases in principal payments from year to year. However, in

fiscal year 2022, the City paid off the Airport Taxable Customer Facility Charge (CFC) Revenue Note, Series 2008 totaling \$5.8 million. The \$5.8 million principal payment was made with CFC cash reserves which had been accumulated over the years for such purpose.

Revenues traditionally pledged for general government type debt include infrastructure sales tax, local option gasoline tax, communication services tax, local business tax and tax increment revenues. The City paid a total of \$5.5 million and \$2.8 million, respectively for principal and interest, for governmental activities debt during fiscal year 2022. 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 180th day after the end of the City's fiscal year. The Annual Comprehensive 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 45,000 service connections and is one of the largest municipal gas distribution systems in Florida as it relates to customer base. The revenue classification for billed gas service is 51.0% residential, 27.2% commercial, 19.3% industrial and 0.5% municipal.

Pensacola Energy had operating income before depreciation of \$16,457,277; a decrease of \$3,507,270 over last year. Operating revenue increased by \$18,937,706 (37.0%) during fiscal year 2022 and operating expenses increased by \$22,444,976 (72.0%). The primary reason for the increase in operating revenue and operating expense 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 2022, the cost of natural gas increased by \$12,820,026 and increased gas purchases related to a new transportation customer totaled \$9,639,123. Offsetting the increase to fiscal year 2022 revenues as a result the pass through of natural gas cost, Pensacola Energy had a three percent decrease in natural gas sales which equates to approximately \$1,147,000 in revenues and a \$2,615,098 decrease in infrastructure cost recovery revenues. Infrastructure cost recovery revenue is based on prior year capital cost as well current year budget and therefore will fluctuate from year to year. Excluding the cost of gas, operating expenses only decreased by \$14,200. While the salaries and employee benefits line item of the financial statements remained consistent with fiscal year 2021, both years include a large decrease in pension expenses. The pension expense can vary considerably over time, depending upon changes in the estimated actuarial costs and fluctuations in the market resulting in highly variable income statement results in years where there are large gains or losses in the market.

Pensacola Energy budgets for normal winters; however, actual revenues fluctuate with the cost of natural gas and weather patterns. Pensacola Energy is allowed to adjust rates annually with the Consumer Price Index (CPI) if approved by City Council. No increase was approved for fiscal year 2022.

Fiscal year 2023 operating revenues are budgeted at \$73.3 million, \$24.7 million (51.0%) higher than the prior year budget. The significant increase in revenues for fiscal year 2023 is due to anticipated increases in the cost of natural gas which was the trend when the budget was developed in 2022, thus increasing revenues as the cost of gas is passed onto the customer through rates and charges. The CPI increase for fiscal year 2023 is 8.5%, however due to high inflation which is already affecting customers, no increase in rates were recommended in the fiscal year 2023 budget. Fiscal year 2023 appropriations increased \$24.7 million (51.0%) over fiscal year 2022 mainly due anticipated increases in the cost of natural gas. 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 once per week to approximately 21,000 customers. Commercial dumpster services are provided by private hauling companies franchised by the City and regulated by the Sanitation Services department. 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. Residential sanitation fees are set at \$33.56 per month and support the self-sustaining Sanitation Services operation. In addition, there is a fuel and lubricant pass-through surcharge of \$1.30 per month and an equipment surcharge of \$3.04 per month for the fiscal year 2022. Funds generated by the equipment surcharge is used for replacement of sanitation equipment.

Sanitation had operating income before depreciation of \$1,569,559; an increase of \$527,125 over the prior fiscal year. Operating revenue increased by \$556,931 (6.13%) during fiscal year 2022 and expenses increased by \$29,806 (0.3%). The primary reason for the increase in operating revenue over the prior fiscal year can be linked to increase in customer base and increase in rates. In addition, revenues for franchise fees and code enforcement increased by \$22,768 and \$26,582, respectively, in fiscal year 2022. The primary reason for the increase in operating expenses of \$373,214 is linked to increase repairs and maintenance, materials and supplies, office and utilities, landfill fees and overhead allocation. In addition, Sanitation had a significant increase in non-operating revenues in the amount of \$1,039,481 related to rebates for the purchase of compressed natural gas vehicles. These rebates will be used to offset the cost of capital equipment.

Fiscal year 2023 revenues are budgeted at \$9.4 million, \$323,000 (3.3%) lower than the prior year budget. The majority of the decrease is related to decreases in anticipated rebates for the purchase of compressed natural gas vehicles. During 2022 a rate study was conducted, and on September 15, 2022, City Council adopted a collection rate increase of \$1.29 bringing the new rate to \$27.44 per month effective October 1, 2022. Fiscal year 2023 appropriations decreased by \$325,300 (3.17%) over fiscal year 2022 budget mainly due to a decrease in capital equipment planned purchases.

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 Port had operating income before depreciation of \$70,760; a decrease from last fiscal year by \$912,806. Operating revenues decreased \$17,438 (0.6%) and expenses increased by \$895,368 (46.6%). The primary reason for the decrease in operating revenue can be linked to decrease in vessel activity at the Port. The increase in expense can be linked to a \$740,524 increase in repairs and maintenance, contractual services and office and utilities.

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 2022, the Port applied for and was awarded multiple FSTED grants. This includes money to reimburse COVID-19 related lost revenue and cost, dredge alongside berths, comprehensive maintenance agreement for security equipment, as well as other landside and waterside improvements. Additional work continues toward spending down several previously awarded DHS/FEMA Port Security grants for railroad modern initiative projects/repairs, Waterside improvement initiative berth repairs, upland cargo improvement pavement/drainage repairs, and upland cargo improvement-hurricane projects.

Fiscal year 2023 operating revenues are budgeted at \$3.1 million, \$539,200 (21.11%) higher than the prior year budget as revenues is based on historical trend information on vessel activity levels as well as current and prospective lease agreements. Fiscal year 2023 appropriations increased by \$539,200 (21.11%) over fiscal year 2023 budget mainly due to a \$142,000 increase in personnel services and \$358,900 in operating cost such as repair and maintenance.

Pensacola International Airport

The City of Pensacola owns the Pensacola International Airport and operates the facility 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 2022, 2.44 million passengers utilized the scheduled service. According to the Bureau of Transportation Statistics data, Pensacola was ranked 87th among 794 U.S. airports in terms of the total number of scheduled enplanements as of September 2022.

The Airport had operating income before depreciation of \$12,408,346; a \$3,976,3263 increase over last fiscal year. The Airport Fund's operating revenues increased by \$6,627,226 (29.7%) in fiscal year 2022 and expenses increased by \$2,650,963 (19.1%). The primary reason for the increase in revenues is increased passenger traffic as well as increased airline rates and charges. In fiscal year 2021, the Airport utilized \$5 million in CARES Act funding to help reduce airline rents and charges while in fiscal year 2022, the Airport was only able to utilize \$2 million in CARES Act funding to help reduce airline rents and charges. This resulted in a \$3 million increase in airline revenues. In addition, a 17.5% increase in passenger traffic resulted in a \$3.5

million increase in non-airline revenues, primarily in parking (\$2.48 million) and rental car (\$600,000). The increase in expense can be linked to an \$1,386,769 increase in contractual services mainly related to the Airport's parking management, janitorial services and advertising contracts and an \$841,125 increase in office and utilities mainly related to the Airport's liability insurance, utility cost, and IT overhead charges.

Fiscal year 2023 operating revenues are budgeted at \$21.3 million, \$1.7 million (8.8%) higher than the prior fiscal year budget which was conservative due to the unknown impact COVID-19 at the time the 2022 budget was developed. non-airline revenues such as restaurant and lounge, hanger/ground leases, parking lot, and rental car customer facility charge revenues are projected to increase to a total of \$1,559,000 due to the increase in passenger traffic through the Airport. Charges to the airlines such as loading Bridge fees, landing fees, apron area rentals, and airline rentals are projected to increase by \$164,000 based on the agreements with the airlines. Fiscal year 2023 operating appropriations decreased by \$6.1 million (19.4%) over fiscal year 2022 budgeted totals primarily due to a \$6.0 million decrease in principal and interest payments.

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 Budget, Events and Future Year Plans

The Pensacola City Council approved a fiscal year 2022 budget of \$253,203,200, an increase of \$17,207,500 from the 2021 budget. Overall appropriated fund balance decreased by \$15,430,900 and overall revenue estimates increased by \$7,782,200. The General Fund anticipated an increase in revenues of \$2,072,600 (3.58%) due to a \$1,535,800 increase in property taxes as a result of an 8.15% increase in taxable property valuation, \$180,700 increase in Franchise Fees based on historical trends, estimated changes in population and estimated inflation and rate changes and \$177,800 increase in Public Services Tax based on historical trends and a weather pattern of warm summers and mild to colder winters. The Debt Service Funds anticipated a decrease of \$11,100 (0.18%) due to decreased transfers to cover debt service. The Special Revenue Funds anticipated an increase in revenues of \$3,802,400 (8.97%) mainly due to increased intergovernmental revenues based on available grant funding. The Capital Project Funds anticipated an increase in revenues of \$139,100 (1.14%) due to increases in Local Option Sales Tax based on prior year receipts. The Enterprise Funds anticipated a decrease in revenues of \$155,600 (0.18%). Natural gas sales were projected at \$47,293,900 a decrease of \$1,044,400 or 2.16% from the fiscal year 2021 budget. The decrease was attributed to anticipated lower cost of natural gas and less demand. Sanitation revenues were projected at \$6,869,200, an increase of \$144,600 or 2.15% from the fiscal year 2021 budget. The increase is attributed to increase in sanitation charges due to an increase in customer rates. Port revenues were projected at \$2,554,100, an increase of \$98,100 or 3.9% from the fiscal year 2021 budget based historical trend information on vessel activity. Pensacola International Airport revenues and passenger facility charges were projected at \$23,121,000, an increase of \$635,900 or 2.75% from the fiscal year 2021 budget. The increase is attributed to the increase of airline revenues of \$2,180,000. The non-airline revenues increased by \$1,914,900 and rental car facility charges increased by \$1,101,000. The passenger facility charged decreased by \$200,000.

Departmental events and plans

Planning Services Department coordinates the City's weekly "One Stop" Development Review meeting, which provides those who are interested in submitting projects for permitting the opportunity to obtain input from City staff from Planning Services, Inspection Services, Fire Marshall, Public Works and Engineering. Planning Services continues to maintain the City's Comprehensive Plan, Planning Services also maintains the current Land Development Code (LDC) and continues to work towards encouraging urban density, 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. In an effort to achieve this goal, the department's Citizens Police Advisory Committee 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 was awarded \$203,315 in local, state and federal grants to purchase items necessary to further crime prevention goals as well as improve officer safety.

In fiscal year 2023, 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 provides a wide range of services and programs designed to protect the lives and property of the citizens and visitors to the City of Pensacola. The department is proud to confirm it achieved the best possible Insurance Services Organization (ISO) Class 1 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, training, 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 2022 the live fire training simulator was installed, and prop testing began. Apparatus and equipment upgrades continued with the design and build of a new fire engine, replacement of mobile data terminals, and radio system upgrades. A Command Operations Vehicle was delivered, allowing for operations command center capabilities in the field. A fund match for a state grant, allowed for delivery of fire gear extractors which decontaminate personal protective clothing. Additional basic life support capabilities now provide the City of Pensacola improved emergency medical response.

On-going advancement in incident reporting and record management allowed the department to monitor, evaluate, and improve its processes more accurately. The Training Division improved employee training and development, creating uniformity in all-hazards training exercises and response readiness. The Fire Marshal's office deployed a Hazard House prop which enables additional fire safety education.

In fiscal year 2023, the department will continue to advance the Fire Cadet Program. The Fire Marshal's office will continue community risk reduction, outreach, and fire prevention/education initiatives, including the installation of smoke alarms. The Training Division will implement new employee and supervisor drills, training, and development programs. Training exercises and increased aircraft rescue firefighting (ARFF) response drills will improve response readiness. Best-practice leadership training will be provided to all department supervisors as succession and transition planning continues. Upgrades to facilities and the City Emergency Coordination Center, including connectivity and communications with the Escambia County EOC, will continue.

The Parks and Recreation Department continued its commitment 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 ninety-three parks and open spaces, along with ten community resource centers which are maintained by the Parks and Building Maintenance divisions, programmed by the Recreation division, and utilized by Pensacola residents and City organizations.

Numerous park improvements occurred in fiscal year 2022. Such improvements included: installation of new dog park at Kiwanis Park, new playground at Longhollow Park, Mallory Heights Park 1, Sanders Beach-Corinne Jones Park, and Bayview Park; countless volunteer cleanup days throughout the City; renovations to the East Pensacola Heights Center, Miraflores Park Boy Scout Building; renovation of McGee Field with a new press box, concession stand/restroom facility, bleachers and shade structures and the installation of two (2) new sculptures at Bartram Park.

In fiscal year 2023, the department will continue to develop the park master plan based on a parks' needs assessment report from University of West Florida (UWF). The Parks and Recreation Department will install seven (7) new playgrounds to include Lions Park, East Gate Park, Lamancha Square Park, Pintado Park, Belvedere Park, Fairchild Park, Operto Park and Granada Subdivision; one (1) new sculpture at Admiral Mason Park and create the Garden of Peace and Hope, a memorial for homicide victims at the Corinne Jones Park; install new solar lighting and a musical/sensory garden at Kiwanis Park; and replace the Roger Scott Pool restrooms and office areas.

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.

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. Operations maintains 332 miles of roadway, 82 stormwater ponds, 118 various underground stormwater treatment units, 18 ditches, 2,352 drainage inlets and 45 stormwater outfalls, 15 of which are major outfalls.

During fiscal year 2022, Operations completed 77 sidewalk repair work orders, repaired over 260 potholes, addressed 315 traffic signal issues, and converted 90 City owned streetlights to LED. Approximately 3,917 miles of roadway were swept and approximately 4,600 tons of road debris were removed. The department replaced 180 street markers and street signs, installed 2 speed tables, and placed over 1200 linear feet of thermoplastic pavement markings. In addition, the department installed 8 new video detection systems and 8 new uninterrupted power supplies to traffic signals owned by the City. Engineering had several significant capital improvement projects completed in 2022. With regards to stormwater projects, Cross Street was completed to provide flood abatement as well as two major pipe rehabilitation projects (I Street and Gimble Street) on antiquated stormwater pipes which mitigates the continual pipe failure and corresponding roadway failure. Other capital projects completed include a new parking lot at Pensacola International Airport, which will accommodate an additional 340 parking spaces. Burgess Road, from Joy Street to Lanier Drive, was completely reconstructed to include new sidewalk and infrastructure to mitigate flooding. A total of four blocks of pavement was reconstructed along N. P Street and N. S Street along with the addition of new curb and gutter and sidewalks.

In fiscal year 2023, Public Works will complete several large stormwater capital improvement projects including installation of new stormwater piping down Barrancas Avenue, as well as the volumetric expansion of the existing pond at Marketplace Drive. Furthermore, a drainage improvements project along E. Texar Street, between 9th Avenue and 12th Avenue, will be designed and advertised for construction, to help mitigate flooding along E. Texar Street. Similarly, a project will be designed at the intersection of Summit Blvd and Piedmont Road. To continue our pursuit of a more walkable City, the College Parkway sidewalk project, from Washington High School to Langley Ave., is slated to be constructed in mid-2023. Further, multi-modal improvements are slated for A Street (Cervantes Street to Main Street) as well as on Main Street (Baylen Street to Alcaniz Street). The department will also manage design for two major projects to install new stormwater outfalls to Pensacola Bay which will mitigate flooding along 9th Avenue, as well as Main Street. Additionally, Public Works will be managing the design and/or construction of major park improvement projects, for the Parks and Recreation Department, related to Bruce Beach, Sanders Beach Boat Ramp, Bayview Park, Roger Scott, Community Maritime Park, and Hollice T. Williams. Lastly, Pensacola International Airport is expanding their parking lots and the department will be managing the conceptual design for another 470 parking spaces.

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. This area encompasses 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 three 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 facilitated a variety of public and private sector redevelopment initiatives since its inception, including streetscape, park, and commercial façade improvements and relocation of the Emerald Coast Utilities Authority (ECUA) Wastewater Treatment Plant. In 2010, public improvements to a 27-acre waterfront parcel on Pensacola Bay were completed which created the Vince Whibbs, Sr. Community Maritime Park (CMP), a multi-use athletic stadium, amphitheater and public promenade, and parcels available for private development. The pivotal redevelopment project was made possible through the City's issuance of the Urban Core Redevelopment Revenue Bond, Series 2009. For many years, the majority of future tax increment revenues were set aside primarily to pay debt service and fund the operations of the CRA. However, in recent years, steady growth of the area's tax base has enabled the initiation several key community redevelopment projects aimed at encouraging neighborhood livability, blight removal and access to the waterfront.

In recent years, the City completed streetscape improvements to DeVilliers Street from Main Street to Cervantes Street and Reus Street from Main Street to Garden Street and initiated an ADA sidewalk enhancement program throughout the near-downtown area. Construction of the East Garden District streetscape redevelopment project and landscaping of the Garden Street median from Alcaniz to A Street was substantially completed in 2022. Substantial strides were made towards the future redevelopment of the former ECUA wastewater treatment plant site, the CMP parcels, and enhanced accessibility to the Pensacola waterfront. Recent and future capital projects are supported by the issuance of the Urban Core Redevelopment Revenue Bond, Series 2017 and the Urban Core Redevelopment Refunding and Improvement Revenue Bond, Series 2019. CRA initiatives slated for fiscal year 2023 include the continuation of the CRA's established residential and commercial improvement programs and affordable housing initiatives, as well as construction of corridor improvements to Main Street (as a component of the "Hashtag" Waterfront Connector (Continuous Waterfront Trail System)), A Street, the first phase of park improvements to the Bruce Beach Natural Area and a floating day-use marina at Community Maritime Park. Design of the 2nd phase of Bruce Beach is also slated to continue during the upcoming fiscal year with construction soon to follow.

The Eastside Community Redevelopment Area was established in 2005. In 2018, the CRA completed reconstruction of the historic birth site of General Daniel "Chappie" James, Jr., America's first African American Four-Star General, to accommodate the operation of a commemorative museum and youth flight academy. The project was funded through the issuance of the Eastside Redevelopment Revenue Bonds, Series 2017. The continuation of the CRA's established residential improvement programs and affordable housing initiatives are slated for the upcoming year. Two affordable housing infill sites located at 1700 Dr. Martin Luther King Jr. Blvd and 2700 Dr. Martin Luther King Jr. Blvd will be available for housing in the coming years. Acquisition of the 2700 site was completed in 2022 and home plans are in design for both locations. Construction of a 2nd phase of improvements to expand the campus of the General Daniel "Chappie" James, Jr. Museum and Youth Flight Academy is slated for completion in the upcoming fiscal year.

The Westside Community Redevelopment Area was established in 2007. However, tax increment revenues were not received for many years due to the 2008 decline in property values caused by the recession. In order to remedy this, City Council reaffirmed the existence of blight in the district, 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 2017, the City issued the Westside Redevelopment Revenue Bonds, Series 2017 to fund critical Westside redevelopment initiatives supporting blight removal and neighborhood livability. CRA initiatives slated for the upcoming year include the continuation of the CRA's established residential and commercial improvement programs and affordable housing initiatives, as well as construction of corridor improvements to A Street. Three affordable housing infill sites located at 2300 West Jackson Street, 901 West Blount Street and 900 Block West Blount Street will be made available for housing in the upcoming and future years. Home plans are in design for the Jackson Street and 900 Block locations and rehabilitation specifications are in development for 901 West Blount. Other planned CRA initiatives include landscaping improvements to West Garden Street from A Street to C Street, corridor improvements to L Street, Gregory Street and Wright Street, rehabilitation of the former Alice Williams library and land assembly to support park redevelopment of the American Creosote Works (ACW) superfund site.

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 Department focused on continuing to address the community's needs by supporting community redevelopment projects, supportive service agencies, and concentrating on the need for decent, safe, and attainable housing to enhance the quality of life for all area residents.

During fiscal year 2022 in support of the Mayor's commitment to build stronger neighborhoods, 21 families had their homes rehabilitated through the city's Single Family Housing Rehabilitation Program leveraging funds from federal and state sources. 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 preserving affordable workforce housing and fostering neighborhood reinvestment, providing jobs, and reducing blight while spending program funds with local businesses.

Through the city's Community Development Block Grant (CDBG) program public service activities supported the delivery of 21,246 nutritional meals to 114 elderlies, disabled, and special needs families. Group classes provided educational opportunities regarding home buying and foreclosure prevention for 44 residents, 16 of which achieved the goal of homeownership. Neighborhood improvements included the installation of a playground and the first dog park in a historically underserved area of the city.

Funds received through the State Housing Initiatives Partnership (SHIP) program assisted 31 families in the community reach the goal of homeownership. In response to local concern regarding the lack of attainable housing in the community, the city allocated \$2 million of its

American Rescue Plan Act State & Local Fiscal Recovery Funds to address this pressing need. The Department allocated these funds to support preservation of existing affordable housing through the residential rehabilitation program and to expand the opportunity for homeownership for residents through the city's homeownership program. The remaining funds are being allocated to support the development and rehabilitation of houses in support of the city's Attainable Housing Infill Program.

In response to the pandemic, the city received an award of CDBG-Coronavirus funds. These funds supported the delivery of meals through the Council on Aging of West Florida, Inc.'s nutritional service programs to 22 elderly or disabled families. The CDBG-Coronavirus funds provided 16 families with eviction and foreclosure counseling assisting them with the goal of maintaining their residence. Additionally, CDBG-Coronavirus funds provided 20 families with emergency payments for overdue mortgage and utility expenses assisting residents maintain their homes.

The Section 8 Housing Choice Voucher (HCV) Program provided rental assistance for approximately 1,950 extremely and very low-income families each month during fiscal year 2022. This reflects approximately \$1.3 million in monthly rental housing assistance in our community, paid out to an estimated 525 local landlords. The Housing Department completed 3,323 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 175 homeless veterans received rental assistance each month through the Veterans Affairs Supportive Housing Program (HUD-VASH). Participants receive VA case management services as well as rental assistance from the city to secure housing. Since the initial allocation of 25 HUD-VASH vouchers received in 2009, the Housing Department has increased the total voucher allocation for this program to 203 to address the housing needs of homeless veterans in the community.

During 2022, the city continued to administer a special allocation of 35 Emergency Housing Vouchers in partnership with the Continuum of Care lead agency, Opening Doors Northwest, Florida, Inc., targeting the housing needs of the homeless, victims of domestic violence, and families who may become homeless. During the fiscal year, all the vouchers were assigned to families with over half the families successfully leasing a unit.

In response to the growing need for attainable housing in the community, to include the development of both rental and homeownership opportunities, the Department continues to develop new programs and seek creative solutions to address this concern for the city's residents.

Pensacola Energy (PE) vision is to be an innovative, high-value energy services provider committed to safety, performance and excellence with the continued goal to always improve customer service delivery, test and implement new service offerings, upgrade the condition of our underground gas mains and service lines and integrate new technologies to improve operational efficiency and minimize greenhouse gas emissions.

In fiscal year 2022, the department began serving a large industrial customer that increased system throughput by 1,281,000 MMBTU for the six months beginning April 2022. Construction began on the expansion of the Palafox CNG Station serving Pensacola Sanitation Services and Fleet Management. This project will increase compressor capacity and add additional time fill posts. With continued residential growth in the area, fourteen new subdivisions were added to the distribution system which included the installation of nineteen miles of natural gas main. New service line installation remained above the five year average at 947.

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 expenses.

The Sanitation Services and Fleet Management Department is responsible for providing dependable, efficient Sanitation Services to the City residents and business establishments through residential garbage, recycling, trash collection and code enforcement. The department is also responsible for the central garage operations, which maintains the City's fleet as required for various municipal services, from acquisition to disposition as well as the City's 311 hotline.

In fiscal year 2022, Sanitation Services collected 18,512 tons of solid waste and 2,403 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 2022 resulted in the removal of 678 tons of bulk waste, 1,149 old tires, and 9,938 cans of old paint. The City also contracts with Escambia County Utility Authority (ECUA) to provide recyclable processing. In March 2015, as amended in April 2020, the City of Pensacola and Escambia County entered into an Interlocal Agreement that provides for exchange of services that benefit each entity. The agreement gives the City no-cost yard trash disposal to provide county neighborhood cleanups.

The Constituent Services Division assists members of the community with not only sanitation-related issues but a myriad of issues that affect our residents. Staff members speak with many members of the community daily and have developed a special rapport with many. Accomplishments over the past fiscal year include, but are not limited to, 12,342 calls processed, 2,382 service requests, and over 811 email correspondences. Additionally, this division has been identified by an independent production company as one of many national finalists in an upcoming documentary on 311 service centers.

The Code Enforcement Division initiated 4,039 new cases in fiscal year 2022, with 869 cases categorized as overgrown vacant property. Along with illegal dumping cases and Sanitation "no service cases," these officers made 1,736 site visits consisting of investigations, follow-ups, and postings.

The Fleet Management and Central Garage Divisions had a robust fiscal year 2022. Repairs were made to 1,575 light-duty vehicles and 1,708 repairs to heavy-duty vehicles.

The Port of Pensacola's mission is to be an integral part of Pensacola's economy for generations to come by attracting a diverse mix of international trade, marine & water-dependent uses, and business activities that maximize port revenues and deliver positive social, economic and quality of life benefits to the community.

While fiscal year 2022 had increases in vessel traffic of 64%, cargo tonnage increases of 55% (Export) and 129% (Import), the loss of a prime storage tenant offset those gains. As a result, revenue from port operations was \$2,886,082, a decrease of 0.6% from last year.

The Port of Pensacola's fiscal year 2023 will continue to flourish in a positive direction for future maritime/business trade. Long term/short term leases could include a potential high tech performance maritime technology center adding more leases. Cargo/vessel traffic will continue to take an upward direction in percentages. Imports of bulk cement and wind energy product growth will increase as the Port's tenants conduct larger business operations.

The Pensacola International Airport's purpose is to meet the needs of the traveling public, both commercial and private passengers while ensuring their safety and security. In fiscal year 2022 the Airport had 2.441 million passengers utilized the scheduled service of seven airlines to fifteen plus non-stop destinations, surpassing pre-pandemic passenger numbers of 2.200 million. While nationally air travel remains down 2.6% from 2019 numbers, Pensacola International Airport has already surpassed 2019 numbers by 10.0% showing stronger market in the Pensacola area.

With the unexpected rebound of passenger traffic in fiscal year 2021, the Airport re-implement the design of many projects depicted in the 2019 Master Plan including the runway 8/26 rehabilitation, corporate apron expansion and terminal building expansion. In addition, construction for taxiway A rehabilitation, terminal escalator replacement, and economy lot 1 lighting is planned. Construction will continue with the expansion of the Airport's Maintenance Repair Overhaul (MRO) Facility. Hanger two should be completed in 2023 and construction should commence for the next phase which includes an additional hanger, warehouse space, and administration offices.

Citywide topics

In fiscal year 2022, the City lost six (6) key staff employees: the City Administrator, CRA Administrator, Director of Innovation & Technology, Sanitation Services & Fleet Management Director, Parks & Recreation Director, and the Pensacola Energy Director. Kerrith Fiddler was appointed as the City Administrator position in October 2021. Adrian Stills was appointed as the Parks & Recreation Director in June 2022. Fred Crenshaw was appointed as the Sanitation Services & Fleet Management Director in February 2022. The Director of Innovation & Technology was filled by Robert Echols as interim in July 2022. The position was vacated in August 2022 and remained vacant for the rest of fiscal year 2022. The CRA Administrator and the Pensacola Energy Director positions were not filled in fiscal year 2022. The City experienced a 11.06% turnover rate in fiscal year 2022, an increase over the reported fiscal year

2021 rate of 10.7%. The 2022 turnover rate does not include retirements. Based on exit interviews, employees cited increased compensation from other job opportunities, promotional opportunities, and relocation as the main reason for their separations.

The City has five unions which have agreements that are renegotiated on a recurring basis. The American Federation of State County and Municipal Employees (AFSCME) union and the City entered into a three-year agreement on September 23, 2021, for fiscal years October 1, 2021 through September 30, 2024. The City and AFSCME are currently in negotiations for a new three-year contract. The City and the three police unions entered into a three-year agreement on September 23, 2021 (police officers contract entered into August 12, 2021) for fiscal years October 1, 2021, through September 30, 2024. The Police Officers' contract provides for the members to receive a 6% pay increase or brought up to the new minimum base salary of \$43,014.40 effective October 1, 2021, and 4% pay increase effective October 1, 2022, and October 1, 2023. The Police Sergeants' contract provides for the members to receive a 4% pay increase effective October 1, 2021, October 1, 2022, and October 1, 2023, not to exceed the maximum for \$77,251, \$81,120 and \$85,176 respectively. The Police Lieutenants' contract provides for the members to receive a 3% pay increase effective October 1, 2021, October 1, 2022, and October 1, 2023, not to exceed the maximum for \$97,011. The City and International Firefighters' Association (IFFA) entered into an agreement November 13, 2020, for fiscal years October 1, 2021, through September 30, 2023. The IFFA contract provides for the members to receive a 3% pay increase effective October 1, 2020, and October 1, 2021, and a 10% increase effective October 1, 2022. Union and Non-union employees also received a merit increase of 0%, 1% or 2% based on performance reviews, effective October 1, 2022.

While the effects of COVID-19 Pandemic have continued to negatively impact the global and local economies, overall, the City of Pensacola fared well in fiscal year 2022, reporting an increase in net position for both the City's governmental and business-type activities as reported on the Statement of Activities. Not only were most of the City's general revenues and charges for services back to or higher than pre-pandemic levels, but the City also received an increased number of grants from state and federal agencies through the Coronavirus Aid, Relief, and Economic Security Act. Such funding assisted the City with providing additional rental assistance to individuals, paying certain Airport and Port operating cost as well as assisting the City in paying for citywide services and projects.

On September 16, 2020, Hurricane Sally made landfall in Escambia County, Florida. The City of Pensacola sustained substantial damage to our tree canopy, Port of Pensacola and other waterside structures. Between the Federal Emergency Management Agency (FEMA) Public Assistance (PA) Program and the Florida Division of emergency Management Public Assistance (PA) Program the City will be reimbursed 95% of the cost to repair damages caused by the storm (net of any insurance proceeds).

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 2022 financial statements have been audited by the certified public accounting firm of Warren Averett,

LLC. 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, 2021. 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 forty-one of its last forty-two fiscal years.

A Certificate of Achievement is valid for a period of one year only. We believe that the current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and will be submitting it to GFOA to determine its eligibility for another certificate.

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 contributed to its preparation and to City Council for the continued support of a fiscally sound City government.

Respectfully submitted,



D.C. Reeves
Mayor



Amy L. Lovoy
Finance Director



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Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
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**City of Pensacola
Florida**

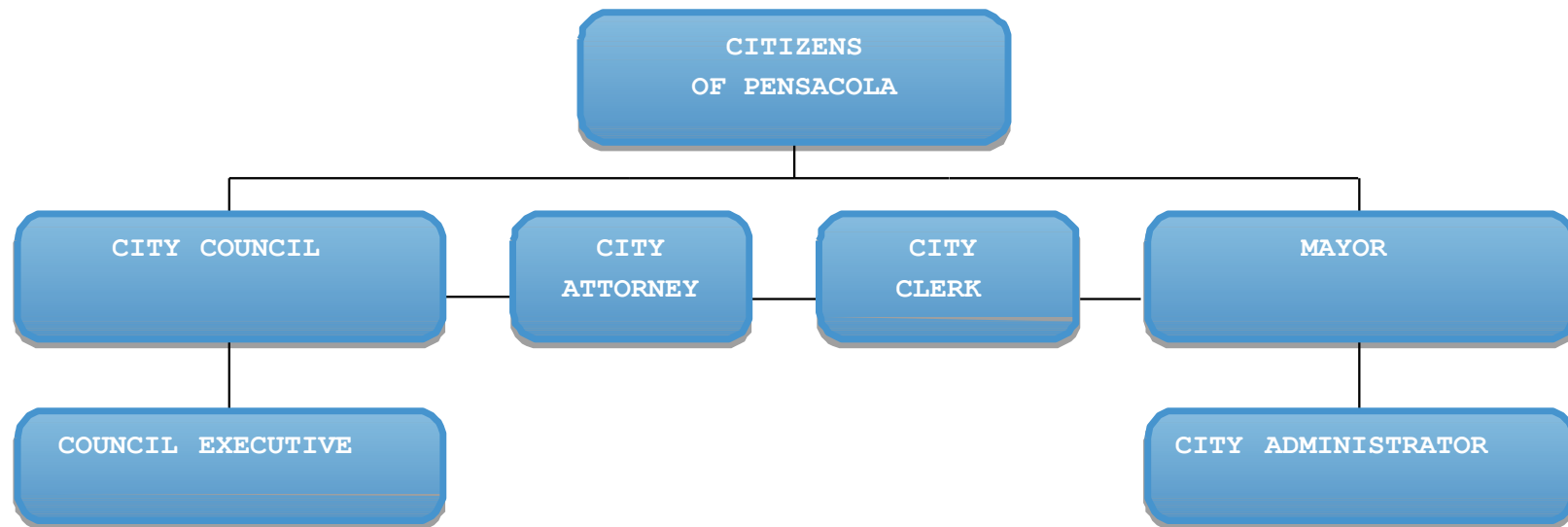
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

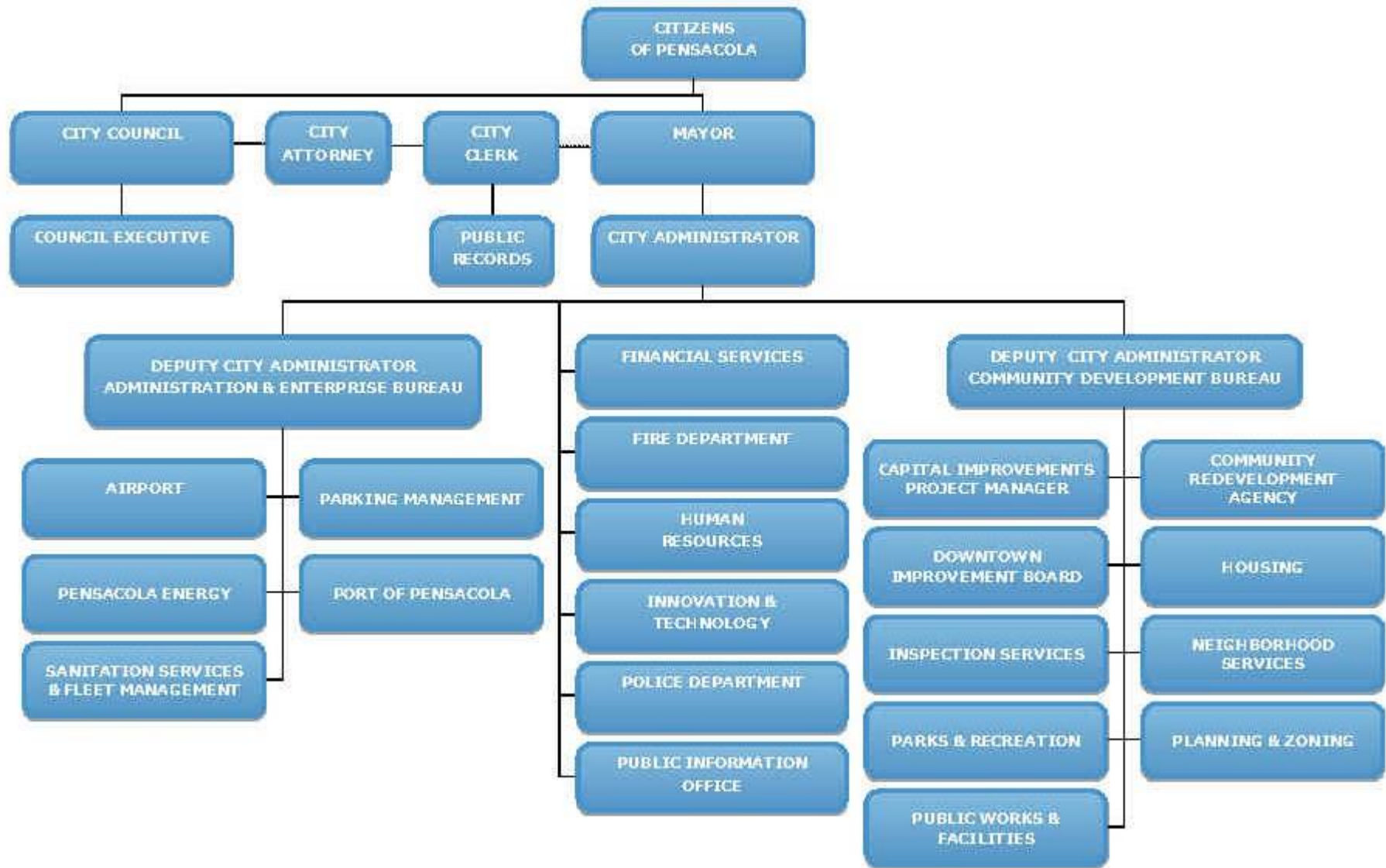
Christopher P. Morill

Executive Director/CEO

**CITY OF PENSACOLA
FISCAL YEAR 2022
ORGANIZATIONAL CHART**



CITY OF PENSACOLA FISCAL YEAR 2022 CITY REPORTING STRUCTURE CHART



CITY OF PENSACOLA, FLORIDA
LISTING OF ELECTED AND APPOINTED OFFICIALS

ELECTED OFFICIALS
FY 2022 MAYOR & CITY COUNCIL



Sherri F. Myers
District 2



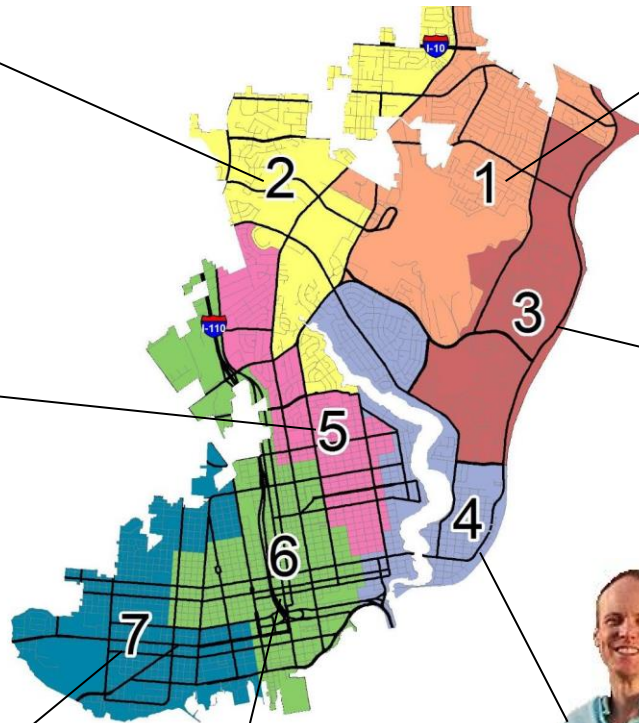
Grover C. Robinson, IV
Mayor



Jennifer Brahier
District 1



Teniade` Broughton
District 5



Casey Jones
District 3



Delarian Wiggins
Council Vice President
District 7



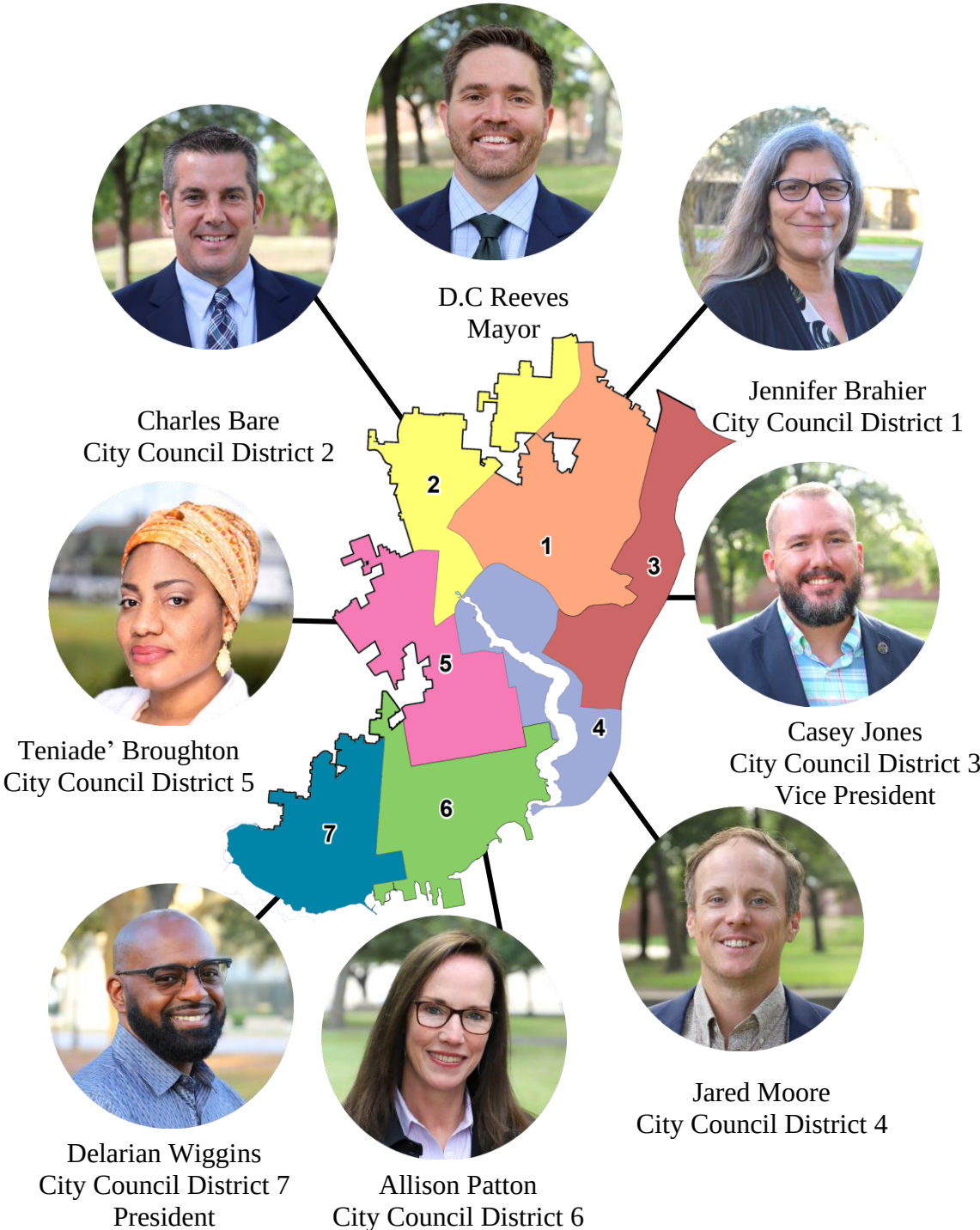
Jared Moore
District 4



Ann Hill
Council President
District 6

CITY OF PENSACOLA, FLORIDA
LISTING OF ELECTED AND APPOINTED OFFICIALS

ELECTED OFFICIALS
FY 2023 MAYOR & CITY COUNCIL





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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 AUDITORS' REPORT

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

Opinions

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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit, 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, 2022, and the respective changes in financial position, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, American Rescue Plan Act Fund, Natural Disaster 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relation to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter

As discussed in the financial statements, in 2022 the City adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules related to pension and the other post-employment benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 budgetary comparison information, combining and individual nonmajor fund financial statements and schedules, 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 fund financial statements and budgetary comparison information, the financial data schedule and schedule of expenditures of federal awards, passenger facility charges, and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2023, 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.

A handwritten signature in black ink that reads "Warren Averett, LLC". The signature is written in a cursive, flowing style.

Pensacola, Florida
March 23, 2023

Management's Discussion and Analysis

This section will provide a comparative analysis between fiscal year 2022 and 2021. 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, 2022. 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, 2022 by \$554,170,859. Of this amount, the net investment in capital assets totaled \$460,755,728, which is unavailable, and restricted net position totaled \$49,518,052 resulting in an unrestricted net position of \$43,897,079. Unrestricted net position is negatively impacted due to GASB Statement No. 68, which reduced governmental activities unrestricted net position by \$67,414,991 and business-type activities by \$17,354,867 for a total reduction of \$84,769,858. 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 \$554,170,859 increased \$101,557,843 (22.4%) over the fiscal year 2021 net position of \$452,613,016. Governmental activities increased by \$34,823,316 (22.1%) and business-type activities increased by \$65,930,437 (22.6%). For a detailed explanation of these fluxes refer to the Government-Wide Financial Analysis section of Management's Discussion and Analysis.
- As of September 30, 2022, the City's governmental funds reported combined fund balances of \$84,863,651 an increase of \$15,364,327 (22.1%) over the prior fiscal year. The majority of the increase can be attributed to an \$5.4 million increase in fund balance in the City's General Fund and the City's Local Option Sales Tax (LOST) Project Fund as well as a \$9.7 million increase in fund balance in the City's Natural Disaster Fund related to reimbursements received for Hurricane Sally repairs and clean-up. 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 \$3,371,392. 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 \$24,514,113 (23.6%) over the prior fiscal year total of \$104,032,641. The major increase in governmental funds' revenues stems from \$1,776,524 in General Fund revenues mainly related to an increase in ad valorem tax revenues, \$1,769,056 in local option sales tax proceeds, \$19,111,113 in

intergovernmental revenues mainly related to the redevelopment trust funds, COVID-19 funding and grant funding.

Governmental funds' expenditures decreased by \$2,574,035 (2.1%) over the prior fiscal year total of \$123,689,333. The major decrease in governmental funds' expenditures stems from an \$6,707,060 decrease in the Natural Disaster Fund related to the Hurricane Sally, \$1,353,182 in capital outlay, \$1,746,128 in debt service. Offsetting the decreases was a \$1,584,333 increase in General Fund Program cost, \$4,938,158 increased in the American Rescue Plan Fund and \$676,716 increase in Community Redevelopment Agency Fund and \$334,461 in Culture and Recreation Fund.

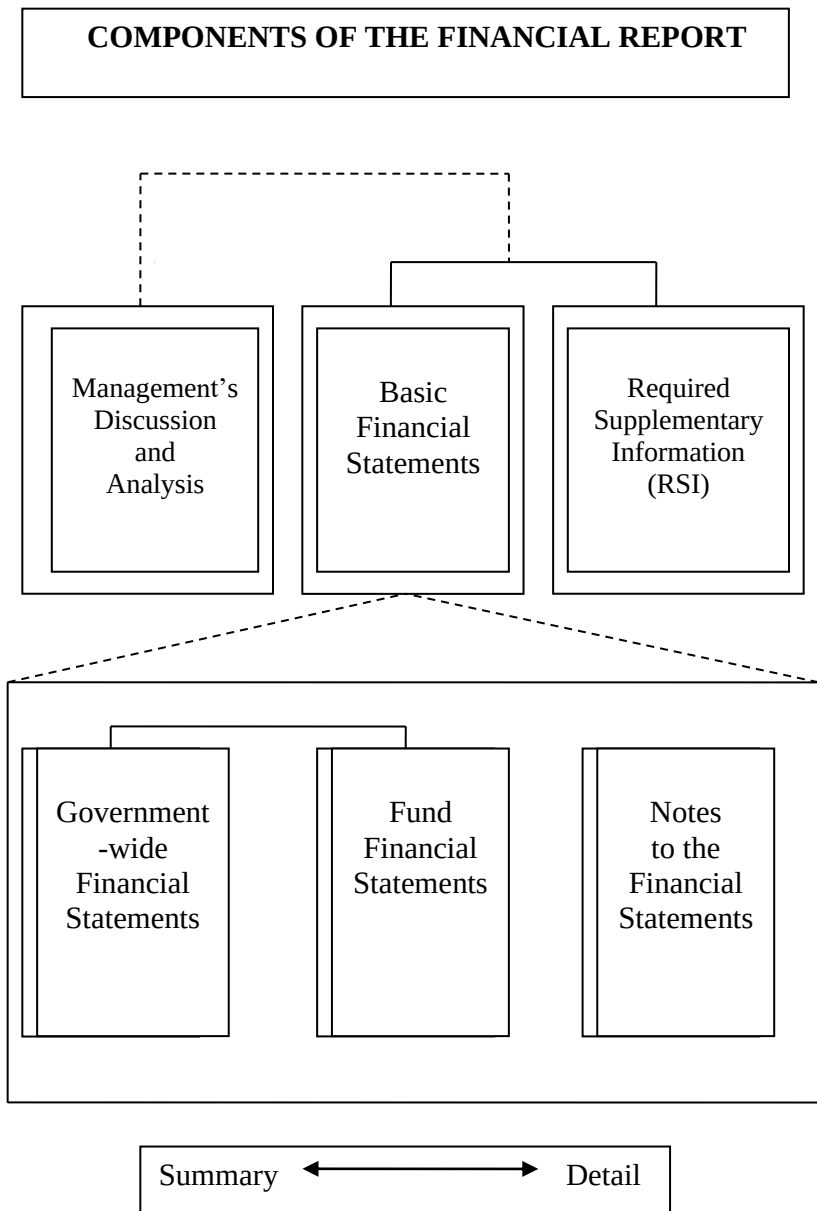
- The City's General Fund fund balance, excluding restricted fund balance, increased by \$3,333,018 from \$24,597,708 to \$27,930,726 in fiscal year 2022 primarily related to actual revenues exceeding the original budget by \$3,304,417. Included in the committed fund balance is Council Reserves of \$14,042,818. The Council Reserve balance represents 21.3% of fiscal year 2023 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 decrease in restricted fund balance of \$107,408 related to an decrease in contractual obligations. Total fund balance increased by \$2,877,774 (11.1%) from fiscal year 2021.

General Fund revenues increased over fiscal year 2021 by \$4,509,553 (8.8%) mainly related to a \$1,776,524 increase in ad valorem tax revenues and a \$1,168,230 increase in intergovernmental revenue such as sales tax collections and a \$1,112,503 increase in franchise fees. Expenditures increased by \$1,494,178 (2.8%) primarily as a result of a \$973,502 increase in personnel cost related to increases in employee pay. In addition to personnel cost, communication increased by \$323,929, utilities increased by \$273,779 and fuel and lubricants increased by \$368,251.

- The City's enterprise funds reported combined ending net position of \$358,441,664, an increase of \$65,930,437 (22.50%) in comparison to the prior fiscal year. Of the total net position amount, \$268,611,152 represents net investment in capital assets which increased \$55,633,477 (26.1%). Operating revenues increased by \$26,104,425 (30.5%) from last fiscal year and operating expenses before depreciation increased by \$26,021,113 (47.3%). For a detailed explanation of these fluxes refer to the Government-Wide Financial Analysis section of Management's Discussion and Analysis.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City’s basic financial statements. These statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements. Following is a chart that illustrates the components of the Annual Comprehensive Financial Report (ACFR).



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 ACFR 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, Housing Assistance Payments Fund, Natural Disaster Fund and American Rescue Plan 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 Redevelopment Agency (CRA) is the only blended component unit of the City.

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 total Other Postemployment Benefits (OPEB) liability and the City's Net Pension Liability (NPL) and contributions for the City's three sponsored pension plans as well as the City's proportionate share in the Florida Retirement System pension plan and health insurance subsidy program. 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, 2022 and 2021 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*, requires governments that offer defined pension benefits to its employees to report on the face of its financial statements the unfunded pension obligation (the "Net Pension Liability"). 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.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than pensions*, requires governments that offer other post-employment benefits (OPEB) to its employees to report on the face of its financial statements the total unfunded OPEB obligation (the “Total OPEB Liability”).

Both the Net Pension Liability and Total OPEB Liability are 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, total pension liabilities and total OPEB liability for each of the City’s pension plans, the City’s proportionate share of the Florida Retirement System (FRS) and the City’s OPEB negatively impact the City’s unrestricted net position until all plans have been fully funded. In addition, pension and OPEB expense, which is a net result of the changes in deferred inflows, deferred outflows, total liabilities, can vary considerably over time, depending upon changes in the estimated costs due to such things as market fluctuations. This can result in highly variable income statement results. The governmental fund-level statements are not affected by these pronouncements which use a modified-accrual basis of accounting.

In October 2021, GASB Statement No. 87, *Leases*, was implemented and required the recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. As a result of this Statement, the City recognized a lease liability and an intangible right-to-use lease asset, and a lease receivable and a deferred inflow of resources in fiscal year 2022. The prior year’s balances were not restated for this change in the comparative schedules on the next page.

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 Statements of Net Position
September 30,**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 78,470,470	\$ 68,578,044	\$ 129,621,277	\$ 112,142,361	\$ 208,091,747	\$ 180,720,405
Internal balances	(93,488)	(9,975,944)	93,488	9,975,944	0	0
Noncurrent assets	51,216,274	44,839,922	39,758,605	20,636,652	90,974,879	65,476,574
Capital assets	262,976,737	262,526,333	314,695,671	269,311,052	577,672,408	531,837,385
Total assets	<u>392,569,993</u>	<u>365,968,355</u>	<u>484,169,041</u>	<u>412,066,009</u>	<u>876,739,034</u>	<u>778,034,364</u>
Total deferred outflows of resources	<u>24,846,340</u>	<u>28,345,058</u>	<u>6,845,680</u>	<u>7,727,204</u>	<u>31,692,020</u>	<u>36,072,262</u>
Current and other liabilities	30,615,030	25,130,411	45,403,614	49,991,023	76,018,644	75,121,434
Noncurrent liabilities	140,019,605	180,927,359	58,509,716	70,326,400	198,529,321	251,253,759
Total liabilities	<u>170,634,635</u>	<u>206,057,770</u>	<u>103,913,330</u>	<u>120,317,423</u>	<u>274,547,965</u>	<u>326,375,193</u>
Total deferred inflows of resources	<u>51,052,503</u>	<u>7,950,507</u>	<u>28,359,727</u>	<u>7,127,628</u>	<u>79,412,230</u>	<u>15,078,135</u>
Net position:						
Net investment in capital assets,	192,144,576	190,220,754	268,611,152	212,977,675	460,755,728	403,198,429
Restricted	27,110,940	24,748,663	22,407,112	20,333,112	49,518,052	45,081,775
Unrestricted	(23,526,321)	(54,704,563)	67,423,400	59,037,375	43,897,079	4,332,812
Total net position	<u>\$ 195,729,195</u>	<u>\$ 160,264,854</u>	<u>\$ 358,441,664</u>	<u>\$ 292,348,162</u>	<u>\$ 554,170,859</u>	<u>\$ 452,613,016</u>

The total City's net investment in capital assets, such as land, roads, parks, buildings, machinery and equipment 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.

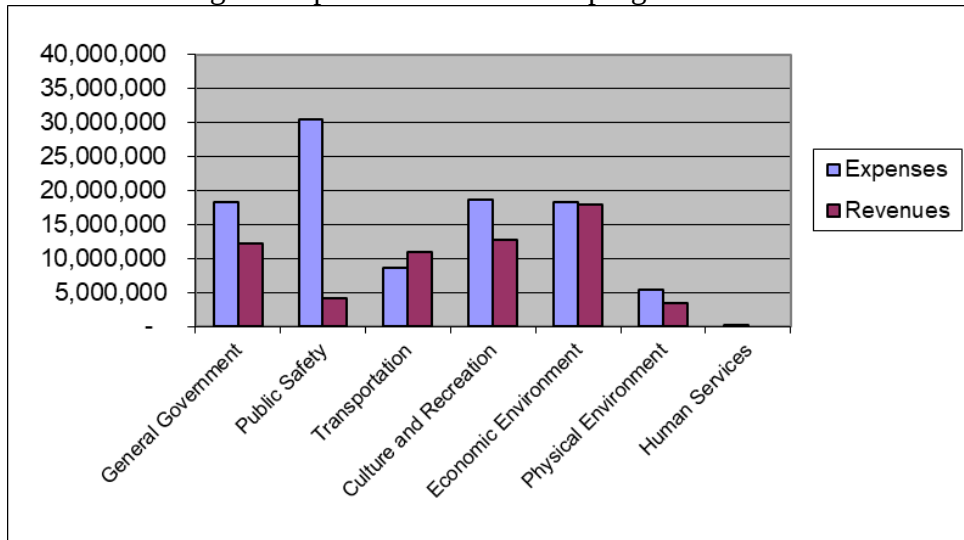
Restricted net position are resources subject to external restriction on how they may be used while unrestricted assets may be used to meet the City's ongoing obligations to citizens and creditors. Unrestricted net position represents 18.8% of total net position for business-type activities. Unrestricted net position for governmental activities is negative primarily due to the net pension liability of \$29,465,799 and total OPEB liability of \$13,192,540. These unfunded liabilities will continue to negatively impact unrestricted net position for future periods until all obligations 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) totaling \$6,500,000 as of September 30, 2022. Since the commitment is a long-term liability and future revenue sources have been pledged for the annual payment of \$1.3 million it is expected that this commitment will continue to negatively impact unrestricted net position through fiscal year 2027.

Changes in Net Position Years Ended September 30,

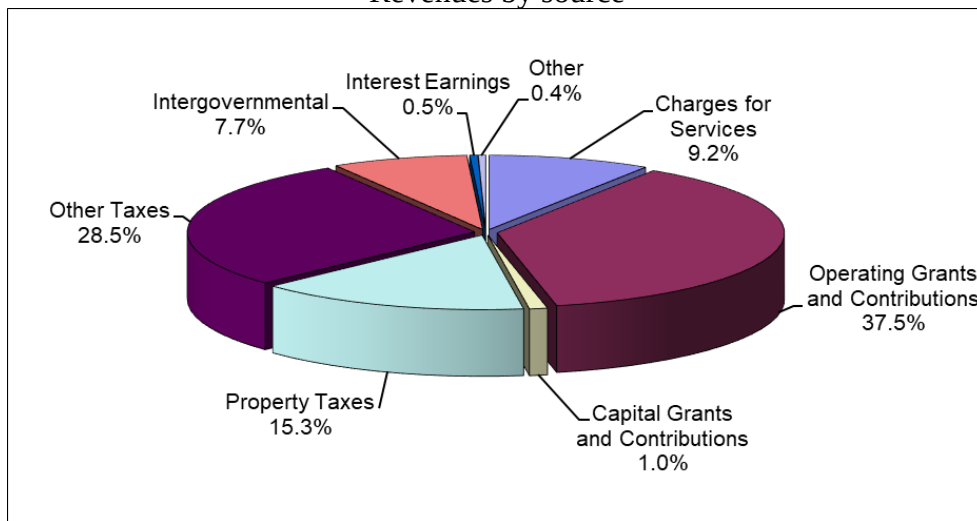
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues:						
Charges for services	\$ 11,770,828	\$ 11,443,037	\$ 110,835,725	\$ 84,758,133	\$ 122,606,553	\$ 96,201,170
Operating grants and contributions	48,204,504	31,148,673		5,866,730	48,204,504	37,015,403
Capital grants and contributions	1,303,263	938,171	59,978,639	17,894,768	61,281,902	18,832,939
General revenues:						
Property taxes	19,640,104	18,137,244			19,640,104	18,137,244
Other taxes	36,600,360	33,701,761			36,600,360	33,701,761
Intergovernmental	9,831,242	8,225,603			9,831,242	8,225,603
Interest earnings	590,532	326,148	931,927	377,237	1,522,459	703,385
Insurance recoveries	272,997			1,650,924	272,997	1,650,924
Gain on sale of capital asset	65,623	84,366	60,760	93,536	126,383	177,902
Other	199,714	58,984	703,755	635,705	903,469	694,689
Total revenues	<u>128,479,167</u>	<u>104,063,987</u>	<u>172,510,806</u>	<u>111,277,033</u>	<u>300,989,973</u>	<u>215,341,020</u>
Expenses						
General government	18,281,895	12,380,195			18,281,895	12,380,195
Public safety	30,403,609	33,074,865			30,403,609	33,074,865
Transportation	8,616,365	7,746,788			8,616,365	7,746,788
Culture and recreation	18,695,537	16,196,710			18,695,537	16,196,710
Economic environment	18,189,837	18,373,202			18,189,837	18,373,202
Physical environment	5,331,122	13,195,272			5,331,122	13,195,272
Human services	21,666	30,000			21,666	30,000
Unallocated depreciation	1,682,419	1,716,378			1,682,419	1,716,378
Interest on long-term debt	2,726,705	2,909,320			2,726,705	2,909,320
Utility			55,485,713	32,896,169	55,485,713	32,896,169
Sanitation			8,030,569	7,884,591	8,030,569	7,884,591
Port			3,785,115	3,070,577	3,785,115	3,070,577
Airport			28,985,668	26,204,842	28,985,668	26,204,842
Total expenses	<u>103,949,155</u>	<u>105,622,730</u>	<u>96,287,065</u>	<u>70,056,179</u>	<u>200,236,220</u>	<u>175,678,909</u>
Increase (decrease) in net position before transfers and other items	24,530,012	(1,558,743)	76,223,741	41,220,854	100,753,753	39,662,111
Transfers in (out)	10,293,304	9,805,790	(10,293,304)	(9,805,790)	0	0
Special items		689,131			0	689,131
Increase (decrease) in net position	<u>34,823,316</u>	<u>8,936,178</u>	<u>65,930,437</u>	<u>31,415,064</u>	<u>100,753,753</u>	<u>40,351,242</u>
Net position at beginning of year	<u>160,264,854</u>	<u>151,328,676</u>	<u>292,348,162</u>	<u>260,933,098</u>	<u>452,613,016</u>	<u>412,261,774</u>
Change in accounting principle - Implementation of GASB 87	<u>641,025</u>		<u>163,065</u>		<u>804,090</u>	<u>0</u>
Net position as restated	<u>160,905,879</u>	<u>151,328,676</u>	<u>292,511,227</u>	<u>260,933,098</u>	<u>453,417,106</u>	<u>412,261,774</u>
Net position at end of year	<u>\$ 195,729,195</u>	<u>\$ 160,264,854</u>	<u>\$ 358,441,664</u>	<u>\$ 292,348,162</u>	<u>\$ 554,170,859</u>	<u>\$ 452,613,016</u>

Governmental Activities Fiscal Year 2022

Program expenses matched with program revenues



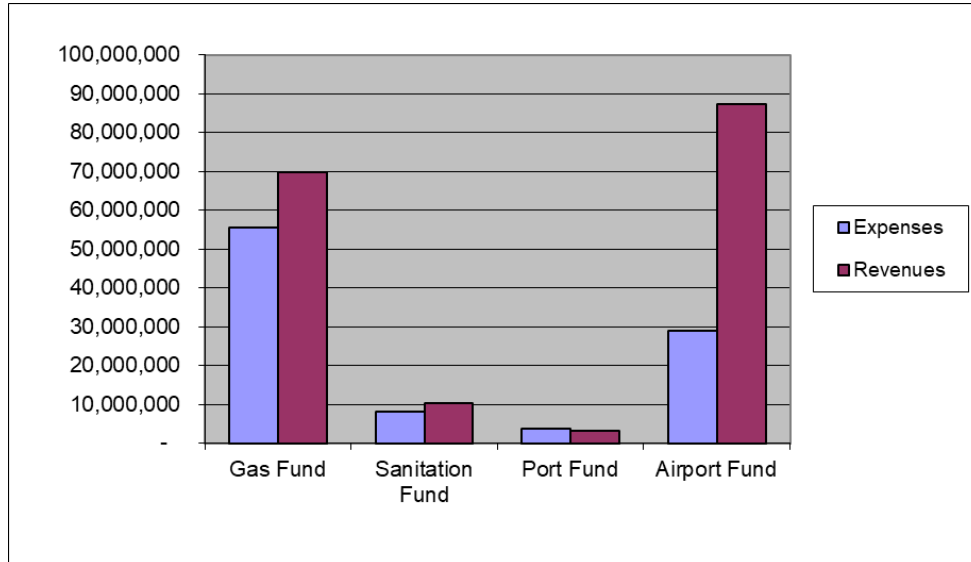
Revenues by source



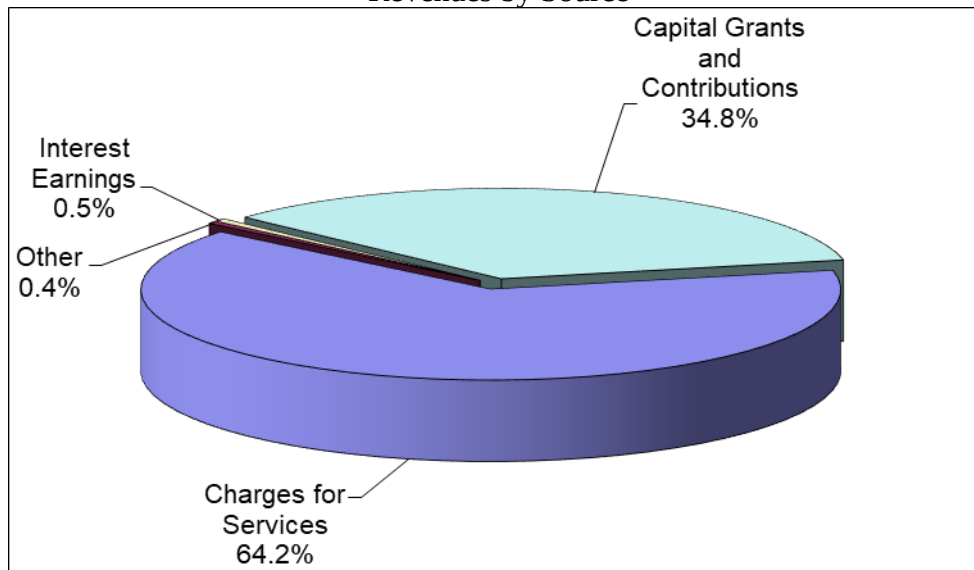
GASB Statement No. 34 reporting requires that functional expenses are matched with revenues that directly support the function. The increase in current year net position for Governmental Activities on the Statement of Activities equaled \$34,323,316. The majority of the increase can be attributed to increase in operating grants and contributions. In fiscal year 2022, the City received an additional \$17.1 in operating grants than in FY 21. In addition, the property and other taxes increased by 4.4 million. The bar chart above gives a clear indication of which functions are dependant on general revenues to support their operations. 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.

Business-type Activities Fiscal Year 2022

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 on the Statement of Activities totaled \$65,930,437. The Utility Fund increased \$5,295,229, the Sanitation Fund increased \$1,964,091, the Port Fund decreased \$341,831 and Airport Fund increased \$59,045,948. All funds charged fees sufficient to cover operations when excluding depreciation. An explanation of these fluxes can be seen in the Financial Analysis of the Government's Funds section below.

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, 2022, the City's governmental funds reported combined fund balances of \$84,863,651, an increase of \$15,364,327 (22.1%) over the prior fiscal year. The majority of the increase can be attributed to an \$5.4 million increase in fund balance in the City's General Fund and the City's Local Option Sales Tax (LOST) Project Fund as well as a \$9.7 million increase in fund balance in the City's Natural Disaster Fund related to reimbursements received for Hurricane Sally repairs and clean-up.

Non-spendable and restricted governmental funds balance of \$48,689,602 are available to meet current commitments in the next fiscal year. Non-spendable fund balance of \$72,882 is for prepaid expenditures and inventory. Restricted fund balance is broken down as; \$424,621 is for Saenger capital reserves; \$5,364,975 is for debt service requirements; \$24,357,259 is for community development projects and \$18,469,865 is for other purposes. This leaves a remaining unrestricted fund balance of \$36,174,049.

Below is a comparative chart for the City's "major" funds; General Fund, Housing Assistance Payments Fund, Natural Disaster Fund, American Rescue Plan Act Fund and.

Major Fund Information

	<u>General Fund</u>	<u>Housing Assistance Payments Fund</u>	<u>Natural Disaster Fund</u>	<u>American Rescue Plan Act Fund</u>
Fiscal Year 2022				
Revenues and other sources	\$ 63,344,107	\$ 17,236,572	\$ 17,444,248	6,001,807
Expenditures and other outlays	(60,466,333)	(17,748,232)	(7,742,307)	(5,594,398)
Increase (decrease) in fund balance	\$ 2,877,774	\$ (511,660)	\$ 9,701,941	\$ 407,409
Fiscal Year 2021				
Revenues and other sources	\$ 58,860,130	\$ 18,534,162	\$ 3,984,392	1,442,749
Expenditures and other outlays	(58,581,784)	(17,952,501)	(13,006,833)	(1,850,158)
Increase (decrease) in fund balance	\$ 278,346	\$ 581,661	\$ (9,022,441)	\$ (407,409)

The General Fund is the main operating fund of the City. At September 30, 2022, total fund balance in the General Fund was \$29,021,068, an increase of \$3,225,610 (12.5%) from beginning fund balance. The unrestricted portion of fund balance was \$29,930,726, however \$14,042,818 is committed for the Council Reserve, \$21,756 is committed for park purchases, \$613,302 is committed for the tree planting trust fund, \$1,701,688 is assigned for general government commitments, \$5,100,000 is assigned for future fund balance draw downs, \$26,398 is assigned for assessments, \$503,272 is assigned for housing initiatives and \$2,550,000 is assigned for anticipated match requirements needed for Hurricane Sally leaving an unassigned fund balance of \$3,371,392.

Since the City budgets for expenditures in the General Fund based on anticipated revenues, changes to fund balance are a result of the difference in budget verses actual revenues and expenditures. Fiscal year 2022 actual revenues exceeded the original budget by \$3,363,207. The majority of the increase was made up of \$1,776,524 in taxes, \$1,112,503 in franchise fees and \$1,168,230 in governmental revenues. Fiscal year 2022 actual expenditures came in over the original budget (less the anticipated fund balance drawdown of \$1.7 million) by \$485,433.

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 53.8% and 51.8%, 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 51.8% of unrestricted fund balance, this provides more than six months of coverage.

The Housing Assistance Payments Fund had a total fund balance at year-end of \$2,840,525, a decrease of \$511,660 (15.2%). Fund balance of \$858 is non-spendable and \$2,839,667 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 decrease in fiscal year 2022 fund balance is due to an increase spending to combat the growing number of homeless families nationally through HUD's Housing Choice Voucher (HCV) CARES Act funding.

The Natural Disaster Fund had a total fund balance at year-end of \$961,521, an increase of \$9,701,941. The fund is used to track cost associated with natural disasters which the City expects to receive Federal and State assistance for. The fund increased in fiscal year 2022 because many reimbursements were received for Hurricane Sally expenditures.

The American Rescue Plan Act (Act) Fund had zero fund balance at year-end. The Act allows revenue replacement for the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency, relative to revenues collected in the most recent fiscal year prior to the emergency. Finance has calculated the revenue loss based on guidance from the Department of Treasury and identified funds which revenues were hit the hardest by the COVID-19 pandemic. Operating transfers from the American Rescue Plan Act Fund (ARPA Fund) were made directly to those funds in fiscal year 2021 to provide for current operating cash needs. Funds included the Parking Management Fund, Recreation Fund and

Community Maritime Park Management Fund. In fiscal year 2021, those three funds which received the operating transfer had used all but \$407,409 of the transfer towards eligible governmental services. The remaining operating transfers were spent in fiscal year 2022 bringing the fund balance to zero.

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 postemployment benefits. However, personal cost, operating expenses, capital outlay, and principal and interest payments are budgeted.

The Utility Fund had a total net position of \$78,793,423 at fiscal year-end, an increase of \$5,278,884 (7.1%) over the prior fiscal year. Pensacola Energy operated at a profit of \$16,457,227 before depreciation expense of \$3,067,270 and an \$8,000,000 transfer to the General Fund; a decrease from last fiscal year by \$3,507,320. Operating revenue increased by \$18,937,706 (37.0%) during fiscal year 2022 and operating expenses increased by \$22,444,976 (72.0%). The primary reason for the increase in operating revenue and operating expense 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 2022, the cost of natural gas increased by \$12,820,026 and increased gas purchases related to a new transportation customer totaled \$9,639,123. In addition, fiscal year 2022 revenues were higher due to a three percent increase in natural gas sales which equates to approximately \$1,147,000 in revenues as well as a \$2,615,098 decrease in infrastructure cost recovery revenues. Infrastructure cost recovery revenue is based on prior year capital cost as well current year budget and therefore will fluctuate from year to year. Excluding the cost of gas, operating expenses decreased by \$14,200. The salaries and employee benefits line items of the financial statements were comparable to 2021 and included a large decrease in pension expenses. The pension expense can vary considerably over time, depending upon changes in the estimated actuarial costs and fluctuations in the market resulting in highly variable income statement results in years where there are large gains or losses in the market.

The Sanitation Fund had a total net position of \$2,851,906 at fiscal year-end, an increase of \$1,964,091 (221.2%) over the prior fiscal year. Sanitation Services operated at a profit of \$1,569,559 before depreciation expense of \$629,072; an increase from last fiscal year by \$527,125. Operating revenue increased by \$556,931 (6.1%) during fiscal year 2022 and expenses increased by \$29,806 (0.3%). The primary reason for the increase in operating revenue over the prior fiscal year can be linked to increase in customer base and increase in rates. In addition, revenues for franchise fees and code enforcement increased by \$22,768 and \$26,582, respectively, in fiscal year 2022. The operating expenses increased by \$373,214, due to the increase to repairs and maintenance, materials and supplies, office and utilities, landfill fees and overhead allocation. In addition, Sanitation had a significant increase in non-operating revenues

in the amount of \$1,039,481 related to rebates for the purchase of compressed natural gas vehicles. The rebates will be used to offset the cost of the capital equipment.

The Port Fund had a total net position of \$18,574,655 at fiscal year-end, an increase of \$233,558 (1.2%) from the prior fiscal year. The Port operated at a profit of \$70,760 before depreciation expense of \$1,176,093; an increase from last fiscal year by \$192,527. Operating revenues decreased by \$17,438 (0.6%) and expenses increased by \$895,378 (46.6%). The primary reason for the increase in operating revenue can be linked to increased vessel activity at the Port. The increase in expense can be linked to a \$740,524 increase in repairs and maintenance, contractual services and office and utilities.

The Airport Fund had a total net position of \$258,221,680 at fiscal year-end, an increase of \$58,616,879 (29.3%) over the prior fiscal year. The Airport operated at a profit of \$12,408,346 before depreciation expense of \$11,791,303; an increase from last fiscal year of \$3,976,263. The Airport Fund's operating revenues increased by \$6,627,226 (29.7%) in fiscal year 2022 and expenses increased by \$2,650,96 (19.1%). The primary reason for the increase in revenues is increased passenger traffic as well as increased airline rates and charges. In fiscal year 2021, the Airport utilized \$5 million in CARES Act funding to help reduce airline rents and charges while in fiscal year 2022, the Airport was only able to utilize \$2 million in CARES Act funding to help reduce airline rents and charges. This resulted in a \$3 million increase in airline revenues. In addition, a 17.5% increase in passenger traffic resulted in a \$3.5 million increase in non-airline revenues, primarily in parking (\$2.48 million) and rental car (\$600,000). The increase in expense can be linked to an \$1,386,769 increase in contractual services mainly related to the Airport's parking management, janitorial services and advertising contracts and an \$841,125 increase in office and utilities mainly related to the Airport's liability insurance, utility cost, and IT overhead charges.

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

	Operating Income (Loss)	
	2022	2021
Utility Fund	\$ 13,390,007	\$ 17,166,052
Sanitation Fund	940,487	545,591
Port Fund	(1,105,333)	(318,557)
Airport Fund	617,043	(3,086,289)
Total	<u>\$ 13,842,204</u>	<u>\$ 14,306,797</u>

Internal Service Funds

The internal service funds are designed to recover the internal costs of general services provided to other city departments. The increase in total net position for all internal service funds was \$334,618. The City's Insurance Retention Fund decreased by \$691,098 and the Central Services Fund increased by \$1,025,716. The decrease in the Insurance Retention Fund was due to a \$822,433 increase in salaries and employee benefits. The Central Services Fund saw an increase of \$839,934 in charges for services.

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 increased by \$452,895 (0.8%) during fiscal year 2022. The majority of the increase was made up of \$248,095 in charges for services, \$100,000 in assessments in taxes and \$94,800 in licenses and permits.

The final appropriations in the General Fund as compared with the original budget increased by \$3,609,905 (6.5%) in fiscal year 2022. The primary reason for the increase relates to:

- An increase in appropriations for general government of \$614,650 is primarily related to carryforwards from the prior fiscal year budget to cover open encumbrances and projects. Some of the larger carryforwards included \$530,176 related to City Council unspent project budget offset with the increase of \$331,0000 in allocated overhead.
- An increase in appropriations for public safety in the amount of \$845,034 is primarily related to the carryforward from the prior fiscal year budget to cover open encumbrances and projects as well as \$657,800 in personnel services and operating expenses required as part of the 2022 negotiated fire union agreement.
- An increase in appropriations for transportation in the amount of \$326,315 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 \$1,106,659 is related to the carryforward from the prior fiscal year budget to cover open encumbrances and projects. Some of the larger carryforwards included \$1,017,923 related to the Tree Trust fund and \$285,293 related to the Saenger Capital account.
- An increase in appropriations for economic environment in the amount of \$557,902 is primarily related to the carryforward from the prior fiscal year budget for the City's housing initiatives program as well as outside agency funding.
- An increase in appropriations for physical environment in the amount of \$100,000 is primarily related to the carryforward from the prior fiscal year budget to cover open encumbrances and projects.

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Capital Asset and Debt Administration

Capital Assets. As of year-end, the City had \$460,755,728 net investment in capital assets. Governmental activities accounted for \$192,144,576 and business-type activities accounted for \$286,611,152. This investment in capital assets includes land, buildings, improvements, machinery and equipment and infrastructure.

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

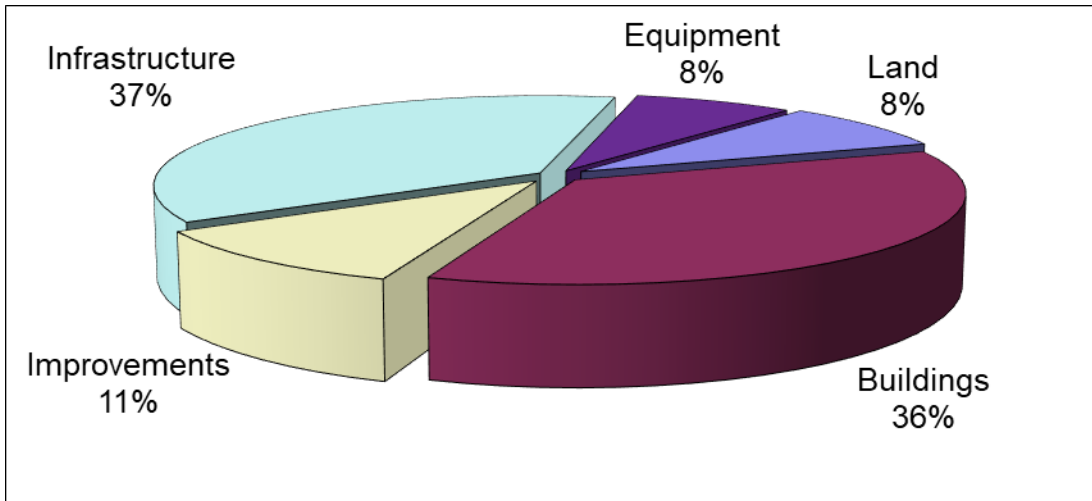
Governmental Activities

- Stormwater, street and sidewalk capital projects \$3,811,199
- Maritime Park improvements \$1,689,068
- Athletic facility, resource center and park improvements \$2,529,757
- Fire training building simulator \$421,627
- Air handling scrubbers \$238,321
- Fire vehicles \$1,347,996
- Police vehicles \$666,954
- Public Works vehicles \$769,229

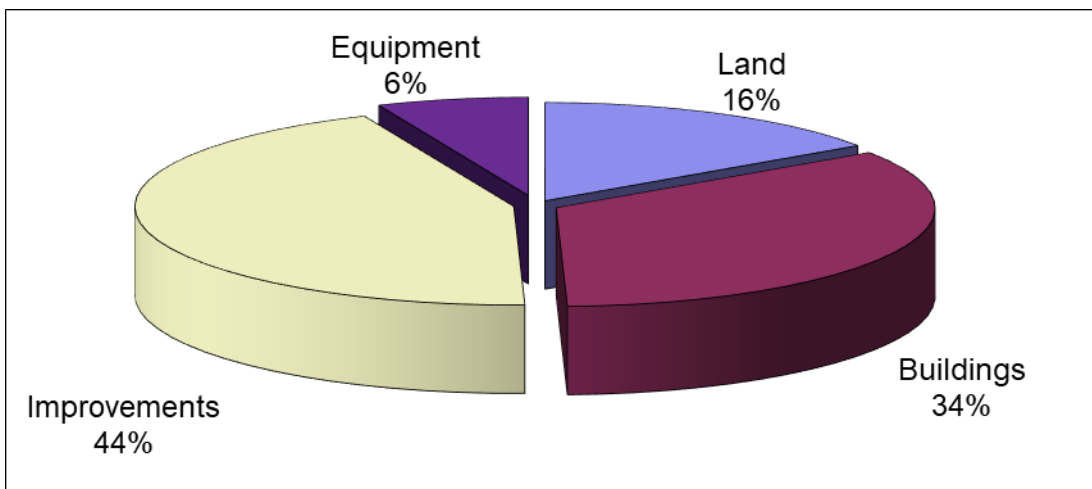
Business-type Activities

- Pensacola Energy natural gas utility improvements \$4,722,721
- Pensacola Energy large equipment \$480,704
- Pensacola Energy vehicles \$733,866
- Sanitation garbage trucks \$1,154,894
- Sanitation vehicles \$246,880
- Port large equipment \$55,595
- Port underground utilities improvements \$68,900
- Airport vehicles \$815,127
- Airport parking lot \$2,103,875
- Airport airfield and terminal improvements \$1,084,712
- Airport stormwater improvements \$296,722
- Technology Resources network equipment \$228,312
- Technology Resources vehicle \$52,396

**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 or LOST IV 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 2022, the City had total non-self-supporting bonded debt of \$90,739,248 and self-supporting bonded debt of \$46,700,000. Governmental activities have notes payable in the amount of \$90,739,248 and Business-type activities have notes payable in the amount of \$46,700,000. 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 54,790) as of September 30, 2022 is as follows:

Local Option Sales Tax Debt	\$ 16,640,000	Per capita \$ 304
Local Option Gas Tax Debt	7,339,000	Per capita 134
Eastside Redevelopment Area Debt	1,043,000	Per capita 19
Westside Redevelopment Area Debt	3,258,000	Per capita 59
Urban Core Redevelopment Area Debt	62,459,248	Per capita 1,140
Total	<u>\$ 90,739,248</u>	<u>\$ 1,656</u>

The Local Option Sales Tax Debt is supported by local option sales tax collections and is payable through October 2028.

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 is 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 is 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 is payable through 2037.

The Urban Core Redevelopment Area Debt is supported by Tax Increment Revenues derived from the Urban Core Redevelopment Area and in the event that these revenues are insufficient to pay debt service, the loan is furthered secured by certain non-ad valorem revenues budgeted and appropriated therefore pursuant to a Covenant to Budget and Appropriate and is payable through 2043.

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.

As of September 30, 2022, the only bonded debt the City had outstanding were bank issued. Therefore, the ratings below will not be updated unless the City specifically request a review by one of the rating agencies.

On March 28, 2019 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.

On October 17, 2017 Standard & Poor’s affirmed a long-term rating of “BBB”, on October 10, 2017 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. Standard & Poor’s and Fitch assigned a Positive outlook and Moody’s assigned Stable outlooks in conjunction with the ratings on the City’s Airport Revenue Bonds.

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 2023 budget totals \$277,368,524. Of this, \$65.7 million is for the General Fund, \$120.5 million is for enterprise funds, and the remaining \$91.2 million is for various special revenue, debt service, capital projects, and internal services funds. The General Fund consists of governmental services such as general administration, public safety, parks and recreation, and public works. Enterprise Funds consist of a Utility Fund, Sanitation Fund, Port Fund and Airport Fund. These enterprise Funds are expected to be self-supporting, on a cash-flow basis, from user fees for services.

Despite the economic uncertainty of the COVID-19 pandemic, the General Fund is expected to see \$3.9 million in revenue growth. The estimated 11.51 percent growth in property valuations will amount to an additional \$2,271,700 in gross Property Tax revenue. After the required transfers to the Tax Increment Financing Districts, the net additional Property Tax Revenue is \$1,700,200. Franchise Fees and Public Service Tax Revenues are projected to increase 2.00% or \$365,100 in anticipation of a normal winter as well as the cost of energy. The Utility fund is expected to see \$24.7 million increase in budgeted revenues. The significant increase in revenues for fiscal year 2023 is due to anticipated increases in the cost of natural gas which was the trend when the budget was developed in 2022, thus increasing revenues as the cost of gas is passed onto the customer through rates and charges. The CPI increase for fiscal year 2023 is 8.5%, however due to high inflation which is already affecting customers, no increase in rates were recommended in the fiscal year 2023 budget. The Sanitation Fund is expected to see \$323,300 decrease in revenues The majority of the decrease is related to decreases in anticipated rebates for the purchase of compressed natural gas vehicles. The Port Fund is expected to see \$539,200

increase in revenues. The increase is based on historical trend information on vessel activity levels as well as current and prospective lease agreements. The Airport Fund is expected to see \$1.7 million increase in revenues as the 2022 budget was very conservative due to the unknown impact COVID-19. Non-airline revenues such as restaurant and lounge, hanger/ground leases, parking lot, and rental car customer facility charge revenues are projected to increase to a total of \$1,559,000 due to the increase in passenger traffic through the Airport. Charges to the airlines such as loading Bridge fees, landing fees, apron area rentals, and airline rentals are projected to increase by \$164,000 based on the agreements with the airlines.

Personnel costs account for \$82,025,500 of the City's fiscal year 2023 budget (29.5%). The fiscal year 2023 budget includes various organizational improvements that includes the addition of twenty-six positions bringing the total number of budgeted executive branch positions to 879. During fiscal year 2022, ten positions were added to the executive branch which were included in the fiscal year 2023 budget and five positions are new to fiscal year 2022. In addition to the new position, the fiscal year 2023 budget provides for a 3% increase for employees not represented by a union, a 10% pay increase for Fire Union employees, and a 2% performance based salary increase (including benefits) for both union and non-union employees.

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. 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") totaled \$14,042,818. The \$14.0 million balance represents 22.77% of fiscal year 2023 budgeted General Fund appropriations. This marks the fifteenth 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 Finance Director, PO Box 12910, Pensacola, Florida 32521. The City of Pensacola's website address is www.cityofpensacola.com.

BASIC FINANCIAL STATEMENTS

CITY OF PENSACOLA, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	Primary Government			Component Unit
	Governmental	Business-type		Downtown
	Activities	Activities	Total	Improvement
				Board
ASSETS				
Current assets				
Cash and cash equivalents	\$ 31,392,580	\$ 16,549,536	\$ 47,942,116	\$ 363,811
Other cash	9,210		9,210	
Investments	21,804,018	11,067,959	32,871,977	
Accrued interest	395,862	73,565	469,427	
Receivables (net of allowances)				
Accounts	2,642,885	10,468,207	13,111,092	1,713
Demolition assessments	23,595		23,595	
Internal balances	(93,488)	93,488	0	
Due from other governments	8,927,518	27,885,339	36,812,857	
Inventory	1,688,053		1,688,053	
Note receivable		122,589	122,589	
Lease receivable	186,565	1,333,571	1,520,136	
Prepays and deposits	353,222	180,589	533,811	12,913
Restricted assets				
Restricted cash and cash equivalents	6,495,580	36,109,956	42,605,536	
Investments	4,551,382	25,829,966	30,381,348	
Total current assets	78,376,982	129,714,765	208,091,747	378,437
Noncurrent assets				
Cash and cash equivalents	19,538,456		19,538,456	
Investments	13,690,381		13,690,381	
Intangible asset		99,534	99,534	
Note receivable		88,430	88,430	
Lease receivable	7,919,946	17,163,528	25,083,474	
Net pension asset	10,743,897	638,556	11,382,453	
Restricted assets				
Cash and cash equivalents	5,458,194	13,175,315	18,633,509	
Investments	3,824,496	9,231,798	13,056,294	
Notes receivable	784,801		784,801	
Capital assets				
Non-depreciable	32,154,519	105,201,182	137,355,701	
Depreciable (net)	230,822,218	209,494,489	440,316,707	118,111
Total noncurrent assets	324,936,908	355,092,832	680,029,740	118,111
Total assets	403,313,890	484,807,597	888,121,487	496,548
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on early retirement debt	152,503	515,947	668,450	
Deferred pension	22,654,377	5,539,386	28,193,763	
Deferred OPEB	2,039,460	790,347	2,829,807	
Total deferred outflows of resources	24,846,340	6,845,680	31,692,020	0

(continued)

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

CITY OF PENSACOLA, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	Primary Government			Component Unit
	Governmental	Business-type		Downtown
	Activities	Activities	Total	Improvement
				Board
LIABILITIES				
Current liabilities				
Accounts payable	\$ 1,092,764	\$ 6,734,340	\$ 7,827,104	\$ 25,002
Contracts payable	2,703,506	2,288,381	4,991,887	
Contracts payable - retainage	279,171	1,872,983	2,152,154	
Leases accrued interest payable	9	384	393	
Due to other governments	90,018	9,750	99,768	15,000
Wages and benefits payable	2,873,114		2,873,114	
Compensated absences payable	254,033	45,151	299,184	
Deposits	320,334	290,114	610,448	
Claims and judgments payable	1,866,501		1,866,501	
Unearned revenue	12,940,247	28,760,557	41,700,804	5,000
Lease payable	4,443	10,389	14,832	
Payable from restricted assets				
Due to other governments	1,300,000		1,300,000	
Notes payable	5,591,068	4,644,000	10,235,068	
Accrued interest payable	1,299,822	747,565	2,047,387	
Total current liabilities	<u>30,615,030</u>	<u>45,403,614</u>	<u>76,018,644</u>	<u>45,002</u>
Noncurrent liabilities				
Due to other governments	5,200,000		5,200,000	
Compensated absences payable	5,110,025	2,061,072	7,171,097	1,360
Claims and judgments payable	1,903,061		1,903,061	
Notes payable	85,148,180	42,056,000	127,204,180	
Lease payable		282,607	282,607	
Net pension liability	40,209,696	9,898,827	50,108,523	
Total OPEB liability	<u>13,192,540</u>	<u>5,149,766</u>	<u>18,342,306</u>	
Total noncurrent liabilities	<u>150,763,502</u>	<u>59,448,272</u>	<u>210,211,774</u>	<u>1,360</u>
Total liabilities	<u>181,378,532</u>	<u>104,851,886</u>	<u>286,230,418</u>	<u>46,362</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred gain on early retirement	310,287		310,287	
Deferred pension	37,949,192	8,094,596	46,043,788	
Deferred OPEB	5,358,044	2,077,657	7,435,701	
Leases	<u>7,434,980</u>	<u>18,187,474</u>	<u>25,622,454</u>	
Total deferred outflows of resources	<u>51,052,503</u>	<u>28,359,727</u>	<u>79,412,230</u>	<u>0</u>
NET POSITION				
Net investment in capital assets	192,144,576	268,611,152	460,755,728	118,111
Restricted for				
Capital projects	1,634,466		1,634,466	
Debt service	7,926,784	3,369,612	11,296,396	
Community redevelopment	4,004,200		4,004,200	
Federal housing program	2,840,525		2,840,525	
Other purposes	7,443,504		7,443,504	
Disaster recovery	3,261,461		3,261,461	
Renewal and replacement		13,622,000	13,622,000	
Operations and maintenance		5,415,500	5,415,500	
Unrestricted	<u>(23,526,321)</u>	<u>67,423,400</u>	<u>43,897,079</u>	<u>332,075</u>
Total net position	<u>\$ 195,729,195</u>	<u>\$ 358,441,664</u>	<u>\$ 554,170,859</u>	<u>\$ 450,186</u>

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

CITY OF PENSACOLA, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

<u>Function/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government				
Governmental activities:				
General government	\$ 18,281,895	\$ 153,200	\$ 12,026,837	\$
Public safety	30,403,609	3,846,061	303,449	59,171
Transportation	8,616,365	2,128,911	8,735,199	
Culture and recreation	18,695,537	2,647,772	9,007,289	1,060,264
Economic environment	18,189,837		17,964,005	20,427
Physical environment	5,331,122	2,994,884	167,725	163,401
Human services	21,666			
Unallocated depreciation	1,682,419			
Interest on long-term debt	2,726,705			
Total governmental activities	<u>103,949,155</u>	<u>11,770,828</u>	<u>48,204,504</u>	<u>1,303,263</u>
Business-type activities:				
Utility	55,485,713	69,715,079		
Sanitation	8,030,569	9,355,523		1,039,481
Port	3,785,115	2,881,597		440,284
Airport	28,985,668	28,883,526		58,498,874
Total business-type activities	<u>96,287,065</u>	<u>110,835,725</u>	<u>0</u>	<u>59,978,639</u>
Total primary government	<u>\$ 200,236,220</u>	<u>\$ 122,606,553</u>	<u>\$ 48,204,504</u>	<u>\$ 61,281,902</u>
Component unit:				
Downtown Improvement Board	\$ 1,266,141	\$ 275,807	\$ 357,534	\$
Total component units	<u>\$ 1,266,141</u>	<u>\$ 275,807</u>	<u>\$ 357,534</u>	<u>\$ -</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, 2022

	Net (Expenses) Revenue and Changes in Net Position			Component Unit
	Primary Government			Downtown Improvement Board
Function/Programs	Governmental Activities	Business-type Activities	Total	
Primary government				
Governmental activities:				
General government	\$ (6,101,858)		\$ (6,101,858)	
Public safety	(26,194,928)		(26,194,928)	
Transportation	2,247,745		2,247,745	
Culture and recreation	(5,980,212)		(5,980,212)	
Economic environment	(205,405)		(205,405)	
Physical environment	(2,005,112)		(2,005,112)	
Human services	(21,666)		(21,666)	
Unallocated depreciation	(1,682,419)		(1,682,419)	
Interest on long-term debt	(2,726,705)		(2,726,705)	
Total governmental activities	(42,670,560)		(42,670,560)	
Business-type activities:				
Utility		\$ 14,229,366	14,229,366	
Sanitation		2,364,435	2,364,435	
Port		(463,234)	(463,234)	
Airport		58,396,732	58,396,732	
Total business-type activities		74,527,299	74,527,299	
Total primary government	(42,670,560)	74,527,299	31,856,739	
Component unit:				
Downtown Improvement Board				\$ (632,800)
Total component units				
General revenues:				
Property taxes	19,640,104		19,640,104	634,077
Public service taxes	9,281,504		9,281,504	
Franchise fees	9,819,371		9,819,371	
Communication service tax	2,906,976		2,906,976	
Local business tax	929,411		929,411	
Local option gasoline tax	1,428,853		1,428,853	
Local option sales tax	12,234,245		12,234,245	
Unrestricted intergovernmental revenues	9,831,242		9,831,242	
Unrestricted interest earnings	590,532	931,927	1,522,459	
Insurance recoveries	272,997		272,997	
Gain on sale of capital asset	65,623	60,760	126,383	
Miscellaneous	199,714	703,755	903,469	743
Transfers	7,226,404	(7,226,404)	0	
Overhead transfers	3,066,900	(3,066,900)	0	
Total general revenues, transfers, and other items	77,493,876	(8,596,862)	68,897,014	634,820
Change in net position	34,823,316	65,930,437	100,753,753	2,020
Net position at beginning of year	160,264,854	292,348,162	452,613,016	448,166
Change in accounting principle - Implementation of GASB 87	641,025	163,065	804,090	
Net position at beginning of year, as restated	160,905,879	292,511,227	453,417,106	448,166
Net position September 30, 2022	\$ 195,729,195	\$ 358,441,664	\$ 554,170,859	\$ 450,186

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

CITY OF PENSACOLA, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	General Fund	Housing Assistance Payments	Natural Disaster Fund	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 14,475,677	\$ 1,541,852	\$	\$ 7,065,026	\$ 24,057,858	\$ 47,140,413
Other cash		899			8,311	9,210
Investments	9,950,530	1,080,358		4,950,386	16,857,077	32,838,351
Accrued interest	347,168				48,694	395,862
Accounts receivable (net of allowances)	1,587,964	325,485			397,247	2,310,696
Demolition assessments receivable	23,595					23,595
Due from other funds	4,231,157				347,681	4,578,838
Due from other governments	1,188,346	18,122	4,788,461		2,932,589	8,927,518
Prepays and deposits	48,499	858			22,162	71,519
Inventories					1,363	1,363
Notes receivable					784,801	784,801
Lease Receivable	5,003,630				3,102,881	8,106,511
Restricted assets						
Cash and cash equivalents	934,591	190,379			6,055,526	7,180,496
Investments	654,858	133,397			4,243,040	5,031,295
Total assets	\$ 38,446,015	\$ 3,291,350	\$ 4,788,461	\$ 12,015,412	\$ 58,859,230	\$ 117,400,468
LIABILITIES						
Accounts payable	\$ 641,212	\$ 11,683	\$	\$ 107,059	\$ 234,385	\$ 994,339
Contracts payable	145,253	2,469	562,802	180,344	1,683,273	2,574,141
Contracts payable - retainage	1,857		115,386	9,492	141,383	268,118
Due to other funds		47,340	3,148,752	9,430	504,470	3,709,992
Due to other governments	930	1,028			88,060	90,018
Compensated absences payable	166,258	62,820			2,713	231,791
Wages and benefits payable	2,873,114					2,873,114
Unearned revenue	874,254			11,709,087	306,906	12,890,247
Deposits	58,225				247,012	305,237
Total liabilities	4,761,103	125,340	3,826,940	12,015,412	3,208,202	23,936,997
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	40,637	325,485			798,718	1,164,840
Related to leases	4,622,415				2,812,565	7,434,980
Total deferred inflows of resources	4,663,052	325,485	-	-	3,611,283	8,599,820

(continued)

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

CITY OF PENSACOLA, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	General Fund	Housing Assistance Payments	Natural Disaster Fund	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
FUND BALANCE (DEFICITS)						
Non-spendable	48,499	858			23,525	72,882
Restricted						
Saenger capital	424,621					424,621
Community development projects					24,357,259	24,357,259
Debt service payments					5,364,975	5,364,975
Other restricted	618,014	2,839,667	3,261,461	1,158,312	10,592,411	18,469,865
Committed						
Park purchases	21,756					21,756
Tree landscape	613,302					613,302
Council reserve	14,042,818					14,042,818
Other committed					4,494,441	4,494,441
Assigned	9,881,458				7,710,896	17,592,354
Unassigned	3,371,392		(2,299,940)	(1,158,312)	(503,762)	(590,622)
Total fund balances	<u>29,021,860</u>	<u>2,840,525</u>	<u>961,521</u>	<u>-</u>	<u>52,039,745</u>	<u>84,863,651</u>

Total liabilities, deferred inflows of resources and fund balances (deficits)	\$	<u>38,446,015</u>	\$	<u>3,291,350</u>	\$	<u>4,788,461</u>	\$	<u>12,015,412</u>	\$	<u>58,859,230</u>
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Capital assets used in governmental activities are not financial resources to the governmental funds. The cost of the assets is \$438,190,723 and the accumulated depreciation is \$177,208,119. 260,982,604

Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds. 1,164,840

The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 9,494,520

Net other post employment benefits (OPEB) liability, as required by Governmental Accounting Standards Statement No. 75, are not due and payable in the current period and therefore are not reported in the governmental funds. (15,160,562)

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. (42,133,991)

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

Notes payable	(90,739,248)	
Deferred gain on refunding	(310,287)	
Deferred loss on early retirement	152,503	
Due to other governments	(6,500,000)	
Compensated absences	(4,780,561)	
Lease obligations	(4,452)	
Accrued interest payable	<u>(1,299,822)</u>	<u>(103,481,867)</u>

Net position of governmental activities

\$ 195,729,195

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, 2022

	General Fund	Housing Assistance Payments	Natural Disaster Fund	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 32,757,995	\$	\$	\$	\$ 13,663,098	\$ 46,421,093
Licenses and permits	211,782				2,646,741	2,858,523
Franchise fees	9,819,371				-	9,819,371
Intergovernmental	9,831,242	17,225,366	17,461,669	6,001,807	8,455,942	58,976,026
Charges for services	1,637,702				6,764,414	8,402,116
Fines and forfeits	92,568				187,704	280,272
Assessments	14,748				-	14,748
Interest income	318,564	11,206	(17,421)		267,257	579,606
Donations					246,302	246,302
Other	601,345				347,352	948,697
Total revenues	<u>55,285,317</u>	<u>17,236,572</u>	<u>17,444,248</u>	<u>6,001,807</u>	<u>32,578,810</u>	<u>128,546,754</u>
Expenditures:						
Current -						
General government	6,889,983			5,128,963	4,352,772	16,371,718
Public safety	36,187,899				2,586,249	38,774,148
Transportation	2,821,435		1,804,917		785,358	5,411,710
Culture and recreation	7,512,558		3,850,732		2,691,351	14,054,641
Economic environment	416,437	17,741,053			217,521	18,375,011
Physical environment	23,335		16,687		3,839,266	3,879,288
Human services	21,666					21,666
Capital outlay	19,845	7,179	2,069,971	465,435	13,400,914	15,963,344
Debt service -						
Principal retirement					5,483,571	5,483,571
Interest					2,780,201	2,780,201
Total expenditures	<u>53,893,158</u>	<u>17,748,232</u>	<u>7,742,307</u>	<u>5,594,398</u>	<u>36,137,203</u>	<u>121,115,298</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,392,159</u>	<u>(511,660)</u>	<u>9,701,941</u>	<u>407,409</u>	<u>(3,558,393)</u>	<u>7,431,456</u>
Other financing sources (uses):						
Transfers in	8,000,000				16,561,143	24,561,143
Transfers (out)	(6,573,175)				(10,761,564)	(17,334,739)
Sale of capital assets	58,790				6,400	65,190
Total other financing sources (uses)	<u>1,485,615</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,805,979</u>	<u>7,291,594</u>
Net Change in fund balances	<u>2,877,774</u>	<u>(511,660)</u>	<u>9,701,941</u>	<u>407,409</u>	<u>2,247,586</u>	<u>14,723,050</u>
Fund balances at beginning of year	<u>25,796,250</u>	<u>3,352,185</u>	<u>(8,740,420)</u>	<u>(407,409)</u>	<u>49,498,718</u>	<u>69,499,324</u>
Change in accounting principle - Implementation of GASB 87	<u>347,836</u>				<u>293,441</u>	<u>641,277</u>
Fund balances at end of year	<u>\$ 29,021,860</u>	<u>\$ 2,840,525</u>	<u>\$ 961,521</u>	<u>\$ 0</u>	<u>\$ 52,039,745</u>	<u>\$ 84,863,651</u>

(continued)

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, 2022

Net change in fund balances - total governmental funds	\$ 14,723,050
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	16,015,210
Less current year depreciation	<u>(15,087,138)</u>
	928,072
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	5,483,571
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.	(198,852)
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.	(153,714)
Accrued interest expense, reported in the statement of activities, do not require the use of current financial resources in governmental funds.	53,496
The change in annual other post employment benefits (OPEB) cost, as required by Governmental Accounting Standards Statement No. 75, does not require the use of current financial resources; therefore, the change is not reported as an expenditure in governmental funds.	963,233
The change in leases, as required by Governmental Accounting Standards Statement No. 87, does not require the use of current financial resource; therefore, the change is not reported as an expenditure in governmental funds.	699
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.	11,902,304
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.	334,618
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.	
Net book value of capital assets disposed	<u>(513,161)</u>
	<u>(513,161)</u>
Change in net position of governmental activities	\$ 34,823,316

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, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 32,570,500	\$ 32,570,500	\$ 32,757,995	\$ 187,495
Licenses and permits	76,000	170,800	211,782	40,982
Franchise fees	9,188,200	9,188,200	9,819,371	631,171
Intergovernmental	7,960,600	7,960,600	9,831,242	1,870,642
Charges for services	1,517,100	1,765,195	1,637,702	(127,493)
Fines and forfeits	143,500	143,500	92,568	(50,932)
Assessments	0	100,000	14,748	(85,252)
Interest income			318,564	318,564
Other	475,000	485,000	601,345	116,345
Total revenues	<u>51,930,900</u>	<u>52,383,795</u>	<u>55,285,317</u>	<u>2,901,522</u>
Expenditures:				
Current -				
General government	8,137,900	8,752,550	6,889,983	1,862,567
Public safety	35,572,100	36,417,134	36,187,899	229,235
Transportation	3,054,400	3,380,715	2,821,435	559,280
Culture and recreation	7,948,200	9,054,859	7,512,558	1,542,301
Economic environment	414,000	971,902	416,437	555,465
Physical environment	0	100,000	23,335	76,665
Human services	30,000	30,000	21,666	8,334
Capital outlay	0	59,345	19,845	39,500
Total expenditures	<u>55,156,600</u>	<u>58,766,505</u>	<u>53,893,158</u>	<u>4,873,347</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,225,700)</u>	<u>(6,382,710)</u>	<u>1,392,159</u>	<u>7,774,869</u>
Other financing sources (uses):				
Transfers in	8,000,000	8,000,000	8,000,000	-
Transfers (out)	(6,573,300)	(6,573,300)	(6,573,175)	125
Sale of capital assets	50,000	50,000	58,790	8,790
Total other financing sources (uses)	<u>1,476,700</u>	<u>1,476,700</u>	<u>1,485,615</u>	<u>8,915</u>
Net change in fund balances	<u>\$ (1,749,000)</u>	<u>\$ (4,906,010)</u>	<u>2,877,774</u>	<u>\$ 7,783,784</u>
Fund balances at beginning of year			<u>25,796,250</u>	
Change in accounting principle - Implementation of GASB 87			<u>347,836</u>	
Fund balances at end of year			<u>\$ 29,021,860</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, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues :				
Intergovernmental	\$ 20,918,500	\$ 25,395,646	\$ 17,225,366	\$ (8,170,280)
Interest income			11,206	11,206
Other	<u>22,000</u>	<u>22,000</u>	<u>0</u>	<u>(22,000)</u>
Total revenues	<u>20,940,500</u>	<u>25,417,646</u>	<u>17,236,572</u>	<u>(8,181,074)</u>
Expenditures :				
Current -				
Economic environment	21,729,500	26,184,743	17,741,053	8,443,690
Capital outlay	<u>67,000</u>	<u>98,216</u>	<u>7,179</u>	<u>91,037</u>
Total expenditures	<u>21,796,500</u>	<u>26,282,959</u>	<u>17,748,232</u>	<u>8,534,727</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(856,000)</u>	<u>(865,313)</u>	<u>(511,660)</u>	<u>353,653</u>
Net change in fund balances	\$ <u><u>(856,000)</u></u>	\$ <u><u>(865,313)</u></u>	<u>(511,660)</u>	\$ <u><u>353,653</u></u>
Fund balances at beginning of year			<u>3,352,185</u>	
Fund balances at end of year			\$ <u><u>2,840,525</u></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
NATURAL DISASTER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget - Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
Revenues:				
Intergovernmental	\$ 0	\$ 34,411,862	\$ 17,461,669	\$ (16,950,193)
Interest Income	0	0	(17,421)	(17,421)
Total revenues	0	34,411,862	17,444,248	(16,967,614)
Expenditures:				
Current -				
General government	0	22,872,473	0	22,872,473
Transportation	0	2,341,596	1,804,917	536,679
Culture and recreation	0	4,434,180	3,850,732	583,448
Physical environment	0	2,692,979	16,687	2,676,292
Capital outlay	0	2,070,634	2,069,971	663
Total expenditures	0	34,411,862	7,742,307	26,669,555
Excess (deficiency) of revenues over (under) expenditures	0	0	9,701,941	9,701,941
Net change in fund balances	\$ 0	\$ 0	9,701,941	\$ 9,701,941
Fund balances at beginning of year			(8,740,420)	
Fund balances at end of year			\$ 961,521	

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
AMERICAN RESCUE PLAN ACT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget - Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
Revenues:				
Intergovernmental	\$ 0	\$ 17,211,486	\$ 6,001,807	\$ (11,209,679)
Total revenues	0	17,211,486	6,001,807	(11,209,679)
Expenditures:				
Current -				
General government	0	11,082,318	5,128,963	5,953,355
Capital outlay	0	6,129,168	465,435	5,663,733
Total expenditures	0	17,211,486	5,594,398	11,617,088
Excess (deficiency) of revenues over (under) expenditures	0	0	407,409	407,409
Other financing sources (uses):				
Transfers (out)	0	0	0	-
Total other financing sources (uses)	0	0	0	0
Net change in fund balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>407,409</u>	<u>\$ 407,409</u>
Fund balances at beginning of year			<u>(407,409)</u>	
Fund balances at end of year			<u>\$ 0</u>	

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



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CITY OF PENSACOLA, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2022

	Business-type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Utility Fund	Sanitation Fund	Port Fund	Airport Fund	Total Enterprise Funds	
ASSETS						
Current assets						
Cash and cash equivalents	\$ 13,154,317	\$ 871,730	\$ 1,769,777	\$ 753,712	\$ 16,549,536	\$ 3,790,623
Investments	9,217,085	610,811	1,240,063		11,067,959	2,656,048
Interest receivable			56,546	17,019	73,565	
Accounts receivable (net)	7,579,400	765,743	376,781	1,746,283	10,468,207	332,189
Due from other funds	830,000				830,000	0
Due from other governments			334,174	27,551,165	27,885,339	0
Prepaid expenses	80,193	1,356	24,160	74,880	180,589	81,703
Inventory					0	1,686,690
Note receivable	122,589				122,589	
Lease receivable			348,316	985,255	1,333,571	
Restricted assets						
Cash and cash equivalents	1,154,669			34,955,287	36,109,956	
Investments	809,063			25,020,903	25,829,966	
Total current assets	32,947,316	2,249,640	4,149,817	91,104,504	130,451,277	8,547,253
Noncurrent assets						
Intangible asset	99,534				99,534	
Prepaid expenses					0	200,000
Note receivable	88,430				88,430	
Lease receivable			7,697,125	9,466,403	17,163,528	
Net pension asset				638,556	638,556	
Restricted assets						
Cash and cash equivalents				13,175,315	13,175,315	4,773,278
Investments				9,231,798	9,231,798	3,344,583
Capital assets						
Non-depreciable	1,195,198	41,093	3,096,941	100,867,950	105,201,182	
Depreciable (net)	71,033,200	5,522,047	11,875,071	121,064,171	209,494,489	1,994,133
Total noncurrent assets	72,416,362	5,563,140	22,669,137	254,444,193	355,092,832	10,311,994
Total assets	105,363,678	7,812,780	26,818,954	345,548,697	485,544,109	18,859,247
DEFERRED OUTFLOWS OF RESOURCES						
Deferred loss on early retirement				515,947	515,947	
Deferred pension	2,606,075	1,360,597	249,130	1,323,584	5,539,386	1,369,311
Deferred OPEB	425,540	149,855	33,329	181,623	790,347	159,102
Total deferred outflows of resources	3,031,615	1,510,452	282,459	2,021,154	6,845,680	1,528,413

(continued)

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

CITY OF PENSACOLA, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2022

	Business-type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Utility Fund	Sanitation Fund	Port Fund	Airport Fund	Total Enterprise Funds	
LIABILITIES						
Current liabilities						
Accounts payable	5,707,762	71,034	51,375	904,169	6,734,340	98,425
Contracts payable	176,596	480	33,630	2,077,675	2,288,381	129,365
Contracts payable - retainage	7,801			1,865,182	1,872,983	11,053
Leases accrued interest payable	384				384	
Due to other funds	393,894	125,683	26,651	190,284	736,512	962,334
Due to other governments			9,750		9,750	
Compensated absences payable	3,420	38,467		3,264	45,151	22,242
Claims and judgments payable					0	1,866,501
Unearned revenue	535,296			28,225,261	28,760,557	50,000
Lease payable	10,389				10,389	
Deposits			3,150	286,964	290,114	15,097
Payable from restricted assets						
Notes payable	1,868,000			2,776,000	4,644,000	
Accrued interest payable	95,732			651,833	747,565	
Total current liabilities	8,799,274	235,664	124,556	36,980,632	46,140,126	3,155,017
Noncurrent liabilities						
Compensated absences payable	909,121	410,235	132,173	609,543	2,061,072	329,464
Claims and judgments payable					0	1,903,061
Notes payable	7,851,000			34,205,000	42,056,000	
Lease payable	282,607				282,607	
Net pension liability	4,573,840	2,737,021	432,107	2,155,859	9,898,827	2,649,582
Total OPEB liability	2,704,927	985,246	220,373	1,239,220	5,149,766	1,082,164
Total noncurrent liabilities	16,321,495	4,132,502	784,653	38,209,622	59,448,272	5,964,271
Total liabilities	25,120,769	4,368,166	909,209	75,190,254	105,588,398	9,119,288
DEFERRED INFLOWS OF RESOURCES						
Deferred pension	3,393,878	1,695,434	274,414	2,730,870	8,094,596	1,346,352
Deferred OPEB	1,087,223	407,726	74,962	507,746	2,077,657	427,500
Leases			7,268,173	10,919,301	18,187,474	
Total deferred outflows of resources	4,481,101	2,103,160	7,617,549	14,157,917	28,359,727	1,773,852
NET POSITION						
Net investment in capital assets	62,608,932	5,563,140	14,972,012	185,467,068	268,611,152	1,994,133
Restricted						
Debt service				3,369,612	3,369,612	
Renewal and replacement				13,622,000	13,622,000	
Operations and maintenance				5,415,500	5,415,500	
Unrestricted	16,184,491	(2,711,234)	3,602,643	50,347,500	67,423,400	7,500,387
Total net (deficit) position	<u>\$ 78,793,423</u>	<u>\$ 2,851,906</u>	<u>\$ 18,574,655</u>	<u>\$ 258,221,680</u>	<u>\$ 358,441,664</u>	<u>\$ 9,494,520</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, 2022

	Business-type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Utility Fund	Sanitation Fund	Port Fund	Airport Fund	Total	
Operating revenues:						
Charges for services	\$ 69,715,079	\$ 9,355,523	\$ 2,881,597	\$ 28,883,526	\$ 110,835,725	\$ 6,135,569
Insurance					-	18,052,332
Fines and forfeits		120,205			120,205	
Other	373,159	155,040	4,485	50,866	583,550	9,059
Total operating revenues	70,088,238	9,630,768	2,886,082	28,934,392	111,539,480	24,196,960
Operating expenses:						
Gas purchases	40,313,531				40,313,531	
Salaries and employee benefits	4,554,118	3,111,907	844,111	4,746,587	13,256,723	4,186,940
Materials and supplies	885,844	547,618	41,002	339,121	1,813,585	117,726
Repairs and maintenance	648,303	1,362,393	486,019	1,474,898	3,971,613	315,339
Contractual services	4,117,828	408,165	388,879	5,948,788	10,863,660	1,187,016
Office and utilities	1,675,918	854,455	849,011	3,296,952	6,676,336	644,788
Land fill fees	519	1,070,671			1,071,190	
Overhead allocation	1,434,900	706,000	206,300	719,700	3,066,900	
Premiums and claims expense						17,226,493
Total operating expenses before depreciation and amortization	53,630,961	8,061,209	2,815,322	16,526,046	81,033,538	23,678,302
Operating income (loss) before depreciation and amortization	16,457,277	1,569,559	70,760	12,408,346	30,505,942	518,658
Depreciation and amortization	3,067,270	629,072	1,176,093	11,791,303	16,663,738	250,114
Operating income (loss)	13,390,007	940,487	(1,105,333)	617,043	13,842,204	268,544
Nonoperating revenues (expenses):						
Investment interest	94,803	4,887	10,322	248,104	358,116	65,641
Lease interest			245,446	328,365	573,811	
Interest expense	(200,407)	(1,492)		(1,376,595)	(1,578,494)	
Amortization of bond expense	(11,516)				(11,516)	
Gain (loss) on disposal of capital assets	22,342	(19,272)		(8,989)	(5,919)	433
Total nonoperating revenues (expenses)	(94,778)	(15,877)	255,768	(809,115)	(664,002)	66,074
Income (loss) before contributions and transfers	13,295,229	924,610	(849,565)	(192,072)	13,178,202	334,618
Contributions and transfers:						
Contributions						
Federal and state grants		1,039,481	440,284	49,347,945	50,827,710	
Passenger facility charge				4,808,704	4,808,704	
Passenger facility charge - Interest				56,162	56,162	
Donations				4,286,063	4,286,063	
Transfers in (out)	(8,000,000)		34,450	739,146	(7,226,404)	
Total contributions and transfers	(8,000,000)	1,039,481	474,734	59,238,020	52,752,235	-
Change in net position	5,295,229	1,964,091	(374,831)	59,045,948	65,930,437	334,618
Net position at beginning of year	73,514,539	887,815	18,341,007	199,604,801	292,348,162	9,159,902
Implementation of GASB 87	(16,345)		608,479	(429,069)	163,065	
Net position at beginning of year, as restated	73,498,194	887,815	18,949,486	199,175,732	292,511,227	9,159,902
Net position at end of year	\$ 78,793,423	\$ 2,851,906	\$ 18,574,655	\$ 258,221,680	\$ 358,441,664	\$ 9,494,520

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, 2022

	Business-type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Utility Fund	Sanitation Fund	Port Fund	Airport Fund	Total	
Cash flows from operating activities:						
Cash received from customers	\$ 67,510,428	\$ 9,561,042	\$ 2,572,382	\$ 29,861,132	\$ 109,504,984	\$ 20,040,668
Cash received from other funds					0	4,681,689
Cash payments to suppliers for goods and services	(45,664,541)	(4,958,418)	(2,009,754)	(21,115,942)	(73,748,655)	(20,476,660)
Cash payments to employees for services	(6,206,570)	(3,986,873)	(942,291)	3,786,278	(7,349,456)	(4,683,589)
Net cash provided by (used for) operating activities	15,639,317	615,751	(379,663)	12,531,468	28,406,873	(437,892)
Cash flows from noncapital financing activities:						
Advance from (to) other funds	(380,760)	(129,673)		(37,471)	(547,904)	547,904
Due (from) to other funds				10,497,406	10,497,406	
Net transfers	(8,000,000)				(8,000,000)	
Net cash provided by (used for) noncapital financing activities	(8,380,760)	(129,673)	0	10,459,935	1,949,502	547,904
Cash flows from capital and related financing activities:						
Acquisition of capital assets	(6,237,534)	(466,532)	(569,925)	(4,716,933)	(11,990,924)	(249,504)
Acquisition of capital assets with grant monies			(54,130)	(47,149,236)	(47,203,366)	
Proceeds from sale of assets	32,800	25,525		2,435	60,760	
Contributions from other governments			1,169,925	27,880,467	29,050,392	
Contributions from tenants				0	0	
Contributions from customers				6,858,477	6,858,477	
Acquisition of capital assets with contributions				(1,759,890)	(1,759,890)	
Principal paid on capital debt	(1,832,000)			(8,489,000)	(10,321,000)	
Interest paid on capital debt	(209,839)	(1,492)		(1,361,587)	(1,572,918)	
Payments from leasing activities	(8,942)		245,445	328,364	564,867	
Proceeds from note receivable	322,208				322,208	
Net cash provided by (used for) capital and related financing activities	(7,933,307)	(442,499)	791,315	(28,406,903)	(35,991,394)	(249,504)
Cash flows from investing activities:						
Sale (purchase) of investments	1,918,828	76,724	631	8,082,865	10,079,048	1,017,412
Sale (purchase) of intangible asset						
Interest on investments	94,803	4,887	10,322	248,104	358,116	65,641
Proceeds from insurance claim					0	
Net cash provided by (used for) investing activities	2,013,631	81,611	10,953	8,330,969	10,437,164	1,083,053
Net increase (decrease) in cash and cash equivalents	<u>1,338,881</u>	<u>125,190</u>	<u>422,605</u>	<u>2,915,469</u>	<u>4,802,145</u>	<u>943,561</u>
Cash and cash equivalents at beginning of year	<u>12,970,105</u>	<u>746,540</u>	<u>1,347,172</u>	<u>45,968,845</u>	<u>61,032,662</u>	<u>7,620,341</u>
Cash and cash equivalents at end of year	<u>\$ 14,308,986</u>	<u>\$ 871,730</u>	<u>\$ 1,769,777</u>	<u>\$ 48,884,314</u>	<u>\$ 65,834,807</u>	<u>\$ 8,563,902</u>

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, 2022

	Business-type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Utility Fund	Sanitation Fund	Port Fund	Airport Fund	Total	
Operating income (loss)	\$ 13,390,007	\$ 940,487	\$ (1,105,333)	\$ 617,043	\$ 13,842,204	\$ 268,544
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation	3,067,270	629,072	1,176,093	11,791,303	16,663,738	250,114
Change in assets and liabilities:						
(Increase) decrease in accounts receivable	(2,714,266)	689	(90,509)	700,926	(2,103,160)	331,167
(Increase) decrease in inventory	5,664				5,664	(109,364)
(Increase) decrease in due from other funds	41,132				41,132	139,700
(Increase) decrease in due from other governments					0	8,250
(Increase) decrease in prepaid expense	(22,504)	(116)	(2,296)	(6,988)	(31,904)	(18,281)
(Increase) decrease in lease receivable			212,991	1,011,437	1,224,428	
Increase (decrease) in accounts payable	3,444,443	(77,024)	(39,601)	257,232	3,585,050	(93,505)
Increase (decrease) in contracts payable	(161,877)	(2,391)	3,354	(168,587)	(329,501)	107,925
Increase (decrease) in due to other funds	20,310	(146,526)	(813)	18,851	(108,178)	107,213
Increase (decrease) in due to other governments					0	
Increase (decrease) in deposits			2,143	204,258	206,401	264
Increase (decrease) in claims and judgments					0	(786,490)
Increase (decrease) in deferred revenue	253,476				253,476	(25,000)
Increase (decrease) in lease payable	(9,637)				(9,637)	
Increase (decrease) in compensated absences	(32,377)	2,781	27,446	123,311	121,161	(40,267)
Increase (decrease) in lease deferred inflow			(438,325)	(989,881)	(1,428,206)	
Increase (decrease) in net OPEB obligation	(211,400)	(88,651)	(17,049)	(105,701)	(422,801)	(558,249)
Increase (decrease) in net pension liability	(1,430,924)	(642,570)	(107,764)	(921,736)	(3,102,994)	(19,913)
Net cash provided by (used for) operating activities:	<u>\$ 15,639,317</u>	<u>\$ 615,751</u>	<u>\$ (379,663)</u>	<u>\$ 12,531,468</u>	<u>\$ 28,406,873</u>	<u>\$ (437,892)</u>
Noncash investing, capital, and financing activities:						
	Utility Fund	Sanitation Fund	Port Fund	Airport Fund	Total	Internal Service Funds
Amortization of bond expense	\$ (11,516)	\$	\$	\$ 60,625	\$ 49,109	\$
Contribution of capital assets (to) from other funds			3,161		3,161	
Gain (loss) on disposal of capital assets	(10,457)	(44,797)	(39,000)	(11,424)	(105,678)	

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



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CITY OF PENSACOLA, FLORIDA
COMBINED STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2022

	<u>Total Pension Trust Funds</u>
ASSETS	
Other cash	\$ 765,884
Receivables:	
Employer	595
Employee	45,124
Total receivables	45,719
Investments:	
Short term investments	10,467,309
Debt Securities & Bond Mutual Funds	70,369,328
Convertible Corporate Bonds	24,495,569
Stock Mutual Funds	25,822,950
Mortgage Backed Securities	54,214,490
Commingled Trust Fund	8,522,754
Domestic Stocks	124,505,520
Preferred Stocks	2,543,758
Foreign Stocks	37,119,097
Total investments	358,060,775
Total assets	\$ 358,872,378
LIABILITIES	
Accounts payable	\$ 713,817
Total liabilities	713,817
NET POSITION	
Restricted for pension benefits	\$ 358,158,561

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

CITY OF PENSACOLA, FLORIDA
COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Total Pension Trust Funds
Additions:	
Contributions - city	\$ 10,952,240
Contributions - employee	1,213,979
Commission recapture	910
Insurance proceeds - State of Florida	1,298,250
Total contributions	<u>13,465,379</u>
Investment income	
Net appreciation	
in fair value of investments	(82,380,039)
Interest and dividends	8,415,088
	<u>(73,964,951)</u>
Less investment expense	1,770,653
Net investment income	<u>(75,735,604)</u>
Total additions	<u>(62,270,225)</u>
Deductions:	
Pensions paid - employees	24,890,458
Pensions paid - widows	3,877,249
Pensions paid - children	4,891
Refunds to employees	19,782
Deferred retirement option plan	2,705,020
Health insurance assistance	100,212
Administrative expenses	346,733
Total deductions	<u>31,944,345</u>
Change in net position	<u>(94,214,570)</u>
Net position held in trust for pension benefits:	
Beginning of year	<u>452,373,131</u>
End of year	\$ <u><u>358,158,561</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, 2022**

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**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

The City operates under a Mayor-Council structure commonly referred to as a “Strong Mayor” form of government. With the Mayor-Council structure, the Council is the governing body of the City with all legislative powers of the City vested therein, which consisted of seven (7) Council Members, one (1) elected from each of the seven (7) election districts of the City. The Mayor is not a member of Council and does not have voting power. 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. The Mayor’s term allows for a maximum of three consecutive four-year terms of office. With the Mayor-Council 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 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. Discretely presented component units are 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, 2022**

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 CRA each fiscal year. Audited financial statements of the CRA can be obtained by contacting the City's financial services department: City of Pensacola, 222 West Main Street, Pensacola, FL 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 unit is the same as those detailed for the City. The City's only discretely presented component unit is the Downtown Improvement Board.

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. Audited financial statements of the DIB can be obtained from their administrative office: 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. On March 7, 2019, the Escambia Board of County Commissioners passed an Ordinance to cease operations and reestablish the Human Relations Commission with a new board. The new Commission is composed of nine members: five 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.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

Complete financial statements of HRC can be obtained from their administrative office: Escambia Pensacola Human Relations Commission, 150 West Maxwell St., Pensacola, Florida, 32501.

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

**HRC
Statement of Net Position
September 30, 2022
(Audited)**

Assets	\$ <u>20,135</u>
Liabilities	<u>5,832</u>
Net Position:	
Restricted	-
Unrestricted	<u>14,303</u>
Total Net Position	<u>14,303</u>
Total Liabilities and Net Position	\$ <u><u>20,135</u></u>

**HRC
Statement of Revenues, Expenses
and Changes in Net Position
for the Fiscal Year Ended September 30, 2022
(Audited)**

Revenue	\$ 158,059
Expenses	<u>163,024</u>
Excess of revenue over (under) expenses	<u>(4,965)</u>
Net position Beginning of Year	<u>19,268</u>
Net position at End of Year	\$ <u><u>14,303</u></u>

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

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: Pensacola - Escambia County Promotion and Development Commission, 117 West Garden Street, Pensacola, Florida, 32502.

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

**Statement of Net Position
September 30, 2022
(Audited)**

Assets	\$ <u>17,712,488</u>
Liabilities	<u>10,615,431</u>
Deferred inflows of resources	<u>2,528,794</u>
Net Position:	
Restricted	61,198
Unrestricted	<u>4,507,065</u>
Total Net Position	<u>4,568,263</u>
Total Liabilities and Net Position	\$ <u><u>17,712,488</u></u>

**PEDC
Statement of Revenues, Expenses
and Changes in Net Position
for the Fiscal Year Ended September 30, 2022
(Audited)**

Revenue	\$ 1,263,529
Expenses	<u>1,111,680</u>
Excess of revenue over (under) expenses	<u>151,849</u>
Net position Beginning of Year	<u>4,416,414</u>
Net position at End of Year	\$ <u><u>4,568,263</u></u>

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) 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 unit for which the primary government is financially accountable.

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, and 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.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

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.

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.

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.

Natural Disaster Fund - to account for federal and state monies received and expended for disaster relief because of natural disasters.

American Rescue Plan Act Fund - to account for federal monies received and expended for pandemic relief because of Coronavirus virus.

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

The City reports the following major proprietary funds:

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

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, 2022**

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 1st resulting in a prepaid insurance premium for the month of October.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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, agreements with outside parties or restricted by City Council or management for a specific purpose. 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 intangible assets on the face of the financial statements of \$37,026 and \$74,025. 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 and ten years respectively.

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

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

8. Leases

The City of Pensacola is a lessee for noncancellable leases of equipment and building. The City recognizes a lease liability and an intangible right-to-use lease asset in the government-wide and proprietary lease fund financial statements.

At the commencement of the lease, the City initially measures the lease liability at the present value of the payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial costs. Subsequently, the lease asset is amortized on a straight-line basis over the term of the lease.

The City uses the interest rate charged by the lessor as the discount rate or its incremental borrowing rate as the discount rate for the leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are comprised of fixed payment and any purchase option price that the City will reasonably be certain to exercise. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

The City monitors changes in the circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Leased assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Payments due under the lease contracts include fixed payments. Assets and liabilities arising from a lease initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- Amounts expected to be payable by the City under residual value guarantees.
- The exercise price of a purchase option if it is reasonably certain the option will be executed.
- Payments of penalties for terminating the lease, if the lease term reflects the City exercising that option.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

The City is a lessor for noncancellable leases of land and buildings. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide, proprietary fund and governmental fund financial statements.

At the commencement of the lease, the City initially measures the lease receivable at the present value of the payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow is recognized as revenue over the term of the lease.

The City uses its incremental borrowing rate as the discount rate for the leases.

The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is comprised of the following:

- Fixed payments (including in-substance fixed payments), plus variable payments from the lessee. For land and building leases that include variable payments, those payments include common area maintenance.
- Residual value guarantee payments that are fixed in substance.
- Any lease incentives.

Variable payments that depend on an index or a rate such as the Consumer Price Index or a market rate interest rate are initially measured using the index or market rate at the commencement of the lease.

The City monitors changes in circumstances that would require a remeasurement of the lease receivable a deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

9. 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, 2022**

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

One is the deferred loss on early retirement reported in the proprietary statement of net position as well as the government-wide statement of net position. A deferred loss on early retirement 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 and/or Other Postemployment Benefits (OPEB) contributions 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 four 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 early retirement reported in the proprietary statement of net position as well the government-wide statement of net position. A deferred gain on early retirement 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 third is deferred pension and/or OPEB as well as pension and/or OPEB expenses as a result in changes benefits, assumptions, and differences between actual and expected returns. The fourth is the deferred recognition of revenue that will be recognized over the life of the lease.

10. 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.

11. 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). Senior Executive Services (SES) employees may accumulate up to 600 hours of PTO plus 250 hours of retention leave. Fire employees may accumulate up to 720 hours of PTO.

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

Police sergeants, lieutenants and captains may accumulate up to 500 hours PTO and police officers may accumulate up to 900 hours PTO. 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, unless the payments are current liabilities and will be made in the following year.

12. Bond Discounts, Issuance Cost, and Refunding Gains and Losses

In the government-wide financial statements and proprietary 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 deferred inflows of resources while losses are presented as deferred outflows of resources.

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.

13. 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.

14. Net Position

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

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 assets.

15. 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.

16. New Accounting Pronouncements

GASB Statement No. 87

In June 2017, the GASB issued Statement NO. 87, "Leases." This Statement requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. As a result of 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. As such, implementation of the Statement occurred in the City's fiscal year ending September 30, 2022.

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.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE II. – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

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 Finance Director 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.

A legally adopted budget is employed as a control device for the General Fund, Special Revenue Funds and Debt Service Funds. 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 investments in 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.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

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.

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**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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	\$ 4,253,407	N/A
Debt Securities & Bond Mutual Funds			
Corporate Bonds	4.72 years	5,326,014	A1 - A3
Corporate Bonds	6.43 years	9,836,001	Aaa
Corporate Bonds	9.21 years	462,388	Aa1 - Aa3
Corporate Bonds	3.99 years	5,795,993	Baa1 - Baa3
Corporate Bonds	3.00 years	1,732,546	Rating Unavailable
Limited Partnerships	Current	188,610	N/A
Convertible Corporate Bonds			
Corporate Bonds	2.59 years	142,955	A1 - A3
Corporate Bonds	3.21 years	55,104	B1 - B3
Corporate Bonds	2.29 years	754,743	Baa1 - Baa3
Corporate Bonds	4.23 years	10,346,104	Rating Unavailable
Stock Mutual Funds	Current	3,768,397	N/A
Mortgage Backed Securities			
Mortgage Backed Securities	12.24 years	4,337,889	Aaa
Real Estate Investment Trust	Current	18,516,201	N/A
Domestic Stocks	Current	43,210,493	N/A
Commingled Trust Fund	Current	2,266,469	N/A
Preferred Stocks	Current	1,172,430	N/A
Foreign Stocks	Current	19,949,489	N/A
Total General Pension Investments		\$ 132,115,233	

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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	\$ 4,143,465	N/A
Debt Securities & Bond Mutual Funds			
Corporate Bonds	4.94 years	4,429,354	A1 - A3
Corporate Bonds	6.43 years	11,000,159	Aaa
Corporate Bonds	3.07 years	329,746	Aa1 - Aa3
Corporate Bonds	4.13 years	4,019,490	Baa1 - Baa3
Corporate Bonds	3.00 years	1,225,807	Rating Unavailable
Limited Partnership	Current	163,107	N/A
Bond Mutual Funds	Current	978,717	N/A
Convertible Corporate Bonds			
Corporate Bonds	2.59 years	165,779	A1 - A3
Corporate Bonds	3.21 years	63,632	B1-B2
Corporate Bonds	2.03 years	881,323	Baa1 - Baa3
Corporate Bonds	4.23 years	12,085,929	Rating Unavailable
Stock Mutual Funds	Current	22,054,553	N/A
Mortgage Backed Securities			
Mortgage Backed Securities	13.12 years	3,473,063	Rating Unavailable
Real Estate Investment Trust	Current	6,389,369	N/A
Commingled Trust Fund	Current	6,256,285	N/A
Domestic Stocks	Current	35,993,329	N/A
Preferred Stocks	Current	1,371,328	N/A
Foreign Stocks	Current	1,452,270	N/A
Total Fire Pension Investments		\$ 116,476,705	

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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	\$ 2,070,437	N/A
Debt Securities & Bond Mutual Funds			
Corporate Bonds	4.29 years	4,579,041	A1 - A3
Corporate Bonds	10.32 years	11,235,537	Aaa
Corporate Bonds	4.36 years	324,840	Aa1 -Aa3
Corporate Bonds	4.04 years	5,623,288	Baa1-Baa3
Corporate Bonds	2.06 years	499,204	Rating Unavailable
Bond Mutual Funds		2,619,486	Rating Unavailable
Mortgage Backed Securities			
Mortgage Backed Securities	13.89 years	7,917,193	Rating Unavailable
Real Estate Investment Trust	Current	13,580,775	N/A
Domestic Stocks	Current	45,301,698	N/A
Foreign Stocks	Current	15,717,338	N/A
Total Police Pension Investments		\$ 109,468,837	

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	\$ 19,838,226	\$ 18,216,988	\$ 16,950,149	\$ 55,005,363
Unrealized Losses	(56,347,818)	(50,804,341)	(42,083,993)	(149,236,152)
Net Unrealized Gains/(Loss)	<u>\$ (36,509,592)</u>	<u>\$ (32,587,353)</u>	<u>\$ (25,133,845)</u>	<u>\$ (94,230,789)</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, 2022

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 fair value measurements as of September 30, 2022:

<u>General Pension Investment</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>9/30/2022</u>
Investments by Fair Value Level				
Short Term Investments	\$ 4,253,407	\$	\$	4,253,407
Debt Securities & Bond Mutual Funds:				
Corporate Bonds		23,152,942		23,152,942
Limited Partnerships	188,610			188,610
Total Debt Securities & Bond Mutual Funds	<u>4,442,017</u>	<u>23,152,942</u>	<u>-</u>	<u>23,341,552</u>
Convertible Corporate Bonds		11,298,906		11,298,906
Stock Mutual Funds	3,768,397			3,768,397
Mortgage Backed Securities:				
Mortgage Backed Securities		4,337,889		4,337,889
Real Estate Investment Trust			18,516,201	18,516,201
Total Mortgage Baked Securities	<u>-</u>	<u>4,337,889</u>	<u>18,516,201</u>	<u>22,854,090</u>
Domestic Stocks	43,210,493			43,210,493
Commingled Trust Fund	2,266,469			2,266,469
Preferred Stocks	1,172,430			1,172,430
Foreign Stocks	19,949,489			19,949,489
Total Investments measured at fair value	<u>\$ 79,062,702</u>	<u>\$ 38,789,737</u>	<u>\$ 18,516,201</u>	<u>\$ 132,115,233</u>

Short term investments, debt 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. 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.

Mortgage-backed securities 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, 2022

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

Fire Pension Investment	Level 1	Level 2	Level 3	9/30/2022
Investments by Fair Value Level				
Short Term Investments	\$ 4,143,465	\$	\$	\$ 4,143,465
Debt Securities & Bond Mutual Funds:				
Corporate Bonds		21,004,556		21,004,556
Bond Mutual Funds	978,717			978,717
Limited Partnerships	163,107			163,107
Total Debt Securities & Bond Mutual Funds	<u>1,141,824</u>	<u>21,004,556</u>	<u>-</u>	<u>22,146,380</u>
Convertible Corporate Bonds		13,196,663		13,196,663
Stock Mutual Funds		12,298,082	9,756,471	22,054,553
Mortgage Backed Securities:				
Mortgage Backed Securities		3,473,063		3,473,063
Real Estate Investment Trust			6,389,369	6,389,369
Total Mortgage Baked Securities	<u>-</u>	<u>3,473,063</u>	<u>6,389,369</u>	<u>9,862,432</u>
Domestic Stocks	35,993,329			35,993,329
Commingled Trust Fund	6,256,285			6,256,285
Preferred Stocks	1,371,328			1,371,328
Foreign Stocks	1,452,270			1,452,270
Total Investments measured at fair value	<u>\$ 50,358,501</u>	<u>\$ 49,972,364</u>	<u>\$ 6,389,369</u>	<u>\$ 116,476,705</u>

Short term investments, bond mutual funds, debt securities, 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. 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.

Mutual funds, and mortgage-backed 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, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

Police Pension Investment	Level 1	Level 2	Level 3	9/30/2022
Investments by Fair Value Level				
Short Term Investments	\$ 2,070,437	\$	\$	2,070,437
Debt Securities & Bond Mutual Funds:				
Corporate Bonds		22,261,910		22,261,910
Bond Mutual Funds			2,619,486	2,619,486
Total Debt Securities & Bond Mutual Funds	<u>-</u>	<u>22,261,910</u>	<u>2,619,486</u>	<u>24,881,396</u>
Mortgage Backed Securities:				
Mortgage Backed Securities		7,917,193		7,917,193
Real Estate Investment Trust			13,580,775	13,580,775
Total Mortgage Baked Securities	<u>-</u>	<u>7,917,193</u>	<u>13,580,775</u>	<u>21,497,968</u>
Domestic Stocks	45,301,698			45,301,698
Foreign Stocks	15,717,338			15,717,338
Total Investments by Fair Value	<u>\$ 63,089,473</u>	<u>\$ 30,179,103</u>	<u>\$ 16,200,261</u>	<u>\$ 109,468,837</u>

Short term investments, debt securities and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities 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.

Bond Mutual Funds and mortgage-backed securities 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 \$90,000,000 are in certificates of deposits with maturities that range from October 2022 to July 2023 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, 2022**

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

Account receivables are shown net of allowances for doubtful accounts as follows:

	Accounts		
	Receivable	Allowance	Net
Governmental activities:			
General Fund	\$ 1,587,964	\$	\$ 1,587,964
Housing Assistance Payments Fund	1,530,499	1,205,014	325,485
Nonmajor Governmental Funds	397,247		397,247
Internal Service Fund	332,189		332,189
Total governmental activities	<u>\$ 3,847,899</u>	<u>\$ 1,205,014</u>	<u>\$ 2,642,885</u>
Business-type activities:			
Utility Fund	\$ 7,945,008	\$ 365,608	\$ 7,579,400
Sanitation Fund	845,485	79,742	765,743
Port Fund	376,781		376,781
Airport Fund	1,746,283		1,746,283
Total business-type activities	<u>\$ 10,913,557</u>	<u>\$ 445,350</u>	<u>\$ 10,468,207</u>

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

4. Lease Receivables

The City leases land and building space to third parties. As of September 30, 2022, The City's leases receivables were valued at \$26,603,610 and the deferred inflow of resources associated with the leases that will be recognized as revenue over the term of the leases were \$25,622,454. The lease receivables for Governmental and Business-type Activities at September 30, 2022 were as follows:

Governmental Activities

Land leases – annual lease payments totaling \$125,495 plus interest at a rate of 3%, due dates ranging from December 2022 to December 2071. \$986,083

Building and office space leases – annual lease payments totaling \$120,428 plus interest at a rate of 3%, due dates ranging from September 2023 to December 2134. 7,120,428

Total Governmental Activities Lease Receivables \$8,106,511

Business-like Activities

Land leases – annual lease payments totaling \$429,184 plus interest at a rate of 3%, due dates ranging from December 2025 to August 2118. \$11,435,099

Building and office space leases – annual lease payments totaling \$1,000,499 plus interest at a rate of 3%, due dates ranging from September 2023 to September 2060. 7,062,000

Total Business-like Activities Lease Receivables \$18,497,099

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

The payments for the lease receivables are expected to be received in the subsequent years as follows:

Fiscal Year	Governmental Activities		Business-like Activities	
	Principal	Interest	Principal	Interest
2023	\$ 186,565	\$ 217,064	\$ 1,333,571	\$ 517,716
2024	172,082	216,946	1,197,735	479,429
2025	93,428	216,066	739,346	449,997
2026	36,191	215,231	677,041	428,357
2027	36,670	214,144	621,679	403,708
2028-2032	225,103	1,062,766	2,966,189	1,784,569
2033-2037	304,314	1,040,836	1,707,624	1,421,869
2038-2042	354,374	1,010,823	1,889,793	1,158,419
2043-2047	435,747	971,234	2,195,457	981,613
2048-2052	503,488	922,243	1,117,829	833,146
2053-2057	617,842	862,597	967,939	693,039
2058-2062	781,379	783,274	861,230	543,998
2063-2067	973,069	679,187	53,682	480,551
2068-2072	387,620	583,227	-	480,081
2073-2077	31,165	599,367	-	480,081
2078-2082	36,665	627,275	59,112	420,969
2083-2087	36,327	656,983	176,237	303,844
2088-2092	40,491	689,140	204,584	275,497
2093-2097	337,418	432,700	237,843	242,238
2098-2103	466,567	346,872	276,421	203,660
2104-2108	591,691	268,101	320,996	159,085
2109-2113	740,717	168,673	372,853	107,228
2114-2118	339,334	72,295	433,226	46,855
2119-2123	99,557	51,693	86,712	1,303
2124-2128	115,659	35,591	-	-
2129-2133	134,366	16,884	-	-
2134-2138	28,682	1,318	-	-
	<u>\$ 8,106,511</u>	<u>\$ 12,962,530</u>	<u>\$ 18,497,099</u>	<u>\$ 12,897,252</u>

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

The City has leasing agreements with several air carriers that are regulated by the Federal Aviation Administration, and as such qualify to be treated as a regulated lease in accordance with GASB 87. The leases with the air carriers have specific requirements which are subject to external laws and regulations mandated by Federal Aviation Administration. The City leases land and building space to third parties under these agreements. The building leases expired on September 30, 2022. The expired leases continue under a hold over provision until such time that a new lease is negotiated. The hold over provision allows the City to terminate the lease at any time. Revenues collected under the building leases for fiscal year 2022 totaled \$6,537,425. Due to the current hold over provision, expected future minimum lease payments are not included in the schedule below. The land lease range is 30 years with annual lease payments totaling \$9,440. As of September 30, 2022, the remaining nominal amount of the revenue that will be recognized as revenue over the lease term associated with these leases amount to \$45,642 which is expected to be received for each of the subsequent five years and in five-year increments thereafter as stated below:

<u>Fiscal Year</u>	<u>Business-type Activities</u>
2023	\$ 9,692
2024	4,610
2025	2,915
2026	2,915
2027	2,915
2028-2032	14,577
2032-2037	8,018
Total	<u><u>\$ 45,642</u></u>

5. 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:

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

	<u>Unavailable</u>	<u>Unearned</u>
General Fund		
Special assessments	\$ 23,595	\$
Leases – Land/ROW receivables	17,042	
Prepaid lease payments		203,786
Occupational license fees and fines received for subsequent year		670,468
Special Revenue Funds		
HUD - Fraud Recovery	325,485	
CDBG - Housing Rehab Project notes receivable	286,047	
Golf Course- Lease receivables	1,500	
Parks Recreation - Lease receivables	2,000	
Tennis Center- Lease receivables	10,417	
CMP - Use Fee		71,875
American Rescue Act Funding		11,709,087
Home Reconstruction Loans	498,754	
Grant request and draws prior to meeting all requirements		235,031
	<u>\$ 1,164,840</u>	<u>\$ 12,890,247</u>

The American Rescue Plan grant does not require the City to hold unspent funds in a separate bank account. The unspent monies are not earned so it is not a component of net position at the fund or government wide level. Since the terms of the grant require the funds to be expended within a set number of years and unspent funds are not considered restricted assets of the government unit, the City does not consider presentation of the unspent monies as restricted assets necessary as of September 30, 2022.

The Airport Fund includes \$27,815,049 in unearned revenue related to an advance on project funding as required by the “Project Development Agreement” between VTMAE and the City. This agreement stipulates the timing and use of the funding for the development of a commercial aircraft maintenance, repair, and overhaul (“MRO”) campus at Pensacola International Airport. VTMAE will provide a total of \$35,000,000 towards the estimated \$210,125,000 project as further disclosed in Note IV. H. The unspent funds are not considered earned until funds are expended and therefore are not a component of the Airport's net position.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

C. Capital Assets

Capital asset activity for governmental activities for the fiscal year ended September 30, 2022 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental activities:</u>				
Non-Depreciable Assets:				
Land	\$ 21,519,751	\$ 445	\$	\$ 21,520,196
Construction in Progress	<u>6,542,329</u>	<u>12,671,146</u>	<u>(8,579,152)</u>	<u>10,634,323</u>
Total Non-depreciable assets	<u>28,062,080</u>	<u>12,671,591</u>	<u>(8,579,152)</u>	<u>32,154,519</u>
Depreciable Assets:				
Buildings	133,185,149	2,194,751	(538,498)	134,841,402
Improvements	58,921,705	2,017,069	(1,863,850)	59,074,924
Infrastructure	155,721,375	3,623,874	(4,547)	159,340,702
Equipment	58,529,500	4,315,917	(1,848,117)	60,997,300
Right-to-use leased equipment	<u>108,636</u>	<u>-</u>	<u>-</u>	<u>108,636</u>
Total Depreciable assets	<u>406,466,365</u>	<u>12,151,611</u>	<u>(4,255,012)</u>	<u>414,362,964</u>
Less accumulated depreciation for:				
Buildings	41,751,922	3,030,102	(325,350)	44,456,674
Improvements	31,259,805	2,028,547	(1,587,368)	31,700,984
Infrastructure	59,040,554	6,520,111	(4,488)	65,556,177
Equipment	39,841,195	3,706,623	(1,824,644)	41,723,174
Right-to-use leased building	<u>51,868</u>	<u>51,869</u>	<u>-</u>	<u>103,737</u>
Total accumulated depreciation	<u>171,945,344</u>	<u>15,337,252</u>	<u>(3,741,850)</u>	<u>183,540,746</u>
Total depreciable assets net of depreciation	<u>234,521,021</u>	<u>(3,185,641)</u>	<u>(513,162)</u>	<u>230,822,218</u>
Governmental activities net capital assets	<u><u>262,583,101</u></u>	<u><u>\$ 9,485,950</u></u>	<u><u>\$ (9,092,314)</u></u>	<u><u>\$ 262,976,737</u></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 2022, the net book value of assets held by Internal Service Funds is \$1,994,133. Total depreciation expense for governmental activities for fiscal year 2022 is \$15,337,252.

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

Capital asset activity for business-type activities for the fiscal year ended September 30, 2022 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Business-type activities:</u>				
Non-Depreciable Assets:				
Land	\$ 38,397,584	\$	\$	\$ 38,397,584
Construction in Progress	16,963,942	53,473,161	(3,633,505)	66,803,598
Total Non-depreciable assets	<u>55,361,526</u>	<u>53,473,161</u>	<u>(3,633,505)</u>	<u>105,201,182</u>
Depreciable Assets:				
Buildings	188,974,921	32,049		189,006,970
Improvements	227,311,709	8,433,789	(654,148)	235,091,350
Equipment	42,507,554	3,531,621	(1,031,242)	45,007,933
Right to-use leased building	298,819	-	-	298,819
Total Depreciable assets	<u>459,093,003</u>	<u>11,997,459</u>	<u>(1,685,390)</u>	<u>469,405,072</u>
Less accumulated depreciation for:				
Building	98,707,185	6,179,680		104,886,865
Improvements	119,351,095	7,313,370	(654,148)	126,010,317
Equipment	26,786,378	3,154,881	(955,813)	28,985,446
Right to-use leased building	12,148	15,807	-	27,955
Total accumulated depreciation	<u>244,856,806</u>	<u>16,663,738</u>	<u>(1,609,961)</u>	<u>259,910,583</u>
Total depreciable assets net of depreciation	<u>214,236,197</u>	<u>(4,666,279)</u>	<u>(75,429)</u>	<u>209,494,489</u>
Business-type activities net capital assets	<u>\$ 269,597,723</u>	<u>\$ 48,806,882</u>	<u>\$ (3,708,934)</u>	<u>\$ 314,695,671</u>

Total depreciation expense for business-type activities for fiscal year 2022 is \$16,663,738.

There are two intangible assets reported in the Utility Fund representing the excess of the purchase price paid over the fair market value of assets acquired. In September 1989, the City purchased the Escambia County Utilities Authority's Timberland Natural Gas Distribution and recorded goodwill of \$131,646. The intangible asset is amortized on a straight-line basis over an estimated useful life of forty years. In October 2021, the City purchased a portion of Okaloosa Gas District service area and recorded goodwill of \$82,250. The intangible asset is amortized on a straight-line basis over an estimated useful life of ten years.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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	\$ 696,759
Public Safety	2,361,153
Physical Environment	1,917,789
Transportation	3,344,766
Economic Environment	50,302
Culture and Recreation	5,033,950
Unallocated Infrastructure	1,682,419
Capital assets held by governmental type internal service funds are charged to the various functions based on their usage	<u>250,114</u>
Total depreciation expense- governmental activities	<u>\$ 15,337,252</u>

Infrastructure reported per requirement of GASB 34 is presented as a separate line item instead of a specific function/program.

Business-type activities:

Gas	\$ 3,067,270
Sanitation	629,072
Port	1,176,093
Airport	<u>11,791,303</u>
Total depreciation expense- business-type activities	<u>\$ 16,663,738</u>

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 \$473,559 as reported in the governmental activities.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

D. Interfund Receivables, Payables, and Transfers

Interfund receivables/payables balances as of September 30, 2022, are as follows:

	<u>Due To</u>	<u>Due From</u>	<u>Advance To</u>	<u>Advance From</u>
Governmental activities:				
General Fund	\$	\$ 4,231,157	\$	\$
Housing Assistance Fund	47,340			
Natural Disaster Fund	3,148,752			
American Rescue Plan Act Fund	9,430			
Nonmajor Governmental Funds	504,470	347,681		
Internal Service Funds	962,334			
Total Governmental activities	<u>4,672,326</u>	<u>4,578,838</u>	<u>-</u>	<u>-</u>
Business-type activities:				
Utility Fund	393,894	830,000		
Sanitation Fund	125,683			
Port Fund	26,651			
Airport Fund	190,284	-		
Total Business-type activities	<u>736,512</u>	<u>830,000</u>	<u>0</u>	<u>-</u>
Total governmental and business-type activities	<u>\$ 5,408,838</u>	<u>\$ 5,408,838</u>	<u>\$ -</u>	<u>\$ -</u>

Internal balances-current reported in the government-wide statement of net position in the amount of \$93,488 represents the amounts receivable/payable between government and business-type activities for end of year payroll liabilities, risk management claims and inter-fund transfers.

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

For the year ended September 30, 2022, interfund transfers are as follows:

Governmental activities:			
<u>Major Governmental Funds</u>	Transfer In	Transfer Out	Purpose
General Fund	\$ 8,000,000	\$ 6,573,175	Transfer from Utility Fund Transfer to UCRT, Golf, Eastside TIF, Westside TIF and Stormwater Capital
<u>Nonmajor Governmental Funds</u>		1,536,318	Transfer to Local Option Gasoline Tax Debt Service
Local Option Gasoline Tax (LOGT)			
Community Redevelopment Agency (CRA)	3,990,366		Transfer from UCRT
Urban Core Redevelopment Trust (UCRT)	2,999,452	8,083,603	City's required contribution Transfer to CRA and CRA Debt Service
Golf Course Fund	250,000		Transfer from General Fund
Eastside Tax Increment Financing District	115,882	89,446	City's required contribution Transfer to CRA Debt Service
Westside Tax Increment Financing District	472,841	278,601	City's required contribution Transfer to CRA Debt
CRA Debt Service	4,461,284		Transfer from UCRT, Eastside TIF and Westside TIF
Local Option Gas Tax Det Service Fund	1,536,318		Transfer from LOGT
Local Option Sales Tax Fund (LOST)		773,596	Transfer to Port and Airport
Stormwater Capital Fund	2,735,000		Transfer from General Fund
Business-type activities:			
Utility Fund		8,000,000	Transfer to General Fund
Port Fund	34,450		Transfer from LOST
Airport Fund	739,146		Transfer from LOST
Total	\$ 25,334,739	\$ 25,334,739	

Transfers reported in the government-wide statement of activities in the amount of \$6,966,490 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 in the schedule above.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

E. Long-term Debt

Individual Bond Issues and Notes Payable

Below are the City's individual long-term debt issues which were outstanding on September 30, 2022:

Governmental activities:

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 commenced 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. \$ 7,339,000

\$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 commenced 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. 1,043,000

\$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 commenced 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. 3,258,000

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

\$8,000,000 Urban Core Redevelopment Revenue Bond, Series 2017 was issued for the purpose of financing certain community redevelopment capital improvements in the Urban Core Redevelopment Area included in the Urban Core Community Redevelopment Plan and the costs of issuance on the borrowing. The bond has a fixed interest rate of 3.60% commencing April 1, 2018, to and including April 1, 2040, payable each April 1 and October 1 of each year. Principal payments commenced on April 1, 2018, payable April 1 of each year. Debt service payments are secured with Tax Increment Financing (TIF) revenues derived from the Urban Core Redevelopment Area and in the event that these revenues are insufficient, a covenant to budget and appropriate non-ad valorem revenues of the City. Final maturity of principal occurs on April 1, 2040.

7,310,000

\$25,000,000 Infrastructure Sales Surtax Revenue Bond, Series 2017 was issued for the purpose of financing the cost of acquisition, construction renovation and equipping of additions, extensions, and improvements to facilities and general infrastructure of the City of Pensacola and the costs of issuance on the borrowing. The bond has a fixed interest rate of 2.15% commencing April 1, 2018, to and including October 1, 2028, payable each October 1 and April 1 of each year. Principal payments commenced on October 1, 2018, payable October 1 of each year. Debt service payments are secured with Infrastructure Sales Surtax revenues. Final maturity of principal occurs on October 1, 2028.

16,640,000

\$58,140,000 Urban Core Redevelopment Refunding and Improvement Revenue Bond, Series 2019 was issued for the purpose of refunding the outstanding principal balance of the Redevelopment Revenue Bonds, Series 2009B, as well as financing certain community redevelopment capital improvements in the Urban Core Redevelopment Area included in the Urban Core Community Redevelopment Plan and the costs of issuance on the borrowing. The bond has a fixed interest rate of 3.40% commencing October 1, 2019, to and including December 31, 2043, payable each April 1 and October 1 of each year. Principal payments commenced on April 1, 2021, payable April 1 of each year. Debt service payments are secured with Tax Increment Financing (TIF) revenues derived from the Urban Core Redevelopment Area and in the event that these revenues are insufficient, a covenant to budget and appropriate non-ad valorem revenues of the City. Final maturity of principal occurs on December 31, 2043.

55,149,248

Total Nonmajor Fund Types 90,739,248

Total Governmental Activities \$ 90,739,248

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

Business-type Activities:

Utility Enterprise

\$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.

9,719,000

Total Utility Enterprise

9,719,000

Airport Enterprise

\$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 commenced 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.

6,695,000

\$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 commenced 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.

4,035,000

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

\$29,678,000 Airport Refunding Revenue Note, Series 2018 refunded the outstanding principal of the Airport Revenue Bonds, Series 2008. Note has a fixed rate of 3.93% commencing October 1, 2018 percent to and including October 1, 2038, payable each April 1 and October 1 of each year. Principal payments commenced on October 1, 2018, payable October 1 of each year. Debt service payments are secured with Net Revenues of the Airport and is further secured by certain PFC revenues, to the extent that such PFC revenues are deposited into the bond fund. Final maturity of principal occurs on October 1, 2038.

26,251,000

Total Airport Enterprise

36,981,000

Total Business-type Activities

\$ 46,700,000

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, 2022:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities					
Due to other governments	\$ 7,800,000	\$ 90,018	\$ (1,300,000)	\$ 6,590,018	\$ 1,390,018
Claims and judgments	4,578,294	2,105,419	(2,914,151)	3,769,562	1,888,743
Compensated absences	5,152,549	3,768,049	(3,556,540)	5,364,058	254,033
Bonds/Notes payable	96,202,819		(5,463,571)	90,739,248	5,591,068
Loans payable	20,000		(20,000)	-	
Lease payable	56,902	-	(52,459)	4,443	4,443
OPEB	13,064,351	549,852	(421,663)	13,192,540	
Pension liability	62,155,710	38,271,622	(70,961,533)	29,465,799	
Governmental activity long-term liabilities	<u>\$ 189,030,625</u>	<u>\$ 44,784,960</u>	<u>\$ (84,689,917)</u>	<u>\$ 149,125,668</u>	<u>\$ 9,128,305</u>
Business-type activities					
Bonds/Notes payable	\$ 57,021,000	\$	\$ (10,321,000)	\$ 46,700,000	\$ 4,644,000
Compensated absences	1,985,062	1,182,520	(1,061,359)	2,106,223	45,151
OPEB	5,098,242	213,832	(162,308)	5,149,766	
Lease payable	302,626		(9,630)	292,996	10,389
Pension liability	16,703,114	12,085,775	(19,528,618)	9,260,271	
Business-type activity long-term liabilities	<u>\$ 81,110,044</u>	<u>\$ 13,482,127</u>	<u>\$ (31,082,915)</u>	<u>\$ 63,509,256</u>	<u>\$ 4,699,540</u>

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

The City's outstanding bonds payable and notes payable do not contain any significant events of default with finance-related consequences, termination events with finance related consequences, or subjective acceleration clauses.

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 Wastewater 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. 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.

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 75, *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.

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

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 unit 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
2023	\$ 5,591,068	\$ 2,629,897	\$ 8,220,965
2024	5,724,612	2,491,224	8,215,836
2025	5,854,981	2,349,013	8,203,994
2026	5,989,901	2,203,375	8,193,276
2027	6,135,210	2,054,121	8,189,331
2028-2032	19,198,993	8,400,240	27,599,233
2033-2037	16,600,520	5,874,977	22,475,497
2038-2042	17,614,410	3,163,718	20,778,128
2043-2044	8,029,553	377,555	8,407,108
Total	<u>90,739,248</u>	<u>29,544,120</u>	<u>120,283,368</u>
Less: Current	<u>(5,591,068)</u>	<u>-</u>	<u>(5,591,068)</u>
Total government debt	<u><u>\$ 85,148,180</u></u>	<u><u>\$ 29,544,120</u></u>	<u><u>\$ 114,692,300</u></u>

Business-Type Activities Long-Term Debt

Fiscal Year Ending September 30,	Principal	Interest	Total Principal and Interest
2023	\$ 4,644,000	\$ 1,433,758	\$ 6,077,758
2024	4,777,000	1,309,150	6,086,150
2025	4,905,000	1,180,846	6,085,846
2026	5,051,000	1,048,612	6,099,612
2027	5,190,000	912,276	6,102,276
2028-2032	9,221,000	3,301,497	12,522,497
2033-2037	8,861,000	1,693,850	10,554,850
2038-2039	4,051,000	160,599	4,211,599
Total	<u>46,700,000</u>	<u>11,040,588</u>	<u>57,740,588</u>
Less: Current	<u>(4,644,000)</u>	<u>-</u>	<u>(4,644,000)</u>
Total business-type debt	<u><u>\$ 42,056,000</u></u>	<u><u>\$ 11,040,588</u></u>	<u><u>\$ 53,096,588</u></u>

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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.

Revenues Pledged for Debt Repayment

The City has pledged future Tax Increment Revenues derived from the Urban Core Redevelopment Area to repay \$6,715,000 in Bonds issued in 2009, \$8,000,000 in Bonds issued in 2017 and a \$56,140,000 Bond issued in 2019. Proceeds of the 2009 bonds provided financing for the construction of a Community Maritime Park. Proceeds from the 2019 bond provided financing to refund \$38,925,000 in outstanding 2009 bonds. Proceeds of the 2017 bond and remaining proceeds from the 2019 bond provided financing for certain community redevelopment capital improvements in the Urban Core Community Redevelopment Area included in the Urban Core Community Redevelopment Area Plan. 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 2043. Principal and interest paid for the current year on the 2017 bond was \$314,751 and the 2019 bonds was \$3,446,310 and Tax Increment Revenues for the current year were \$8,083,603.

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 provided 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 \$89,497 and Tax Increment Revenues for the current year were \$294,629.

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 \$278,986 and Tax Increment Revenues for the current year were \$1,202,681.

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

The City has pledged future Infrastructure Sales Tax to repay \$25,000,000 in a Bond issued in 2017. Proceeds from the 2017 bond were used to finance the cost of acquisition, construction renovation and equipping of additions, extensions, and improvements to facilities and general infrastructure of the City of Pensacola. Debt service payments are secured with the Infrastructure Sales Tax revenues and are payable through 2028. Principal and interest paid for the current year on the 2017 bond was \$2,562,206 and Infrastructure Sales Tax revenues for the current year were \$12,234,246.

The City has pledged future Local Option Gasoline Tax (LOGT) revenues to repay \$14,314,000 in a Bond issued in 2016. Proceeds of the bond was 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 furthered 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 \$1,537,022 and LOGT revenues for the current year were \$1,428,852. Local Option Gasoline Tax revenues along with funds available in the Local Option Gas Tax Debt Service Fund are sufficient to make annual debt service payments.

The City has pledged future Net Revenues of the Utility System to repay \$20,000,000 in Notes issued in 2011 and 2016. Proceeds of the notes were used to provide 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 \$2,045,881 and net revenues for the current year were \$16,457,277.

The City has pledged future Net Revenues of the Airport to repay \$48,443,000 in Bonds and Notes issued between 2015 through 2018. 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 2008 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 \$2,314,959 and net revenues for the current year were \$15,151,050. Net Revenues excludes CFC revenues of \$2,828,315 pledged towards the Airport Taxable Customer Facility Charge Revenue Note, Series 2008, operating expenses of \$167,220 and grant operating expenses of \$5,403,799.

The City has pledged future Customer Facility Charge (CFC) Revenues of the Airport to repay \$5,800,000 in Notes issued in 2008 (as modified in 2018). 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 2021. Principal and interest paid (cash basis) for the current year were \$5,812,303 and net revenues for the current year were \$2,661,095.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

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 Revenue Bonds, Series 2008. 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 \$1,719,282 and net revenues for the current year were \$4,808,704.

Direct Borrowings, Direct Placements and Lines of Credit

The City has no direct borrowings, direct placements, or unused lines of credit.

Leases Payable

The City is a lessee for noncancellable leases of land and equipment. At September 30, 2022, The City's lease payable of \$297,439 was composed of the following:

Governmental Activities

Equipment leases – annual lease payments totaling \$53,436 plus interest at a rate of 3%, due date November 2022.	<u>\$4,443</u>
Total Governmental Activities Lease Receivables	<u><u>\$4,443</u></u>

Business-like Activities

Land leases – annual lease payments totaling \$292,997 plus interest at a rate of 3%, due dates ranging from September 2032 to March 2046.	<u>\$292,996</u>
	<u><u>\$292,996</u></u>

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

The future principal and interest lease payments as of September 30, 2022 were as follows:

Fiscal Year	Governmental Activities		Business-like Activities	
	Principal	Interest	Principal	Interest
2023	\$ 4,443	\$ 11	\$ 10,389	\$ 8,652
2024	-	-	11,161	8,352
2025	-	-	12,015	7,983
2026	-	-	12,884	7,610
2027	-	-	13,793	7,211
2028-2032	-	-	83,033	29,085
2033-2037	-	-	43,408	19,434
2038-2042	-	-	57,469	11,913
2043-2047	-	-	48,844	2,638
	<u>\$ 4,443</u>	<u>\$ 11</u>	<u>\$ 292,996</u>	<u>\$ 102,879</u>

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
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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, \$15,000,000 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.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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 recorded 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.

On January 12, 2021, the Commission agreed to issue Florida Ports Financing Commission Refunding Revenue Bonds, Series 2021 in order to refinance the Series 2011 Bonds with principal and interest payments through October 1, 2029. The City of Pensacola received an additional allocation of \$1,081,712 from the savings that was realized and deposited into the State of Florida's Seaport Grant Program.

F. 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.

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.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

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.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

	Major Funds			
	General Fund	Housing Assistance Payments	Natural Disaster Fund	American Rescue Plan Act Fund
<i>Fund Balance</i>				
Non-spendable				
Inventories	\$	\$	\$	\$
Prepays	48,499	858		
Subtotal non-spendable fund balance	48,499	858	-	-
Restricted				
Parking				
Redevelopment Rev Bond(s) debt payments				
Stormwater projects				
Section 8 program administrative		2,839,667		
Natural disaster projects			3,261,461	
General government	253,352			1,158,312
Transportation	128,285			
Physical Environment				
Saenger capital	437,982			
Public safety	79,768			
Community development projects				
Culture and recreation	122,358			
Tree landscape	20,890			
Building inspections				
Local Option Sales Tax debt payment				
Subtotal restricted fund balance	1,042,635	2,839,667	3,261,461	1,158,312
Committed				
Council Reserve	14,042,818			
Tree landscape	613,302			
Park purchases	21,756			
Stormwater projects				
Subtotal committed fund balance	14,677,876	-	-	-
Assigned				
General government	6,282,144			
Demolition	519,544			
Lien amnesty	26,498			
Housing Initiatives Fund	503,272			
Inner City Housing Initiatives				
Parking				
Community development projects				
Natural disaster projects	2,550,000			
Culture and recreation				
Subtotal assigned fund balance	9,881,458	-	-	-
Unassigned	3,371,392		(2,299,940)	(1,158,312)
<i>Total Fund Balance</i>	\$ 29,021,860	\$ 2,840,525	\$ 961,521	\$ -

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

	Nonmajor Funds			
	Special Revenue Funds			
	Special Grants	Local Option Gasoline Tax	Community Development Block Grant	Community Redevelopment Agency
<i>Fund Balance</i>				
Non-spendable				
Inventories	\$	\$	\$	\$
Prepays				136
Subtotal non-spendable fund balance	-	-	-	136
Restricted				
Parking				
Redevelopment Rev Bond(s) debt payments				
Stormwater projects				
Section 8 program administrative				
Natural disaster projects				
General government				
Transportation		975,412		
Physical Environment	2,813			
Saenger capital				
Public safety	10,604			
Community development projects			152	2,141,288
Culture and recreation	774,604			
Tree landscape				
Building inspections				
Local Option Sales Tax debt payment				
Subtotal restricted fund balance	788,021	975,412	152	2,141,288
Committed				
Council Reserve				
Tree landscape				
Park purchases				
Stormwater projects				
Subtotal committed fund balance	-	-	-	-
Assigned				
General government				
Demolition				
Lien amnesty				
Housing Initiatives Fund				
Inner City Housing Initiatives				
Parking				
Community development projects				4,109,564
Natural disaster projects				
Culture and recreation				
Subtotal assigned fund balance	-	-	-	4,109,564
Unassigned	(631,667)		(152)	
Total Fund Balance	\$ 156,354	\$ 975,412	\$ -	\$ 6,250,988

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

	Nonmajor Funds			
	Special Revenue Funds			
	Urban Core Redevelopment Trust	Stormwater Utility Fund	Parking Fund	Law Enforcement Trust
<i>Fund Balance</i>				
Non-spendable				
Inventories	\$	\$	\$	\$
Prepays		1,097	1,843	
Subtotal non-spendable fund balance	-	1,097	1,843	-
Restricted				
Parking			40,541	
Redevelopment Rev Bond(s) debt payments				
Stormwater projects		1,000		
Section 8 program administrative				
Natural disaster projects				
General government				
Transportation				
Physical Environment				
Saenger capital				
Public safety				372,098
Community development projects				
Culture and recreation				
Tree landscape				
Building inspections				
Local Option Sales Tax debt payment				
Subtotal restricted fund balance	-	1,000	40,541	372,098
Committed				
Council Reserve				
Tree landscape				
Park purchases				
Stormwater projects		404,659		
Subtotal committed fund balance	-	404,659	-	-
Assigned				
General government				
Demolition				
Lien amnesty				
Housing Initiatives Fund				
Inner City Housing Initiatives				
Parking			722,073	
Community development projects				
Natural disaster projects				
Culture and recreation				
Subtotal assigned fund balance	-	-	722,073	-
Unassigned				
<i>Total Fund Balance</i>	\$ -	\$ 406,756	\$ 764,457	\$ 372,098

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

	Nonmajor Funds			
	Special Revenue Funds			
	Golf Course Fund	Eastside Tax Increment Financing District	Inspections Fund	Westside Tax Increment Financing District
<i>Fund Balance</i>				
Non-spendable				
Inventories	5,622		\$	\$
Prepays				
Subtotal non-spendable fund balance	<u>5,622</u>	<u>-</u>	<u>-</u>	<u>-</u>
Restricted				
Parking				
Redevelopment Rev Bond(s) debt payments				
Stormwater projects				
Section 8 program administrative				
Natural disaster projects				
General government				
Transportation				
Physical Environment				
Saenger capital				
Public safety				
Community development projects				1,449,783
Culture and recreation	(742)	822,812		
Tree landscape				
Building inspections			1,975,285	
Local Option Sales Tax debt payment				
Subtotal restricted fund balance	<u>(742)</u>	<u>822,812</u>	<u>1,975,285</u>	<u>1,449,783</u>
Committed				
Council Reserve				
Tree landscape				
Park purchases				
Stormwater projects				
Subtotal committed fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Assigned				
General government				
Demolition				
Lien amnesty				
Housing Initiatives Fund				
Inner City Housing Initiatives				
Parking				
Community development projects				
Natural disaster projects				
Culture and recreation	348,771			
Subtotal assigned fund balance	<u>348,771</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unassigned				
<i>Total Fund Balance</i>	<u><u>\$ 353,651</u></u>	<u><u>\$ 822,812</u></u>	<u><u>\$ 1,975,285</u></u>	<u><u>\$ 1,449,783</u></u>

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

	Nonmajor Funds			Debt Service Fund
	Special Revenue Funds			
			CMP Management Services Fund	CRA Debt Service
Fund Balance	Recreation Fund	Tennis Fund		
Non-spendable				
Inventories	\$	\$	\$	\$
Prepays	554	1,038	13,235	
Subtotal non-spendable fund balance	554	1,038	13,235	-
Restricted				
Parking				
Redevelopment Rev Bond(s) debt payments				3,828,619
Stormwater projects				
Section 8 program administrative				
Natural disaster projects				
General government				
Transportation				
Physical Environment				
Saenger capital				
Public safety				
Community development projects				
Culture and recreation			823,052	
Tree landscape				
Building inspections				
Local Option Sales Tax debt payment				
Subtotal restricted fund balance	-	-	823,052	3,828,619
Committed				
Council Reserve				
Tree landscape				
Park purchases				
Stormwater projects				
Subtotal committed fund balance	-	-	-	-
Assigned				
General government				
Demolition				
Lien amnesty				
Housing Initiatives Fund				
Inner City Housing Initiatives				
Parking				
Community development projects				
Natural disaster projects				
Culture and recreation	761,454	247,581	1,521,453	
Subtotal assigned fund balance	761,454	247,581	1,521,453	-
Unassigned				
Total Fund Balance	\$ 762,008	\$ 248,619	\$ 2,357,740	\$ 3,828,619

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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 Fund	CRA 2017 Project Fund	CRA 2019 Project Fund
Fund Balance				
Non-spendable				
Inventories	\$	\$	\$	\$
Prepays				
Subtotal non-spendable fund balance	-	-	-	-
Restricted				
Parking				
Redevelopment Rev Bond(s) debt payments				
Stormwater projects				
Section 8 program administrative				
Natural disaster projects				
General government		67,403		
Transportation	1,536,356	318,815		
Physical Environment				
Saenger capital				
Public safety		2,081,309		
Community development projects			5,332,179	14,611,197
Culture and recreation		2,792,822		
Tree landscape				
Building inspections				
Local Option Sales Tax debt payment				
Subtotal restricted fund balance	1,536,356	5,260,349	5,332,179	14,611,197
Committed				
Council Reserve				
Tree landscape				
Park purchases				
Stormwater projects				
Subtotal committed fund balance	-	-	-	-
Assigned				
General government				
Demolition				
Lien amnesty				
Housing Initiatives Fund				
Inner City Housing Initiatives				
Parking				
Community development projects				
Natural disaster projects				
Culture and recreation				
Subtotal assigned fund balance	-	-	-	-
Unassigned		128,057		
Total Fund Balance	\$ 1,536,356	\$ 5,388,406	\$ 5,332,179	\$ 14,611,197

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE III. - DETAIL NOTES ON ALL FUNDS (Continued)

	<u>Nonmajor Funds</u> <u>Capital Projects</u> <u>Funds</u>	
	<u>Stormwater</u> <u>Capital</u>	<u>Total All Funds</u>
<i>Fund Balance</i>		
Non-spendable		
Inventories	\$	5,622
Prepays		67,260
Subtotal non-spendable fund balance	-	72,882
Restricted		
Parking		40,541
Redevelopment Rev Bond(s) debt payments		3,828,619
Stormwater projects	357,243	358,243
Section 8 program administrative		2,839,667
Natural disaster projects		3,261,461
General government		1,479,067
Transportation		2,958,868
Physical Environment		2,813
Saenger capital		437,982
Public safety		2,543,779
Community development projects		23,534,599
Culture and recreation		5,334,906
Tree landscape		20,890
Building inspections		1,975,285
Local Option Sales Tax debt payment		-
Subtotal restricted fund balance	357,243	48,616,720
Committed		
Council Reserve		14,042,818
Tree landscape		613,302
Park purchases		21,756
Stormwater projects	4,089,782	4,494,441
Subtotal committed fund balance	4,089,782	19,172,317
Assigned		
General government		6,282,144
Demolition		519,544
Lien amnesty		26,498
Housing Initiatives Fund		503,272
Inner City Housing Initiatives		-
Parking		722,073
Community development projects		4,109,564
Natural disaster projects		2,550,000
Culture and recreation		2,879,259
Subtotal assigned fund balance	-	17,592,354
Unassigned		(590,622)
<i>Total Fund Balance</i>	\$ 4,447,025	\$ 84,863,651

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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
Law Enforcement	2	50,000
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
Gas Operation	35	500,000 Per Occurrence
Gas Operation - Pollution	35	500,000 Per Occurrence

The City has established reserves of \$4,344,004 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 \$3,769,562 on September 30, 2022 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, 2022**

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.

On September 30, 2022, the claims liability for automobile, general and workers' compensation liability were \$740,972, \$399,253, and \$2,629,337 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 2021 and 2022 were:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End
2021	\$4,446,191	1,849,552	(1,717,449)	\$4,578,294
2022	\$4,578,294	2,105,419	(2,914,151)	\$3,769,562

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**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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, 2022**

	General Pension and Retirement Fund	Firefighter's Relief and Pension Fund	Police Officers' Retirement Fund	Total Pension Trust Funds
ASSETS				
Other cash	\$ 242,840	\$ 266,560	\$ 256,484	\$ 765,884
Receivables:				
Employer	195	235	165	595
Employee	10,734	25,826	8,564	45,124
Total receivables	<u>10,929</u>	<u>26,061</u>	<u>8,729</u>	<u>45,719</u>
Investments :				
Short term investments	4,253,407	4,143,465	2,070,437	10,467,309
Debt Securities & Bond Mutual Funds	23,341,552	22,146,380	24,881,396	70,369,328
Convertible Corporate Bonds	11,298,906	13,196,663		24,495,569
Stock Mutual Funds	3,768,397	22,054,553		25,822,950
Mortgage Backed Securities	22,854,090	9,862,432	21,497,968	54,214,490
Commingled Trust Fund	2,266,469	6,256,285		8,522,754
Domestic Stocks	43,210,493	35,993,329	45,301,698	124,505,520
Preferred Stocks	1,172,430	1,371,328		2,543,758
Foreign Stocks	19,949,489	1,452,270	15,717,338	37,119,097
Total investments	<u>132,115,233</u>	<u>116,476,705</u>	<u>109,468,837</u>	<u>358,060,775</u>
Total assets	<u>\$ 132,369,002</u>	<u>\$ 116,769,326</u>	<u>\$ 109,734,050</u>	<u>\$ 358,872,378</u>
LIABILITIES				
Accounts payable	\$ 463,717	\$ 132,729	\$ 117,371	\$ 713,817
Total liabilities	<u>463,717</u>	<u>132,729</u>	<u>117,371</u>	<u>713,817</u>
NET POSITION				
Restricted for pension benefits	<u>\$ 131,905,285</u>	<u>\$ 116,636,597</u>	<u>\$ 109,616,679</u>	<u>\$ 358,158,561</u>

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE IV. – OTHER INFORMATION (Continued)

**STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	General Pension and Retirement Fund	Firefighter's Relief and Pension Fund	Police Officers' Retirement Fund	Total Pension Trust Funds
Additions:				
Contributions - city	\$ 5,599,854	\$ 1,380,363	\$ 3,972,023	\$ 10,952,240
Contributions - employee	266,873	732,734	214,372	1,213,979
Commission recapture	57	53	800	910
Insurance proceeds - State of Florida	615,134	683,116	1,298,250	1,298,250
Total contributions	<u>5,866,784</u>	<u>2,728,284</u>	<u>4,870,311</u>	<u>13,465,379</u>
Investment income				
Net appreciation/(loss)				
in fair value of investments	(31,363,402)	(27,931,022)	(23,085,615)	(82,380,039)
Interest and dividends	3,166,555	2,419,678	2,828,855	8,415,088
	<u>(28,196,847)</u>	<u>(25,511,344)</u>	<u>(20,256,760)</u>	<u>(73,964,951)</u>
Less investment expense	663,814	624,843	481,996	1,770,653
Net investment income	<u>(28,860,661)</u>	<u>(26,136,187)</u>	<u>(20,738,756)</u>	<u>(75,735,604)</u>
Total additions	<u>(22,993,877)</u>	<u>(23,407,903)</u>	<u>(15,868,445)</u>	<u>(62,270,225)</u>
Deductions:				
Pensions paid - employees	10,765,008	7,410,720	6,714,730	24,890,458
Pensions paid - widows	2,167,824	1,035,399	674,026	3,877,249
Pensions paid - children	4,891			4,891
Refunds to employees		19,782		19,782
Deferred retirement option plan	937,721	595,373	1,171,926	2,705,020
Health insurance assistance	100,212			100,212
Administrative expenses	115,748	123,988	106,997	346,733
Total deductions	<u>14,091,404</u>	<u>9,185,262</u>	<u>8,667,679</u>	<u>31,944,345</u>
Change in net position	<u>(37,085,281)</u>	<u>(32,593,165)</u>	<u>(24,536,124)</u>	<u>(94,214,570)</u>
Net position restricted for pension benefits:				
Beginning of year	<u>168,990,566</u>	<u>149,229,762</u>	<u>134,152,803</u>	<u>452,373,131</u>
End of year	\$ <u>131,905,285</u>	\$ <u>116,636,597</u>	\$ <u>109,616,679</u>	\$ <u>358,158,561</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, 2022**

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 Finance Director. 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. New participants hired after June 18, 2007 are required to participate in FRS.

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, one elected by City Council President and three 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 employers 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 cover 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, 2022**

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.

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, on September 30, 2020 as well as the Firefighters' Relief and Pension Plan and the Police Officers' Retirement plan as of September 30, 2022 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	587	171	163
Terminated plan members entitled to but not yet receiving benefits	52	3	16
DROP plan members	26	11	6
Active plan members	87	111	59
Total	<u>752</u>	<u>296</u>	<u>244</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.

Membership of the FRS broken down by class, per City payroll records, as of September 30, 2022 consisted of the following:

DROP	1
Elected Officials	6
Senior Management Retired	1
Regular Class	375
Regular Class Retired	2
Senior Management	11
Special Risk	107
Special Risk Retired	1
Total	<u>504</u>

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE IV. – OTHER INFORMATION (Continued)

Benefits Provided. For the HIS Plan, fiscal year ended June 30, 2022, 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	Prior to 7/1/2011 Age 62 with (w/o) 30 yrs. of svc or 30 yrs. of svc w/no age requirement After 7/1/2011 age 65 with 33 yrs if svc	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. Prior to 07/1/2011) highest 5 yrs.) (After 07/1/2011 highest 8 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 yrs. 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, 2022

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 \$3,134,797 for the State's fiscal year ended June 30, 2022.

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 \$424,706 for the State's fiscal year ended June 30, 2022.

For the year ended September 30, 2022, 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%	115.40%	20.70%	96.30%
Regular Class	11.91%	N/A	N/A	N/A	N/A
Senior Mgmt.	31.57%	N/A	N/A	N/A	N/A
Elect Officials	57.00%	N/A	N/A	N/A	N/A
DROP	18.60%	N/A	N/A	N/A	N/A
Special Risk	27.83%	N/A	N/A	N/A	N/A
Retired	5.89%	N/A	N/A	N/A	N/A
Sr. Mgmt Ret.	23.81%	N/A	N/A	N/A	N/A
Sr. Risk Ret.	11.33%	N/A	N/A	N/A	N/A
State	N/A	N/A	N/A	9.20%	16.50%

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, 2022

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, 2022 and the State Board of Administrations policy as of June 30, 2022.

	Florida Retirement System (FRS)	General Pension and Retirement	Firefighters' Relief and Pension	Police Officers' Retirement
Asset Class:				
Global Equity	54.0%			
Domestic Equity		37%	37%	40%
International Eq		15%	15%	15%
Master Limited Partnerships		5%	5%	
Real Estate	10.3%	8%	8%	10%
Convertible Sec		10%	10%	
Fixed Income	19.8%	25%	25%	25%
Private Equity	11.1%			
Strategic Investments	3.8%			
Cash Equivalents/ Short Term	1.0%			
TIPS 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, 2022, the annual money-weighted rate of return on pension plan investments for the General Pension and Retirement Plan was 23.46 percent. For the year ended September 30, 2022, the Firefighters' Relief and Pension Plan was 22.94 percent and the Police Officers' Retirement Fund was 22.47 percent. 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
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE IV. – OTHER INFORMATION (Continued)

Reserves. The Police Officers' Retirement Fund has a small portion of funds deposited in a Contribution Surplus Account (\$966,951) as of September 30, 2022. These funds can be used to fund required contributions and possibly for benefit improvements, respectively.

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, 2022 for the General Pension and Retirement Plan, Firefighters' Relief and Pension Plan and Police Officers' Retirement Fund were \$2,035,779, \$2,037,673, and \$366,296, 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 Asset/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, 2021, the Firefighters' Relief and Pension Plan as of October 1, 2021, the Police Officers' Retirement Fund as of October 1, 2021, and the Florida Retirement System and HIS Plan as of June 30, 2022 are provided in the table on the following page.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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	\$ 175,260,893	\$ 137,847,311	\$ 142,343,805	\$ 159,733,723	\$ 7,809,971	\$ 622,995,703
Plan Fiduciary Net Position	(168,990,567)	(149,229,764)	(134,152,805)	(132,399,608)	(375,773)	(585,148,517)
Less Reserve Accounts			878,884			
City Net Pension (Asset)/Liability	<u>6,270,326</u>	<u>(11,382,453)</u>	<u>9,069,884</u>	<u>27,334,115</u>	<u>7,434,198</u>	<u>38,726,070</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.42%	108.26%	94.25%	82.89%	4.81%	

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 2021 and 2022 relative to the contributions of all participants.

On June 30, 2022, the City's FRS Plan proportionate share of net pension liability was .0735%, which was an increase of .0059% from its proportionate share of .0676% measured as June 30, 2021. The City's HIS proportionate share of net pension liability was .0702% which was an increase of .0060% from its proportionate share .0642% measured as of June 30, 2021.

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).

Differences between expected and actual earnings on pension plan investments – amortized over five years.

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE IV. – OTHER INFORMATION (Continued)

The actuarial recognized pension expense, calculated in accordance with GASB 68, for the year ended September 30, 2022 is as follows: General Pension and Retirement Plan \$(1,357,254); Firefighters' Relief and Pension Plan \$320,182; and Police Officers' Retirement Fund \$701,871 for a total pension expense of \$(335,201). For the year ended September 30, 2022, the City recognized pension expense of \$5,170,464 for its proportionate share of the FRS Plan and \$863,048 for its proportionate share of the HIS plan.

Contributions made after the measurement date for the year ended September 30, 2022 are as follows: General Pension and Retirement Plan \$5,599,853 (one year of contributions); Firefighters' Relief and Pension Plan \$1,995,497; Police Officers' Retirement Fund \$4,655,139; City's proportionate share of the FRS Plan \$903,435 and City's proportionate share of the HIS plan \$118,702. Due to the timing of the actuarial reports, contributions made after the measurement date for the City's three pension plans covered twelve months and contributions made after the measurement date for FRS and HIS covered three months. Contributions made after the measurement date are not included as a deferred outflow of resources in the table below. On September 30, 2022, 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	\$		\$ -	1,481,890	\$ 675,167	-	\$ 1,298,213		\$ 225,645	32,711	\$ 2,199,025	\$ 1,514,601
Changes of assumptions			1,151,316	-	-	-	3,366,311		426,133	1,150,066	4,943,760	1,150,066
Net difference between projected and actual investment earnings	-	13,859,006	-	15,558,970	-	13,961,145	1,804,868	-	10,763	-	1,815,631	43,379,121
Differences in Proportionate Share of Contributions							4,130,544		1,832,177	-	5,962,721	-
Total	\$ -	13,859,006	\$ 1,151,316	17,040,860	\$ 675,167	13,961,145	10,599,936	-	2,494,718	1,182,777	14,921,137	46,043,788

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:						
2023	\$ (2,787,782)	\$ (3,783,780)	\$ (3,022,177)	\$ 2,792,800	\$ 314,188	
2024	(2,627,048)	(3,425,433)	(3,137,671)	105,391	169,426	
2025	(4,399,097)	(4,602,057)	(3,724,680)	(943,141)	77,466	
2026	(4,045,079)	(4,078,274)	(3,401,450)	8,206,074	171,471	
2027	0	0	0	438,812	398,007	
Thereafter				0	181,384	
Total	\$ (13,859,006)	\$ (15,889,544)	\$ (13,285,978)	\$ 10,599,936	\$ 1,311,942	

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE IV. – OTHER INFORMATION (Continued)

Actuarial assumptions. The General Pension and Retirement Plan as of September 30, 2021, the Firefighters' Relief and Pension Plan as of October 1, 2021, and the Police Officers' Retirement Fund as of October 1, 2021 total pension liability was determined by an actuarial valuation and the Florida Retirement System was determined by actuarial assumptions as of June 30, 2022, 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	2.40%	2.70%	2.50%	2.40%	2.40%
Salary increases	4.50% - 9.50%	Service Based	4.00%	3.25%	3.25%
Investment rate of return	7.20%	7.75%	7.13%	6.70%	
Municipal bond rate					3.54%
Mortality	PUB-2010 Mortality table for males & females as appropriate	PUBS.H-2010	PUBS.H-2010	Generational PUB- 2010 with Projection Scale MP-2018	Generational PUB- 2010 with Projection Scale MP-2018

For the City's 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	8.35%	8.30%	7.50%	N/A
International Equity	4.07%	4.10%	8.50%	N/A
Global Equity	N/A	N/A	7.50%	7.30%
Private Equity	N/A	N/A	N/A	8.90%
Master Limited Partnerships	7.01%	7.00%	N/A	N/A
Real Estate	5.55%	5.50%	4.50%	6.30%
Convertible Sec	7.82%	7.80%	N/A	N/A
Strategic Investments	N/A	N/A	N/A	5.90%
Fixed Income	3.14%	3.10%	2.50%	4.40%
TIPS	N/A	N/A	N/A	N/A
Global Bonds	N/A	N/A	3.50%	N/A
Cash	N/A	N/A	N/A	2.60%

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE IV. – OTHER INFORMATION (Continued)

Discount rate. The projection of cash flows used to determine the General Pension and Retirement Plan's 7.2% discount rate, the Firefighters' Relief and Pension Plan's 7.75% discount rate, the Police Officers' Retirement Fund's 7.125% discount rate and FRS Plan's 6.70% discount rate assumed that contributions would continue at the current rates. For all plans excluding the HIS Plan, 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. The discount rate used for calculating the total HIS pension liability is equal to the single rate that results in the same actuarial present value as would be calculated by using two different discount rates for the discount at the long-term expected rate of return for benefit payments prior to the projected depletion of the fiduciary net pension (trust assets) and the discount at a municipal bond rate for benefit payments after the projected depletion date. The HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor.

General Pension
Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension	Plan Fiduciary	Net Pension
	Liability (a)	Net Position (b)	Liability (a) -
Balances at 09/30/21	\$ 176,495,325	\$ 146,482,331	\$ 30,012,994
Changes for the year:			
Service Cost	653,860		653,860
Interest	12,200,468		12,200,468
Differences between expected and Actual Experience	0		0
Changes of Assumptions	0		0
Contributions - employer		5,946,411	(5,946,411)
Contributions - employee		279,948	(279,948)
New investment income		30,484,953	(30,484,953)
Benefit payments, including refunds of employee contributions	(14,088,760)	(14,088,760)	
Administrative expense		(114,316)	114,316
Net changes	<u>(1,234,432)</u>	<u>22,508,236</u>	<u>(23,742,668)</u>
Balances at 09/30/22	<u><u>\$ 175,260,893</u></u>	<u><u>\$ 168,990,567</u></u>	<u><u>\$ 6,270,326</u></u>

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE IV. – OTHER INFORMATION (Continued)

Fire Pension
Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) - (b)
Balances at 09/30/21	<u>\$ 135,538,471</u>	<u>\$ 126,722,487</u>	<u>\$ 8,815,984</u>
Changes for the year:			
Service Cost	1,497,129		1,497,129
Interest	10,322,867		10,322,867
Differences between expected and Actual Experience	(1,424,849)		(1,424,849)
Changes of assumptions	-		-
Changes in benefit terms	411,685		411,685
Contributions - employer		1,898,060	(1,898,060)
Contributions - employee		619,231	(619,231)
New investment income		28,553,234	(28,553,234)
Benefit payments, including refunds of employee contributions	(8,497,992)	(8,497,992)	
Administrative expense		(65,256)	65,256
Net changes	<u>2,308,840</u>	<u>22,507,277</u>	<u>(20,198,437)</u>
Balances at 09/30/22	<u><u>\$ 137,847,311</u></u>	<u><u>\$ 149,229,764</u></u>	<u><u>\$ (11,382,453)</u></u>

Police Pension
Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) -
Balances at 09/30/20	<u>\$ 137,999,913</u>	<u>\$ 110,955,080</u>	<u>\$ 27,044,833</u>
Changes for the year:			
Service Cost	785,361		785,361
Interest	9,624,254		9,624,254
Differences between expected and Actual Experience	1,350,334		1,350,334
Changes in Assumptions	-		-
Contributions - employer		4,797,421	(4,797,421)
Contributions - employee		215,050	(215,050)
Contributions - buy back	-	-	-
New investment income		24,880,274	(24,880,274)
Benefit payments, including refunds of employee contributions	(7,416,057)	(7,416,057)	
Administrative expense		(48,522)	48,522
Other changes		(109,325)	109,325
Net changes	<u>4,343,892</u>	<u>22,318,841</u>	<u>(17,974,949)</u>
Balances at 09/30/22	<u><u>\$ 142,343,805</u></u>	<u><u>\$ 133,273,921</u></u>	<u><u>\$ 9,069,884</u></u>

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE IV. – OTHER INFORMATION (Continued)

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:

<u>General Pension</u>	1% Decrease 6.20%	Current Discount Rate 7.20%	1% Increase 8.20%
City's net pension liability	\$ 22,959,929	\$ 6,270,326	\$ (7,969,917)

<u>Fire Pension</u>	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
City's net pension asset	\$ 4,408,596	\$ (11,382,453)	\$ (24,467,466)

<u>Police Pension</u>	1% Decrease 6.13%	Current Discount Rate 7.13%	1% Increase 8.13%
City's net pension liability	\$ 27,229,357	\$ 9,069,884	\$ (5,848,973)

<u>FRS</u>	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
City's net pension liability	\$ 47,272,473	\$ 27,334,115	\$ 10,663,276

<u>HIS</u>	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
City's net pension liability	\$ 8,505,332	\$ 7,434,198	\$ 6,547,855

Payable to the Pension Plan

As of September 30, 2022, the City reported a payable of \$10,929 to the General Pension and Retirement Plan, \$26,061 to the Firefighters' Relief and Pension Plan, \$8,729 to the Police Officers' Retirement Fund, \$195,824 to the FRS Plan, and \$17,376 to HIS Plan for the outstanding amount of contributions to the pension plans required for the year ended September 30, 2022.

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE IV. – OTHER INFORMATION (Continued)

C. Post-Employment Benefits Other Than Pensions (OPEB)

GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*, requires governments to account for other post-employment benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefit. The total OPEB 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 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.

General Information about the Plan

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 who worked for the City for a continuous six or more years and had health insurance coverage at the time of their retirement.

The City has followed a pay-as-you-go funding policy, contributing only those amounts necessary to provide for its portion of current year benefit costs and expenses plus any addition to the reserve for accrued costs incurred but not yet reported, as determined as part of the insurance contract. The contribution requirements of plan members are established by the City. For active employees, the City pays any remaining required amounts after contributions of plan members are taken into account. Retired members pay the full premium associated with the coverage elected; except for General Pension and Retirement Plan participants who receive a direct subsidy from the General Pension and Retirement Plan of \$56 per month. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75.

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).

Benefits provided. Post-employment benefits, such as health care, are offered on a retiree pay all basis; whereas retired members pay the full premium associated with the coverage elected, except for General Pension and Retirement Plan participants who receive a direct subsidy from the General Pension and Retirement Plan of \$56 per month. 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. The co-mingling of claims requirement equates to an implicit subsidy to retirees which creates an OPEB liability on the part of the City. The benefit payments recognized is due to the \$56 monthly subsidy as well as the implicit rate subsidy.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE IV. – OTHER INFORMATION (Continued)

Employees covered by benefit terms. On December 31, 2020, the valuation date, the following employees were covered by benefit terms:

Inactive employees or beneficiaries currently receiving a benefit	249
Inactive employees entitled to but not yet receiving a benefit	0
Active employees	727
Total	<u>976</u>

Total OPEB Liability

The total OPEB liability of \$18,342,306 was measured as of December 31, 2020 and was determined by an actuarial valuation as of that date.

Actuarial assumptions or other inputs. 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, 2022 were as follows:

	<u>FISCAL YEAR 2022</u>
Valuation Date	12/31/2020
Inflation	2.50%
Municipal Bond Index Rate:	
Prior measurement date	2.12%
Measurement date	2.06%
Health Care Cost Trends:	
Pre-Medicare	6.75%
ultimate trend rate	4.50%
year of ultimate trend rate	2030
Post-Medicare	5.13%
ultimate trend rate	4.50%
year of ultimate trend rate	2024

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE IV. – OTHER INFORMATION (Continued)

The discount rate used to measure the total OPEB liability was based on the Bond Buyer General Obligation 20-year Municipal Bond Index published at the end of the last week during the month of December by The Bond Buyer

Mortality rates were based on the RP-2000 mortality tables, with sex-distinct collar adjustments that align with the assumption used by the Florida Retirement System Pension Plan as required by 112.63(1)(f), F.S.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period of January 1, 2020 through December 31, 2020.

Changes to Total OPEB Liability

	Total OPEB Liability (a)
Balances at 12/31/20	\$ 18,162,592
Changes for the year:	
Service cost *	223,125
Interest	380,268
Changes in benefit terms	0
Differences between expected and actual experience	(130,766)
Changes in assumptions or other inputs	160,291
Benefit payments	(453,204)
Net changes	<u>179,714</u>
Balances at 12/31/21	<u>\$ 18,342,306</u>
* The service cost includes interest for the year.	

The total OPEB liability is based upon an actuarial valuation performed as of the Valuation Date, December 31, 2020. An expected total OPEB liability is determined as of December 31, 2021, the Measurement Date, using standard roll forward techniques. The roll forward calculation begins with the total OPEB liability, as of the Measurement Date, December 31, 2021, adds the annual normal cost (also called the Service Cost), interest at the Discount Rate for the year, and then subtracts the Benefit Payments for the year.

The City actuary has assumed no significant changes, other than the change in the Municipal Bond Index Rate, have occurred between the Valuation Date and the Measurement Date.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE IV. – OTHER INFORMATION (Continued)

Since the Prior Measurement Date, the Discount Rate has changed from 2.12% to 2.06% due to a change in the Municipal Bond Rate.

There are no changes in benefit terms since the Prior Measurement Date.

No benefit payments are attributable to the purchase of allocated insurance contracts.

Sensitivity of the total OPEB liability to changes in the discount rate. Below represents the total OPEB liability of the City, as well as what the City's total OPEB 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 discount rate:

Discount Rate Sensitivity				
	1% Decrease <u>1.06%</u>		Current Discount Rate <u>2.06%</u>	1% Increase <u>3.06%</u>
City's total OPEB liability	\$ 21,351,851	\$	18,342,306	\$ 15,921,203

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The blended rate is comprised of the pre-Medicare health care cost trend rate is 6.75%, decreasing to 4.5% by 2030, and the post-Medicare health care cost trend rate is 5.13%, decreasing to 4.5% by 2024. Below represents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percent-point lower or 1-percent-point higher than the current healthcare cost trend rates:

Health Care Cost Trend Rate Sensitivity				
	1% Decrease <u>Blended Rate</u>		Current Blended Rate <u>Blended Rate</u>	1% Increase <u>Blended Rate</u>
City's total OPEB liability	\$ 15,788,219	\$	18,342,306	\$ 21,489,499

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE IV. – OTHER INFORMATION (Continued)

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to OPEB**

For the year ended September 30, 2022, the City recognized an OPEB Income of \$1,014,208. Contributions made after the measurement date for the year ended September 30, 2022 were \$250,967. Contributions made after the measurement date are not included as a deferred outflow of resources in the table below. On September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 7,435,701
Changes of assumptions or other inputs	2,578,840	
Total	<u>\$ 2,578,840</u>	<u>\$ 7,435,701</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Measurement Period Ended December 31:	
2022	\$ (943,315)
2023	(943,315)
2024	(943,315)
2025	(806,745)
2026	(563,956)
Thereafter	(656,215)
Total	<u>\$ (4,856,861)</u>

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE IV. – OTHER INFORMATION (Continued)

D. 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. On September 30, 2022 there were 396 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.

	General & Police Social Security Replacement Plan	Pension Replacement Plan	Non-Social Security Plan	Elected Officers & Part-time Employees Plan
Employee Contribution	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 9/30/22	\$1,191,740	\$40,905	\$709,363	\$-0-
City Contribution for 9/30/22	\$721,746	\$44,734	N/A	N/A

Employer and plan member contributions are recognized in the period that the contributions are due.

As required by Internal Revenue Code Section 457, the assets are held in trust for the employees' benefit. The Finance Director, 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.

E. Termination Benefits

The City of Pensacola does not offer any termination benefits to employees.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE IV. – OTHER INFORMATION (Continued)

F. 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.

G. 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.

H. 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 on September 30, 2022 were:

General Fund	\$ 618,055
Housing Assitances Payments	76,849
Natural Disaster Fund	3,261,470
American Rescue Plan Fund	1,158,314
Utility Fund	2,836,419
Sanitation Fund	9,547
Port Fund	554,100
Airport Fund	25,789,630
Nonmajor Government	13,327,817
Internal Service Fund	227,622
Total	<u>\$ 47,859,823</u>

The Airport's outstanding commitment of \$25,789,630 is mainly due to project Titan. Project Titan is the continuation of the development of a commercial aircraft maintenance, repair, and overhaul ("MRO") campus at Pensacola International Airport that began with the occupancy of MRO Hangar 1 by VT MAE in the summer of 2018. Project Titan consists of the construction of three additional MRO Hangars, including warehouses/support services centers and an administrative office facility, all of which will be leased to VT MAE under the Master Lease Agreement. Total cost of Project Titan is estimated not exceed the amount of committed funds, currently totaling \$210,125,000. The project will be completed in phases, of which the first phase will be the construction of MRO Hanger 2. Airport's construction commitments will continue to be large until the project is completed.

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE IV. – OTHER INFORMATION (Continued)

I. Note Receivables

1. Compressed Natural Gas (CNG) station financing. In October 2012, the City 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 contract term (September 30, 2022). 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, 2022, the outstanding balance is \$18,531.

2. Compressed Natural Gas (CNG) station financing. In August 2014, the City entered 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 (July 31, 2024), at which time ECUA will receive ownership of the building. As of September 30, 2022, the outstanding balance is \$192,489.

J. 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, 2022, the City abated real and tangible property taxes totaling \$218,771 under the EDATE program, including the following tax abatement agreements that exceed 10 percent of the total amount abated:

- A 100% real property tax abatement to real estate company for opening an apartment complex in the enterprise zone. The abatement amounted to \$213,193.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE IV. – OTHER INFORMATION (Continued)

K. Change in Accounting Principle

The City adopted GASB Statement 87, “Leases” in fiscal year 2022. The change required the restatement of beginning net position for the governmental and business activities. The beginning net position for governmental -type activities increased by \$641,025 and the beginning net position for business-type activities increased by \$163,065.

B. Other Significant Commitments

1. 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. While Pensacola Energy does take advantage of the hedging contract, since BP Corporation North America is not required to store a set amount of natural gas for Pensacola Energy there is no financial statement value.

2. 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 plus attendance and variable ticket surcharges. In addition, the agreement requires that revenues collected from the variable ticket surcharge be set aside to fund capital maintenance and repairs at the Vince Whibbs Sr. Community Maritime Park.

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 \$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.

On September 22, 2021, NFPB provided noticed to the City to extend the agreement and exercise their option through March 31, 2032, utilizing both of the two (2) five (5) year renewal terms available under the agreement.

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE IV. – OTHER INFORMATION (Continued)

Community Redevelopment Agency (CRA)

- 1. CRA Interlocal Agreement – Downtown Improvement Board.** On September 11, 2022, the Agency and the Pensacola Downtown Improvement Board (DIB) entered into an Interlocal Agreement whereby the Agency agreed to contribute to the DIB an annual amount equal to the funds paid into the Urban Core Redevelopment Trust Fund by the DIB through September 30, 2025. The primary purpose of the contribution was for the development and implementation of a downtown housing and parking strategy or any other proper functions of the DIB, provided such functions are reasonably consistent and compatible with the long-term goals and objectives outlined in the Urban Core Redevelopment Plan. The annual installments to the DIB are paid from Tax Increment Revenues derived from the Urban Core Redevelopment Area. Payments for the year ended September 30, 2022 totaled \$357,534.
- 2. CRA Interlocal Agreement - Main Street Wastewater Treatment Plant.** On June 26, 2009, the City and the Agency entered into an Interlocal Agreement whereby the Agency agreed to pay the Emerald Coast Utilities Authority \$19.5 million towards the relocation of the Main Street Wastewater Treatment Plant. 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. The annual installments to the Authority will be paid from Tax Increment Revenues derived from the Urban Core Redevelopment Area and any shortfall paid by the City will be reimbursed by the Agency when funds are available. Payments for the year ended September 30, 2022 totaled \$1,300,000.
- 3. CRA Interlocal Agreement – Eastside Redevelopment Loan.** On September 30, 2016, as amended on August 10, 2017, the City and the Agency entered into an Interlocal Agreement which established the terms and conditions by which the City would provide a loan to the Agency in the principal amount of \$500,000 to finance a portion of the cost associated with the design, construction and acquisition of the General Daniel “Chappie” James, Jr. Museum and Youth Flight Academy. The loan was made from the City’s Insurance Retention Fund to the Agency’s Eastside TIF District and has a thirty (30) year term with interest only being paid until the twenty (20) year Eastside Redevelopment Revenue Bond, Series 2017 has matured. Principal payments begin December 31, 2037 and end on December 31, 2045. 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 City was recorded. At the point of repayment, the full long-term liability will be recorded and the transfer reversed.

CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE IV. – OTHER INFORMATION (Continued)

4. *CRA Interlocal Agreement – Administrative Services.* On September 22, 2017, as amended on August 13, 2019, the City and the Agency entered into an Interlocal Agreement whereby the City agreed to provide administrative services to the Agency through December 31, 2045. Administrative services include personal, financial, legal, engineering, planning, purchasing, construction, insurance, title and construction services. All personal assigned by the City are employees of the City and are not officers, employees or agents of the Agency. As such, the Agency has no pension obligation, other post-employment obligations or other liabilities related to personal. In consideration of the services, the Agency reimburse the City based on the actual cost of services. Payments for the year ended September 30, 2022 totaled \$692,142.

5. *CRA Interlocal Agreement – Urban Core Landscape Maintenance Services.* On September 22, 2017, the City and the Agency entered into an Interlocal Agreement whereby the City agreed to provide landscape maintenance services and park and public space enhancements and accessibility improvements on the Agency's behalf through December 31, 2043. These services include the cost to maintain any improvements to various public facilities within the Urban Core Community Redevelopment Area which, pursuant to the Urban Core Community Redevelopment Plan, the Agency has made. In consideration of the services, the Agency reimburse the City based on the actual cost of services. Payments for the year ended September 30, 2022 totaled \$350,966.

6. *CRA Interlocal Agreement – Eastside Landscape Maintenance Services.* On November 15, 2017, the City and the Agency entered into an Interlocal Agreement whereby the City agreed to provide landscape, park, property management, leasing, accessibility improvement, public space enhancement, and facilities maintenance services on the Agency's behalf through December 31, 2045. These services include the cost to maintain any improvements to various public facilities within the Eastside Community Redevelopment Area which, pursuant to the Eastside Community Redevelopment Plan, the Agency has made. In consideration of the services, the Agency reimburse the City based on the actual cost of services. Payments for the year ended September 30, 2022 totaled \$17,149.

7. *CRA Interlocal Agreement – Community Policing Innovations.* On September 20, 2021, the City and the Agency entered into an Interlocal Agreement whereby the City agreed to provide additional policing services within the Urban Core Community Redevelopment Area through September 30, 2022. These services aim to reduce crime by reducing opportunities for, and increasing perceived risk of engaging in, criminal activity through visible presence of police. In consideration of the services, the Agency reimburse the City based on the actual cost of services. Payments for the year ended September 30, 2022 totaled \$92,138

**CITY OF PENSACOLA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE IV. – OTHER INFORMATION (Continued)

8. CRA Interlocal Agreement – Community Maritime Park Stadium Improvements. On July 23, 2021, the City and the Agency entered into an Interlocal Agreement whereby the Agency agreed to contribute up to \$2,000,000 to fund certain improvements at the Vince Whibbs Sr. Community Maritime Park Blue Wahoos Stadium. Such improvements include, but are not limited to, the conversion of the Blue Wahoos Stadium baseball field from natural grass to synthetic turf and any irrigation changes need to accommodate the conversion, the conversion of the Blue Wahoos Stadium lights to LED, the removal of existing bullpens and construction of new bullpens, the construction of new batting cages, the purchase of additional training tables, dishwashers and surveillance equipment, internet and phone upgrades, replacement of HWC chairs, painting, repairs to seats, flooring, electrical outlets and elevators all in furtherance of maximizing the use and impact of the Vince Whibbs Sr. Community Maritime Park improvements paid for with tax increment revenues derived from the Urban Core Community Redevelopment Area. As of September 30, 2022, \$1,689,068 has been paid towards improvements.



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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 POSTEMPLOYMENT BENEFITS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY

CITY OF PENSACOLA, FLORIDA
GENERAL PENSION & RETIREMENT FUND
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS Fiscal Year *								
	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability								
Service Cost (BOY)	\$ 653,860	\$ 706,288	\$ 692,814	\$ 806,853	\$ 806,853	\$ 960,937	\$ 875,872	\$ 875,872
Interest	12,200,468	12,830,343	12,870,665	13,096,503	13,087,373	13,265,393	13,080,194	13,039,418
Difference between Expected & Actual Experience	-	(3,644,260)		(2,139,264)		(6,829,727)		
Changes in Assumptions	-	(62,137)		3,260,021		8,088,948		
Changes of benefit terms							1,929,586	
Benefit payments, including refunds of member contributions	(14,078,231)	(13,412,714)	(13,364,040)	(13,213,824)	(14,334,373)	(13,902,080)	(13,007,151)	(13,664,554)
Refunds of contributions	(10,529)	(23,117)	(31,267)			(82,082)	(31,304)	(82,048)
Net change in total pension liability	(1,234,432)	(3,605,597)	168,172	1,810,289	(440,147)	1,501,389	2,847,197	168,688
Total pension liability - beginning	176,495,325	180,100,922	179,932,750	178,122,461	178,562,608	177,061,219	174,214,022	174,045,334
Total pension liability - ending (a)	\$ 175,260,893	\$ 176,495,325	\$ 180,100,922	\$ 179,932,750	\$ 178,122,461	\$ 178,562,608	\$ 177,061,219	\$ 174,214,022
Plan fiduciary net position								
Contributions - employer	\$ 5,946,411	\$ 5,946,490	\$ 6,200,753	\$ 6,200,956	\$ 6,788,208	6,788,559	\$ 6,586,144	\$ 6,586,424
Contributions - member	279,948	285,355	294,284	305,534	341,314	360,693	375,026	388,789
Net investment income	30,484,953	11,992,518	1,761,461	11,373,720	14,963,864	11,356,088	(2,230,201)	14,895,032
Benefit payments, including refunds of member contributions	(14,078,231)	(13,412,714)	(13,364,040)	(13,199,103)	(14,334,373)	(13,902,080)	(13,007,151)	(13,664,554)
Health insurance assistance								
Refunds of Contributions	(10,529)	(23,117)	(31,267)	(14,721)		(82,082)	(31,304)	(82,048)
Administrative expense	(114,316)	(97,740)	(113,078)	(112,430)	(134,684)	(102,605)	(126,054)	(103,765)
Other							2,149,812	
Net change in plan fiduciary net position	22,508,236	4,690,792	(5,251,887)	4,553,956	7,624,329	4,418,573	(6,283,728)	8,019,878
Plan fiduciary net position - beginning	146,482,331	141,791,539	147,043,426	142,489,470	134,865,141	130,446,568	136,730,296	128,710,418
Plan fiduciary net position - ending	168,990,567	146,482,331	141,791,539	147,043,426	142,489,470	134,865,141	130,446,568	136,730,296
Total plan fiduciary net position (b)	\$ 168,990,567	\$ 146,482,331	\$ 141,791,539	\$ 147,043,426	\$ 142,489,470	\$ 134,865,141	\$ 130,446,568	\$ 136,730,296
City's net pension liability - ending (a)-(b)	\$ 6,270,326	\$ 30,012,994	\$ 38,309,383	\$ 32,889,324	\$ 35,632,991	\$ 43,697,467	\$ 46,614,651	\$ 37,483,726
Plan fiduciary net position as a percentage of the total pension liability	96.42%	83.00%	78.73%	81.72%	80.00%	75.53%	73.67%	78.48%
Covered payroll	5,076,072	5,067,293	5,258,416	5,555,159	6,174,853	6,347,558	6,901,570	6,757,461
City's pension liability as a percentage of covered payroll	123.53%	592.29%	728.53%	592.05%	577.07%	688.41%	675.42%	554.70%
Annual money-weighted rate of return	23.46%	8.46%	1.20%	8.02%	11.10%	11.20%	8.80%	-1.90%

* The amounts presented for each fiscal year were determined as of September 30th, of the prior year.

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**

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:

SCHEDULE OF EMPLOYER CONTRIBUTIONS										
Last 10 Fiscal Years *										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined employer contribution	\$ 5,946,411	\$ 5,946,411	\$ 5,946,490	\$ 6,200,753	\$ 6,200,956	\$ 6,788,208	\$ 6,788,560	\$ 7,515,167	\$ 7,448,089	\$ 7,157,167
Actual employer contribution	5,946,411	5,946,411	5,946,490	6,200,753	6,200,956	6,788,208	6,788,560	7,515,167	7,448,089	7,157,167
Annual contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered payroll	\$ 5,076,072	\$ 5,089,969	\$ 5,067,293	\$ 5,258,416	\$ 5,555,159	\$ 6,174,853	\$ 6,347,558	\$ 6,901,570	\$ 6,757,461	\$ 6,961,827
Actual contributions as a % of covered payroll	117.15%	116.83%	117.35%	117.92%	111.63%	109.93%	106.95%	108.89%	110.22%	102.81%
2014 actuarially determined employer contribution includes \$553,997 in prepaid reserves and excludes \$71,761 in health care contributions.										
Current year covered payroll is not actuarially determined therefore subject to change in future years.										
* Based on contributions made during the fiscal year noted.										

**CITY OF PENSACOLA, FLORIDA
GENERAL PENSION & RETIREMENT FUND
REQUIRED SUPPLEMENTARY INFORMATION**

	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
Valuation Date	9/30/2020	9/30/2020	9/30/2018	9/30/2018	9/30/2016	9/30/2016	9/30/2015	9/30/2014
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	Level Dollar Closed	Level Dollar Closed	Level Dollar Closed	Level Dollar Closed	Level Dollar Closed	Level Dollar Closed	Level Dollar Closed	Level Dollar Closed
Remaining Amortization Period	7 years	7 years	8 years	9 years	10 years	11 years	12 years	13 years
Asset Valuation Method	5 year smoothed market	5 year smoothed market	5 year smoothed market	5 year smoothed market	5 year smoothed market	5 year smoothed market	5 year smoothed market	5 year smoothed market
Actuarial Assumptions:								
Inflation	2.40%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Salary increase	4.50% - 9.50%	4.50% - 9.50%	4.50% - 9.50%	4.50% - 9.50%	4.50% - 9.50%	4.50% - 9.50%	4.50% - 9.50%	4.50% - 9.50%
Investment rate of return	7.2%, net of pension plan investment expense, including inflation	7.2%, net of pension plan investment expense, including inflation	7.4%, net of pension plan investment expense, including inflation	7.4%, net of pension plan investment expense, including inflation	7.6%, net of pension plan investment expense, including inflation	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%	1.0-1.5%	1.0-1.5%	1.0-1.5%	1.0-1.5%	1.0-1.5%
Mortality Rates	PUB-2010 Headcount Weighted	PUB-2010 Headcount Weighted	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	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: Information is presented for those years in which information is available.

**CITY OF PENSACOLA, FLORIDA
FIREFIGHTER'S RELIEF & PENSION FUND
REQUIRED SUPPLEMENTARY INFORMATION**

	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability								
Service Cost (BOY)	\$ 1,497,129	\$ 1,258,728	\$ 1,290,959	\$ 1,263,734	\$ 1,317,501	\$ 1,340,661	\$ 1,189,882	\$ 1,578,578
Interest	10,322,867	9,985,729	9,887,893	9,735,179	9,731,641	9,595,671	9,016,289	9,116,288
Difference between Expected and Actual Experience	(1,424,849)	(511,791)	(87,339)	260,034	(3,442,328)	(482,293)	30,585	
Changes in Assumptions	-	1,918,859			967,856		7,780,467	
Changes in Benefit Terms	411,685		(1,793)			802,334	(4,080,439)	
Contributions - Buy Back						44,064		
Benefit payments, including refunds of member contributions	(8,497,992)	(9,404,872)	(10,188,894)	(8,438,858)	(8,511,653)	(8,929,344)	(6,788,324)	(8,163,106)
Net change in total pension liability	2,308,840	3,246,653	900,826	2,820,089	63,017	2,371,093	7,148,460	2,531,760
Total pension liability - beginning	135,538,471	132,291,818	131,390,992	128,570,903	128,507,886	126,136,793	118,988,333	116,456,573
Total pension liability - ending (a)	\$ 137,847,311	\$ 135,538,471	\$ 132,291,818	\$ 131,390,992	\$ 128,570,903	\$ 128,507,886	\$ 126,136,793	\$ 118,988,333
Plan fiduciary net position								
Contributions - employer	\$ 1,898,060	\$ 1,720,961	\$ 1,658,203	\$ 2,009,062	\$ 2,336,545	3,826,740	\$ 4,334,264	\$ 3,649,568
Contributions - member	619,231	543,443	505,660	480,066	449,131	421,774	474,193	457,362
Contributions - Buy Back						44,064		
Net investment income	28,553,234	13,110,520	3,440,824	10,905,810	12,473,832	9,928,990	(1,770,463)	10,980,094
Benefit payments, including refunds of member contributions	(8,497,992)	(9,404,872)	(10,188,894)	(8,438,858)	(8,511,653)	(8,929,344)	(6,788,324)	(8,163,106)
Administrative expense	(65,256)	(75,205)	(73,186)	(93,728)	(90,536)	(105,921)	(92,822)	(131,563)
Other					81,471			
Net change in plan fiduciary net position	22,507,277	5,894,847	(4,657,393)	4,862,352	6,738,790	5,186,303	(3,843,152)	6,792,355
Plan fiduciary net position - beginning	126,722,487	120,827,640	125,485,033	120,622,681	113,883,891	108,697,588	112,540,740	106,396,777
Plan fiduciary net position - ending	149,229,764	126,722,487	120,827,640	125,485,033	120,622,681	113,883,891	108,697,588	113,189,132
LESS RESERVE ACCOUNTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 648,392
Total plan fiduciary net position (b)	\$ 149,229,764	\$ 126,722,487	\$ 120,827,640	\$ 125,485,033	\$ 120,622,681	\$ 113,883,891	\$ 108,697,588	\$ 112,540,740
City's net pension liability - ending (a)-(b)	\$ (11,382,453)	\$ 8,815,984	\$ 11,464,178	\$ 5,905,959	\$ 7,948,222	\$ 14,623,995	\$ 17,439,205	\$ 6,447,593
Plan fiduciary net position as a percentage of the total pension liability	108.26%	93.50%	91.33%	95.51%	93.82%	88.62%	86.17%	94.58%
Covered payroll	5,629,353	4,940,394	4,596,890	4,364,222	4,082,999	3,834,292	7,494,388	4,157,835
City's pension liability as a percentage of covered payroll	-202.20%	178.45%	249.39%	135.33%	194.67%	381.40%	232.70%	155.07%
Annual money-weighted rate of return	22.94%	11.12%	2.83%	9.20%	11.14%	9.18%	-1.56%	10.16%

* The amounts presented for each fiscal year were determined as of September 30th, of the prior year.

NOTE: Information is presented for those years in which information is available.

**CITY OF PENSACOLA, FLORIDA
FIREFIGHTER'S RELIEF & PENSION FUND
REQUIRED SUPPLEMENTARY INFORMATION**

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:

FIREFIGHTERS' RELIEF & PENSION FUND SCHEDULE OF EMPLOYER CONTRIBUTIONS Last 10 Fiscal Years *											
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined employer contribution	\$ 1,837,352	\$ 1,898,060	\$ 1,711,806	\$ 1,644,078	\$ 1,993,643	\$ 2,321,285	\$ 3,822,480	\$ 4,334,264	\$ 3,097,587	\$ 3,234,358	\$ 3,494,389
Actual employer contribution	1,898,060	1,898,060	1,720,961	1,658,203	2,009,062	2,336,545	3,826,740	4,334,264	3,097,587	3,234,358	3,562,977
Annual contribution deficiency (excess)	\$ (60,708)	\$ 0	\$ (9,155)	\$ (14,125)	\$ (15,419)	\$ (15,260)	\$ (4,260)	\$ 0	\$ 0	\$ 0	\$ (68,588)
Covered payroll	\$ 5,629,353	\$ 5,629,368	\$ 4,939,900	\$ 4,596,890	\$ 4,364,222	\$ 4,082,999	\$ 3,834,292	\$ 7,494,388	\$ 4,157,835	\$ 4,574,063	\$ 4,847,354
Actual contributions as a % of covered payroll	33.72%	33.72%	34.84%	36.07%	46.03%	57.23%	99.80%	57.83%	74.50%	70.71%	73.50%
2014 actuarially determined employer contribution excludes \$551,981 in current year prepaid reserves.											
Current year covered payroll is not actuarially determined therefore subject to change in future years.											
* Based on contributions made during the fiscal year noted.											

**CITY OF PENSACOLA, FLORIDA
FIREFIGHTER'S RELIEF & PENSION FUND
REQUIRED SUPPLEMENTARY INFORMATION**

	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
Valuation Date	10/1/2021	10/1/2020	10/1/2019	10/1/2018	10/1/2017	10/1/2016	10/1/2015	10/1/2014
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	New UAAL amortization bases are amortized over 15 years	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed
Remaining Amortization Period	12	30 years	30 years	30 years	30 years	30 years	30 years	30 years
Asset Valuation Method	5 year phased in period	5 year phased in period	5 year phased in period	5 year phased in period	5 year phased in period	5 year phased in period	5 year phased in period	5 year phased in period
Actuarial Assumptions:								
Inflation	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	3.00%	3.00%
Salary increase	Service Based	5.5%-12.68%	5.5%-12.68%	5.5%-12.68%	5.5%-12.68%	5.5%-12.68%	5.5%-12.68%	5.5%-13.95%
Investment rate of return	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	8.00%
Cost of living adjustments	2.875%	2.875%	2.875%	2.875%	2.875%	2.875%	2.875%	2.875%
Mortality:	PUBS.H-2010	PUBS.H-2010	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	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: 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 ***

	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability								
Service Cost (BOY)	\$ 785,361	\$ 825,932	\$ 786,760	\$ 816,071	\$ 761,793	\$ 912,596	\$ 818,742	\$ 860,340
Interest	9,624,254	9,511,040	9,193,908	8,949,790	8,977,910	8,876,315	8,390,513	8,151,071
Differences between expected and actual experience	1,350,334	699,810	1,361,896		(2,653,681)		312,274	866,959
Changes of assumptions	-	(1,978,840)					6,217,609	3,431,350
Contributions - buy back	-	51,726		47,123	41,367			
Benefit payments, including refunds of member contributions	(7,416,057)	(7,544,199)	(6,317,326)	(6,397,599)	(8,755,072)	(7,539,629)	(6,446,003)	(5,994,107)
Net change in total pension liability	4,343,892	1,565,469	5,025,238	3,415,385	(1,627,683)	2,249,282	9,293,135	7,315,613
Total pension liability - beginning	137,999,913	136,434,444	131,409,206	127,993,821	129,621,504	127,372,222	118,079,087	110,763,474
Total pension liability - ending (a)	\$ 142,343,805	\$ 137,999,913	\$ 136,434,444	\$ 131,409,206	\$ 127,993,821	\$ 129,621,504	\$ 127,372,222	\$ 118,079,087
Plan fiduciary net position								
Contributions - employer	\$ 4,157,135	\$ 4,254,519	\$ 4,445,468	\$ 4,528,544	\$ 4,331,190	3,830,736	\$ 3,830,839	\$ 3,825,656
Contributions - member	215,050	219,429	211,533	209,565	218,457	227,357	240,097	156,000
Net investment income	24,880,274	9,020,508	4,289,802	9,429,700	11,614,044	8,651,676	(2,362,487)	6,881,022
Benefit payments, including refunds of member contributions	(7,416,057)	(7,544,199)	(6,317,326)	(6,397,599)	(8,755,072)	(7,539,629)	(6,446,003)	(5,994,107)
Administrative expense	(48,522)	(38,631)	(48,723)	(52,447)	(115,371)	(93,853)	(82,441)	(69,051)
State Insurance	640,286	623,811	601,682	572,693	542,277	533,483	512,808	473,283
Member buybacks	-	51,726		47,123	41,367	-	-	12,024
Net change in plan fiduciary net position	22,428,166	6,587,163	3,182,436	8,337,579	7,876,892	5,609,770	(4,307,187)	5,284,827
Plan fiduciary net position - beginning	111,724,639	105,137,476	101,955,040	93,617,461	85,740,569	80,130,799	84,437,986	79,153,159
Plan fiduciary net position - ending	134,152,805	111,724,639	105,137,476	101,955,040	93,617,461	85,740,569	80,130,799	84,437,986
LESS RESERVE ACCOUNTS	878,884	769,559	668,865	371,687	775,007	1,168,510	1,203,293	1,097,405
Total Plan fiduciary net position (b)	\$ 133,273,921	\$ 110,955,080	\$ 104,468,611	\$ 101,583,353	\$ 92,842,454	\$ 84,572,059	\$ 78,927,506	\$ 83,340,581
City's net pension liability - ending (a)-(b)	\$ 9,069,884	\$ 27,044,833	\$ 31,965,833	\$ 29,825,853	\$ 35,151,367	\$ 45,049,445	\$ 48,444,716	\$ 34,738,506
Plan fiduciary net position as a percentage of the total pension liability	94.3%	81.0%	77.1%	77.3%	72.5%	65.2%	62.0%	70.6%
Covered payroll	\$ 4,135,565	\$ 4,219,813	\$ 4,067,890	\$ 4,030,069	\$ 4,201,063	4,372,250	\$ 4,423,864	4,466,862
City's pension liability as a percentage of covered payroll	219.3%	640.9%	785.8%	740.1%	836.7%	1030.3%	1095.1%	777.7%
Annual money-weighted rate of return	22.47%	8.50%	4.15%	9.92%	13.48%	11.11%	-2.34% #	9.00%

* The amounts presented for each fiscal year were determined as of September 30th, of the prior year.

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**

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:

SCHEDULE OF EMPLOYER CONTRIBUTIONS										
Last 10 Fiscal Years *										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined employer contribution	\$ 4,757,576	\$ 4,797,421	\$ 4,878,329	\$ 5,047,150	\$ 5,101,237	\$ 4,873,467	\$ 4,364,219	\$ 4,343,646	\$ 4,298,939	\$ 2,832,155
Actual employer contribution	4,757,576	4,797,421	4,878,329	5,047,150	5,101,237	4,873,467	4,364,219	4,343,646	4,298,939	2,832,155
Annual contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered payroll	\$ 4,135,565	\$ 4,135,576	\$ 4,219,795	\$ 4,067,890	\$ 4,030,089	\$ 4,201,063	\$ 4,372,250	\$ 4,423,864	\$ 4,466,862	\$ 4,870,112
Actual contributions as a % of covered payroll	115.04%	116.00%	115.61%	124.07%	126.58%	116.01%	99.82%	98.19%	96.24%	58.15%
Current year covered payroll is not actuarially determined therefore subject to change in future years.										
Contributions do not include amounts drawn down from reserves.										
* Based on contributions made during the fiscal year noted.										

**CITY OF PENSACOLA, FLORIDA
POLICE OFFICERS' RETIREMENT FUND
REQUIRED SUPPLEMENTARY INFORMATION**

	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
Valuation Date	10/1/2021	10/1/2020	10/1/2019	10/1/2018	10/1/2017	10/1/2016	10/1/2015	10/1/2014
Actuarial cost method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age
Amortization method	New UAAL amortization	Level Dollar Amount	Level Dollar Amount	Level Dollar Amount	Level Dollar Amount	Level Dollar Amount	Level Dollar Amount	Level Dollar Amount
Remaining Amortization Period	10	11	12	13 years	14 years	15 years	16 years	17 years
Asset Valuation Method	5 year weighted index	5 year weighted index	5 year weighted index	5 year weighted index	5 year weighted index	5 year weighted index	5 year weighted index	5 year weighted index
Actuarial Assumptions:								
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Salary increase	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Investment rate of return	7.125%	7.125%	7.125%	7.125%	7.125%	7.125%	7.125%	7.25%
Cost of living adjustments	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Mortality Rates	PUBS.H-2010	PUBS.H-2010	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	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: Information is presented for those years in which information is available.

CITY OF PENSACOLA, FLORIDA
FLORIDA RETIREMENT SYSTEM PENSION PLAN
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY Fiscal Year								
	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the FRS net pension liability (asset)	0.073462936%	0.067580322%	0.059663066%	0.055026148%	0.049432047%	0.045283952%	0.041335299%	0.039418763%
City's proportion of the FRS net pension liability (asset)	\$ 27,334,115	\$ 5,104,925	\$ 25,858,852	\$ 18,949,722	\$ 14,889,189	\$ 13,394,689	\$ 10,437,195	\$ 5,091,462
Covered payroll	\$ 25,635,863	\$ 22,838,497	\$ 21,417,967	\$ 19,573,461	\$ 17,140,563	\$ 15,295,017	\$ 12,840,904	\$ 12,296,508
City's pension liability as a percentage of covered payroll	106.6%	22.4%	120.7%	96.8%	86.9%	87.6%	81.3%	41.4%
Plan fiduciary net position as a percentage of the total pension liability	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

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.

SCHEDULE OF EMPLOYER CONTRIBUTIONS Last 5 Fiscal Years								
	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined employer contribution	\$ 3,134,797	\$ 2,574,518	\$ 1,982,339	\$ 1,706,208	\$ 1,453,249	\$ 1,210,082	\$ 1,099,355	\$ 978,143
Actual employer contribution	3,134,797	2,574,518	1,982,339	1,706,208	1,453,249	1,210,082	1,099,355	978,143
Annual contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered payroll	\$ 28,415,317	\$ 25,403,511	\$ 22,014,597	\$ 20,065,477	\$ 17,553,738	\$ 15,648,664	\$ 13,163,322	\$ 12,527,598
Actual contributions as a % of covered payroll	11.03%	10.13%	9.00%	8.50%	8.28%	7.73%	8.35%	7.81%

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 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
Valuation Date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Ultimate Entry Age Normal	Individual Entry Age	Individual Entry Age
Asset Valuation Method	Level Percentage Closed, Layered	Level Percentage Closed, Layered	Level Percentage Closed, Layered	Level Percentage Closed, Layered	Level Percentage Closed, Layered	Level Percentage Closed, Layered	Level Dollar Amount Closed	Level Dollar Amount Closed
Asset Valuation Method	20 years	20 years	25 years	30 years	30 years	30 years	30 years	30 years
Actuarial Assumptions:								
Inflation	2.40%	2.40%	2.40%	2.60%	2.60%	2.60%	2.60%	2.60%
Salary increase	Varies	Varies	Varies	Varies	3.25%	3.25%	3.25%	3.25%
Investment rate of return	6.70%	7.00%	7.00%	6.90%	7.00%	7.10%	7.60%	7.65%
Cost of living adjustments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Mortality Rates	Generational PUB-2010 with Scale MP-2018	Generational PUB-2010 with Scale MP-2018	Generational PUB-2010 with Scale MP-2018	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	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

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY								
	Fiscal Year							
	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the HIS net pension liability (asset)	0.070189581%	0.064240703%	0.055541371%	0.051069262%	0.047519167%	0.043820246%	0.041586882%	0.040531215%
City's proportion of the HIS net pension liability (asset)	\$ 7,434,198	\$ 7,880,088	\$ 6,781,511	\$ 5,714,139	\$ 5,029,482	\$ 4,685,463	\$ 4,846,779	\$ 4,133,546
Covered payroll	\$ 25,584,699	\$ 22,747,410	\$ 19,281,404	\$ 18,165,949	\$ 15,524,948	\$ 13,972,362	\$ 12,840,904	\$ 12,296,508
City's pension liability as a percentage of covered payroll	29.1%	34.6%	35.2%	31.5%	32.4%	33.5%	37.7%	33.6%
Plan fiduciary net position as a percentage of the total pension liability	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

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.

SCHEDULE OF EMPLOYER CONTRIBUTIONS								
	Last 7 Fiscal Years							
	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined employer contribution	\$ 424,706	\$ 377,607	\$ 320,059	\$ 283,583	262,412	241,173	\$ 221,345	\$ 169,762
Actual employer contribution	424,706	377,607	320,059	283,583	262,412	241,173	221,345	169,762
Annual contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	0	0	\$ 0	\$ 0
Covered payroll	\$ 27,149,190	\$ 24,148,144	\$ 20,493,766	\$ 18,244,421	15,596,591	14,039,291	\$ 12,898,569	\$ 12,345,987
Actual contributions as a % of covered payroll	1.56%	1.56%	1.56%	1.55%	1.68%	1.72%	1.72%	1.38%

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:

	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
Valuation Date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	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	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value
Actuarial Assumptions:								
Inflation	2.40%	2.40%	2.40%	2.60%	2.60%	2.60%	2.60%	2.60%
Salary increase	3.25%	Varies	Varies	Varies	3.25%	3.25%	3.25%	3.25%
Discount rate	3.54%	2.16%	2.21%	3.50%	3.87%	3.58%	2.85%	3.80%
Cost of living adjustments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Mortality Rates	Generational PUB-2010 with Projection Scale MP- 2018	Generational PUB-2010 with Projection Scale MP- 2018	Generational PUB-2010 with Projection Scale MP- 2018	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	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 POSTEMPLOYMENT BENEFITS (OPEB)
REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
AND RELATED RATIOS**

	Fiscal Year				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability					
Service Cost	\$ 223,125	\$ 133,896	\$ 91,439	\$ 101,187	\$ 87,688
Interest	380,268	593,862	977,708	895,230	798,393
Difference between Expected & Actual Experience	(130,766)	(5,711,095)	(5,486,957)	(392,192)	(368,076)
Changes in Assumptions or Other Inputs	160,291	1,074,050	2,968,014	(2,748,991)	5,416,699
Changes of benefit terms	-	642,604	-	-	-
Benefit payments	<u>(453,204)</u>	<u>(485,747)</u>	<u>(610,816)</u>	<u>(351,400)</u>	<u>(329,792)</u>
Net change in total OPEB liability	179,714	(3,752,430)	(2,060,612)	(2,496,166)	5,604,912
Total OPEB liability - beginning	<u>18,162,592</u>	<u>21,915,023</u>	<u>23,975,635</u>	<u>26,471,801</u>	<u>20,866,889</u>
Total OPEB liability - ending	<u>\$ 18,342,306</u>	<u>\$ 18,162,593</u>	<u>\$ 21,915,023</u>	<u>\$ 23,975,635</u>	<u>\$ 26,471,801</u>
 Covered-employee payroll	 34,492,658	 34,492,658	 27,368,943	 26,571,789	 23,130,270

Notes to Schedule:

Changes in benefit terms. There are no changes in benefit terms since the Prior Measurement Date.

Changes in assumptions. Changes in assumptions and other inputs reflect the effects in the discount rate each period. The following are the discount rates used in each period:

2017	3.86%
2018	3.43%
2019	4.13%
2020	2.74%
2021	2.12%
2022	2.06%

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

NOTE: Information is presented for those years in which information is available.



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COMBINING FINANCIAL STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

INTERNAL SERVICE FUNDS

FIDUCIARY FUNDS

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.

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

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

Stormwater Utility Fund – to account for the receipt and expenditures for the operating and maintenance activities related to stormwater.

Parking Fund – To account for the public parking services receipts and the expenditures thereof.

Law Enforcement Trust Fund - to account for proceeds from the sale of confiscated property. Expenditure of such funds is restricted to law enforcement purposes.

Golf Course Fund - to account for the revenues and expenditures of the Osceola Golf Course and Pro Shop.

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

Inspections Fund – to account for the revenues and expenditures of collections as regulated under Florida Statue 553 referred to as the ‘Florida Building Code’.

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

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.

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.

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.

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.

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.

CRA 2017 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 Revenue Bond, Series 2017, the Westside Redevelopment Revenue Bond, Series 2017 and the Urban Core Redevelopment Revenue Bond, Series 2017.

CRA 2019 Project Fund – a capital project fund that accounts for various community development projects within the Urban Core Redevelopment Area. Financing is provided by amounts received from the Urban Core Redevelopment Revenue Bond, Series 2019.

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.

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.

**CITY OF PENSACOLA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	Special Revenue Funds			
	Special Grants	Local Option Gasoline Tax	Community Development Block Grant	Community Redevelopment Agency
ASSETS				
Cash and cash equivalents	\$ 13,972	\$ 496,349	\$	\$ 3,272,757
Other cash			8,311	
Investments	9,790	347,787		2,293,185
Accrued Interest				9
Accounts receivable				
Due from other funds				
Due from other governments	1,297,476	131,276	91,762	
Prepays and deposits				136
Inventory				
Notes receivable	498,754		286,047	
Lease Receivable				11,462
Restricted assets				
Cash and cash equivalents				600,671
Investments				420,884
Total assets	\$ 1,819,992	\$ 975,412	\$ 386,120	\$ 6,599,104
LIABILITIES				
Accounts payable	\$ 46,101	\$	\$ 1,829	\$ 10,654
Contracts payable	481,480			198,253
Contracts payable - retainage	52,939			2,997
Due to other funds	261,273		98,244	23,537
Due to other governments	88,060			
Compensated absences payable				
Unearned revenue	235,031			
Deposits				101,000
Total liabilities	1,164,884	0	100,073	336,441
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	498,754		286,047	
Related to leases				11,675
Total deferred inflows of resources	498,754	0	286,047	11,675
FUND BALANCE (DEFICITS)				
Non-spendable				136
Restricted	788,021	975,412	152	2,141,288
Committed				
Assigned				4,109,564
Unassigned	(631,667)		(152)	
Total fund balances	156,354	975,412	0	6,250,988
Total liabilities, deferred inflows of resources and fund balances	\$ 1,819,992	\$ 975,412	\$ 386,120	\$ 6,599,104
Fund balances at end of year	\$ 156,354	\$ 975,412	\$ 0	\$ 6,250,988

(continued)

CITY OF PENSACOLA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	Special Revenue Funds			
	Urban Core Redevelopment Trust	Stormwater Utility Fund	Parking Fund	Law Enforcement Trust
ASSETS				
Cash and cash equivalents	\$	\$ 269,895	\$ 485,768	\$ 234,102
Other cash				
Investments		189,112	340,372	164,033
Accrued Interest				
Accounts receivable				
Due from other funds				
Due from other governments		9,310		
Prepays and deposits		1,097	1,843	
Inventory				
Notes receivable				
Lease Receivable				
Restricted assets				
Cash and cash equivalents				
Investments				
Total assets	\$ <u>0</u>	\$ <u>469,414</u>	\$ <u>827,983</u>	\$ <u>398,135</u>
LIABILITIES				
Accounts payable	\$	\$ 4,355	\$ 35,782	\$ 1,121
Contracts payable		8,625	7,800	24,916
Contracts payable - retainage				
Due to other funds		49,678	17,231	
Due to other governments				
Compensated absences payable			2,713	
Unearned revenue				
Deposits				
Total liabilities	<u>0</u>	<u>62,658</u>	<u>63,526</u>	<u>26,037</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
Related to leases				
Total deferred inflows of resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE (DEFICITS)				
Non-spendable		1,097	1,843	
Restricted		1,000	40,541	372,098
Committed		404,659		
Assigned			722,073	
Unassigned				
Total fund balances	<u>0</u>	<u>406,756</u>	<u>764,457</u>	<u>372,098</u>
Total liabilities, deferred inflows of resources and fund balances	\$ <u>0</u>	\$ <u>469,414</u>	\$ <u>827,983</u>	\$ <u>398,135</u>
Fund balances at end of year	\$ <u>0</u>	\$ <u>406,756</u>	\$ <u>764,457</u>	\$ <u>372,098</u>

(continued)

**CITY OF PENSACOLA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	Special Revenue Funds			
	Golf Course Fund	Eastside Tax Incremental Financing District	Inspections Fund	Westside Tax Incremental Financing District
ASSETS				
Cash and cash equivalents	\$ 220,056	\$ 498,196	\$ 1,222,758	\$ 878,634
Other cash				
Investments	154,191	349,080	856,773	615,648
Accrued Interest	1			
Accounts receivable				
Due from other funds				
Due from other governments				
Prepays and deposits	4,259			
Inventory	1,363			
Notes receivable				
Lease Receivable	7,444			
Restricted assets				
Cash and cash equivalents				
Investments				
Total assets	\$ 387,314	\$ 847,276	\$ 2,079,531	\$ 1,494,282
LIABILITIES				
Accounts payable	\$ 14,949	\$ 5,008	\$ 20,822	\$ 83
Contracts payable	744	18,344	3,980	42,000
Contracts payable - retainage				
Due to other funds	5,452	1,112	42,189	2,416
Due to other governments				
Compensated absences payable				
Unearned revenue				
Deposits	2,475		37,255	
Total liabilities	23,620	24,464	104,246	44,499
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	1,500			
Related to leases	8,543			
Total deferred inflows of resources	10,043	0	0	0
FUND BALANCE (DEFICITS)				
Non-spendable	5,622			
Restricted	(742)	822,812	1,975,285	1,449,783
Committed				
Assigned	348,771			
Unassigned				
Total fund balances	353,651	822,812	1,975,285	1,449,783
Total liabilities, deferred inflows of resources and fund balances	\$ 387,314	\$ 847,276	\$ 2,079,531	\$ 1,494,282
Fund balances at end of year	\$ 353,651	\$ 822,812	\$ 1,975,285	\$ 1,449,783

(continued)

**CITY OF PENSACOLA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	Special Revenue Funds			Debt Service Funds
	Recreation Fund	Tennis Fund	CMP Management Services Fund	CRA Debt Service
ASSETS				
Cash and cash equivalents	\$ 311,054	\$ 150,863	\$ 253,543	\$
Other cash				
Investments	217,952	105,708	177,655	
Accrued Interest	198	148	48,338	
Accounts receivable	2,000	10,417	384,830	
Due from other funds	347,681			
Due from other governments				
Prepays and deposits	554	1,038	13,235	
Inventory				
Notes receivable				
Lease Receivable	602,561	299,977	2,181,437	
Restricted assets				
Cash and cash equivalents			793,929	2,251,217
Investments			556,298	1,577,402
Total assets	\$ 1,482,000	\$ 568,151	\$ 4,409,265	\$ 3,828,619
LIABILITIES				
Accounts payable	\$ 29,852	\$ 3,375	\$ 47,734	\$
Contracts payable	1,725		22,104	
Contracts payable - retainage				
Due to other funds			3,338	
Due to other governments				
Compensated absences payable				
Unearned revenue			71,875	
Deposits	95,747		10,535	
Total liabilities	127,324	3,375	155,586	0
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	2,000	10,417		
Related to leases	590,668	305,740	1,895,939	
Total deferred inflows of resources	592,668	316,157	1,895,939	0
FUND BALANCE (DEFICITS)				
Non-spendable	554	1,038	13,235	
Restricted	0		823,052	3,828,619
Committed				
Assigned	761,454	247,581	1,521,453	
Unassigned				
Total fund balances	762,008	248,619	2,357,740	3,828,619
Total liabilities, deferred inflows of resources and fund balances	\$ 1,482,000	\$ 568,151	\$ 4,409,265	\$ 3,828,619
Fund balances at end of year	\$ 762,008	\$ 248,619	\$ 2,357,740	\$ 3,828,619

(continued)

**CITY OF PENSACOLA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	Debt Service Funds	Capital Projects Funds		
	Local Option Gas Tax Debt Service	Local Option Sales Tax Fund	CRA 2017 Project Fund	CRA 2019 Project Fund
ASSETS				
Cash and cash equivalents	\$	\$ 1,331,025	\$ 3,137,564	\$ 8,660,519
Other cash				
Investments		932,634	2,198,459	6,068,330
Accrued Interest				
Accounts receivable				
Due from other funds				
Due from other governments		1,402,765		
Prepays and deposits				
Inventory				
Notes receivable				
Lease Receivable				
Restricted assets				
Cash and cash equivalents	903,373	1,506,336		
Investments	632,983	1,055,473		
Total assets	\$ 1,536,356	\$ 6,228,233	\$ 5,336,023	\$ 14,728,849
LIABILITIES				
Accounts payable	\$	\$ 2,574	\$	\$
Contracts payable		795,853	3,844	73,605
Contracts payable - retainage		41,400		44,047
Due to other funds				
Due to other governments				
Compensated absences payable				
Unearned revenue				
Deposits				
Total liabilities	0	839,827	3,844	117,652
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
Related to leases				
Total deferred inflows of resources	0	0	0	0
FUND BALANCE (DEFICITS)				
Non-spendable				
Restricted	1,536,356	5,260,349	5,332,179	14,611,197
Committed				
Assigned				
Unassigned		128,057		
Total fund balances	1,536,356	5,388,406	5,332,179	14,611,197
Total liabilities, deferred inflows of resources and fund balances	\$ 1,536,356	\$ 6,228,233	\$ 5,336,023	\$ 14,728,849
Fund balances at end of year	\$ 1,536,356	\$ 5,388,406	\$ 5,332,179	\$ 14,611,197

(continued)

**CITY OF PENSACOLA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	Capital Projects Funds		Total Nonmajor Governmental Funds
	Local Option Sales Tax Project Fund	Stormwater Capital	
ASSETS			
Cash and cash equivalents	\$	\$ 2,620,803	\$ 24,057,858
Other cash			8,311
Investments		1,836,368	16,857,077
Accrued Interest			48,694
Accounts receivable			397,247
Due from other funds			347,681
Due from other governments			2,932,589
Prepays and deposits			22,162
Inventory			1,363
Notes receivable			784,801
Lease Receivable			3,102,881
Restricted assets			
Cash and cash equivalents			6,055,526
Investments			4,243,040
Total assets	\$ <u>0</u>	\$ <u>4,457,171</u>	\$ <u>58,859,230</u>
LIABILITIES			
Accounts payable	\$	\$ 10,146	\$ 234,385
Contracts payable			1,683,273
Contracts payable - retainage			141,383
Due to other funds			504,470
Due to other governments			88,060
Compensated absences payable			2,713
Unearned revenue			306,906
Deposits			247,012
Total liabilities	<u>0</u>	<u>10,146</u>	<u>3,208,202</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue			798,718
Related to leases			2,812,565
Total deferred inflows of resources	<u>0</u>	<u>0</u>	<u>3,611,283</u>
FUND BALANCE (DEFICITS)			
Non-spendable			23,525
Restricted		357,243	40,314,645
Committed		4,089,782	4,494,441
Assigned			7,710,896
Unassigned			(503,762)
Total fund balances	<u>0</u>	<u>4,447,025</u>	<u>52,039,745</u>
Total liabilities, deferred inflows of resources and fund balances	\$ <u>0</u>	\$ <u>4,457,171</u>	\$ <u>58,859,230</u>
Fund balances at end of year	\$ <u>0</u>	\$ <u>4,447,025</u>	\$ <u>52,039,745</u>

CITY OF PENSACOLA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Special Revenue Funds			
	Special Grants	Local Option Gasoline Tax	Community Development Block Grant	Community Redevelopment Agency
Revenues:				
Taxes	\$	1,428,852		
Licenses and permits				
Intergovernmental	1,860,082		603,122	
Charges for services				15,829
Fines and forfeits				
Interest income		7,722	4,326	22,974
Donations	165,593			
Other			23,704	25,000
Total revenues	<u>2,025,675</u>	<u>1,436,574</u>	<u>631,152</u>	<u>63,803</u>
Expenditures:				
Current -				
General government			631,152	3,435,206
Public safety	303,450			
Transportation	4,661	4,300		
Culture and recreation	62,998			
Economic environment	217,521			
Physical environment	130,127			
Capital outlay	1,261,198			187,391
Debt service -				
Principal retirement				
Interest				
Total expenditures	<u>1,979,955</u>	<u>4,300</u>	<u>631,152</u>	<u>3,622,597</u>
Excess (deficiency) of revenues over (under) expenditures	<u>45,720</u>	<u>1,432,274</u>	<u>0</u>	<u>(3,558,794)</u>
Other financing sources (uses):				
Transfers in				3,990,366
Transfers (out)		(1,536,318)		
Sale of capital assets				
Total other financing sources (uses)	<u>0</u>	<u>(1,536,318)</u>	<u>0</u>	<u>3,990,366</u>
Net Change in fund balances	<u>45,720</u>	<u>(104,044)</u>	<u>0</u>	<u>431,572</u>
Fund balances at beginning of year	<u>110,634</u>	<u>1,079,456</u>	<u>0</u>	<u>5,819,416</u>
Change in accounting principle - Implementation of GASB 87	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances at end of year	<u>\$ 156,354</u>	<u>\$ 975,412</u>	<u>\$ 0</u>	<u>\$ 6,250,988</u>

(continued)

CITY OF PENSACOLA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Special Revenue Funds			
	Urban Core Redevelopment Trust	Stormwater Utility Fund	Parking Fund	Law Enforcement Trust
Revenues:				
Taxes	\$	\$	\$	\$
Licenses and permits				
Intergovernmental	5,084,151			
Charges for services		3,051,398	1,128,383	
Fines and forfeits		6,038		181,666
Interest income		2,002	2,680	1,265
Donations				
Other			1,189	
Total revenues	<u>5,084,151</u>	<u>3,059,438</u>	<u>1,132,252</u>	<u>182,931</u>
Expenditures:				
Current -				
General government				
Public safety				82,291
Transportation			776,397	
Culture and recreation				
Economic environment				
Physical environment		2,929,184		
Capital outlay			13,835	
Debt service -				
Principal retirement				
Interest				
Total expenditures	<u>0</u>	<u>2,929,184</u>	<u>790,232</u>	<u>82,291</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,084,151</u>	<u>130,254</u>	<u>342,020</u>	<u>100,640</u>
Other financing sources (uses):				
Transfers in	2,999,452			
Transfers (out)	(8,083,603)			
Sale of capital assets				
Total other financing sources (uses)	<u>(5,084,151)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in fund balances	<u>0</u>	<u>130,254</u>	<u>342,020</u>	<u>100,640</u>
Fund balances at beginning of year	<u>0</u>	<u>276,502</u>	<u>422,437</u>	<u>271,458</u>
Change in accounting principle - Implementation of GASB 87	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances at end of year	<u>\$ 0</u>	<u>\$ 406,756</u>	<u>\$ 764,457</u>	<u>\$ 372,098</u>

(continued)

CITY OF PENSACOLA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Special Revenue Funds			
	Golf Course Fund	Eastside Tax Incremental Financing District	Inspections Fund	Westside Tax Incremental Financing District
Revenues:				
Taxes	\$	\$	\$	\$
Licenses and permits			2,646,741	
Intergovernmental		178,747		729,840
Charges for services	629,350		30,450	
Fines and forfeits				
Interest income	1,766	3,113	6,828	6,214
Donations				
Other			110	
Total revenues	<u>631,116</u>	<u>181,860</u>	<u>2,684,129</u>	<u>736,054</u>
Expenditures:				
Current -				
General government		99,565		182,994
Public safety			1,836,879	
Transportation				
Culture and recreation	782,487			
Economic environment				
Physical environment				
Capital outlay	5,208	23,189	6,956	182,146
Debt service -				
Principal retirement				
Interest		15,000		
Total expenditures	<u>787,695</u>	<u>137,754</u>	<u>1,843,835</u>	<u>365,140</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(156,579)</u>	<u>44,106</u>	<u>840,294</u>	<u>370,914</u>
Other financing sources (uses):				
Transfers in	250,000	115,882		472,841
Transfers (out)		(89,446)		(278,601)
Sale of capital assets				
Total other financing sources (uses)	<u>250,000</u>	<u>26,436</u>	<u>0</u>	<u>194,240</u>
Net Change in fund balances	<u>93,421</u>	<u>70,542</u>	<u>840,294</u>	<u>565,154</u>
Fund balances at beginning of year	<u>261,200</u>	<u>752,270</u>	<u>1,134,991</u>	<u>884,629</u>
Change in accounting principle - Implementation of GASB 87	<u>(970)</u>			
Fund balances at end of year	<u>\$ 353,651</u>	<u>\$ 822,812</u>	<u>\$ 1,975,285</u>	<u>\$ 1,449,783</u>

(continued)

CITY OF PENSACOLA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Special Revenue Funds			Debt Service Funds
	Recreation Fund	Tennis Fund	CMP Management Services Fund	CRA Debt Service
Revenues:				
Taxes	\$	\$	\$	\$
Licenses and permits				
Intergovernmental				
Charges for services	731,441	117,419	1,060,144	
Fines and forfeits				
Interest income	21,377	6,100	72,729	11,814
Donations	2,851		77,758	
Other			202	
Total revenues	<u>755,669</u>	<u>123,519</u>	<u>1,210,833</u>	<u>11,814</u>
Expenditures:				
Current -				
General government				
Public safety				
Transportation				
Culture and recreation	889,740	87,802	868,324	
Economic environment				
Physical environment				
Capital outlay	66,257	7,620	70,772	
Debt service -				
Principal retirement			20,000	1,892,571
Interest				2,236,973
Total expenditures	<u>955,997</u>	<u>95,422</u>	<u>959,096</u>	<u>4,129,544</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(200,328)</u>	<u>28,097</u>	<u>251,737</u>	<u>(4,117,730)</u>
Other financing sources (uses):				
Transfers in				4,461,284
Transfers (out)				
Sale of capital assets				
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,461,284</u>
Net Change in fund balances	<u>(200,328)</u>	<u>28,097</u>	<u>251,737</u>	<u>343,554</u>
Fund balances at beginning of year	<u>957,036</u>	<u>220,522</u>	<u>1,816,892</u>	<u>3,485,065</u>
Change in accounting principle - Implementation of GASB 87	<u>5,300</u>		<u>289,111</u>	
Fund balances at end of year	<u>\$ 762,008</u>	<u>\$ 248,619</u>	<u>\$ 2,357,740</u>	<u>\$ 3,828,619</u>

(continued)

CITY OF PENSACOLA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Debt Service Funds	Capital Project Funds		
	Local Option Gas Tax Debt Service	Local Option Sales Tax Fund	CRA 2017 Project Fund	CRA 2019 Project Fund
Revenues:				
Taxes	\$	\$ 12,234,246	\$	\$
Licenses and permits				
Intergovernmental				
Charges for services				
Fines and forfeits				
Interest income	38	3,164	24,004	53,191
Donations				
Other		272,997		
Total revenues	<u>38</u>	<u>12,510,407</u>	<u>24,004</u>	<u>53,191</u>
Expenditures:				
Current -				
General government			3,855	
Public safety		363,629		
Transportation				
Culture and recreation				
Economic environment				
Physical environment				
Capital outlay		6,581,943	1,656,781	2,038,242
Debt service -				
Principal retirement	1,390,000	2,181,000		
Interest	147,022	381,206		
Total expenditures	<u>1,537,022</u>	<u>9,507,778</u>	<u>1,660,636</u>	<u>2,038,242</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,536,984)</u>	<u>3,002,629</u>	<u>(1,636,632)</u>	<u>(1,985,051)</u>
Other financing sources (uses):				
Transfers in	1,536,318			
Transfers (out)		(773,596)		
Sale of capital assets		6,400		
Total other financing sources (uses)	<u>1,536,318</u>	<u>(767,196)</u>	<u>0</u>	<u>0</u>
Net Change in fund balances	<u>(666)</u>	<u>2,235,433</u>	<u>(1,636,632)</u>	<u>(1,985,051)</u>
Fund balances at beginning of year	<u>1,537,022</u>	<u>3,152,973</u>	<u>6,968,811</u>	<u>16,596,248</u>
Change in accounting principle - Implementation of GASB 87				
Fund balances at end of year	<u>\$ 1,536,356</u>	<u>\$ 5,388,406</u>	<u>\$ 5,332,179</u>	<u>\$ 14,611,197</u>

(continued)

CITY OF PENSACOLA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Capital Project Funds		Total
	Local Option Sales Tax Project Fund	Stormwater Capital	Nonmajor Governmental Funds
Revenues:			
Taxes	\$	\$	\$ 13,663,098
Licenses and permits			2,646,741
Intergovernmental			8,455,942
Charges for services			6,764,414
Fines and forfeits			187,704
Interest income		15,950	267,257
Donations			246,202
Other		24,250	347,452
Total revenues	<u>0</u>	<u>40,200</u>	<u>32,578,810</u>
Expenditures:			
Current -			
General government			4,352,772
Public safety			2,586,249
Transportation			785,358
Culture and recreation			2,691,351
Economic environment			217,521
Physical environment		779,955	3,839,266
Capital outlay		1,299,376	13,400,914
Debt service -			
Principal retirement			5,483,571
Interest			2,780,201
Total expenditures	<u>0</u>	<u>2,079,331</u>	<u>36,137,203</u>
Excess (deficiency) of revenues over (under) expenditures	<u>0</u>	<u>(2,039,131)</u>	<u>(3,558,393)</u>
Other financing sources (uses):			
Transfers in		2,735,000	16,561,143
Transfers (out)			(10,761,564)
Sale of capital assets			6,400
Total other financing sources (uses)	<u>0</u>	<u>2,735,000</u>	<u>5,805,979</u>
Net Change in fund balances	<u>0</u>	<u>695,869</u>	<u>2,247,586</u>
Fund balances at beginning of year	<u>0</u>	<u>3,751,156</u>	<u>49,498,718</u>
Change in accounting principle - Implementation of GASB 87			293,441
Fund balances at end of year	<u>\$ 0</u>	<u>\$ 4,447,025</u>	<u>\$ 52,039,745</u>

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, 2022

	Special Grants			Local Option Gasoline Tax		
	Budget	Actual	Variance Positive/ (Negative)	Budget	Actual	Variance Positive/ (Negative)
Revenues:						
Taxes	\$	\$	\$	\$ 1,370,000	1,428,852	\$ 58,852
Licenses and permits						
Intergovernmental	7,159,033	1,860,082	(5,298,951)			
Charges for services						
Fines and forfeits						
Interest income				0	7,722	7,722
Donations	379,522	165,593	(213,929)			
Other						
Total revenues	<u>7,538,555</u>	<u>2,025,675</u>	<u>(5,512,880)</u>	<u>1,370,000</u>	<u>1,436,574</u>	<u>66,574</u>
Expenditures:						
Current -						
General government						
Public safety	499,238	303,450	195,788			
Transportation	253,662	4,661	249,001	4,300	4,300	0
Culture and recreation	213,885	62,998	150,887			
Economic environment	1,822,789	217,521	1,605,268			
Physical environment	695,319	130,127	565,192			
Human services						
Capital outlay	4,053,662	1,261,198	2,792,464			
Debt service -						
Principal retirement						
Interest						
Total expenditures	<u>7,538,555</u>	<u>1,979,955</u>	<u>5,558,600</u>	<u>4,300</u>	<u>4,300</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>0</u>	<u>45,720</u>	<u>45,720</u>	<u>1,365,700</u>	<u>1,432,274</u>	<u>66,574</u>
Other financing sources (uses):						
Transfers in						
Transfers (out)				(1,537,100)	(1,536,318)	(782)
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,537,100)</u>	<u>(1,536,318)</u>	<u>(782)</u>
Net Change in fund balances	<u>\$ 0</u>		<u>\$ 45,720</u>	<u>\$ (171,400)</u>		<u>\$ 65,792</u>
Fund balances at beginning of year		<u>110,634</u>			<u>1,079,456</u>	
Change in accounting principle - Implementation of GASB 87						
Fund balances at end of year		<u>\$ 156,354</u>			<u>\$ 975,412</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, 2022

	Community Development Block Grant			Community Redevelopment Fund		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
Revenues:						
Taxes	\$	\$	\$	\$	\$	\$
Licenses and permits						
Intergovernmental	1,876,342	603,122	(1,273,220)			
Charges for services				16,000	15,829	(171)
Fines and forfeits						
Interest income	0	4,326	4,326	0	22,974	22,974
Donations						
Other	0	23,704	23,704	0	25,000	25,000
Total revenues	<u>1,876,342</u>	<u>631,152</u>	<u>(1,245,190)</u>	<u>16,000</u>	<u>63,803</u>	<u>47,803</u>
Expenditures:						
Current -						
General government	1,876,342	631,152	1,245,190	7,873,184	3,435,206	4,437,978
Public safety						
Transportation						
Culture and recreation						
Economic environment						
Physical environment						
Human services						
Capital outlay				944,956	187,391	757,565
Debt service -						
Principal retirement						
Interest						
Total expenditures	<u>1,876,342</u>	<u>631,152</u>	<u>1,245,190</u>	<u>8,818,140</u>	<u>3,622,597</u>	<u>5,195,543</u>
Excess (deficiency) of revenues over (under) expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>(8,802,140)</u>	<u>(3,558,794)</u>	<u>5,243,346</u>
Other financing sources (uses):						
Transfers in				3,984,300	3,990,366	6,066
Transfers (out)						
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,984,300</u>	<u>3,990,366</u>	<u>6,066</u>
Net Change in fund balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (4,817,840)</u>		<u>\$ 5,249,412</u>
Fund balances at beginning of year		<u>0</u>			<u>5,819,416</u>	
Change in accounting principle - Implementation of GASB 87						
Fund balances at end of year		<u>\$ 0</u>			<u>\$ 6,250,988</u>	

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, 2022

	Urban Core Redevelopment Trust			Stormwater Utility Fund		
	Budget	Actual	Variance Positive/ (Negative)	Budget	Actual	Variance Positive/ (Negative)
Revenues:						
Taxes	\$	\$	\$	\$	\$	\$
Licenses and permits						
Intergovernmental	5,084,300	5,084,151	(149)			
Charges for services				2,957,000	3,051,398	94,398
Fines and forfeits				5,000	6,038	1,038
Interest income				0	2,002	2,002
Donations						
Other						0
Total revenues	<u>5,084,300</u>	<u>5,084,151</u>	<u>(149)</u>	<u>2,962,000</u>	<u>3,059,438</u>	<u>97,438</u>
Expenditures:						
Current -						
General government						
Public safety						
Transportation						
Culture and recreation						
Economic environment						
Physical environment				3,032,023	2,929,184	102,839
Human services						
Capital outlay						
Debt service -						
Principal retirement						
Interest						
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,032,023</u>	<u>2,929,184</u>	<u>102,839</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,084,300</u>	<u>5,084,151</u>	<u>(149)</u>	<u>(70,023)</u>	<u>130,254</u>	<u>200,277</u>
Other financing sources (uses):						
Transfers in	2,999,500	2,999,452	(48)			
Transfers (out)	(8,083,800)	(8,083,603)	197			
Total other financing sources (uses)	<u>(5,084,300)</u>	<u>(5,084,151)</u>	<u>149</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in fund balances	<u>\$ 0</u>		<u>\$ 0</u>	<u>\$ (70,023)</u>		<u>\$ 200,277</u>
Fund balances at beginning of year		<u>0</u>			<u>276,502</u>	
Change in accounting principle - Implementation of GASB 87						
Fund balances at end of year		<u>\$ 0</u>			<u>\$ 406,756</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, 2022

	Parking Fund			Law Enforcement Trust		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
Revenues:						
Taxes	\$	\$	\$	\$	\$	\$
Licenses and permits						
Intergovernmental						
Charges for services	1,144,100	1,128,383	15,717			
Fines and forfeits				0	181,666	181,666
Interest income	0	2,680	(2,680)	0	1,265	1,265
Donations						
Other	100	1,189	(1,089)			
Total revenues	<u>1,144,200</u>	<u>1,132,252</u>	<u>11,948</u>	<u>0</u>	<u>182,931</u>	<u>182,931</u>
Expenditures:						
Current -						
General government						
Public safety				251,744	82,291	169,453
Transportation	1,032,280	776,397	255,883			
Culture and recreation						
Economic environment						
Physical environment						
Human services						
Capital outlay	112,670	13,835	98,835	16,565	0	16,565
Debt service -						
Principal retirement						
Interest						
Total expenditures	<u>1,144,950</u>	<u>790,232</u>	<u>354,718</u>	<u>268,309</u>	<u>82,291</u>	<u>186,018</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(750)</u>	<u>342,020</u>	<u>366,666</u>	<u>(268,309)</u>	<u>100,640</u>	<u>368,949</u>
Other financing sources (uses):						
Transfers in						
Transfers (out)						
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in fund balances	<u>\$ (750)</u>	<u>342,020</u>	<u>\$ 366,666</u>	<u>\$ (268,309)</u>		<u>\$ 368,949</u>
Fund balances at beginning of year		<u>422,437</u>			<u>271,458</u>	
Change in accounting principle - Implementation of GASB 87						
Fund balances at end of year		<u>\$ 764,457</u>			<u>\$ 372,098</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, 2022

	Golf Course Fund			Eastside Tax Increment Financing District		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
Revenues:						
Taxes	\$	\$	\$	\$	\$	\$
Licenses and permits						
Intergovernmental				178,800	178,747	(53)
Charges for services	534,700	629,350	94,650			
Fines and forfeits						
Interest income	0	1,766	1,766	0	3,113	3,113
Donations						
Other						
Total revenues	<u>534,700</u>	<u>631,116</u>	<u>96,416</u>	<u>178,800</u>	<u>181,860</u>	<u>3,060</u>
Expenditures:						
Current -						
General government				782,590	99,565	683,025
Public safety						
Transportation						
Culture and recreation	805,501	782,487	23,014			
Economic environment						
Physical environment						
Human services						
Capital outlay	5,208	5,208	0	159,879	23,189	136,690
Debt service -						
Principal retirement						
Interest				15,000	15,000	0
Total expenditures	<u>810,709</u>	<u>787,695</u>	<u>23,014</u>	<u>957,469</u>	<u>137,754</u>	<u>819,715</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(276,009)</u>	<u>(156,579)</u>	<u>119,430</u>	<u>(778,669)</u>	<u>44,106</u>	<u>822,775</u>
Other financing sources (uses):						
Transfers in	250,000	250,000	0	115,900	115,882	(18)
Transfers (out)				(89,500)	(89,446)	54
Total other financing sources (uses)	<u>250,000</u>	<u>250,000</u>	<u>0</u>	<u>26,400</u>	<u>26,436</u>	<u>36</u>
Net Change in fund balances	<u>\$ (26,009)</u>	<u>92,451</u>	<u>\$ 119,430</u>	<u>\$ (752,269)</u>		<u>\$ 822,811</u>
Fund balances at beginning of year		<u>261,200</u>			<u>752,270</u>	
Change in accounting principle - Implementation of GASB 87		<u>(970)</u>				
Fund balances at end of year		<u>\$ 353,651</u>			<u>\$ 822,812</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, 2022

	Inspections Fund			Westside Tax Increment Financing District		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
Revenues:						
Taxes	\$	\$	\$	\$	\$	\$
Licenses and permits	1,742,000	2,646,741	904,741			
Intergovernmental				729,400	729,840	440
Charges for services	12,000	30,450	18,450			
Fines and forfeits						
Interest income	0	6,828	6,828	0	6,214	6,214
Donations						
Other	0	110	110			
Total revenues	<u>1,754,000</u>	<u>2,684,129</u>	<u>930,129</u>	<u>729,400</u>	<u>736,054</u>	<u>6,654</u>
Expenditures:						
Current -						
General government				1,807,929	182,994	1,624,935
Public safety	1,961,957	1,836,879	125,078			
Transportation						
Culture and recreation						
Economic environment						
Physical environment						
Human services						
Capital outlay	71,700	6,956	64,744	0	182,146	(182,146)
Debt service -						
Principal retirement						
Interest						
Total expenditures	<u>2,033,657</u>	<u>1,843,835</u>	<u>189,822</u>	<u>1,807,929</u>	<u>365,140</u>	<u>1,442,789</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(279,657)</u>	<u>840,294</u>	<u>1,119,951</u>	<u>(1,078,529)</u>	<u>370,914</u>	<u>1,449,443</u>
Other financing sources (uses):						
Transfers in				472,900	472,841	(59)
Transfers (out)				(279,000)	(278,601)	399
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>193,900</u>	<u>194,240</u>	<u>340</u>
Net Change in fund balances	<u>\$ (279,657)</u>		<u>\$ 1,119,951</u>	<u>\$ (884,629)</u>		<u>\$ 1,449,783</u>
Fund balances at beginning of year		<u>1,134,991</u>			<u>884,629</u>	
Change in accounting principle - Implementation of GASB 87						
Fund balances at end of year		<u>\$ 1,975,285</u>			<u>\$ 1,449,783</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, 2022

	Recreation Fund			Tennis Fund		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
Revenues:						
Taxes	\$	\$	\$	\$	\$	\$
Licenses and permits						
Intergovernmental						
Charges for services	1,148,300	731,441	(416,859)	128,800	117,419	(11,381)
Fines and forfeits						
Interest income	0	21,377	21,377	0	6,100	6,100
Donations	0	2,851	2,851			
Other						
Total revenues	<u>1,148,300</u>	<u>755,669</u>	<u>(392,631)</u>	<u>128,800</u>	<u>123,519</u>	<u>(5,281)</u>
Expenditures:						
Current -						
General government						
Public safety						
Transportation						
Culture and recreation	1,242,165	889,740	352,425	130,084	87,801	42,283
Economic environment						
Physical environment						
Human services						
Capital outlay	72,258	66,257	6,001	7,621	7,621	0
Debt service -						
Principal retirement						
Interest						
Total expenditures	<u>1,314,423</u>	<u>955,997</u>	<u>358,426</u>	<u>137,705</u>	<u>95,422</u>	<u>42,283</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(166,123)</u>	<u>(200,328)</u>	<u>(34,205)</u>	<u>(8,905)</u>	<u>28,097</u>	<u>37,002</u>
Other financing sources (uses):						
Transfers in						
Transfers (out)						
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in fund balances	<u>\$ (166,123)</u>	<u>(195,028)</u>	<u>\$ (34,205)</u>	<u>\$ (8,905)</u>		<u>\$ 37,002</u>
Fund balances at beginning of year		<u>957,036</u>			<u>220,522</u>	
Change in accounting principle - Implementation of GASB 87		<u>5,300</u>				
Fund balances at end of year		<u>\$ 762,008</u>			<u>\$ 248,619</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, 2022

	CMP Management Services Fund		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
Revenues:			
Taxes	\$	\$	\$
Licenses and permits			
Intergovernmental			
Charges for services	1,142,500	1,060,144	(82,356)
Fines and forfeits			
Interest income	0	72,729	(72,729)
Donations	0	77,758	(77,758)
Other	0	202	202
Total revenues	<u>1,142,500</u>	<u>1,210,833</u>	<u>(232,641)</u>
Expenditures:			
Current -			
General government			
Public safety			
Transportation			
Culture and recreation	1,512,750	868,324	644,426
Economic environment			
Physical environment			
Human services			
Capital outlay	125,772	70,772	55,000
Debt service -			
Principal retirement	20,000	20,000	0
Interest			
Total expenditures	<u>1,658,522</u>	<u>959,096</u>	<u>699,426</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(516,022)</u>	<u>251,737</u>	<u>466,785</u>
Other financing sources (uses):			
Transfers in			0
Transfers (out)			
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in fund balances	<u>\$ (516,022)</u>	<u>540,848</u>	<u>\$ 466,785</u>
Fund balances at beginning of year		<u>1,816,892</u>	
Change in accounting principle - Implementation of GASB 87		<u>289,111</u>	
1 balances at end of year		<u>\$ 2,357,740</u>	

CITY OF PENSACOLA, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL (GAAP BASIS)
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	CRA Debt Service Fund			Local Option Gas Tax Debt Service		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
Revenues:						
Taxes	\$	\$	\$	\$	\$	\$
Licenses and permits						
Intergovernmental						
Charges for services						
Fines and forfeits						
Interest income	0	11,814	(11,814)	0	38	(38)
Donations						
Other						
Total revenues	<u>0</u>	<u>11,814</u>	<u>(11,814)</u>	<u>0</u>	<u>38</u>	<u>(38)</u>
Expenditures:						
Current -						
General government						
Public safety						
Transportation						
Culture and recreation						
Economic environment						
Physical environment						
Human services						
Capital outlay						
Debt service -						
Principal retirement	2,230,900	1,892,571	338,329	1,390,000	1,390,000	0
Interest	<u>2,237,100</u>	<u>2,236,973</u>	<u>127</u>	<u>147,100</u>	<u>147,022</u>	<u>78</u>
Total expenditures	<u>4,468,000</u>	<u>4,129,544</u>	<u>338,456</u>	<u>1,537,100</u>	<u>1,537,022</u>	<u>78</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,468,000)</u>	<u>(4,117,730)</u>	<u>326,642</u>	<u>(1,537,100)</u>	<u>(1,536,984)</u>	<u>40</u>
Other financing sources (uses):						
Transfers in	4,468,000	4,461,284	6,716	1,537,100	1,536,318	(782)
Transfers (out)						
Total other financing sources (uses)	<u>4,468,000</u>	<u>4,461,284</u>	<u>6,716</u>	<u>1,537,100</u>	<u>1,536,318</u>	<u>(782)</u>
Net Change in fund balances	<u>\$ 0</u>		<u>\$ 333,358</u>	<u>\$ 0</u>		<u>\$ (742)</u>
Fund balances at beginning of year		<u>3,485,065</u>			<u>1,537,022</u>	
Change in accounting principle - Implementation of GASB 87						
und balances at end of year		<u>\$ 3,828,619</u>			<u>\$ 1,536,356</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, 2022

	<u>General Stock Account</u>	<u>Insurance Retention Fund</u>	<u>Central Services Fund</u>	<u>Total</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 3,928	\$ 1,499,042	\$ 2,287,653	\$ 3,790,623
Investments	2,752	1,050,363	1,602,933	2,656,048
Accounts receivable (net)		332,189		332,189
Prepaid expenses		50,463	31,240	81,703
Inventory	1,686,690			1,686,690
Total current assets	<u>1,693,370</u>	<u>2,932,057</u>	<u>3,921,826</u>	<u>8,547,253</u>
Noncurrent assets:				
Prepaid expense		200,000		200,000
Restricted assets				
Cash and cash equivalents		4,773,278		4,773,278
Investments		3,344,583		3,344,583
Capital assets				
Depreciable (net)			1,994,133	1,994,133
Total noncurrent assets	<u>0</u>	<u>8,317,861</u>	<u>1,994,133</u>	<u>10,311,994</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension		191,549	1,177,762	1,369,311
Deferred OPEB		16,697	142,405	159,102
Total deferred outflows of resources	<u>0</u>	<u>208,246</u>	<u>1,320,167</u>	<u>1,528,413</u>
Total assets and deferred outflows	<u>\$ 1,693,370</u>	<u>\$ 11,458,164</u>	<u>\$ 7,236,126</u>	<u>\$ 20,387,660</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$	\$ 76,705	\$ 21,720	\$ 98,425
Contracts payable			129,365	129,365
Contracts payable - retainage			11,053	11,053
Due to other funds	830,000	25,232	107,102	962,334
Compensated absences payable				22,242
Claims and judgments payable		1,866,501	22,242	1,866,501
Unearned revenue		50,000		50,000
Deposits		15,097		15,097
Total current liabilities	<u>830,000</u>	<u>2,033,535</u>	<u>291,482</u>	<u>3,155,017</u>
Noncurrent liabilities:				
Compensated absences payable		54,125	275,339	329,464
Claims and judgments payable		1,903,061		1,903,061
Net pension liability		334,172	2,315,410	2,649,582
Total OPEB liability		115,857	966,307	1,082,164
Total noncurrent liabilities	<u>0</u>	<u>2,407,215</u>	<u>3,557,056</u>	<u>5,964,271</u>
Total liabilities	<u>830,000</u>	<u>4,440,750</u>	<u>3,848,538</u>	<u>9,119,288</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred pension		200,867	1,145,485	1,346,352
Deferred OPEB		46,298	381,202	427,500
Total deferred inflows of resources	<u>0</u>	<u>247,165</u>	<u>1,526,687</u>	<u>1,773,852</u>
NET POSITION				
Net investment in capital assets			1,994,133	1,994,133
Unrestricted	863,370	6,770,249	(133,232)	7,500,387
Total net position	<u>863,370</u>	<u>6,770,249</u>	<u>1,860,901</u>	<u>9,494,520</u>
Total liabilities and net position	<u>\$ 1,693,370</u>	<u>\$ 11,458,164</u>	<u>\$ 7,236,126</u>	<u>\$ 20,387,660</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, 2022

	General Stock Account	Insurance Retention Fund	Central Services Fund	Total
Operating revenues:				
Charges for services	\$	\$	\$ 6,135,569	\$ 6,135,569
Health		10,790,633		10,790,633
Dental		293,847		293,847
Vision		67,131		67,131
Life		231,131		231,131
Survivor disability		273,911		273,911
Liability		6,395,679		6,395,679
Other		6,408	2,651	9,059
Total operating revenues	<u>0</u>	<u>18,058,740</u>	<u>6,138,220</u>	<u>24,196,960</u>
Operating expenses:				
Salaries and employee benefits		1,351,184	2,835,756	4,186,940
Materials and supplies		5,308	112,418	117,726
Repairs and maintenance		480	314,859	315,339
Contractual services		109,467	1,077,549	1,187,016
Office and utilities		109,467	535,321	644,788
Premiums and claims expense -				
General liability		3,999,949		3,999,949
Workmen's compensation		892,346		892,346
Auto		1,051,140		1,051,140
Health		10,484,010		10,484,010
Dental		297,283		297,283
Vision		67,237		67,237
Life		218,805		218,805
Survivor disability		215,723		215,723
Total operating expenses before depreciation	<u>0</u>	<u>18,802,399</u>	<u>4,875,903</u>	<u>23,678,302</u>
Operating income (loss) before depreciation	<u>0</u>	<u>(743,659)</u>	<u>1,262,317</u>	<u>518,658</u>
Depreciation			250,114	250,114
Operating income (loss)	<u>0</u>	<u>(743,659)</u>	<u>1,012,203</u>	<u>268,544</u>
Nonoperating revenues (expenses):				
Gain (loss) on disposal of fixed assets			433	433
Investment interest		52,561	13,080	65,641
Total nonoperating revenues (expenses)	<u>0</u>	<u>52,561</u>	<u>13,513</u>	<u>66,074</u>
Change in net position	<u>0</u>	<u>(691,098)</u>	<u>1,025,716</u>	<u>334,618</u>
Net position at beginning of year	<u>863,370</u>	<u>7,461,347</u>	<u>835,185</u>	<u>9,159,902</u>
Net position at end of year	<u>\$ 863,370</u>	<u>\$ 6,770,249</u>	<u>\$ 1,860,901</u>	<u>\$ 9,494,520</u>

CITY OF PENSACOLA, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>General Stock Account</u>	<u>Insurance Retention Fund</u>	<u>Central Services Fund</u>	<u>Total</u>
Cash flows from operating activities:				
Cash received from customers	\$	\$ 13,902,448	\$ 6,138,220	\$ 20,040,668
Cash received from other funds	79,266	4,602,423		4,681,689
Cash payments to suppliers for goods and services	(109,364)	(18,317,849)	(2,049,447)	(20,476,660)
Cash payments to employees for services	<u> </u>	<u>(1,410,543)</u>	<u>(3,273,046)</u>	<u>(4,683,589)</u>
Net cash provided by (used for) operating activities	<u>(30,098)</u>	<u>(1,223,521)</u>	<u>815,727</u>	<u>(437,892)</u>
Cash flows from noncapital financing activities:				
Advance from (to) other funds	<u> </u>	<u>577,689</u>	<u>(29,785)</u>	<u>547,904</u>
Net cash provided by (used for) noncapital financing activities	<u>0</u>	<u>577,689</u>	<u>(29,785)</u>	<u>547,904</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	<u> </u>	<u> </u>	<u>(249,504)</u>	<u>(249,504)</u>
Net cash provided by (used for) capital and related financing activities	<u>0</u>	<u>0</u>	<u>(249,504)</u>	<u>(249,504)</u>
Cash flows from investing activities:				
Sale (purchase) of investments	14,880	1,003,665	(1,133)	1,017,412
Interest on investments	<u> </u>	<u>52,561</u>	<u>13,080</u>	<u>65,641</u>
Net cash provided by (used for) investing activities	<u>14,880</u>	<u>1,056,226</u>	<u>11,947</u>	<u>1,083,053</u>
Net increase (decrease) in cash and cash equivalents	<u>(15,218)</u>	<u>410,394</u>	<u>548,385</u>	<u>943,561</u>
Cash and cash equivalents at beginning of year	<u>19,146</u>	<u>5,861,927</u>	<u>1,739,268</u>	<u>7,620,341</u>
Cash and cash equivalents of end of year	<u>\$ 3,928</u>	<u>\$ 6,272,321</u>	<u>\$ 2,287,653</u>	<u>\$ 8,563,902</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, 2022

	<u>General Stock Account</u>	<u>Insurance Retention Fund</u>	<u>Central Services Fund</u>	<u>Total</u>
Operating income (loss)	\$	\$ (743,659)	\$ 1,012,203	\$ 268,544
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation			250,114	250,114
Change in assets and liabilities:				
(Increase) decrease in accounts receivable		331,167		331,167
(Increase) decrease in inventory	(109,364)			(109,364)
(Increase) decrease in due from other funds		139,700		139,700
(Increase) decrease in due from other governments		8,250		8,250
(Increase) decrease in prepaid expenses		(20,030)	1,749	(18,281)
Increase (decrease) in accounts payable	(22,342)	(37,872)	(33,291)	(93,505)
Increase (decrease) in contracts payable		0	107,925	107,925
Increase (decrease) in due to other funds	101,608	7,011	(1,406)	107,213
Increase (decrease) in deposits		264		264
Increase (decrease) in claims and judgments		(808,732)	22,242	(786,490)
Increase (decrease) in deferred revenue		(25,000)		(25,000)
Increase (decrease) in compensated absences		14,123	(54,390)	(40,267)
Increase (decrease) in net OPEB obligation		(11,934)	(546,315)	(558,249)
Increase (decrease) in net pension liability		(76,809)	56,896	(19,913)
Net cash provided by (used for) operating activities	\$ <u>(30,098)</u>	\$ <u>(1,223,521)</u>	\$ <u>815,727</u>	\$ <u>(437,892)</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.

Firefighter'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, 2022

	<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>
ASSETS				
Other cash	\$ 242,840	\$ 266,560	\$ 256,484	\$ 765,884
Receivables:				
Employer	195	235	165	595
Employee	10,734	25,826	8,564	45,124
Total receivables	<u>10,929</u>	<u>26,061</u>	<u>8,729</u>	<u>45,719</u>
Investments :				
Short term investments	4,253,407	4,143,465	2,070,437	10,467,309
Debt Securities & Bond Mutual Funds	23,341,552	22,146,380	24,881,396	70,369,328
Convertible Corporate Bonds	11,298,906	13,196,663		24,495,569
Stock Mutual Funds	3,768,397	22,054,553		25,822,950
Mortgage Backed Securities	22,854,090	9,862,432	21,497,968	54,214,490
Commingled Trust Fund	2,266,469	6,256,285		8,522,754
Domestic Stocks	43,210,493	35,993,329	45,301,698	124,505,520
Preferred Stocks	1,172,430	1,371,328		2,543,758
Foreign Stocks	19,949,489	1,452,270	15,717,338	37,119,097
Total investments	<u>132,115,233</u>	<u>116,476,705</u>	<u>109,468,837</u>	<u>358,060,775</u>
Total assets	<u>\$ 132,369,002</u>	<u>\$ 116,769,326</u>	<u>\$ 109,734,050</u>	<u>\$ 358,872,378</u>
LIABILITIES				
Accounts payable	\$ 463,717	\$ 132,729	\$ 117,371	\$ 713,817
Total liabilities	<u>463,717</u>	<u>132,729</u>	<u>117,371</u>	<u>713,817</u>
NET POSITION				
Restricted for pension benefits	<u>\$ 131,905,285</u>	<u>\$ 116,636,597</u>	<u>\$ 109,616,679</u>	<u>\$ 358,158,561</u>

CITY OF PENSACOLA, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General Pension and Retirement Fund	Firefighter's Relief and Pension Fund	Police Officers' Retirement Fund	Total Pension Trust Funds
Additions:				
Contributions - city	\$ 5,599,854	\$ 1,380,363	\$ 3,972,023	\$ 10,952,240
Contributions - employee	266,873	732,734	214,372	1,213,979
Commission recapture	57	53	800	910
Insurance proceeds - State of Florida		615,134	683,116	1,298,250
Total contributions	<u>5,866,784</u>	<u>2,728,284</u>	<u>4,870,311</u>	<u>13,465,379</u>
Investment income				
Net appreciation/(loss)				
in fair value of investments	(31,363,402)	(27,931,022)	(23,085,615)	(82,380,039)
Interest and dividends	3,166,555	2,419,678	2,828,855	8,415,088
	<u>(28,196,847)</u>	<u>(25,511,344)</u>	<u>(20,256,760)</u>	<u>(73,964,951)</u>
Less investment expense	663,814	624,843	481,996	1,770,653
Net investment income	<u>(28,860,661)</u>	<u>(26,136,187)</u>	<u>(20,738,756)</u>	<u>(75,735,604)</u>
Total additions	<u>(22,993,877)</u>	<u>(23,407,903)</u>	<u>(15,868,445)</u>	<u>(62,270,225)</u>
Deductions:				
Pensions paid - employees	10,765,008	7,410,720	6,714,730	24,890,458
Pensions paid - widows	2,167,824	1,035,399	674,026	3,877,249
Pensions paid - children	4,891			4,891
Refunds to employees		19,782		19,782
Deferred retirement option plan	937,721	595,373	1,171,926	2,705,020
Health insurance assistance	100,212			100,212
Administrative expenses	115,748	123,988	106,997	346,733
Total deductions	<u>14,091,404</u>	<u>9,185,262</u>	<u>8,667,679</u>	<u>31,944,345</u>
Change in net position	<u>(37,085,281)</u>	<u>(32,593,165)</u>	<u>(24,536,124)</u>	<u>(94,214,570)</u>
Net position restricted for pension benefits:				
Beginning of year	<u>168,990,566</u>	<u>149,229,762</u>	<u>134,152,803</u>	<u>452,373,131</u>
End of year	<u>\$ 131,905,285</u>	<u>\$ 116,636,597</u>	<u>\$ 109,616,679</u>	<u>\$ 358,158,561</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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General Government	\$ 11,030,982	\$ 10,140,686	\$ 11,459,325	\$ 10,675,142	\$ 13,421,994	\$ 12,382,833	\$ 12,101,937	\$ 14,024,575	\$ 12,380,195	\$ 18,281,895
Public safety	30,934,597	33,276,740	31,187,510	32,478,560	41,001,683	37,978,435	36,484,101	40,407,906	33,074,865	30,403,609
Transportation	2,679,732	2,942,516	3,205,374	4,051,784	2,896,355	4,057,926	5,333,798	6,768,664	7,746,788	8,616,365
Culture and recreation	18,544,968	12,968,344	14,030,560	13,467,494	13,651,877	13,787,334	14,315,481	14,374,666	16,196,710	18,695,537
Economic environment	14,808,193	13,876,714	16,362,079	16,502,619	17,947,509	18,318,018	16,877,887	17,914,891	18,373,202	18,189,837
Physical environment	2,855,920	4,922,313	5,470,198	3,146,051	4,218,895	4,033,681	5,524,973	7,903,072	13,195,272	5,331,122
Human services	30,000	30,000	30,000	30,000	30,000	30,000	14,492,331 (d)	9,453,927	30,000	21,666
Unallocated depreciation	3,316,233	3,418,471	3,592,828	3,898,568	4,139,867	2,025,235	1,917,285	1,797,534	1,716,378	1,682,419
Interest on long-term debt	5,397,074 (a)	5,272,532	5,091,611	5,139,876	4,514,339	4,324,860	5,953,180	3,144,298	2,909,320	2,726,705
Total governmental activities expenses	<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>	<u>96,938,322</u>	<u>113,000,973</u>	<u>115,789,533</u>	<u>105,622,730</u>	<u>103,949,155</u>
Business-type activities:										
Utility	28,928,155	33,899,904	30,526,216	31,136,870	33,575,070	34,940,330	34,105,382	31,835,300	32,896,169	55,485,713
Sanitation	6,096,488	6,636,126	6,115,820	6,883,649	7,385,517	6,901,117	7,488,155	7,805,854	7,884,591	8,030,569
Port	2,628,491	2,646,153	2,609,159	2,601,580	2,869,779	2,615,462	2,713,331	3,521,004	3,070,577	3,785,115
Airport	25,093,721	24,331,152	23,833,660	25,085,705	25,102,535	26,533,722	28,606,833	28,398,131	26,204,842	28,985,668
Total business-type activities expenses	<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>	<u>70,990,631</u>	<u>72,913,701</u>	<u>71,560,289</u>	<u>70,056,179</u>	<u>96,287,065</u>
Total primary government expenses	<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>	<u>\$ 167,928,953</u>	<u>\$ 185,914,674</u>	<u>\$ 187,349,822</u>	<u>\$ 175,678,909</u>	<u>\$ 200,236,220</u>
Program Revenues										
Governmental activities:										
Charges for Services:										
General Government	\$ 526,039	\$ 679,868	\$ 538,272	\$ 540,401	\$ 492,954	\$ 296,437	\$ 286,817	\$ 1,220,454	\$ 261,078	\$ 153,200
Public safety	1,903,583	2,308,840	2,304,786	2,165,304	2,434,239	2,191,063	2,553,611	2,584,504	3,856,136	3,846,061
Transportation	538,138	619,630	636,372	722,452	808,801	695,121	738,270	967,281	1,817,144	2,128,911
Culture and recreation	3,192,352	2,763,580	2,817,702	3,064,679	2,996,558	2,826,837	2,777,016	1,749,952	2,605,833	2,647,772
Physical environment	2,498,829	2,619,208	2,609,127	2,785,085	2,713,930	2,779,337	2,845,664	2,845,965	2,902,846	2,994,884
Operating grants and contributions	20,526,485	15,686,464	19,435,541	20,937,879	20,751,603	21,219,767	36,160,940	32,131,025	31,148,673	48,204,504
Capital grants and contributions	3,438,904	4,522,447	9,770,999	5,240,998	5,952,566	3,239,646	2,533,119	1,675,802	938,171	1,303,263
Total governmental activities program revenues	<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>	<u>33,248,208</u>	<u>47,895,437</u>	<u>43,174,983</u>	<u>43,529,881</u>	<u>61,278,595</u>
Business-type activities:										
Charges for Services:										
Utility	42,891,258	49,170,177	45,466,269	43,278,297	44,741,994	49,914,141	50,231,748	46,608,310	50,804,613	69,715,079
Sanitation	6,948,353	6,989,558	7,060,514	7,084,148	7,190,675	7,744,185	8,255,120	8,439,456	8,867,686	9,355,523
Port	1,808,200	1,906,423	1,900,212	1,609,280	1,058,964	1,259,626	2,400,834	2,740,267	2,809,593	2,881,597
Airport	18,729,817	18,915,396	21,073,261	21,887,992	21,638,635	23,190,940	25,921,379	20,718,662	22,276,241	28,883,526
Operating grants and contributions									5,866,730	
Capital grants and contributions	13,462,418	6,076,663	8,685,517	12,843,595	28,704,147	24,610,034	10,172,410	16,912,674	17,894,768	59,978,639
Total business-type activities program revenues	<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>	<u>106,718,926</u>	<u>96,981,491</u>	<u>95,419,369</u>	<u>108,519,631</u>	<u>170,814,364</u>
Total primary government program revenues	<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>	<u>\$ 139,967,134</u>	<u>\$ 144,876,928</u>	<u>\$ 138,594,352</u>	<u>\$ 152,049,512</u>	<u>232,092,959</u>

(continued)

CITY OF PENSACOLA, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net (Expense)/Revenue										
Governmental activities	\$ (56,973,369)	\$ (57,648,279)	\$ (52,316,686)	\$ (53,933,296)	\$ (65,671,868)	\$ (63,690,114)	\$ (65,105,536)	\$ (72,614,550)	\$ (62,092,849)	(42,670,560)
Business-type activities	<u>21,093,191</u>	<u>15,544,882</u>	<u>21,100,918</u>	<u>20,995,508</u>	<u>34,401,514</u>	<u>35,728,295</u>	<u>24,067,790</u>	<u>23,859,080</u>	<u>38,463,452</u>	<u>74,527,299</u>
Total primary government net expenses	<u>\$ (35,880,178)</u>	<u>\$ (42,103,397)</u>	<u>\$ (31,215,768)</u>	<u>\$ (32,937,788)</u>	<u>\$ (31,270,354)</u>	<u>\$ (27,961,819)</u>	<u>\$ (41,037,746)</u>	<u>\$ (48,755,470)</u>	<u>\$ (23,629,397)</u>	<u>\$ 31,856,739</u>
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes:										
Property taxes	\$ 12,096,544	\$ 12,232,594	\$ 12,728,973	\$ 13,312,773	\$ 13,781,024	\$ 14,638,449	\$ 15,718,156	\$ 16,953,100	\$ 18,137,244	\$ 19,640,104
Public service taxes and franchise fees	14,160,542	15,720,253	16,339,157	16,000,690	16,092,524	17,222,374	17,135,120	17,097,763	17,473,081	19,100,875
Communication services tax	3,468,827	3,115,591	3,026,561	3,127,266	2,853,565	3,095,646	3,069,511	3,185,927	3,159,425	2,906,976
Local business tax	902,106	917,179	909,057	914,773	902,333	915,792	939,973	944,046	918,590	929,411
Local option gasoline tax	1,524,736	1,553,809	1,541,616	1,585,310	1,353,590	1,365,613	1,364,246	1,301,270	1,431,737	1,428,853
Local option sales tax	6,665,836	7,015,227	7,337,154	7,662,504	7,881,842	8,524,108	8,901,413	8,698,808	10,718,928	12,234,245
Contribution from other governments										
Intergovernmental revenues	6,368,742	6,502,204	6,719,109	6,846,265	6,999,518	7,330,410	7,630,878	7,485,820	8,225,603	9,831,242
Unrestricted investment earnings	1,918,865	1,902,728	1,939,068	2,026,216	1,780,315	946,252	1,683,080	1,358,607	326,148	590,532
Insurance recoveries										272,997
Donation of capital assets										
Miscellaneous	20,547	41,068	4,872	14,316	139,669	35,573	29,113	38,755	58,984	199,714
Net gain (loss) on sale of asset	87,400	71,972	56,851		1,496,281	2,529,358	708,896	94,056	84,366	65,623
Gain (loss) on impairment of asset - Hurricane Ivan										
Special Item		(1,306,106)	5,351,922 (b)		14,266,276 (c)				689,131	
Transfers	8,000,000	8,206,788	8,070,459	8,000,000	8,000,000	8,000,000	7,282,376	5,752,854	6,966,490	7,226,404
Overhead transfers	<u>2,094,600</u>	<u>2,372,500</u>	<u>2,376,600</u>	<u>2,355,500</u>	<u>2,458,900</u>	<u>2,480,300</u>	<u>2,662,700</u>	<u>2,708,800</u>	<u>2,839,300</u>	<u>3,066,900</u>
Total governmental activities	<u>57,308,745</u>	<u>58,345,807</u>	<u>66,401,399</u>	<u>61,845,613</u>	<u>78,005,837</u>	<u>67,083,875</u>	<u>67,125,462</u>	<u>65,619,806</u>	<u>71,029,027</u>	<u>77,493,876</u>
Business-type activities:										
Unrestricted investment earnings	106,780	121,682	170,836	215,216	467,169	837,949	1,353,089	1,281,334	377,237	931,927
Insurance recoveries									1,650,924	
Donation of capital assets										
Miscellaneous	371,655	373,481	511,037	424,772	919,630	753,915	605,249	515,442	635,705	703,755
Net gain (loss) on sale of asset	2,000	43,870	19,196		64,870	29,531	112,180	75,921	93,536	60,760
Gain (loss) on impairment of asset - Hurricane Ivan										
Special Item	470,000									
Transfers	(8,000,000)	(8,206,788)	(8,070,459)	(8,000,000)	(8,000,000)	(8,000,000)	(7,282,376)	(5,752,854)	(6,966,490)	(7,226,404)
Overhead transfers	<u>(2,094,600)</u>	<u>(2,372,500)</u>	<u>(2,376,600)</u>	<u>(2,355,500)</u>	<u>(2,458,900)</u>	<u>(2,480,300)</u>	<u>(2,662,700)</u>	<u>(2,708,800)</u>	<u>(2,839,300)</u>	<u>(3,066,900)</u>
Total business-type activities	<u>(9,144,165)</u>	<u>(10,040,255)</u>	<u>(9,745,990)</u>	<u>(9,715,512)</u>	<u>(9,007,231)</u>	<u>(8,858,905)</u>	<u>(7,874,558)</u>	<u>(6,588,957)</u>	<u>(7,048,388)</u>	<u>(8,596,862)</u>
Total primary government	<u>\$ 48,164,580</u>	<u>\$ 48,305,552</u>	<u>\$ 56,655,409</u>	<u>\$ 52,130,101</u>	<u>\$ 68,998,606</u>	<u>\$ 58,224,970</u>	<u>\$ 59,250,904</u>	<u>\$ 59,030,849</u>	<u>\$ 63,980,639</u>	<u>\$ 68,897,014</u>
Change in Net Position										
Governmental activities	\$ 335,376	\$ 697,528	\$ 14,084,713	\$ 7,912,317	\$ 12,333,969	\$ 3,393,761	\$ 2,019,926	\$ (6,994,744)	\$ 8,936,178	\$ 34,823,316
Business-type activities	<u>11,949,026</u>	<u>5,504,627</u>	<u>11,354,928</u>	<u>11,279,996</u>	<u>25,394,283</u>	<u>26,869,390</u>	<u>16,193,232</u>	<u>17,270,123</u>	<u>31,415,064</u>	<u>65,930,437</u>
Total primary government	<u>\$ 12,284,402</u>	<u>\$ 6,202,155</u>	<u>\$ 25,439,641</u>	<u>\$ 19,192,313</u>	<u>\$ 37,728,252</u>	<u>\$ 30,263,151</u>	<u>\$ 18,213,158</u>	<u>\$ 10,275,379</u>	<u>\$ 40,351,242</u>	<u>\$ 100,753,753</u>

Notes:

(a) In FY 13, CMPA Construction Fund interest was included into governmental activities due to GASB No. 65 implementation.

(b) In FY 15, BP claim was settled for the BP Deep Horizon Oil Spill in 2010 and the City was awarded \$5,351,922

(c) 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.

(d) In FY 19, the City created the Hospital Special Assesment Fund to account for the receipts from local hospitals and subsequently submit to the State for health care provisions.

CITY OF PENSACOLA, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015 (a)	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 174,961,171	\$ 175,446,759	\$ 173,000,255	\$ 163,348,312	\$ 190,491,657	\$ 191,203,167	\$ 186,615,457	\$ 186,703,675	\$ 190,220,754	\$ 192,144,576
Restricted	17,644,779	16,283,438	27,838,599	35,352,306	29,751,412	23,754,264	24,688,258	29,203,635	24,748,663	27,110,940
Unrestricted	(8,838,200)	(7,264,919)	(63,328,173)	(53,277,620)	(62,486,102)	(58,653,937)	(52,980,295)	(64,578,634)	(54,704,563)	(23,526,321)
Total governmental activities net position	<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>	<u>\$ 156,303,494</u>	<u>\$ 158,323,420</u>	<u>\$ 151,328,676</u>	<u>\$ 160,264,854</u>	<u>\$ 195,729,195</u>
Business-type activities										
Net investment in capital assets	\$ 133,809,955	\$ 131,081,295	\$ 135,878,607	\$ 142,842,026	\$ 168,168,989	\$ 186,225,485	\$ 194,787,731	\$ 198,846,540	\$ 212,977,675	\$ 268,611,152
Restricted	8,833,733	8,703,100	9,904,200	9,956,165	10,497,398	12,176,912	13,227,612	13,905,112	20,333,112	22,407,112
Unrestricted	25,949,463	34,313,383	20,040,759	24,305,371	23,831,458	29,067,346	35,647,632	48,181,446	59,037,375	67,423,400
Total business-type activities net position	<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>	<u>\$ 227,469,743</u>	<u>\$ 243,662,975</u>	<u>\$ 260,933,098</u>	<u>\$ 292,348,162</u>	<u>\$ 358,441,664</u>
Primary government										
Net investment in capital assets	\$ 308,771,126	\$ 306,528,054	\$ 308,878,862	\$ 306,190,338	\$ 358,660,646	\$ 377,428,652	\$ 381,403,188	\$ 385,550,215	\$ 403,198,429	\$ 460,755,728
Restricted	26,478,512	24,986,538	37,742,799	45,308,471	40,248,810	35,931,176	37,915,870	43,108,747	45,081,775	49,518,052
Unrestricted	17,111,263	27,048,464	(43,287,414)	(28,972,249)	(38,654,644)	(29,586,591)	(17,332,663)	(16,397,188)	4,332,812	43,897,079
Total primary government net position	<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>	<u>\$ 383,773,237</u>	<u>\$ 401,986,395</u>	<u>\$ 412,261,774</u>	<u>\$ 452,613,016</u>	<u>\$ 554,170,859</u>

Notes: (a) 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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
General government	\$ 3,003,380	\$ 3,153,436	\$ 3,283,833	\$ 3,427,107	\$ 3,700,398	\$ 3,901,755	\$ 4,479,037	\$ 6,187,932	\$ 6,211,248	\$ 12,180,037
Public safety	3,367,697	3,328,936	2,484,036	2,349,489	2,666,971	2,280,040	2,818,481	2,677,146	4,743,763	4,208,681
Transportation	538,138	859,734	2,807,030	1,911,016	808,801	695,121	747,358	967,281	2,252,364	10,864,110
Culture and recreation	8,091,572	4,990,080	6,822,539	5,076,963	4,168,728	3,916,783	4,118,589	1,819,592	5,802,050	12,715,325
Economic environment	14,930,338	13,503,294	16,793,245	17,147,764	17,850,657	17,484,499	16,858,471	17,662,062	18,985,778	17,984,432
Physical environment	2,693,205	3,364,557	5,922,116	5,544,459	6,955,096	4,970,010	4,411,169	4,437,043	5,534,678	3,326,010
Human services							14,462,332 (a)	9,423,927		
Total governmental activities	<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>	<u>33,248,208</u>	<u>47,895,437</u>	<u>43,174,983</u>	<u>43,529,881</u>	<u>61,278,595</u>
Business-type activities:										
Utility	42,987,116	49,387,343	45,939,470	43,761,940	45,297,295	50,548,308	50,231,748	46,608,310	50,804,613	69,715,079
Sanitation	7,014,670	6,989,558	7,074,746	7,084,148	7,192,089	7,744,185	8,255,120	9,620,538	8,867,686	10,395,004
Port	2,532,976	2,026,744	2,108,450	2,457,376	2,753,554	4,971,116	5,186,090	3,156,635	3,842,119	3,321,881
Airport	<u>31,305,284</u>	<u>24,654,572</u>	<u>29,063,107</u>	<u>33,399,848</u>	<u>48,091,477</u>	<u>43,455,317</u>	<u>33,308,533</u>	<u>36,033,886</u>	<u>45,005,213</u>	<u>87,382,400</u>
Total business-type activities	<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>	<u>106,718,926</u>	<u>96,981,491</u>	<u>95,419,369</u>	<u>108,519,631</u>	<u>170,814,364</u>
Total primary government	<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>	<u>\$ 139,967,134</u>	<u>\$ 144,876,928</u>	<u>\$ 138,594,352</u>	<u>\$ 152,049,512</u>	<u>\$ 232,092,959</u>

Notes: (a) In FY 19, the City created the Hospital Special Assessment Fund to account for the receipts from local hospitals and subsequently submit to the State for health care provisions.

CITY OF PENSACOLA, FLORIDA
FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Non-spendable	\$ 33,976 (a)	\$ 37,491	\$ 31,016	\$ 28,729	\$ 23,339	\$ 23,422	\$ 26,635	\$ 50,814	\$ 43,890	\$ 48,499
Restricted	381,561	447,395	632,697	665,283	891,857	1,038,512	880,968	1,064,330	1,154,652	1,191,930
Committed	8,654,687	8,816,950	9,210,488	10,143,175	11,694,280	14,017,235	14,397,663	14,628,212	14,620,074	14,677,876
Assigned	2,196,081	2,986,393	2,761,806	2,640,289	2,692,973	4,591,459	7,170,387	9,236,622	9,879,232	9,881,458
Unassigned	1,167,855	1,110,671	1,102,141	1,128,736	1,721,705	208,800	1,516,294	537,926	98,402	3,222,097
Total General Fund	<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>	<u>\$ 19,879,428</u>	<u>\$ 23,991,947</u>	<u>\$ 25,517,904</u>	<u>\$ 25,796,250</u>	<u>\$ 29,021,860</u>
All Other Governmental Funds										
Non-spendable	\$ 7,661,628	\$ 3,770,589	\$ 7,510,198	\$ 3,437,808	\$ 3,519,866	\$ 17,153	\$ 19,944	\$ 20,867	\$ 18,040	\$ 24,383
Restricted	58,187,514	57,319,028	58,928,951	75,306,214 (b)	38,838,782	53,562,885	62,274,000	56,111,278	49,200,597	47,574,085
Committed	3,047,291	3,695,188	5,760,423	6,525,521	5,888,016	5,181,575	5,571,152	4,191,794	3,121,347	4,494,441
Assigned	8,102	715,949	3,137,792	1,712,813	867,343	716,721	872,612	4,844,743	6,913,127	7,710,896
Unassigned	(7,778,573)	(6,974,974)	(7,341,255)	(6,642,268)	(8,547,881)	(260,165)	(415,247)	(8,620,052)	(15,550,037)	(3,962,014)
Total all other governmental funds	<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>	<u>\$ 59,218,169</u>	<u>\$ 68,322,461</u>	<u>\$ 56,548,630</u>	<u>\$ 43,703,074</u>	<u>\$ 55,841,791</u>

Notes: (a) Increase in non-spendable fund balance is related to the prepayment of bond principal in the Local Option Sales Tax fund
(b) Increase in restricted fund balance is related to the unspent bond proceeds in the Local Option Gas Tax Project Fund.

CITY OF PENSACOLA, FLORIDA
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
Revenues	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Taxes	\$ 31,300,035	\$ 32,259,057	\$ 33,316,544	\$ 34,076,354	\$ 34,883,249	\$ 37,034,176	\$ 38,493,239	\$ 39,663,462	\$ 43,132,137	\$ 46,421,093
Licenses and permits	1,072,138	1,277,978	1,346,721	1,415,580	1,771,849	1,593,488	1,751,816	1,797,767	3,124,299	2,858,523
Franchise fees	7,518,556	8,295,596	8,565,974	8,289,710	8,218,881	8,727,806	8,635,180	8,517,452	8,706,868	9,819,371
Intergovernmental	29,348,015	25,037,986	34,883,053	31,227,672	31,348,598	30,882,832	31,258,032	32,281,626	39,864,893	58,976,026
Charges for services	6,584,768	6,472,779	6,634,483	6,995,182	7,008,094	6,621,643	6,763,745	6,058,848	7,894,124	8,402,116
Fines and forfeits	427,168	483,732	318,933	286,782	153,648	166,780	271,104	239,869	147,436	280,272
Assessments	10,663	35,191	14,347	27,187	78,741	52,326	14,519,578	9,462,697	52,383	14,748
Interest income	1,943,236	1,921,332	1,943,368	2,045,038	1,812,692	994,564	1,714,509	1,401,730	341,669	579,606
Donations	334,093	529,217	106,536	1,017,668	2,011,038	1,125,245	71,160	20,498	87,071	246,302
Other	809,905	1,576,588	915,518	1,320,438	775,965	840,582	647,406	713,365	681,761	948,697
Total revenues	79,348,577	77,889,456	88,045,477	86,701,611	88,062,755	88,039,442	104,125,769	100,157,314	104,032,641	128,546,754
Expenditures										
Current -										
General government	8,822,473	8,370,721	9,763,178	8,731,145	8,756,239	9,394,210	9,315,718	10,686,826	11,221,735	16,371,718
Public safety	29,678,412	31,613,523	33,344,112	32,344,989	31,692,091	32,948,093	33,820,334	35,378,579	37,090,021	38,774,148
Transportation	2,208,999	2,558,589	3,002,495	3,703,713	2,601,106	2,484,138	3,030,089	3,966,855	5,044,289	5,411,710
Culture and recreation	13,224,751	8,265,301	9,888,492	8,961,041	8,901,116	9,207,741	9,255,731	9,168,428	12,575,652	14,054,641
Economic environment	14,720,255	13,795,153	16,379,088	16,512,073	17,840,723	17,613,088	16,821,741	17,765,989	18,572,942	18,375,011
Physical environment	2,918,934	4,927,340	5,596,702	3,345,057	4,089,950	3,233,928	4,190,835	5,791,302	11,828,268	3,879,288
Human services	30,000	30,000	30,000	30,000	30,000	30,000	14,492,331	9,453,927	30,000	21,666
Capital outlay	11,278,564	9,115,258	10,770,532	12,963,404	18,210,965	23,324,603	14,190,938	14,818,379	17,316,526	15,963,344
Debt service -										
Principal retirement	6,884,053 (a)	3,365,000	3,520,000	3,695,000	4,561,000	7,740,418	6,332,419	6,593,729	7,048,568	5,483,571
Interest	5,988,052	5,758,346	5,602,755	5,600,516	5,182,598	3,934,010	4,240,349	2,625,797	2,961,332	2,780,201
Total expenditures	95,754,493	87,799,231	97,897,354	95,886,938	101,865,788	109,910,229	115,690,485	116,249,811	123,689,333	121,115,298
Excess (deficiency) of revenues over (under) expenditures	(16,405,916)	(9,909,775)	(9,851,877)	(9,185,327)	(13,803,033)	(21,870,787)	(11,564,716)	(16,092,497)	(19,656,692)	7,431,456

(continued)

CITY OF PENSACOLA, FLORIDA
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Other financing sources (uses)										
Transfers in	20,869,255	65,692,097 (b)	22,172,579	21,700,560	22,697,499	18,645,522	23,813,700	22,556,620	25,216,696	24,561,143
Transfers (out)	(12,869,255)	(57,485,309) (b)	(14,379,367)	(13,525,081)	(13,388,403)	(10,645,522)	(16,531,324)	(16,803,766)	(18,250,206)	(17,334,739)
Capital Lease Note Issuance			6,460,954 (d)							
Loan proceeds					100,000		58,140,000			
Sale of capital assets	87,400	67,545	55,366		1,487,365	2,526,004	701,970	91,769	84,366	65,190
Contributed capital from other funds										
Contributed capital from other governments										
Reimbursement of prior year expenditures										
Insurance recoveries					20,000					
Payment to refund debt							(41,182,811)			
Bonds Issued				14,314,000	5,389,000	33,000,000				
Issuance Cost				(92,109)	(44,822)	(147,900)	(160,008)			
Total other financing sources (uses)	<u>8,087,400</u>	<u>8,274,333</u>	<u>14,309,532</u>	<u>22,397,370</u>	<u>16,260,639</u>	<u>43,378,104</u>	<u>24,781,527</u>	<u>5,844,623</u>	<u>7,050,856</u>	<u>7,291,594</u>
Net change in fund balances										
before prior period adjustments/special items	<u>(8,318,516)</u>	<u>(1,635,442)</u>	<u>4,457,655</u>	<u>13,212,043</u>	<u>2,457,606</u>	<u>21,507,317</u>	<u>13,216,811</u>	<u>(10,247,874)</u>	<u>(12,605,836)</u>	<u>14,723,050</u>
Special Item-NMTC Unwind					(39,813,626) (e)					
Special item - sale of capital asset										
Special item - BP Settlement			5,351,922 (c)							
Special item - Parking Transfer									38,626	
PPA/Change in accounting principle	<u>1,898,397</u>									<u>641,277</u>
Net change in fund balances	<u>\$ (6,420,119)</u>	<u>\$ (1,635,442)</u>	<u>\$ 9,809,577</u>	<u>\$ 13,212,043</u>	<u>\$ (37,356,020)</u>	<u>\$ 21,507,317</u>	<u>\$ 13,216,811</u>	<u>\$ (10,247,874)</u>	<u>\$ (12,567,210)</u>	<u>\$ 15,364,327</u>
Debt service as a percentage of noncapital expenditures	15.19%	11.59%	10.47%	11.21%	11.65%	13.48%	10.42%	9.09%	9.41%	7.86%

Notes: (a) In FY 13, principal payments on the Capital Funding Revenue Bonds, Series 2010 A began.
(b) In FY 14, Maritime Community Construction Fund was closed and residual equity transfers were made to the CRA and Debt Service Fund.
(c) In FY 15, BP claim was settled for the BP Deep Horizon Oil Spill in 2010 and the City was awarded \$5,351,922.
(d) In FY 15, Motorola released \$6,460,954 to finance the acquisition of technology related equipment.
(e) 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>
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
2018	520,566	5,306,319	5,809	2,307,122	3,525,572	4.2895
2019	557,576	5,717,586	6,173	2,500,346	3,780,989	4.2895
2020	668,682	6,182,529	5,985	2,769,526	4,087,670	4.2895
2021	605,422	6,504,333	6,640	2,745,635	4,370,760	4.2895
2022	685,264	7,081,565	7,071	3,048,367	4,725,533	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
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
2018	4.2895	2.0000	6.6310	6.6165	0.3590	0.0353
2019	4.2895	2.0000	6.3250	6.6165	0.3590	0.0338
2020	4.2895	2.0000	6.0430	6.6165	0.3590	0.0327
2021	4.2895	2.0000	5.9280	6.6165	0.3590	0.0311
2022	4.2895	2.0000	5.6570	6.6165	0.3590	0.0294

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	2022			2013		
	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	\$ 320,381,195	1	0.90%	\$ 45,328,586	3	0.23%
Florida Power & Light / Gulf Power	174,919,532	2	0.49%	105,120,113	2	0.54%
Baptist Hospital	149,239,095	3	0.42%	121,017,918	1	0.62%
Pensacola Southtowne Owner LLC	56,569,703	4	0.16%			----
Simon Debartolo/Simon Properties	54,698,489	5	0.15%	34,527,338	4	0.18%
Chapins Landing	49,286,678	6	0.14%			----
Armstrong World Industries	34,173,530	7	0.10%	31,548,191	5	0.16%
Bellsouth/Southern Bell	23,939,545	10	0.07%	17,414,794	6	0.09%
Walmart	----	----	----	13,715,073	7	0.07%
Cox Communications	25,975,705	9	0.07%			----
Cordova Regency	26,693,916	8	0.07%			----
Gayfers/Higbee	----	----	----			----
Moulton Properties	----	----	----	12,786,668	9	0.07%
Reichhold Inc/Arizona Chemical	----	----	----	12,872,016	8	0.07%
Holi Corp	----	----	----	11,836,261	10	0.06%
Total	<u>\$ 915,877,388</u>		<u>2.56%</u>	<u>\$ 406,166,958</u>		<u>2.09%</u>

Source: Escambia County Tax Collector

**CITY OF PENSACOLA, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
PAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year (a)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (c)	Totals Collections to Date	
		Amount (b)	Percentage of Levy		Amount (d)	Percentage of Levy
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%
2018	15,122,942	14,589,079	96.5%	49,369	14,638,448	96.8%
2019	16,218,558	15,655,210	96.5%	62,946	15,718,156	96.9%
2020	17,534,064	16,896,732	96.4%	56,368	16,953,100	96.7%
2021	18,748,372	18,093,919	96.5%	43,324	18,137,243	96.7%
2022	20,270,174	19,551,223	96.5%	88,881	19,640,104	96.9%

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>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022 (a)</u>
General merchandise stores	\$ 719,356	\$ 741,251	\$ 747,540	\$ 796,846	\$ 764,661	\$ 772,478	\$ 804,314	\$ 837,736	\$ 922,191	\$ 726,108
Grocery stores	232,516	242,179	252,702	259,820	275,592	291,707	305,567	341,687	380,464	318,707
Hotels and apartments	212,653	239,013	260,427	278,032	292,298	325,431	350,089	294,496	451,104	396,955
Lumber and building materials	246,944	269,521	273,741	306,993	343,579	368,248	415,590	541,361	774,009	536,599
Manufacturing and mining	68,843	62,944	69,620	79,555	101,702	130,644	120,665	99,706	129,589	111,032
Motor vehicle dealers	743,242	823,294	861,382	902,727	948,633	995,785	1,067,119	1,071,133	1,307,066	986,798
Office space and commercial rentals	213,965	217,941	220,022	226,118	232,768	272,278	307,300	299,737	344,822	280,576
Restaurants and lunchrooms	<u>549,825</u>	<u>576,942</u>	<u>614,241</u>	<u>645,724</u>	<u>674,666</u>	<u>698,068</u>	<u>728,320</u>	<u>656,232</u>	<u>843,664</u>	<u>701,909</u>
Total	<u>\$ 2,987,344</u>	<u>\$ 3,173,085</u>	<u>\$ 3,299,675</u>	<u>\$ 3,495,815</u>	<u>\$ 3,633,899</u>	<u>\$ 3,854,639</u>	<u>\$ 4,098,964</u>	<u>\$ 4,142,088</u>	<u>\$ 5,152,909</u>	<u>\$ 4,058,684</u>

City direct sales tax rate (b)

Source: Florida Department of Revenue

Notes: Data presented reflects Escambia County.

(a) 2022 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**

Fiscal Year	Local Option Sales Tax Escambia County	Half Cent Sales Tax School District
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%
2018	1.00%	0.50%
2019	1.00%	0.50%
2020	1.00%	0.50%
2021	1.00%	0.50%
2022	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)

	2022			2013	
	Tax Liability (a)	Percentage of Total		Tax Liability (a)	Percentage of Total
Retail trade	\$ 238,045	49.84%	\$	147,119	54.54%
Services	89,181	18.67%		56,092	20.80%
Manufacturing and mining	8,517	1.78%		3,636	1.35%
Wholesale trade	18,155	3.80%		6,516	2.42%
Construction	44,988	9.42%		15,416	5.72%
Finance, insurance, and real estate	50,360	10.54%		25,280	9.37%
Transportation and utilities	21,367	4.47%		12,573	4.66%
Agricultural	3,325	0.70%		1,244	0.46%
Other	3,717	0.78%		1,847	0.68%
Total	\$ <u>477,655</u>	<u>100.00%</u>	\$	<u>269,723</u>	<u>100.00%</u>

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>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Type of Customer										
Residential -Inside City Limits	286	347	306	243	201	270	257	239	273	247
Residential -Outside City Limits	650	767	695	578	501	640	611	590	657	611
Commercial -Inside City Limits	307	322	310	301	298	324	326	292	306	302
Commercial -Outside City Limits	407	441	415	390	351	401	408	389	410	431
Municipal	23	26	25	24	22	25	23	24	25	25
Interruptible	1,063	1,089	1,046	944	639	647	707	690	674	674
Transportation	1,159	1,331	1,377	1478	1887	1978	1799	2015	1984	2952
Total	<u>3,895</u>	<u>4,323</u>	<u>4,174</u>	<u>3,958</u>	<u>3,899</u>	<u>4,285</u>	<u>4,131</u>	<u>4,239</u>	<u>4,329</u>	<u>5,242</u>
Total direct rate per Mcf (a)	\$ 16.93	\$ 17.21	\$ 19.86	\$ 22.25	\$ 24.99	\$ 23.02	\$ 23.59	\$ 23.62	\$ 23.57	\$ 26.55

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)
2013	8.95	7.52	8.46	10.00	9.29	8.49	15.85	7.52	7.91
2014(c)	9.08	7.63	7.88	10.15	9.43	7.92	16.09	7.63	7.77
2015(d)	9.22	7.74	7.51	10.30	9.57	7.47	16.33	7.74	7.23
2016(e)	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
2018 (f)	9.52	7.99	8.51	10.63	9.88	8.49	16.85	7.99	7.40
2019 (g)	9.75	8.18	8.63	10.88	10.12	8.46	17.25	8.18	7.88
2020 (h)	9.94	8.34	8.27	11.09	10.31	8.25	17.58	8.34	7.29
2021	9.94	8.34	8.43	11.09	10.31	8.5	17.58	8.34	7.89
2022	9.94	8.34	14.15	11.09	10.31	14.14	17.58	8.34	12.80

Fiscal Year	Commercial - Outside of City Limits			Municipal			Interruptible and Transportation (b)		
	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)
2013	18.00	9.29	7.97	20.00	2.93	7.55	200.00	N/A	N/A
2014(c)	18.27	9.43	7.74	20.30	2.97	7.64	200.00	N/A	N/A
2015(d)	18.54	9.57	7.26	20.60	3.01	7.15	200.00	N/A	N/A
2016(e)	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
2018 (f)	19.14	9.88	7.75	21.26	3.11	7.20	200.00	N/A	N/A
2019 (g)	19.60	10.12	7.79	21.77	3.18	7.26	200.00	N/A	N/A
2020 (h)	19.97	10.31	7.37	22.18	3.24	6.68	200.00	N/A	N/A
2021	19.97	10.31	7.92	22.18	3.24	7.23	200.00	N/A	N/A
2022	19.97	10.31	14.14	22.18	3.24	12.21	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) Interruptible and transportation rates per Mcf are not reported as rates are negotiated on a customer by customer bases.
- (c) The increase to rates took effect in the beginning of the monthly October 2013 billing cycle
- (d) The increase to rates took effect in the beginning of the monthly October 2014 billing cycle
- (e) The decrease to rates took effect in the beginning of the monthly October 2015 billing cycle
- (f) The increase to rates took effect in the beginning of the monthly October 2017 billing cycle
- (g) The increase to rates took effect in the beginning of the monthly October 2018 billing cycle
- (h) The increase to rates took effect in the beginning of the monthly October 2019 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 Bond(s) (b)	Local Option Gas Tax Note	Community Redevelopment Notes	Maritime Community Park Construction Bonds	Maritime Community Park Loans Payable	Capital Leases	Gas Revenue Bonds/Notes	Airport Revenue Bonds/Notes			
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	100	6,461	19,355	60,254	151,169	1.88%	479
2018	-	25,000	12,750	13,008	41,074	80	4,915	16,830	59,988	173,645	2.16%	542
2019	-	23,048	11,434	70,825	1,175	60	3,323	15,105	50,594	175,564	2.16%	552
2020	-	20,957	10,094	70,495	-	40	1,685	13,346	48,075	164,692	1.86%	518
2021	-	18,821	8,729	68,653	-	20	-	11,551	45,470	153,244	1.69%	472
2022	-	16,640	7,339	66,760	-	-	-	9,719	36,981	137,439	1.51%	424

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

(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 calendar year.

(b) Capital Funding Revenue Bonds, Series 2010A were outstanding during fiscal years 2010-2017. The Infrastructure sales Surtax Revenue Bond, Series 2017 was issued in fiscal year 2018. The Series 2017 Bond shows as a note payable in the financial statements.

CITY OF PENSACOLA, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES
AS OF SEPTEMBER 30, 2022
(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>
Other Debt			
Escambia County			
Sales Tax Revenue Bonds/Notes	\$ 116,266	16.65%	\$ 19,358
Capital Improvement Bonds/Notes	30,255	16.65%	5,037
Escambia County School District			
State Board of Education Bonds	923	16.65%	154
Sales Tax Revenue Bonds	34,331	16.65%	5,716
Certificates of Participation	42,902	16.65%	7,143
Subtotal, overlapping debt			<u>37,409</u>
City Direct Debt			
City direct debt bond(s)/notes			90,739
City direct debt loans payable			-
Subtotal, direct debt			<u>90,739</u>
Total direct and overlapping debt			<u><u>\$ 128,148</u></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.

Escambia County School District Bonds includes \$9,665,793 of unamortized premiums.

Escambia County Sales Tax Revenue Bonds, Series 2017 and Capital Improvement Refunding Revenue Bonds, Series 2018 includes \$12,510,637 of unamortized premiums.

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		
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	
2018	8,495	4,810	5,920	-	-	-	8,524	3,415	331	2.28	
2019	8,500	5,062	5,761	-	-	-	8,901	1,952	517	3.61	
2020	8,580	4,918	5,743	-	-	-	8,699	2,091	473	3.39	
2021	8,766	6,001	5,848	-	-	-	10,719	2,136	428	4.18	
2022	9,282	6,531	6,704	-	-	-	12,234	2,181	381	4.78	
Community Redevelopment Bond(s)						Eastside Community Redevelopment Bond(s)					
Fiscal Year	Urban Core Tax	Debt Service (g)		Coverage	Eastside Tax	Debt Service		Coverage			
	Increment Revenues	Principal	Interest			Increment Revenues	Principal		Interest		
2013	\$ 3,791	\$ 949	\$ 2,101	1.24	\$ -	\$ -	\$ -	-			
2014	3,790	560	2,142	1.40	-	-	-	-			
2015	4,075	580	2,112	1.51	-	-	-	-			
2016	4,428	605	2,087	1.64	-	-	-	-			
2017	4,794	1,045	2,064	1.54	104	-	-	-			
2018	5,260	1,210	2,130	1.57	120	62	27	1.35			
2019	5,898	1,255	2,899	1.42	159	48	41	1.79			
2020	6,837	1,300	1,680	2.29	208	50	40	2.31			
2021	7,509	1,631	2,140	1.99	238	51	38	2.67			
2022	8,084	1,675	2,086	2.15	295	53	36	3.31			

(continued)

CITY OF PENSACOLA, FLORIDA
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS
(dollars in thousands)

<u>Westside Community Redevelopment Bond(s)</u>					<u>Local Option Gas Tax Revenue Bonds</u>			
<u>Fiscal Year</u>	<u>Westside Tax Incremental Revenues</u>	<u>Debt Service</u>		<u>Coverage</u>	<u>Local Option Gasoline Tax</u>	<u>Debt Service</u>		<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>			<u>Principal</u>	<u>Interest</u>	
2013	\$ -	\$ -	\$ -	-	\$ 1,525	\$ -	\$ -	-
2014	-	-	-	-	1,554	-	-	-
2015	-	-	-	-	1,542	-	-	-
2016	-	-	-	-	1,462	-	-	-
2017	195	-	-	-	1,477	271	242	2.88
2018	307	194	85	1.10	1,366	1,293	245	0.89
2019	432	150	129	1.55	1,364	1,316	221	0.89
2020	637	155	124	2.28	1,301	1,340	197	0.85
2021	814	160	119	2.92	1,432	1,365	172	0.93
2022	1,203	165	114	4.31	1,429	1,390	147	0.93

<u>Gas Revenue Bonds</u>							
<u>Fiscal Year</u>		<u>Utility Charges for Services</u>	<u>Less: Operating Expense (a)</u>	<u>Net Available Revenue</u>	<u>Debt Service</u>		<u>Coverage</u>
					<u>Principal</u>	<u>Interest</u>	
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
2018		50,240	33,788	16,452	2,525	386	5.65
2019		50,630	32,761	17,869	1,725	317	8.75
2020		46,951	30,186	16,765	1,759	282	8.21
2021		51,150	31,185	19,965	1,795	246	9.78
2022		70,088	53,631	16,457	1,832	214	8.04

(continued)

**CITY OF PENSACOLA, FLORIDA
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS**
(dollars in thousands)

Airport Revenue Bonds

Fiscal Year	Airport Revenues	Expenses			Net Revenue	Debt Service		Coverage before Other Requirements	Other Requirements (b)	Coverage after Prepaid
		Total	Less Grant	Operating/ Maintenance (a)		Principal	Interest			
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
2018	20,525	13,311	43	13,268	7,257	2,315	777	2.35	4,749	3.88
2019	22,984	15,078	62	15,016	7,968	2,831	723	2.24	4,749	3.58
2020	18,747	14,739	5,404 (j)	9,335	9,412	1,715	589	4.09	3,954	5.80
2021	19,548	13,287	4,183 (j)	9,104	10,444	1,768	542	4.52	3,684	6.12
2022	26,106	16,359	5,404 (j)	10,955	15,151	1,822	493	6.54	4,346	8.42

Airport Revenue Note CFC

Airport Revenue Bonds PFC

Fiscal Year	Customer Facility Charge	Less: Operating Expense	Net Available Revenue	Debt Service		Coverage (e)	Passenger Facility Charge	Debt Service		Coverage (f)
				Principal	Interest			Principal	Interest	
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
2018	2,730	711	2,019	-	228	8.86	3,876	590	1,543	1.82
2019	2,972	1,037	1,935	-	176	10.99	4,323	263	658	4.69
2020	2,003	1,767	236	-	114	2.07	2,859	804	917	1.66
2021	2,759	588	2,171	-	51	42.57	4,318	836	885	2.51
2022	2,828	167	2,661	5,800	12	0.46	4,865	868	852	2.83

Source: City Finance Office

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 other requirements amount is comprised of the prior year's coverage plus non-obligated capital improvements and any excess operating funds.

(c) Excludes debt payments which were paid with bond proceeds.

(d) Excludes debt payments which were paid with sinking fund reserves.

(e) The coverage table is for illustrative purposes as required by GAAP. See CFC Bank of America Note.

(f) The coverage table is for illustrative purposes as required by GAAP. See PFC Rate Maintenance covenant in Resolution 17-08 for coverage requirements.

(g) Excludes debt payments which were paid with bond proceeds and federal subsidy payments.

(h) Local Option Gasoline Tax revenues along with funds available in the Local Option Gas Tax Debt Service Fund are sufficient to make annual debt service payments.

(j) Fiscal year 2020, 2021, and 2022 includes \$5 million, \$4 million and \$5 million, respectively, in CARES Act grant funding which paid for Airport operations.

DEMOGRAPHIC AND ECONOMIC INFORMATION

**CITY OF PENSACOLA, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALANDER YEARS**

Calendar Year	Pensacola Population	Escambia County Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
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%
2018	54,583	320,502	8,030,819	25,057	37	39,807	4.0%
2019	54,422	318,174	8,139,527	25,582	37	39,499	3.3%
2020	54,382	318,081	8,831,201	27,764	37	39,828	4.5%
2021	54,312	321,905	9,091,962	28,022	38	38,181	3.8%
2022	54,790	322,390	10,021,493	31,085	37	38,955	3.7%

Source: Population, personal income, median age and unemployment rate data provide by the Florida Legislature Office of Economic and Demographic Research, Flroida Department of Econonmic Opportunity and U.S. Census. School enrollment data provided by Escambia County school system, public relations office.

Notes: All data is applicable to Escambia County except for Pensacola population.

**CITY OF PENSACOLA, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

	2022			2013		
	Employees	Rank	Percentage of Total MSA Employment	Employees	Rank	Percentage of Total MSA Employment
<u>Employer</u>						
Local Government	13,900	1	6.00%	15,700	1	8.31%
Navy Federal Credit Union	8,500	2	3.67%	----	----	----
Baptist Health Care	6,630	4	2.86%	3,163	5	1.67%
Federal Government	6,800	3	2.94%	6,800	2	3.60%
State Government	6,800	5	2.94%	6,300	3	3.33%
Sacred Heart Health System	4,820	6	2.08%	5,000	4	2.65%
University of West Florida	2,220	7	0.96%	1,231	10	0.65%
Ascend Performace Materials	1,290	8	0.56%	1,400	7	0.74%
West Florida Healthcare	1,200	9	0.52%	1,300	9	0.69%
Walmart	1,080	10	0.47%	----	---	----
Lakeview Center	----	----	----	2,000	6	1.06%
Gulf Power Company	----	----	----	1,400	8	0.74%
Total	<u>52,910</u>		<u>23.32%</u>	<u>44,294</u>		<u>23.43%</u>

Source: Florida West and Florida Department of Economic Opportunity.

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									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Governmental activities:										
General Government										
Permits issued	5,796	6,818	6,729	7,162	8,034	8,606	9,105	9,180	11,602	9,521
Building inspections conducted	10,998	13,682	14,021	13,661	15,067	18,642	18,666	17,147	18,913	23,585
Police										
Residential burglary responses	457	463	354	360	321	272	183	125	244	107
Commercial burglary responses	81	82	108	84	62	60	49	40	74	46
Emergency responses	96,808	83,375	82,201	84,804	94,293	93,800	87,706	79,621	86,296	77,825
Physical arrests	3,773	3,225	3,174	2,438	2,972	3,697	3,959	2,781	2,781	2,575
Traffic violations	8,179	8,199	6,826	6,795	7,996	7,315	8,391	8,523	5,713	6,996
Fire										
Emergency responses	5,896	5,846	6,446	6,323	7,166 (k)	7,571 (j)	7,874 (j)	5,743	5,435	7,359
Fires extinguished	197	187	221	197	255 (k)	210 (j)	252 (j)	276	238	255
Inspections	764 (d)	676	776	1,041	2,034 (k)	2,824 (j)	2,574 (j)	1,778	3,640	3,495
Transportation (a)										
Traffic signals maintained	388	363	333	449	328	354	291	178	176	315
Traffic warning signals maintained	27	41	29	32	34	31	25	34	36	30
Street lights maintained	273	199	221	209	294	207	233	183	175	215
Street name markers replaced	192	284	206	257	194	213	297	231	220	180
Traffic control signs replaced	749	748	740	978	1,037	996	1,007	971	1,230	250
Culture and recreation										
Parks and recreation										
Number of programs offered	309	324	298	425	452	459	477	375 (k)	252 (k)	238
City resident program participants	452,968	231,624 (f)	189,292	310,437 (i)	277,241	338,461	307,117	136,578 (k)	130,611 (k)	155,290
County resident program participants	57,243	65,248	45,272	113,682	99,795	76,913	61,456	58,511 (k)	39,438 (k)	53,024
Golf Course										
Rounds played	36,570	20,408 (e)	18,449	25,874	27,394	26,243	25,487	28,411	23,087	22,949
Tournaments held	59	56	62	74	78	79	79	62	42	65
Tournament participants	3,245	2,273	3,410	4,810	4,914	4,983	4,972	2,841	1,722	2,739
Libraries (c)										
Items circulated	702,345	-	-	-	-	-	-	-	-	-
Public computer use	153,443	-	-	-	-	-	-	-	-	-
Program Attendance	15,518	-	-	-	-	-	-	-	-	-
Information Transactions	114,002	-	-	-	-	-	-	-	-	-
City resident library card usage	29,079	-	-	-	-	-	-	-	-	-
County resident library card usage	81,983	-	-	-	-	-	-	-	-	-
Economic environment										
Homes repaired/rehabilitated	22	25	32	28	12	27	11	8	6	21
New homes constructed	3	4	4	3	2	2	-	-	-	-
First-time homebuyers assisted/Foreclosure Prevention	99	76	142 (g)	115	122	130	76	84	55	44
Families assisted (monthly)	2,321	2,247	2,375	2,376	2,417	2,285	2,165	2,167	2,078	1,950
Housing inspections conducted	4,762	4,553	4,793	4,108	3,912	3,532	3,618	3,027	3,301	3,323
Nutritional Meal Programs (monthly)	1,306	1,389	1,653	1,997	1,721	1,382	1,382	1,703	323	1,771
Physical environment (a)										
Miles of paved streets swept	24,467	22,754	22,825	22,907	21,619	23,743	22,381	23,329	23,329	23,329

(continued)

CITY OF PENSACOLA, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Business-type Activities:										
Utility										
Average daily consumption in mmbtu's (b)	9,245	10,662	10,371	9,748	9,564	10,527	10,167	10,760	11,146	10,410
Maximum daily consumption in mmbtu's	26,612	38,569	32,629	28,093	28,803	39,593	27,795	28,206	28,363	30,049
In City customer connections	16,581	16,214	16,236	15,853	14,461	13,664	13,853	14,021	14,309	14,526
Outside City customer connections	41,193	41,686	41,741	40,788	37,329	35,350	35,821	36,237	36,954	39,687
Sanitation										
Customers	19,176	19,224	19,325	19,535	19,747	19,895	20,402	20,386	20,934	21,029
Refuse collected (tons)										
Garbage	15,308	15,113	14,512	15,395	15,455	15,685	16,510	17,218	18,979	19,691
Green Waste	11,999	12,691	13,001	14,769	13,211	13,281	12,523	13,282	10,706	10,643
Recycling (new in FY 2009)	3,847	3,782	4,805	4,745	4,605	4,141	4,282	3,874	2,936	2,614
Construction/Demolition (C&D)	1,582	1,429	1,579	2,202	2,213	1,568	1,739	2,185	2,190	1,914
Port										
Tonnage exported	66,927	98,468	56,696	30,506	54,641	36,269	10,517	597 (l)	4,566 (l)	3,199
Tonnage imported	148,514	86,814	161,073	170,503	177,294	78,445	81,893	104,420	173,876	397,902
Number of vessels in port	74	68	54	51	20	31	29	26	28	46
Airport										
Mainland carriers	2	3	2	2	3	5	5	5	7	7
Regional commuter services	8	7	7	9	10	10	10	9	10	9
Passengers enplaned	758,158	774,320	797,854	802,260	834,504	951,751	1,100,121	692,616 (k)	1,041,318	1,223,137
Passengers deplaned	758,376	768,662	796,204	802,482	834,393	950,920	1,100,445	689,515 (k)	1,036,102	1,217,526
Air freight enplaned in pounds	4,563,173	4,608,702	4,617,580	4,196,031	4,839,066	5,815,192	4,763,078	4,937,432 (k)	5,657,427	5,561,110
Mail enplaned in pounds	476	576	2,513	2 (h)	1,202	-	-	-	598	-
Total flights (private and commercial)	102,502	105,630	104,400	97,858	114,026	115,268	125,213	107,441 (k)	102,294	120,061

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) MMBTU stands for one million British Thermal Unit.

(c) The Santa Rosa Library was transferred to the County in FY07. The West Florida Library system was transferred to the County in FY14.

(d) In 2013, the Fire Dept had a temporary decrease in staff which resulted in fewer inspections.

(e) In 2014, the Golf Course was damaged due to a flood in April

(f) Two resource centers closed to due the flood and one resource center closed to the general public which was used as a shelter for 4 weeks following the flood.

(g) Beginning in FY 14, the City initiated a new program to prevent foreclosure.

(h) In 2016, commercial airlines have shifted from carrying mail to allow more space for passenger luggage which produces greater revenue.

(i) The increase in participants in the center programs was due to implementation of new programs.

(j) Fire operating Indicators were restated for years 2017 and 2018.

(k) In FY 20-21 the City's operations were reduced to due COVID-19 pandemic.

(l) One of Port's large tenants had a decrease in sales overseas.

CITY OF PENSACOLA, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Governmental Activities:										
General Government										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	140	140	140	140	146	148	149	144	143	145
Fire										
Stations	6	6	6	6	6	6	6	6	6	7
Apparatus	31	31	31	31	31	31	31	32	32	31
Transportation (a)										
Miles of street	332	332	332	332	325	325	325	326	326	326
Traffic warning signals	57	60	60	64	66	66	65	64	66	67
Traffic control signals	92	92	92	92	92	92	92	86	96	101
Traffic control signs	10,367	10,581	10,543	10,519	10,536	10,557	10,621	10,959	10,959	10,985
Culture and recreation										
Parks and recreation										
Parks	93	93	93	93	93	93	93	93	93	93
Acreage	517	517	592	592	592	593	600	600	600	600
Golf course										
Par	70	70	70	70	70	70	70	70	70	70
Acreage	123	123	108	123	123	123	123	123	123	123
Yardage	6400	6,400	6,450	6,400	6,400	6,400	6,400	6,400	6,400	6,400
Libraries (b)										
Number of libraries	3	-	-	-	-	-	-	-	-	-
Number of volumes	309,609	-	-	-	-	-	-	-	-	-
Economic environment (a)										
Street lights	7,804	7,794	7,798	7,891	7,887	7,906	8,124	9,103	9,508	9,695
Street name markers	5,676	5,685	5,691	5,703	5,709	5,711	5,734	5,749	5,749	5,749
Berths	3	3	3	3	3	3	3	3	3	3
Physical environment										
Street Sweepers	7	7	7	7	7	7	7	7	7	8

(continued)

CITY OF PENSACOLA, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Business-type activities:										
Utility										
Miles of gas mains	1,638	1,680	1,610	1,621	1,639	1,654	1,719	1,745	1,761	1,789
Sanitation										
Collection trucks - residential										
Garbage	11	11	11	11	11	10	10	9	8	8
Collection trucks - trash collection										
Container	2	2	2	2	2	2	2	2	2	6
Grapplers	9	9	9	9	9	9	10	11	13	10
Shuttle	2	2	2	2	2	2	2	2	2	2
Dump	1	1	1	-	-	-	-	-	-	-
Tractor	1	1	1	1	1	1	1	1	1	1
Shuttle trailers	8	8	8	8	8	8	8	8	2	2
Roll Off	-	-	-	-	-	-	-	-	-	1
Rear Loader	-	-	-	-	-	-	-	-	-	1
Collection trucks - residential										
Recycling	6	6	6	7	7	5	7	7	5	5
Transfer Station										
Tractors	-	-	-	-	-	-	-	-	-	7
Trailors	-	-	-	-	-	-	-	-	-	7
Port										
Warehouses	7	7	7	7	7	7	7	7	7	7
Berths	5	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	181,808	181,808	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) 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

Function/Program	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Governmental activities:										
General Government										
Mayor	11	10	9	8	8	8	8	11	11	11
City Manager	0	0	0	0	0	0	0	0	0	0
City Clerk	3	3	4	3	3	2	2	3	3	3
City Council	1	2	2	4	5	5	5	5	5	5
Legal	4	4	4	3	3	4	4	6	6	7
Human Resources	8	7	7	7	10	10	10	11	13	13
Civil Service	0	0	0	0	0	0	0	0	0	0
Financial Services	29	27	27	27	25	25	25	24	24	24
Planning Services	7	6	6	7	8	7	8	8	8	7
Garage	17	17	17	17	17	17	17	17	18	18
Technology Resources	17	14	14	15	14	14	14	14	17	20
CRA	2	0	0	0	2	2	2	2	3	4
Parking Management (e)	0	0	0	0	0	0	0	0	0	7 (e)
Public Safety										
Police	204	203	203	204	204	204	204	205	206	206
Fire	114	114	114	115	116	123 (d)	123	123	125	125
Inspection Services	10	10	11	12	12	12	12	12	12	12
Transportation										
Public Works	46	24 (c)	24	23	23	23	23	23	23	23
Culture and Recreation										
Neighborhood Services (a)	29	48 (c)	48	47	48	48	48	50	57	62
Golf Course	4	4	4	3	3	3	3	3	3	3
Library (b)	36	0	0	0	0	0	0	0	0	0
Economic Environment										
Housing	22	22	20	20	20	20	20	19	23	24
Physical Environment										
Stormwater utility	26	26	26	27	27	27	27	27	27	30
Engineering	9	8	8	8	8	8	8	8	9	10
Business-type activities:										
Utility	117	117	117	117	117	115	114	114	122	124
Sanitation	43	43	43	43	43	43	43	43	49	51
Port	10	9	9	9	9	8	8	8	9	9
Airport	61	53	53	51	51	53	53	56	57	58
	<u>830</u>	<u>771</u>	<u>770</u>	<u>770</u>	<u>776</u>	<u>781</u>	<u>781</u>	<u>792</u>	<u>830</u>	<u>856</u>

Source: City Budget Office

Notes: (a) Number of employees represent full time budgeted positions. Parks and recreation has part-time temporary employees to help facilitate programs during the summer.
(b) 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.
(c) As part of reorganization, public works employees moved to park works.
(d) Six fire cadets were added with the revitalization of the Fire Cadet Program.
(e) Parking Management Division moved from the Mayor's Office to become Parking Management Department

OTHER AUDIT REPORTS SECTION



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**INDEPENDENT AUDITORS' 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**

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

We have audited, 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, 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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 23, 2023.

Report on 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) as a basis for designing 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from 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 financial statements.

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.

Warren Averett, LLC

Pensacola, Florida
March 23, 2023

**INDEPENDENT AUDITORS' 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, CHAPTER 10.550, RULES OF THE AUDITOR
GENERAL AND THE PFC AUDIT GUIDE FOR PUBLIC AGENCIES**

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

**Report on Compliance for Each Major Federal Program, State Project, and Passenger Facility
Charge Program**

Opinion on Each Major Federal Program, State Project, and Passenger Facility Charge 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 program for the year ended September 30, 2022. The City's major federal program and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Pensacola, Florida 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, 2022.

Basis for Opinion on Each Major Federal Program, State Project, and Passenger Facility Charge Program

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; 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); the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, and Chapter 10.550, *Rules of the Auditor General*. Our responsibilities under those standards, the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *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 the *Passenger Facility Charge Audit Guide for Public Agencies*, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, Chapter 10.550, *Rules of the Auditor General*, and *Passenger Facility Charge Audit Guide for Public Agencies* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the Florida Department of Financial Services *State Projects Compliance Supplement*, and the *Passenger Facility Charge Audit Guide for Public Agencies* but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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 or state project 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 or state project 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Purpose of this Report

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. Accordingly, this report is not suitable for any other purpose.



Pensacola, Florida
March 23, 2023

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF
COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

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

We have examined the City of Pensacola, Florida's (hereinafter referred to as the "the City") compliance with the following requirement for the year ended September 30, 2022:

(1) Florida Statute 218.415 in regards to investments.

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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City has complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

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.

Warren Averett, LLC

Pensacola, Florida
March 23, 2023

**CITY OF PENSACOLA, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

SECTION I - SUMMARY OF AUDITOR RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified Opinion
Internal control over financial reporting:	
Material weakness(es) identified?	_____ Yes ☒ No
Significant deficiency (ies) identified that are not considered to be material weakness(es)?	_____ Yes ☒ None reported
Noncompliance material to financial statements noted?	_____ Yes ☒ No

FEDERAL PROGRAM AND STATE FINANCIAL ASSISTANCE PROJECTS

Internal control over major federal programs and state projects:	
Material weakness(es) identified?	_____ Yes ☒ No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_____ Yes ☒ None reported
Type of auditors' report issued on compliance for major federal programs and state projects:	Unmodified Opinion
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance or Chapter 10.550, <i>Rules of the Auditor General</i> ?	_____ Yes ☒ No

IDENTIFICATION OF MAJOR PROGRAM

Federal Program:

Federal Assistance Listing Number 11.307 – U.S. Department of Commerce – Economic Adjustment Assistance
Federal Assistance Listing Number 14.871 – U.S. Department of Housing and Urban Development – Housing Voucher Cluster
Federal Assistance Listing Number 20.106 – U.S. Department of Transportation – Airport Improvement Program
Federal Assistance Listing Number 21.027 – U.S. Department of Treasury – American Rescue Plan: Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs:	\$ 1,846,454
Auditee qualified as low-risk auditee?	☒ Yes _____ No

**CITY OF PENSACOLA, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

SECTION I - SUMMARY OF AUDITOR RESULTS – (CONTINUED)

IDENTIFICATION OF MAJOR STATE FINANCIAL ASSISTANCE PROJECTS

State Projects:

CSFA No. 40.043 – Department of Economic Opportunity – Economic Development Tax Refund,
Tax Credit, and Grant Program

CSFA No. 77.048 – Florida Fish and Wildlife Conservation Commission – Deepwater Horizon Oil
Spill

Dollar threshold used to distinguish
between type A and type B programs: \$ 936,684

SECTION II - FINANCIAL STATEMENT FINDINGS

There are no findings which were required to be reported in accordance with government auditing standards generally accepted in the United States of America.

SECTION III – MAJOR FEDERAL PROGRAM AND STATE PROJECT FINDINGS AND QUESTIONED COSTS

There are no audit findings required to be reported in accordance with the Uniform Guidance or Chapter 10.550, *Rules of the Auditor General*.

**CITY OF PENSACOLA, FLORIDA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

There were no prior year audit findings.

CITY OF PENSACOLA, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS,
PASSENGER FACILITY CHARGE AND STATE FINANCIAL ASSISTANCE
FOR THE PERIOD ENDING SEPTEMBER 30, 2022

Federal/State Agency, Pass-Through Entity, Federal Program/State Project	Assistance Listing Number	Contract Grant Number	Pass-Through Entity Identifying Number	Passed Through to Sub recipients	Total Expenditures	Passenger Facility Charge Revenue
<u>FEDERAL AWARDS</u>						
<u>U.S. DEPARTMENT OF TREASURY</u>						
COVID-19 American Rescue Plan: Coronavirus State and Local Fiscal Recovery Funds	21.027	NA		734,219	6,001,807	
<i>Passed through Florida Department of Transportation</i>						
COVID-19 American Rescue Plan: Coronavirus State and Local Fiscal Recovery Funds	21.027	449499-2-84-01		-	121,594	
Total U.S. Department of Treasury				734,219	6,123,401	
<u>U.S. DEPARTMENT OF ENVIRONMENTAL PROTECTION AGENCY</u>						
Brownfields Assessment and Cleanup Cooperative Agreement	66.818	02D28822			4,151	
Total U.S. Department of Environmental Agency					4,151	
<u>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>						
<i>CDBG-Entitlement Grants Cluster:</i>						
COVID-19 Community Development Block Grant (CARES)	14.218	B-20-MW-12-0016		-	169,422	
<i>Passed through Escambia County BOCC:</i>						
Community Development Block Grant	14.218	B-14/20-MC-12-0016		-	106,304	
Housing Rehabilitation	14.218	B-14/20-MC-12-0016		-	219,188	
Aid to Private Agencies	14.218	B-14/21-MC-12-0016		147,481	305,660	
Total CDBG-Entitlement Grants Cluster				147,481	800,574	
<i>Passed through Escambia County Florida:</i>						
HOME Investment Partnerships Program	14.239	M-21-DC-12-0225		-	22,031	
<i>Housing Voucher Cluster:</i>						
Section 8 Housing Choice Vouchers Program	14.871	FL092VO0256-0262		-	17,549,732	
COVID-19 Section 8 Housing Choice Vouchers Program (Vouchers Cares Act)	14.871	FL092VO0243		-	26,478	
Emergency Housing Vouchers	14.871	FL092EH001			172,022	
Total Housing Voucher Cluster				-	17,748,232	
Total U. S. Department of Housing and Urban Development				147,481	18,570,837	
<u>U. S. DEPARTMENT OF JUSTICE</u>						
Bulletproof Vest Partnership Program	16.607	2020BUBX20022770		-	4,487	
Bulletproof Vest Partnership Program	16.607	2021BUBX21024725		-	12,564	
				-	17,051	
Law Enforcement Trust Fund	16.922	N/A		-	51,332	
Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-0265			79,509	
Edward Byrne Memorial Justice Assistance Program	16.738	15PBJA-21-GG-01340-JAGX			22,071	
<i>Passed through the State of Florida, Department of Law Enforcement:</i>						
Edward Byrne Memorial Justice Assistance Program	16.738	2021-JAGC-ESCA-3-3B-134		-	37,210	
Edward Byrne Memorial Justice Assistance Program	16.738	2020-DJ-BX-0551		-	11,670	
				-	48,880	
Total U. S. Department of Justice				-	218,843	
<u>U.S. DEPARTMENT OF COMMERCE</u>						
Economic Adjustment Program	11.307	47907378			12,215,000	
Total U.S. Department of Commerce					12,215,000	
<u>U. S. DEPARTMENT OF TRANSPORTATION</u>						
Airport Improvement Program	20.106	N/A		-	1,680,058	
COVID-19 Airport Improvement Program (Cares Act)	20.106	N/A		-	5,770,622	
				-	7,450,680	
<i>National Priority Safety Program Cluster:</i>						
<i>Passed through State of Florida, Florida Department of Transportation:</i>						
National Priority Safety Program	20.616	G1S99		-	134	
Total National Priority Safety Program Cluster				-	134	
Total U. S. Department of Transportation				-	7,450,814	
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>						
<i>Passed through State of Florida, Florida Division of Emergency Management:</i>						
Disaster Grants - Public Assistance - Federal 75%	97.036	Z2566		-	16,846,949	
Port Security Grant Program	97.056	EMW-2019-PU-00016-S01		-	74,427	
Assistance to Firefighters Grant	97.044	EMW-2019-FG-10291		-	44,028	
Total U.S. Department of Homeland Security				-	16,965,404	
				\$ 147,481	\$ 61,548,450	
TOTAL EXPENDITURES OF FEDERAL AWARDS						
PASSENGER FACILITY CHARGE					\$ 1,702,236	\$ 4,864,866

CITY OF PENSACOLA, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS,
PASSENGER FACILITY CHARGE AND STATE FINANCIAL ASSISTANCE
FOR THE PERIOD ENDING SEPTEMBER 30, 2022

<u>Federal/State Agency, Pass-Through Entity, Federal Program/State Project</u>	<u>Assistance Listing Number</u>	<u>Contract Grant Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Sub recipients</u>	<u>Total Expenditures</u>	<u>Passenger Facility Charge Revenue</u>
<u>STATE FINANCIAL ASSISTANCE</u>						
<u>FLORIDA DEPARTMENT OF STATE</u>						
Cultural and Museum Grants	45.061	CA2E142		\$ 44,525	\$ 44,525	
Total Florida Department of the State				44,525	44,525	
<u>FLORIDA FISH AND WILDLIFE CONSERVATION COMMISSION</u>						
Deepwater Horizon Oil Spill	77.048	FWC21129		-	981,350	
Deepwater Horizon Oil Spill	77.048	FWC21130			29,917	
Total Florida Fish and Wildlife Conservation Commission				-	1,011,267	
<u>FLORIDA HOUSING FINANCE CORPORATION</u>						
SHIP Program	40.901	SHIP 2021		-	68	
Total Florida Housing Finance Corporation				-	68	
<u>FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION</u>						
Bayou Chico Stormwater Runoff Mitigation Study	37.039	LPA210			27,976	
Total Florida Department of Environmental Protection				-	27,976	
<u>FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY</u>						
Growth Management Implementation	40.024	P0424			40,000	
Economic Development Tax Refund, Tax Credit and Grant Program	40.043	G0050			10,000,000	
Economic Development Tax Refund, Tax Credit and Grant Program	40.043	G0069			4,875,000	
Economic Development Tax Refund, Tax Credit and Grant Program	40.043	G0009		-	1,251,838	
Total Economic Development Tax Refund, Tax Credit and Grant Program					16,126,838	
Total Florida Department of Economic Opportunity				-	16,166,838	
<u>FLORIDA DEPARTMENT OF TRANSPORTATION</u>						
Aviation Grant Programs	55.004	G0Z27		-	13,555,429	
Aviation Grant Programs	55.004	G1P51		-		
Highway Beautification Grants	55.003	G1391			98,000	
Seaport Grant Programs	55.005	44102729402			264,559	
Seaport Grant Programs	55.005	42235439403			19,680	
Seaport Grant Programs	55.005	44554819401		-	34,450	
				-	318,689	
Total Florida Department of Transportation				-	13,972,118	
				\$ -	\$ 31,222,792	
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE						

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, PASSENGER FACILITY CHARGE AND STATE FINANCIAL ASSISTANCE

The schedule of expenditures of federal awards, passenger facility charge, and state financial assistance 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.

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.

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 \$0.00 and \$0.00, respectively, and is presented in this schedule. The amount of principal and interest received in loan repayments for the year was \$76,076 and \$83,865 respectively. The balance of the loans outstanding as of fiscal year end consist of:

Community Development Block Grants CFDA number 14.218 \$880,045
HOME Investment Partnerships Program Grants CFDA number 114.239 \$632,799

- 1 Includes debt service of \$1,702,236
- 2 Includes interest earnings of \$56,163

MANAGEMENT LETTER

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 (hereinafter referred to as the "City"), as of and for the year ended September 30, 2022, and have issued our report thereon dated March 23, 2023.

Auditors' 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 Florida Auditor General*; and *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control Over Financial Reporting and 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 Passenger Facility Charge Program and on Internal Control over Compliance Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March, 23, 2023, 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. No findings were reported in the prior year.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require that we apply appropriate procedures and 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.b. 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.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c, *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component unit of the City provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the City 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.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the Downtown Improvement Board (the Board) , a dependent special district of the City, reported:

- a. The total number of Board employees compensated in the last pay period of the district's fiscal year as two.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Board's fiscal year as zero.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$111,581.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0.
- e. Each construction project with a total cost of at least \$65,000 approved by the Board that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as – No planned projects.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Board amends a final adopted budget under Section 189.016(6), Florida Statutes. The Board increased revenues by \$51,578, expenditures by \$141,032, and use of fund balance by \$89,454 from the adopted budget.

The specific information reported in the previous paragraph has 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 it.

Additional Matters

Section 10.554 (1)(i)3., *Rules of the Auditor General*, requires us to communicate 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 Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

Warren Averett, LLC

Pensacola, Florida
March 23, 2023

**CITY OF PENSACOLA, FLORIDA
FINANCIAL DATA SCHEDULE
SECTION 8 HOUSING CHOICE VOUCHERS PROGRAM
ASSISTANCE LISTINGS NUMBER 14.871
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Line Item #	Account Description	HCV Program 14.871	HCV CARES Act Funding 14.HCC	EHV Program 14.EHV	Total
Assets:					
Current Assets:					
Cash:					
111	Unrestricted	\$ 2,480,550		17,220	2,497,770
113	Other restricted	313,187		10,589	323,776
115	Restricted for payment of current liabilities	115,349		9,991	125,340
100	Total cash	<u>2,909,086</u>	<u>0</u>	<u>37,800</u>	<u>2,946,886</u>
Receivables:					
122	Accounts receivable - HUD other projects			18,122	18,122
128	Fraud recovery	1,530,499			1,530,499
128.1	Allowance for doubtful accounts - Fraud	(1,205,014)			(1,205,014)
120	Total receivables	<u>325,485</u>	<u>0</u>	<u>18,122</u>	<u>343,607</u>
142	Prepaid expenses and other assets	858			858
150	Total current assets	<u>3,235,429</u>	<u>0</u>	<u>55,922</u>	<u>3,291,351</u>
290	Total assets	<u>\$ 3,235,429</u>	<u>0</u>	<u>55,922</u>	<u>3,291,351</u>
Liabilities:					
Current liabilities:					
312	Accounts payable <= 90 days	\$ 4,352		9,800	14,152
322	Accrued compensated absences - current portion	62,820			62,820
331	Accounts payable - HUD PHA Programs	837		191	1,028
333	Accounts payable - other government	47,340			47,340
342	Deferred revenue	325,485			325,485
310	Total current liabilities	<u>440,834</u>	<u>0</u>	<u>9,991</u>	<u>450,825</u>
300	Total liabilities	<u>440,834</u>	<u>0</u>	<u>9,991</u>	<u>450,825</u>
Equity:					
508.3	Nonspendable Fund Balance	858	0	0	858
509.3	Restricted Fund Balance	313,187	0	28,711	341,898
512.3	Unassigned fund balance	2,480,550	0	17,220	2,497,770
513	Total equity/net assets	<u>2,794,595</u>	<u>0</u>	<u>45,931</u>	<u>2,840,526</u>
600	Total liabilities and equity/net assets	<u>\$ 3,235,429</u>	<u>0</u>	<u>55,922</u>	<u>3,291,351</u>

CITY OF PENSACOLA, FLORIDA
FINANCIAL DATA SCHEDULE
SECTION 8 HOUSING CHOICE VOUCHERS PROGRAM
ASSISTANCE LISTINGS NUMBER 14.871
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Line Item #	Account Description	HCV Program 14.871	HCV CARES Act Funding 14.HCC	EHV Program 14.EHV	Total
Revenues					
Other revenue:					
70600	HUD PHA Operating Grants	\$ 17,061,312	26,476	129,022	17,216,810
71100	Investment Income - unrestricted	11,060	2	144	11,206
71400	Fraud Recovery	8,557			8,557
70000	Total revenues	<u>17,080,929</u>	<u>26,478</u>	<u>129,166</u>	<u>17,236,573</u>
Expenses					
91100	Administrative salaries	785,135	18,014	5,885	809,034
91200	Auditing fees	35,000			35,000
91500	Employee benefit contributions - administrative	481,701	6,400	2,483	490,584
91810	Allocated Overhead	85,000			85,000
91900	Other operating - administrative	3,219			3,219
92400	Tenant services - other			79,470	79,470
93100	Water	512			512
93200	Electricity	9,372			9,372
93300	Gas	312			312
93600	Sewer	610			610
93800	Other utilities expense	623			623
94200	Maintenance and operations - materials and other	238,014	1,830		239,844
94300	Maintenance and operations - contracts	82,991	234		83,225
96110	Property insurance	9,776			9,776
96200	Other general expenses	2,661			2,661
96210	Compensated absences	62,820			62,820
96900	Total operating expenses	<u>1,797,746</u>	<u>26,478</u>	<u>87,838</u>	<u>1,912,062</u>
97000	Excess operating revenue over operating expenses	<u>15,283,183</u>	<u>0</u>	<u>41,328</u>	<u>15,324,511</u>
Other expenses:					
97300	Housing Assistance Payments	15,744,807		84,184	15,828,991
97600	Capital outlays - governmental funds	7,179			7,179
90000	Total expenses	<u>17,549,732</u>	<u>26,478</u>	<u>172,022</u>	<u>17,748,232</u>
10000	Excess (deficiency) of total revenue over (under) total expenses	<u>\$ (468,803)</u>	<u>0</u>	<u>(42,856)</u>	<u>(511,659)</u>
11030	Beginning Equity	\$ 3,263,398	0	88,787	3,352,185
11170	Administrative Fee Equity	\$ 2,481,408	0	17,220	2,498,628
11180	Housing Assistance Payments Equity	\$ 313,187	0	28,711	341,898
11190	Unit Months Available	29,892	0	0	29,892
11210	Number of Unit Months Leased	23,340	0	0	23,340



City of Pensacola

AUDIT RESULTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022



- 
- This Year's Audit Results
 - Other Audit Matters
 - Major Estimates and Judgments

This Year's Audit Results

Matter	Conclusion
Opinions on Financial Statements	- Fairly stated in all material respects. - Considered a “clean” or “unmodified” report. - Issued on March 23, 2023
Reporting on Required Supplementary Information	- We have applied certain limited procedures 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 assurance on this information. - MDA - Pension Funds – Schedule of Changes in Net Pension Liability and Related Ratios, Proportionate Share of the Net Pension Liability, Employer Contributions and Investment Returns - Schedule of Changes in Total OPEB Liability and Related Ratios

This Year's Audit Results

Matter	Conclusion
Reporting on Supplementary Information	▪ Introductory & Statistical Section - was not subjected to auditing procedures applied in the audit of the basic financial statements, thus we express no opinion on it. ▪ The following information was subjected to the procedures applied in the audit of the basic financial statements and is fairly stated in all material respects in relation to the City's financial statements. ▪ Combining and Individual Nonmajor fund financial statements and schedules ▪ Financial Data Schedule ▪ Schedule of Expenditures of Federal Awards, Passenger Facility Charges and State Financial Assistance

This Year's Audit Results

Matter	Conclusion
Reporting under Government Auditing Standards	▪ No instances of noncompliance or other matters identified and reported . ▪ No material weaknesses were identified
Reporting on an Examination of Compliance Requirements in Accordance with Ch. 10.550, <i>Rules of the Auditor General</i>	▪ City complied, in all material respects, with (1) Florida Statute 218.415 in regards to investments.

This Year's Audit Results

Matter	Conclusion
Report on Compliance for Each Major Federal Program, State Project and Passenger Facility Charge Program and Internal Control	▪ We believe the City complied in all material respects with compliance requirements that could have a direct and material effect on each of its federal programs, state projects and the passenger facility charges program ▪ No material weaknesses in internal control identified and reported related to each major federal program, state project and the passenger facility charges program.
▪ Federal Programs: • Federal Assistance Listing Number 11.307 – U.S. Department of Commerce – Economic Adjustment Assistance • Federal Assistance Listing Number 14.871 – U.S. Department of Housing and Urban Development – Housing Voucher Cluster • Federal Assistance Listing Number 20.106 – U.S. Department of Transportation – Airport Improvement Program • Federal Assistance Listing Number 21.027 – U.S. Department of Treasury – American Rescue Plan: Coronavirus State and Local Fiscal Recovery Funds ▪ State Projects: • CSFA No. 40.043 – Department of Economic Opportunity – Economic Development Tax Refund, Tax Credit, and Grant Program • CSFA No. 77.048 – Florida Fish and Wildlife Conservation Commission – Deepwater Horizon Oil Spill	

This Year's Audit Results

Matter	Conclusion
Adjustments detected by the audit process	None.
Other matters	- No instances of fraud or illegal acts were noted. - No material uncertainties were noted. - No significant changes to our planned scope or approach were required during year end fieldwork.
Financial statement disclosures	The disclosures are neutral, consistent and clear.
Disagreements with management	None.
Management consultations with other accountants	Management has informed us that they have not consulted with other accountants.
Difficulties encountered performing the audit	None.
Management representations	Management has provided us with certain representations that are included in the management representation letter.

Other Audit Matters

Changes in Accounting Policies

As discussed in Note 8 to the financial statements, in 2022 the City adopted new accounting guidance, GASB Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

Significant or Unusual Transactions

We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements.

Major Estimates and Judgments

Certain aspects of accounting are more qualitative and require more judgment and estimation by management. The following items represent the more significant qualitative areas:

- Reserve for doubtful accounts receivable
- Reserve for doubtful loans receivable
- Decisions over what to capitalize, useful lives of depreciable assets and losses on such assets not yet realized
- Measurement of the actuarial obligations for the pension plans, other post-employment benefit plans and self-insurance plan

We have assessed these areas in considering the overall fairness and completeness of the financial statements taken as a whole.



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 23-00322

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: D.C. Reeves, Mayor

SUBJECT:

CONSENT TO MAYOR'S APPOINTMENT OF LISSA DEES, PARKING MANAGEMENT DIRECTOR

RECOMMENDATION:

That City Council consent to the Mayor's appointment of Lissa Dees to the position of Parking Management Director.

HEARING REQUIRED: No Hearing Required

SUMMARY:

Management of the public parking assets within the City's downtown core was transferred from the Downtown Improvement Board (DIB) to the City of Pensacola in October 2020. At that time Lissa Dees left the DIB to become the City's Parking Manager, heading up a special operating division established within the Mayor's Office.

Since that time, Parking Management's work has expanded to include not only management and proactive enforcement of the Jefferson Street Garage, public lots and on-street parking in the downtown area but, also, reactive enforcement of on-street parking regulations throughout the City. Ms. Dees is also at the table during negotiations with major real estate project developers such as the East Garden District, Maritime Park remaining parcels, Commendancia Slip hotel, Port Warehouse 4 Sports, and others to ensure that both the City's and the project's long-term parking needs are considered.

Seeing the need for a more robust, public-facing parking operation going forward, Parking Management was broken out from the Mayor's Office as a stand-alone department effective with the fiscal year 2023 budget. On October 1, 2022, Ms. Dees was named Interim Parking Management Director to provide the next Mayor an opportunity to set his priorities and organizational structure for parking.

Mayor Reeves, Deputy City Administrator Miller and Ms. Dees have had numerous productive conversations strategizing short-term improvements to the City's parking product, including the recent text-to-pay rollout and new pay station wraps. In the near future, Council will hear more about plans Ms. Dees and her team are developing to continue to improve our product and proactively meet projected growth in demand, including opportunities to reinvest parking revenues back into the

parking district in the form of improvements and enhancements to the patron experience.

As a result of Ms. Dees' passionate pursuit of excellence in developing and growing Pensacola's public parking product, Mayor Reeves has named her to the position of Parking Management Director effective immediately upon City Council confirmation.

PRIOR ACTION:

None

FUNDING:

\$ N/A

FINANCIAL IMPACT:

Ms. Dees is currently compensated at the department director level. The salary is budgeted, and the permanent appointment will not result in any change to the compensation budget for that position.

LEGAL REVIEW ONLY BY CITY ATTORNEY: No

[Click here to enter a date.](#)

STAFF CONTACT:

Kerrith Fiddler, City Administrator
Amy Miller, Deputy City Administrator

ATTACHMENTS:

- 1) Lissa Dees Resume

PRESENTATION: No

LISSA DEES



OBJECTIVE

To combine my knowledge and experience of municipal parking with my extensive organizational, communication and planning experience to ensure the daily operations of the City's parking facilities, infrastructures and staff are properly aligned with the goals of the Mayor and Council to further improve and enhance all aspects of this challenging and fulfilling position within our great city!



EXPERIENCE

City of Pensacola | Interim Parking Management Director
2022-PRESENT

City of Pensacola | Parking Management Manager
2020-2022

Manage a staff engaged in collecting parking fees, guarding, and maintaining facilities, and repairing and installing parking assets. Assign and review work, provide training, and evaluate performance of employees. Direct all operations of the parking garage and surface lots; oversee the security, maintenance, and cleaning of facilities; interpret city policy, collaborate with other city departments to have signs and striping painted and lots maintained. Participate with City Administrators in planning and defining future parking needs of the City; recommend improvements in operations, new regulations, and new programs in response to City needs; alert city administrators to problems and recommends corrective action. Manage implementation of new programs to improve parking in the City, including planning for and implementing new technologies and policies; publicize programs through advertising, online outlets, and meetings and civic groups. Responsible for the financial administration of the department; prepare proposed annual budget for approval by the Mayor and City Council; authorize all expenditures and oversee records of monies collected from permits and fees. Answers all correspondence; prepare agenda for meetings and performs other parking related duties as needed.

Pensacola Downtown Improvement Board | Executive Director
2017-2020

Oversee daily operation/activities of the DIB and Parking Management including financial administration of approved budget and development and maintenance of administrative procedures, including purchasing and management of public and parking funds. Established and maintain effective contract network through liaison/interface with key individuals, organizations, government agencies and special interest groups in order to promote and improve the district as well as the interest of the DIB Board, businesses, property owners and visitors.

Pensacola Downtown Improvement Board | Assistant to Executive Director
2014-2017

Responsible for contract management; planning and executing events; budgeting; accounts receivable and payable; vendor management; grant writing; office management for quasi-governmental organization; customer service. Managed event budgets of up to \$300,000.00 for

more than 75,000 attendees. Committee management; volunteer management; new business development; parking management.

Cox Florida-Georgia | Construction/ Planning Manager

1996-2012

Three promotions, from customer service analyst to supervisor to regional manager; responsible for growing residential and business customer base; employee development; establishing company and departmental goals; multi-project management; capital budgeting; expense budgeting; expense management; strategic planning and execution of department mergers.



SKILLS

- Capital budgeting
- People development
- Sales and marketing
- Oracle financials
- Grant writing
- Large-scale event ideas, planning and execution
- Volunteer management
- Team building
- Project management
- Office management
- Expense budgeting
- Microsoft Suite
- Excellent written/oral skills
- Personnel and HR
- Vendor management
- Contract negotiations
- Customer service



EDUCATION

Pensacola State College | AS Business Administration

2003

Yoga Teacher Training | YTT 200 Hour

2012

Puntarenas Province, Costa Rica

Pensacola State College | LMT Certification

2015



ACTIVITIES AND ACHIEVEMENTS

• Volunteered for Artel Art Gallery, Dixon School of the Arts, Friends of Downtown, Winterfest, Covenant Hospice, Children Without a Voice, Guardian Ad Litem, community kid Yoga classes, Children's Home Society, Advocate for Hosanna School in El Salvador & Mona's Garden in India

• ACHIEVEMENTS: Mother of two, Grandmother of seven, integral role in bringing parking management under city control, completed half marathon, traveled to India for 21 days to pursue spiritual growth, completed 200 hour Yoga teacher certification in Costa Rica, First female supervisor for construction at Cox Communications, Mission trip to El Salvador to volunteer at Hosanna School , traveled to 13 different countries, coordination of largest public art project in Pensacola , planned and coordinated multiple large scale community events.

PROFESSIONAL REFERENCES PROVIDED UPON REQUEST



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 23-00243

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: D.C. Reeves, Mayor

SUBJECT:

APPROVAL OF LEASE AGREEMENT WITH WAREHOUSE 4 SPORTS, LLC, FOR PORT OF PENSACOLA WAREHOUSE #4

RECOMMENDATION:

That City Council approve the Lease Agreement between the City of Pensacola and Warehouse 4 Sports, LLC for Port of Pensacola Warehouse #4. Further, that City Council authorize the Mayor to take those actions necessary to finalize, execute and administer this Lease, consistent with the terms of the attached draft lease agreement and the Mayor's Executive Powers as granted in the City Charter.

HEARING REQUIRED: No Hearing Required

SUMMARY:

The Warehouse 4 Sports, LLC group approached the City with a concept for redevelopment of the port's existing Warehouse #4, a 45,000 sq. ft. general cargo storage facility on the Port of Pensacola. The redeveloped building will be multipurpose to include indoor court sports (i.e., pickleball, volleyball, basketball, etc.), conference/exhibition space, concerts, and other specific uses per the agreement.

All costs for redevelopment will be borne by the tenant in exchange for reduced rent for the first term of the lease. In subsequent renewal terms, the tenant will be required to show exponential value over market rate rent in the form of additional capital investment into the facility and/or tourism-related economic impact derived directly from the facility's operations or pay market rate rent. Also, as part of the agreement, the tenant will reimburse the City for the actual cost of property insurance coverage on the building.

Additional key deal points have been detailed in an attachment to this Council item.

PRIOR ACTION:

November 2022 - Warehouse 4 Sports, LLC presented its concept of operations and vision for the facility to City Council during its regular agenda conference meeting.

FUNDING:

N/A

FINANCIAL IMPACT:

Warehouse 4 Sports, LLC, will pay \$26,000 annually, with annual CPI increases capped at 5%, and will reimburse the City for the cost of maintaining property insurance on the building.

LEGAL REVIEW ONLY BY CITY ATTORNEY: Yes

4/15/2023

STAFF CONTACT:

Kerrith Fiddler, City Administrator
Amy Miller, Deputy City Administrator
Clark Merritt, Port Director

ATTACHMENTS:

- 1) Key Deal Points
- 2) Draft Lease Agreement

PRESENTATION: No

Warehouse 4 is proposed to become an arena for pickleball and other sports and entertainment activities. The use will require parking to be made available. Potentially outdoor courts might be constructed on what is referenced as the option property in the lease. The Lease terms are summarized below:

- Upon execution, the Tenant will pay a \$26,000 security deposit
- Each year, the Tenant will pay \$26,000 Base Rent as well as reimburse the City for the cost of property insurance, with the first payment of base rent being due within a year of execution or at the issuance of a certificate of occupancy, whichever is sooner
- Construction is expected to begin no later than 9 months after execution of the Lease, following necessary inspections being conducted and permits obtained
- Base Rent is to be increased annually using a CPI adjustment, with periodic reviews being reserved to the City to establish a basis for a higher increase in Base Rent
- The initial Lease term is fifteen years with four extension terms if conditions are met at each renewal period, for a total Lease term, assuming conditions are met, of 55 years
- Conditions for renewal include capital investment and adequate generation of tourism dollars (12.02(l))
- At least \$2,000,000 will be invested in the premises to support pickleball, basketball, volleyball, futsal, tennis, and other like entertainment to include tournaments, as well as conventions, concerts, and expos
- For these uses, up to 200 parking spaces will be made available in Zone #94 for up to three-hour visits; parking will be validated by the City for the first twelve months after issuance of a certificate of occupancy
- Each year, the Tenant will provide a report on the parking usage to justify continuation of the number of validations being provided and the length of time validated, with the possibility of reasonable adjustments being made
- During special events, parking rates are adjusted accordingly and fifty percent of the net revenue collected by the City will be shared with the Tenant on a quarterly basis
- The Lease is a triple net lease and includes insurance and indemnity provisions

REAL PROPERTY LEASE

***AT THE PORT OF
PENSACOLA***

BETWEEN

***PORT WAREHOUSE 4, LLC AND
CITY OF PENSACOLA, FLORIDA***

EFFECTIVE DATE: _____, 2023

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List of Exhibits

EXHIBIT A: SURVEY OF LEASED PREMISES

EXHIBIT B: PARKING SPACES

EXHIBIT C: OPTION PROPERTY

**PORT OF PENSACOLA
REAL PROPERTY LEASE**

THIS REAL PROPERTY LEASE (this “Lease”) is hereby made and entered into as of the Effective Date (hereinafter defined), by and between **PORT WAREHOUSE 4, LLC** a Florida limited liability corporation (the “Tenant”), and the **CITY OF PENSACOLA, FLORIDA**, a Florida municipal corporation (“the “City”), in its capacity as owner and operator of **PORT OF PENSACOLA** (the “Port”). The City and the Tenant may, from time to time, be referred to in this Lease individually as a “Party” and collectively as “the Parties.”

RECITALS

WHEREAS, the City is the owner and operator of the Port (as hereinafter defined); and

WHEREAS, it is in the best interest of the community for the City to encourage and support local economic development for the City of Pensacola Port of Pensacola, improve and promote the quality of life for all citizens and visitors of Pensacola by providing a wide range of recreational, athletic, social, and educational opportunities, and to efficiently operate the Leased Premises; and

WHEREAS, the City, as lessor, desires to lease to the Tenant, as lessee, and the Tenant desires to lease from the City, the Leased Premises for the use, upon the terms, and subject to the conditions hereinafter set forth; and

WHEREAS, the Tenant will invest a minimum of Two Million Dollars (\$2,000,000) in Capital Improvements additional investment in finish and equip the at the Facility to meet their specific requirements and applicable codes; and

WHEREAS, the Tenant plans to construct Capital Improvements at the Facility that will accommodate a variety of sports to include pickleball, basketball, volleyball, futsal, tennis, and other like entertainment, events, conventions, concerts, expos, etc.;

NOW, THEREFORE, in consideration of the promises, covenants, terms, and conditions herein set forth, the Parties hereby agree as follows:

[THIS SPACE INTENTIONALLY LEFT BLANK]

ARTICLE 1. DEFINITIONS

Section 1.01 DEFINITIONS

The following words and phrases, wherever used in this Lease, shall, for purposes of this Lease, have the following meanings:

“Affiliate” means any corporation or other entity that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with, the Tenant.

“Base Rent” means the annual rent for the Leased Premises as specified or determined in this Lease.

“Capital Improvements” means the addition of a permanent structural change or the restoration of some aspect of the Leased Premises that will either enhance the Leased Premises’ overall value, prolong its useful life, or adapt it to new uses which would be retained by the Port at the conclusion of this Lease, and specifically excluding any and all tenant-owned personal property, equipment and trade fixtures.

“City” means the City of Pensacola, Florida, and any successor to the City in ownership of the Port.

“Commencement Date” means the date this Lease is fully executed by all parties and for purposes of this Lease is also the Effective Date. The parties agree that time is of the essence and each agrees to act with diligence and all due haste to expedite its portion of the execution process.

“Common Port Facilities” means all necessary cargo area appurtenances, including, but not limited to, laydown areas, berth aprons, and other common facilities and infrastructure appurtenant to the Port.

“Tenant” means the lessee under this Lease as identified in the first paragraph of this Lease, and any assignee of this Lease pursuant to an assignment permitted by this Lease.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting securities or by contract or otherwise.

“Effective Date” means the date upon which this Lease is executed by the last Party to execute this Lease, as shown by the respective dates set forth after the places provided herein below for the Parties’ execution of this Lease, and is the same as the Commencement Date.

“Environmental Laws” means, collectively, all federal, state, water management district, and local environmental, land use, safety, or health laws, rules, regulations, ordinances, and common law, including, but not limited to, the Occupational Safety and Health Act of 1970 (29 U.S.C. § 651 et seq.); the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. § 9601 et seq.); the Hazardous Materials Transportation Act (49 U.S.C. § 5101 et seq.); the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.); the Toxic Substances Control

Act of 1976 (15 U.S.C. § 2601 et seq.); the Clean Air Act (42 U.S.C. § 7401 et seq.) (“CAA”); the Safe Drinking Water Act (42 U.S.C. §§ 300f-300j), the Federal Water Pollution Control Act (commonly known as the Clean Water Act) (33 U.S.C. §§ 1251-1387), and Sections 253, 373, 376 and 403, Florida Statutes, as any of the foregoing may hereafter be amended, any rule or regulation pursuant thereto, and any other present or future law, ordinance, rule, regulation, code, permit or permit condition, order, notice of violation, decree, consent agreement, or directive addressing an environmental, safety, or health issue of or by the federal government, or of or by any state or other political subdivision thereof, or any agency, court, or body of the federal government or any state or other political subdivision thereof, exercising executive, legislative, judicial, regulatory, or administrative functions. The term “Environmental Laws” also shall mean and include the Port of Pensacola’s Storm Water Pollution Prevention Plan (“SWPPP”) and all future amendments thereto.

“Event of Default” shall have the meaning assigned in Article 17 below.

“Exclusive Use Leased Premises” means the spaces and areas within the Leased Premises for the use and occupancy of the Tenant to the exclusion of all others.

“Facility/Facilities” means the presently existing finished steel framed and sided building known as Warehouse #4 consisting of approximately 43,000 square feet, together with all future modifications, additions, and accessions to and replacements of Warehouse #4. The Tenant shall have the non-exclusive right to access, traverse, cross and otherwise utilize all port lands designated for the joint use of all port tenants, users and customers, provided such use does not unreasonably impede, block or otherwise limit the right of other port tenants, users and customers to access, traverse, cross and otherwise use the same port lands. The Tenant may not moor vessels to any of the port’s public docks without first filing and receiving approval from the port of a Vessel Berth Application.

“Hazardous Substances” means any hazardous, toxic, or harmful substances, wastes, materials, pollutants, or contaminants (including, without limitation, asbestos, polychlorinated biphenyls, petroleum products, flammable explosives, radioactive materials, paint containing more than 0.5% lead by dry weight (“Lead Based Paint”), infectious substances, or raw materials which include hazardous constituents), or any other substances or materials that are included under or regulated by Environmental Laws.

“Land” means the land within the Port as depicted on Exhibit A attached hereto and incorporated herein by reference, consisting of a total land area to be estimated based upon the final agreed upon site plan and with the exact total land area to be determined via survey or other agreed upon physical measurement upon completion of Capital Improvements by the Tenant.

“Leased Premises” means the Land and all improvements now or hereafter existing on the Land, including without limitation the Facility and any port common areas, as more particularly described hereafter.

“Lease Term” shall have the meaning assigned in Section 3.01 below.

“Lease Year” means each period of twelve consecutive calendar months that begins on an anniversary of the Effective Date of this Lease or, if the Effective Date of this Lease is not the first day of a month,

each period of twelve consecutive calendar months that begins on the first day of the next month after each such anniversary of the Commencement Date of this Lease; provided, however, that the first Lease Year shall commence on the beginning of this Lease and continue to, but not including, the first day of the next Lease Year.

“Ordinary Wear and Tear” means normal deterioration of an improvement to real property that occurs solely from the reasonable and intended use of the improvement over time despite the timely and proper performance of reasonable routine maintenance and preventive maintenance.

“Port” means Port of Pensacola located in Pensacola, Florida, as it now exists and as it may exist in the future.

“Port Director” means the person who from time to time holds the position of “Port Director” or “Interim Port Director” of the Port. Said term shall also include any person expressly designated by the City to exercise functions with respect to the rights and obligations of the Port enterprise.

“Port Master Plan” means the assembly of appropriate documents and drawings addressing development of the Port from physical, economic, social, and political jurisdictional perspectives as designated from time to time by the City and the Port Director as the Port Master Plan. The Port Master Plan includes, without limitation, forecasts of cargo & maritime business activity, a Port land use plan, 2019 Port Vision Plan, 2022 Vision Plan Update, (or any successor plan), a Port layout plan set, a Port access and parking plan, port storm water master plan, a capital improvement plan, and a budget and/or financial plan.

“Rent” means, collectively, the Base Rent.

“Rent Commencement Date” means the earlier of twelve (12) calendar months after the Commencement Date or upon issuance of a Certificate of Occupancy.

“Rules and Regulations” means those ordinances, rules and regulations promulgated from time to time by the City or the Port Director governing conduct on, and operations at, the Port or the use of any of the land and/or facilities at the Port.

“Subsidiary” means any corporation or other entity more than fifty percent (50%) of whose outstanding stock (or other form of equity ownership) is, at the relevant time, owned by the Company or by another Subsidiary of the Company.

“Tariff” means Port of Pensacola Terminal Tariff No. 5A, as amended and revised from time-to- time, or any successor thereto.

“Tenant” means the lessee under this Lease as identified in the first paragraph of this Lease, and any assignee of this Lease pursuant to an assignment permitted by this Lease.

Section 1.02 CROSS-REFERENCES

All references in this Lease to articles, sections, and exhibits pertain to articles, sections, and exhibits

of this Lease unless otherwise specified.

END OF ARTICLE

ARTICLE 2. LEASED PREMISES

Section 2.01 LEASED PREMISES

For the Rent, upon the terms, and subject to the conditions set forth in this Lease, the City hereby leases and demises the Leased Premises to the Tenant, and the Tenant hereby leases the Leased Premises from the City, subject, however, to all liens, easements, restrictions and other claims and encumbrances of record, provided that such matters do not prevent the Tenant from conducting its business on the Leased Premises as contemplated herein, and/or otherwise impair its financial structure and future use of the premises.

The Leased Premises consists of the Facility together with that vacant land adjacent to the Facility more particularly identified hereafter on **Exhibit A** to this Lease.

The Tenant shall have the right to post its unique logo on the exterior of the Facility and in other locations on the Land in a tasteful manner consistent with a community recreational site, provided design and placement of same is in compliance with applicable City of Pensacola sign ordinances, if any, and is approved by the Port Director, such approval not to be unreasonably withheld, conditioned or delayed.

Section 2.02 NON-EXCLUSIVE PARKING AREA

The Tenant shall be entitled to non-exclusive use of any and all Designated Parking Areas located within the Secured, Restricted Port Area ("Port Restricted Area") as currently situated and designated or as may be situated and designated in the future and/or any and all overflow parking lots as currently situated and designated or as may be situated and designated in the future all at the Port's sole discretion, at no additional charge to the Tenant. Such areas are made available to all port tenants and users on a first-come-first-served basis. In using such areas, the Tenant and its employees, representatives, agents, contractors, service providers, and invitees shall abide by all applicable rules and regulations of the Port of Pensacola Seaport Security Plan, including if required, but not limited to, the requirement that all personal vehicles entering the Port Restricted Area be registered with the Port's Facility Security Officer and that all entrants into the Port Restricted Area either possess a current valid Transportation Worker Identification Credential (TWIC) or be properly escorted at all times. In no event shall the Tenant permit parking on the Leased Premises or in the area currently identified as parking zone #94 (more particularly identified on Exhibit B) by the general public or by the Tenant's guests, invitees, customers, or employees not related to the conduct of the Tenant's business on the Leased Premises.

During the term of the Lease, the City shall cause the Port to maintain the greater of 200 parking spaces or the minimum legally required number of parking spaces for Tenant's use of the Leased Premises ("Tenant Guest and Visitor Parking") within the current Port parking lots adjacent to the west of Warehouse #4 (currently identified as parking Zone #94) located outside the Port Restricted Area and more particularly identified on **Exhibit B** hereto.

All parking in Zone # 94, including the Tenant Guest and Visitor Parking, shall be managed and enforced by the City of Pensacola Parking Department as part of the City's downtown parking district (as long as such Department and district actively exist). At such time as the City establishes and implements charges for parking in this zone at times that coincide with the Tenant's normal hours of operation, Tenant shall receive 200 validations per day (up to three hours) for the first twelve months following the certificate of occupancy being issued, with the requirement that Tenant justify the continuation of the number of validations and length of time validated by means of annual report as to the use of the parking referenced herein. Validations may be limited or may not be available on tournament days. Validations shall be available for the use of the Tenant at the Tenant's sole discretion to provide complimentary parking to its owners, operators, managers, employees, members, patrons, guests, invitees, and licensees. For pickleball, basketball, volleyball, futsal, and tennis tournaments, and other like events, conventions, concerts, and expos, the Tenant shall provide the City's Parking Director a minimum of seven (7) calendar days advance notice and, in such cases, Special Event Parking rates will be implemented for the duration of the subject tournament or event at rates mutually agreed upon between the City's Parking Director and the Tenant. All revenue generated from Special Event Parking less the actual costs to administer the Special Event Parking (net Special Event Parking revenue) shall be posted by the Parking Department to the Port Fund within the City of Pensacola financial accounting system and the Port shall cause 50% of the total accrued net Special Event Parking revenue to be paid out to the Tenant on no less than a quarterly basis. All revenue from the enforcement of parking regulations in Zone 94, including but not necessarily limited to revenue from parking tickets and fines, shall be retained by the City of Pensacola Parking Department as compensation for its enforcement efforts. All parking in Zone #94 is non-exclusive and available on a first-come-first-served basis.

Tenant may not undertake any construction or improvements on the parking areas without the consent of the City. The City reserves the right to replace this parking with like kind and quality or better ("Replacement Parking Facility") at any time during the term of this Lease. Such Replacement Parking Facility shall be available for use by the Tenant in accordance with the terms of this Section 2.02 and any other applicable provisions of this Lease.

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END OF ARTICLE

ARTICLE 3. TERM

Section 3.01 LEASE TERM

Subject to compliance with the terms and conditions of this Lease, this Lease shall be effective on the Commencement Date. The term of this Lease shall be fifteen Lease Years subject to extension as herein provided, commencing on the Rent Commencement Date and ending on the Expiration Date (the “Lease Term”). Subject to Tenant's option to extend the Lease Term as set forth in Section 3.02, the “Expiration Date” means the last day of the month in which the fifteenth (15th) anniversary of the Rent Commencement Date occurs, or such earlier date on which the Term shall sooner end pursuant to any of the terms, covenants, or conditions of this Lease or pursuant to law.

Section 3.02 RENEWAL

There is no automatic renewal or extension of the Lease Term. Upon expiration of the initial Lease Term, the Tenant shall have four (4) separate, consecutive options (each an “Extension Option”) to extend the Lease Term of this Lease for an additional ten (10) years each (herein, sometimes, individually or collectively referred to as an “Extension Term”), subject to the provisions that follow in this Section 3.02.

Provided Tenant is not in default of any provisions of this Lease, each Extension Option shall be exercisable by written notice to the Port Director no less than one hundred eighty (180) days prior to the Expiration Date. Then, and upon mutual agreement of the Parties, this Lease may be extended for ten (10) years commencing upon the Expiration Date the Lease Term, or an Extension Term as the case may be, and expiring ten (10) Lease Years thereafter. The City may elect not to renew for the first Extension Term only if Tenant (a) fails to complete Tenant's Capital Improvements in accordance with Article 4 of this Lease; (b) is in default of any other provision of this Lease; or (c) has not provided commercially reasonable evidence of the Tenant Responsibilities described in Section 12.02(l).

Each Extension Term shall constitute an extension of the Lease Term, and shall be upon all the same terms and condition of the existing Lease Term, except that the Base Rent shall be subject to adjustment on the commencement of the first Extension Term as set forth in Section 5.01(b) hereinbelow. Any extension hereunder shall be memorialized in writing, executed by the Parties in the same formality herewith

Section 3.03 TENANT'S RIGHTS UPON EXPIRATION OR EARLIER TERMINATION OF LEASE

Upon expiration of the Lease Term or earlier termination of this Lease, all of the Tenant's rights, authority, and privileges to use the Leased Premises, services, facilities and property of the Port as granted herein shall automatically cease without notice to the Tenant except such notice, if any, as is expressly required by this Lease with respect to an earlier termination of this Lease.

Section 3.04 SURRENDER OF LEASED PREMISES

Upon expiration of the Lease Term or earlier termination of this Lease, the Tenant shall surrender the Leased Premises to the City in its improved condition as referenced in Section 4.01 of this Lease, except for ordinary wear and tear and except for damage caused by an insured casualty for which the

City is fully compensated by insurance proceeds actually received by the City and by deductible amounts actually paid by the Tenant to the City, with respect to an insured casualty loss, or a condemnation or by a condemnation award pursuant to an order of a court of competent jurisdiction or payment in lieu thereof acceptable to the City.

The provisions of this Section 3.04 shall survive the expiration of the Lease Term or earlier termination of this Lease, as the case may be, and shall be fully enforceable by the City against the Tenant notwithstanding the termination of this Lease.

Section 3.05. **RIGHT OF FIRST REFUSAL/RIGHT OF FIRST NEGOTIATION**

City hereby grants to Tenant a right of first negotiation and right of refusal to purchase the Land identified and described on Exhibit C as the “Option Property” subject to the following terms and conditions:

- (a) Right of First Negotiation. If Landlord desires to lease or sell the Option Property to a private party, then City shall, before actively soliciting any offers, notify Tenant in writing of its desire to sell or lease the Option Property. If Tenant desires to lease or purchase the Option Property, Tenant and Landlord shall, during the fifteen (15) calendar day period following Tenant’s receipt of such notice, negotiate in good faith the terms and conditions of a sale or lease. If the Parties are for any reason unable to come to an agreement on the terms of a lease or sale via a written contract within such fifteen (15) day period, then City may proceed to solicit or entertain offers from third party purchasers or lessees through any legal means available to the City including, but not necessarily limited to, direct negotiations or a competitive RFP process. Thereafter, City shall provide Tenant with notice of any offers as required by subparagraph (b) below.
- (b) Right of First Refusal. If City receives and accepts a bona fide offer from a private third party for the lease or purchase of the Option Property (an “Offer”), Landlord agrees to deliver a copy of such Offer within seven (7) days following receipt thereof. Tenant shall have seven (7) days after receiving notice of the terms of the Offer within which to elect to lease or purchase the Option Property on financial terms materially identical to those offered by the third party. Such election shall be made by electronic communication (telephone and/or e-mail), followed by written notice to City accompanied by a check for the amount of any lease deposit required in a lease Offer, or an earnest money deposit specified in the Offer, payable to the escrow agent named in the Offer, or an escrow agent selected by Tenant and agreeable to the City, which earnest money deposit shall be applied to the purchase price. Within ten (10) days thereafter, Landlord and Tenant shall enter into a formal contract of lease or sale containing all terms of the Offer except as the parties may otherwise mutually agree. If Tenant fails to either (i) give the notice to elect to purchase the Offered Property and/or (ii) timely tender the earnest money deposit or lease deposit, the right of first negotiation and the right of first refusal in this Section 3.05 shall terminate and be of no further force or effect and Landlord may thereafter dispose of the Option Property in any manner as City sees fit. Any Offer from a third party accepted by Landlord

shall be expressly conditioned upon Tenant not exercising its right of first refusal under this subparagraph (b), so that if Tenant exercises its right of first refusal hereunder, any agreement between Landlord and the third-party purchaser shall be null and void.

- (c) Expiration. Unless sooner terminated as provided in subparagraph (b) above, the right of first negotiation and right of refusal described above shall expire upon the expiration or earlier termination of this Lease.

This section 3.05 shall not be construed to burden City's prerogatives to engage in transactions concerning the property described on Exhibit C within the City among departments and enterprises, or with another governmental entity.

END OF ARTICLE

ARTICLE 4. USE OF LEASED PREMISES

Section 4.01 **PERMITTED USE OF LEASED PREMISES**

Continuously during the Lease Term, the Tenant shall use the Leased Premises solely for athletic, fitness, entertainment, convention, and other supportive activities and other commercial uses not prohibited by law to include, without limitation, special events, expos, tournaments, promotions, food & beverage service, concessions, retail sales, health & wellness facilities, administrative offices, concerts and other functions and uses accompanying the Tenant's business purposes and with the City's expectation that such amenities shall be available to the public via facility rental, tournament play, paid memberships, open play (i.e. pay-to-play), food, beverage, and retail purchase or any combination thereof and that the Leased Premises shall include the back-office uses associated therewith.

Consistent with the permitted use of the Leased Premises stated in this Section 4 and solely in furtherance of such use, Tenant shall, at Tenant's sole cost and expense, complete all required construction activities on the Leased Premises in order to obtain a Certificate of Occupancy from the City of Pensacola Inspection Services Division. Final plans and specifications are subject to review and approval by the City prior to the commencement of construction activities, not to be unreasonably withheld, conditioned, or delayed. As part of City's review process all plans, specifications and construction drawings will be reviewed by the City Engineer (or his designee) and the Port's consulting engineer of record. Prior to commencing construction, Tenant agrees that the Port may use the Facility for short-term storage.

As a condition of this Lease for the Leased Premises, Tenant shall commence construction in accordance with all requirements of this Lease, no later than nine (9) months after the Commencement Date of this Lease. For purposes of this provision, the "Construction Commencement Date" shall be 90 calendar days following the issuance of a construction permit from the City Building Official; further, the Tenant must complete its roof inspection within 90 days of the Commencement Date; further, the Tenant must complete its foundation inspection within 120 days of the Commencement Date. Should Tenant fail to meet any of these requirements, then the City may, in the City's sole discretion, immediately terminate the Lease upon date of written notice to Tenant and, in the event of such termination by the City due to Tenant's failure to perform according to this schedule, the Tenant hereby expressly agrees that upon receipt of such termination notice for failure to perform according to schedule, the Tenant shall within 30 days vacate and surrender the Lease Premises to the City and the Tenant's right to continue its lease of the Lease Premises shall terminate. The City may enter the Lease Premises and exclude the Tenant from possession of the Lease Premises, declare all Rents, fees, taxes and other charges and amounts that are then due and payable and costs of the City to prepare the Lease Premises for reletting to be immediately due and payable. Nothing in this paragraph shall be construed to allow the City to assess accelerated rents as a remedy for Tenant's failure to perform. Notwithstanding the foregoing, any of the aforesaid deadlines of Tenant performance may be extended to the extent of (x) the number of days by which Tenant is prevented from performing as the result of a Force Majeure Event provided Tenant complies with the provisions of Section 23.07 of this Lease and (y) by the number of days Tenant is unable to perform Tenant's work solely as the result of any failure by City and/or Port to timely respond or perform any obligation

of City and/or Port to review and approve Tenant's plans and specifications ("City Delay"). In order for Tenant to claim any City Delay and to enable City to mitigate or avoid in whole or in part any such claim for City Delay, Tenant shall first be obligated to provide prior written notice to City advising of the specific nature of the matter which would give rise to any claim for City Delay which notice, to the extent known, shall also specify the approximate amount of days that any such alleged City Delay would delay the applicable date.

In the event the Tenant complies with commencement of construction by the Construction Commencement Date, Tenant shall complete construction no later than eighteen (18) months after the Commencement Date of this Lease subject to extensions for a Force Majeure Event and/or a City Delay. A Certificate of Occupancy shall evidence such completion of construction. Should Tenant fail to substantially complete construction of Tenant's Capital Improvements within eighteen (18) months after the Commencement Date (without any Force Majeure Event or City Delay), then Tenant may, with reasonable justification for the cause of the delay and upon payment of additional consideration to the City in an amount agreed to between the Parties, receive a 12-month extension. If Tenant fails to substantially complete construction within the applicable timeline or extended timeline as stated above, the Tenant shall have a grace period of sixty (60) days, plus any additional extensions granted by the City at the City's sole discretion, to obtain substantial completion as determined by the Tenant's engineer of record. Otherwise, the City may, in the City's sole discretion, immediately terminate the Lease upon date of written notice to Tenant. In the event of such termination by the City for Tenant's failure to perform according to this schedule, Tenant hereby expressly agrees that upon receipt of such termination notice for failure to perform according to schedule, the Tenant shall within 30 days relinquish and surrender the Leased Premises and any Capital Improvements thereto to the City and Tenant's right to continue the lease of the Leased Premises shall thereafter terminate. The City may enter the Leased Premises (including any Capital Improvements) and exclude the Tenant from possession of the Leased Premises, declare all Rents, fees, taxes and other charges and amounts which are owed to be immediately due and payable. For any repairs or other costs incurred by the City to bring the Facility to minimum code standards required for reletting, the City may "call" any and all applicable construction, performance and/or payment bonds as defined in Article 6 and/or Article 10 herein. Nothing in this paragraph shall be construed to allow the City to assess accelerated rents as a remedy for Tenant's failure to perform.

Section 4.02 **ADDITIONAL RESTRICTIONS**

Notwithstanding any contrary provision in this Lease, the Tenant shall not, and the Tenant shall not suffer or permit any of its agents, employees, directors, officers, contractors, customers, guests, invitees, licensees, or representatives to:

(a) Do, suffer, or permit anything that may interfere with the effectiveness or accessibility of any drainage and sewage system, electrical system, air conditioning system, fire protection system, sprinkler system, alarm system, fire hydrants and hoses, if any, at any time installed or located on or within the premises of the Port.

(b) Do, suffer, or permit anything that may invalidate or conflict with any fire or other property insurance policies covering the Port or any part thereof or Capital Improvements thereon.

(c) Keep or store or suffer or permit to be kept or stored, at any time, flammable or combustible liquids except in storage facilities especially constructed for such purposes in accordance with applicable federal, State, and City laws and ordinances, including the Uniform Fire Code and the Uniform Building Code. For purposes of this Lease, flammable or combustible liquids shall have the same definitions as set forth in the Uniform Fire Code, as that Code may be amended from time to time.

(d) Engage in any business or activity not specifically permitted by this Lease.

Section 4.03 **RESERVED**

Section 4.04 **REVENUE STREAMS.**

The Tenant shall be entitled to all revenue streams, now known or hereafter devised, in connection with its use and operation of the Leased Premise except as otherwise provided herein.

END OF ARTICLE

ARTICLE 5. RENTS, FEES, CHARGES AND SALES TAX

In consideration for the Tenant's use of the Leased Premises, the rights and privileges granted to the Tenant hereunder, and for the undertakings of City hereunder, the Tenant agrees to pay the City, without invoicing, notice, demand, deduction or set-off, the Base Rent, fees, other charges, and sales and use tax as set forth in this Lease, as from time to time recalculated according to the procedures described herein below.

Section 5.01 **BASE RENT**

The annual base rent ("Base Rent") payable by the Tenant to the City shall be in accordance with the following schedule:

(a) Lease Rate during the initial Lease Term (Lease Year 1-15). For the first Lease Year, Based Rent shall be \$26,000.00. Commencing on the first day of the second Lease Year of the Lease Term, and on the first day of each succeeding Lease Year thereafter until the Expiration Date (as the same may be extended in accordance with Section 3.02), Based Rent shall be increased cumulatively by the annual increase in the Consumer Price Index All Urban Consumers (CPI-U), not seasonally adjusted, U.S. City Average (current series) for the most recent complete twelve-month (12-month) period prior to the anniversary date of this Lease not to exceed five percent (5%) (a "CPI Adjustment"). In no case shall the Base Rent ever decrease, not even in the event of a negative twelve-month (12-month) CPI, in which event there will be no CPI Adjustment to the Base Rent.

(b) Extension Term.

(i) Commencing on the first Extension Term (Lease Year 16), and every seven Lease Years thereafter (Lease Year 22, 29, 36, 43, and 50) (each a "Base Rent Adjustment Date") the City reserves the right to recalculate Base Rent based upon an appraisal, broker's opinion of value, or other generally accepted method to determine the then current fair market value of the Leased Premises not including the value of the Tenant's Capital Improvements. If the City's valuation evidences an increase has occurred, the Base Rent may be adjusted and increased accordingly (hereinafter the "Adjusted Base Rent"). However, any increase shall not exceed seven and one-half percent (7.5%) of the applicable Base Rent set forth in Section 5.01(a). Any decreases in appraised value will not result in a Base Rent adjustment that would lower Base Rent during any such Extension Term. Following City's election to impose Adjusted Base Rent, each Lease Year thereafter shall be subject to annual increases based on the CPI Adjustment until the next Based Rent Adjustment Date.

(ii) Notwithstanding the City's right to establish Adjusted Base Rent on a Base Rent Adjustment Date, if the Adjusted Base Rent established for the succeeding Lease Year, is determined to be less than the Base Rent that would otherwise result from an annual increase from the Base Rent from the preceding Lease Year based on a CPI Adjustment, City may elect to charge Base Rent plus CPI Adjustment rather than establish an Adjusted Base Rent, and such Base Rent shall adjust annually based on any CPI Adjustment until the next Base Rent Adjustment Date.

Section 5.02 **SUBMERGED LANDS LEASE RATE**

Tenant shall have a right of first refusal for a submerged land lease over any and all submerged lands

controlled by the Port that are adjacent to the Leased Premises provided that the use is a non-Port/City, or other State or Federal entity (i.e. a port use of the submerged lands for an operational or other maritime use).

Section 5.03 **BASE RENT PAYMENT**

The annual Base Rent shall be paid by the Tenant to the City without invoicing, notice, demand, deduction, or set-off, in equal monthly installments payable in advance on the Rent Commencement Date, and on the first day of each and every calendar month during the Lease Term, and any Extension Term. Should rental payments initiate on any date other than the first (1st) of the month, the Rent for that month will be prorated with Rent for all subsequent months then being due and payable on the first (1st) of the month. There shall be no prohibition or penalty for prepayment of Base Rent or other fees.

Section 5.04 **OTHER RENTS, FEES AND CHARGES**

All revenue to the City generated by Tenant's operations and activities, excluding any sales, property or other applicable taxes, shall accrue to the City's Port Enterprise.

Section 5.05 **SALES TAX**

The Tenant shall pay to City all sales and use taxes imposed by Florida Statutes Section 212.031 and any future amendments thereto, or other applicable Florida law in effect from time to time (collectively, the "Sales Tax"), on the Base Rent due under this Lease and on any other payments required by this Lease to be made by the Tenant to or for the benefit of the City which are taxable under applicable Florida law. Such sales or use tax shall be due and payable concurrently with the payment of the Base Rent, or other payment with respect to which such tax is required to be paid.

Section 5.06 **MODE OF PAYMENT**

The payment of all Base Rent, Sales Tax, fees, and charges that become due and payable by the Tenant under this Lease shall be paid to the City of Pensacola without the City invoicing the Tenant. Payments shall be mailed or delivered to City of Pensacola Treasury Department, PO Box 12910, Pensacola, Florida 32521-0044, or to such other payment address as the City notifies the Tenant in writing. The City reserves the right to require that payment be made by wire transfer.

Section 5.07 **LATE FEE AND INTEREST**

If Base Rent, or any other fee, charge or payment due and payable under this Lease by the Tenant to the City is not paid within thirty (30) calendar days after such Base Rent, or other fee, charge or payment became due, a Late Fee of five percent (5%) of the amount due shall be due and payable to the City to compensate the City for its added expenses due to said late payment. Further, any Base Rent, or other fee, charge or payment due and payable under this Lease by the Tenant to the City that is not paid within thirty (30) calendar days after its date due shall bear Interest at eighteen percent (18%) per annum, or the highest rate allowed by law, whichever is less, from the date due until the date paid in full.

Section 5.08 **PORT TARIFF**

Except as otherwise expressed herein, all provisions of the Port Tariff 5A, as defined herein, shall remain in full force and effect.

Section 5.09 TICKET SALES SURCHARGE.

The Tenant shall collect on behalf of and shall pay City during the Term a surcharge of one dollar (\$1.00) per ticket sold for any special events that take place on the Leased Premise plus any applicable taxes associated therewith (the "Ticket Surcharge"). The Ticket Surcharge shall not apply to member play, daily play, pay-to-play, seasonal play, and non-tournament free play, etc. (the "Ticket Surcharge Exclusions"), nor shall it be construed to require the Tenant to charge admission for any events it conducts; however, if the Tenant charges admission to spectators for tournaments, special events, or the like, the Ticket Surcharge shall be collected and remitted to the City. The Ticket Surcharge may, in the Tenant's discretion, be separately charged and identified on each ticket as a "surcharge," "facilities surcharge," or other identifying language.

The Ticket Surcharge will be negotiated every five (5) years commencing on the fifth (5th) anniversary of the Rent Commencement Date, and subject to increase in line with the percentage increase of the 12-month Consumer Price Index All Urban Consumers Rate (Current Series)(All items in U.S. City average, all urban consumers, not seasonally adjusted) over the five (5) previous Lease Years. The Ticket Surcharge will only increase once every five (5) Lease Years during the initial Lease Term.

Section 5.10 PAYMENT OF NON-RENT REVENUE DUE TO THE CITY.

All non-rent revenue due to the City shall be remitted to the City quarterly no later than the twentieth (20th) day of each month following the end of each of the following months: March, July, October, and January. Payments shall be made by the Mode of Payment described in Section 5.06.

The Ticket Surcharge described in Section 5.09 shall be remitted along with a quarterly ticket sales accounting report in a form and style agreed upon by the Parties with such report to include, at a minimum, the name or other identifier of all events, date(s) and time(s) of each event, total number of tickets sold, and total surcharge collected. This report shall list ALL events except Ticket Surcharge Exclusions, even if no tickets were sold, in which case the tickets sold and surcharge collected columns will both be zero (0).

The Parking Revenue Share described in Section 2.02 shall be remitted along with a quarterly parking sales accounting report in a form and style agreed upon by the Parties with such report to include, at a minimum, the name or other identifier of all events for which parking charges were levied, the date(s) and time(s) of each event, the total number of paid parking spaces sold during the event, the total resulting parking revenue collected, and the total parking revenue to the City for each event.

END OF ARTICLE

ARTICLE 6. PERFORMANCE GUARANTEE

Within three (3) days of the Effective Date, Tenant shall deliver to City \$26,000.00 (the “Security Deposit”) as security for Tenant’s full and faithful performance of this Lease including the payment of rent. City may apply the Security Deposit to the extent required to cure any default by Tenant. If City so applies the Security Deposit, Tenant shall deliver to City the amount necessary to replenish the Security Deposit to its original sum within five (5) days after notification from City of the amount due. On the third (3rd) anniversary of the Rent Commencement Date, provided Tenant is not in default of this Lease, Landlord shall return the Security Deposit to Tenant.

If the Tenant shall fail to obtain or keep in force the Security Deposit required hereunder, such failure shall be grounds for immediate termination of this Lease by the City without further notice to the Tenant or opportunity to cure such failure except as expressly provided in this Article, notwithstanding any other provision of this Lease. The City's rights under this Article shall be in addition to all other rights and remedies provided to City under this Lease.

END OF ARTICLE

ARTICLE 7. INSURANCE AND INDEMNIFICATION

Section 7.01 **REQUIRED INSURANCE**

Prior to the Effective Date, the Tenant shall procure and maintain insurance of the types and to the limits specified herein, all of which shall be in full force and effect as of the Effective Date.

Prior to the Effective Date, the City agrees to procure and maintain property insurance on the Facility including the walls, floors, roof, eaves, etc., against all perils. The Tenant agrees to reimburse the City for the premium paid to procure and maintain this insurance.

As used in this Article, “the City” is defined to mean the City of Pensacola itself, any subsidiaries or affiliates, elected and appointed officials, employees, volunteers, representatives, and agents.

The Tenant and the City understand and agree that the minimum limits of insurance herein required may become inadequate during the term of this Lease. The Tenant agrees that it will increase such minimum limits to the levels required by the City from time to time, within one hundred eighty (180) days following the receipt of written notice from the Port Director.

Insurance shall be procured from an insurer whose business reputation, financial stability, and claims payment reputation are satisfactory to the City in its sole discretion, for the City's protection only. The amounts, forms, and types of insurance required to be provided and maintained by the Tenant shall conform to the following minimum requirements:

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Insurance Requirements			
	Type	Party	Amount
1	Worker's Compensation and Employer's Liability	Tenant	The Tenant shall purchase and maintain Worker's Compensation Insurance Coverage for all Workers' Compensation obligations required by law. Additionally, the policy, or separately obtained policy, must include Employers Liability Coverage of at least \$100,000 each person – accident, \$100,000 each person – disease, \$500,000 aggregate – disease.[RS]
2	Broad Form Commercial General Liability Policy to include coverage for the following (must include liability for marine vessels):	Tenant	Commercial General Liability coverage must be provided, including bodily injury and property damage liability for premises, operations, products and completed operations, contractual liability, and independent Contractors. This policy must be endorsed to include coverage for Abuse/Molestation. If the Contractor will be sponsoring any contest or exhibitions, this policy must be endorsed for Participant Liability. The coverage shall be written on occurrence-type basis (if available, otherwise, claims made). Minimum limits of \$1,000,000 per occurrence and in the aggregate must be provided. Fire Legal Liability must be provided with minimum limits of \$1,000,000 per occurrence.[RS]
3	Property Insurance including flood insurance for physical damage to the existing Facility and City property Tenant	City	The City will maintain property insurance (which may be self-insured at the sole discretion of the City) on the structural components of the Facility. [RS]
4	Property Insurance for physical damage to all improvements and betterments to the Leased Premises, resulting from fire, theft, vandalism, windstorm, (if and to the extent any of the Facilities are located in a federally-designated special flood hazard area), and other risks commonly insured against for similar port improvements	Tenant	The Tenant is responsible for the repair, replacement and insurance of all building contents including Contractor-owned personal property, equipment and furnishings.[RS]
	Liquor Liability. Tenant shall maintain or cause its vendor(s) to maintain Liquor Liability insurance including coverage for bodily injury and property damage arising out of the furnishing of alcoholic beverages. [BW]	Tenant	Minimum limits for this coverage are \$1,000,000 each common cause and in the aggregate. The Port and the City of Pensacola shall be listed as an Additional Insured. [BW] When alcoholic beverages are to be furnished, sold or consumed at the Premises, the licensee/operator/business owner shall not furnish, or sell to or permit its employees, servants, subcontractors, or agents to furnish or sell alcoholic beverages to, or to allow such alcoholic beverages to be consumed by any person who is not of lawful drinking age and shall take reasonable actions necessary to avoid serving any person habitually addicted to the use of any or all alcoholic beverages, or any person who is, or who would reasonably be expected to be intoxicated.[RS]

5	Automobile Liability (any automobile)	Tenant	Automobile Liability. Business Automobile Policy must be provided, if applicable, including bodily injury and property damage arising out of operation, maintenance or use of owned, non-owned and hired automobiles. Minimum combined single limit of \$300,000 CSL must be provided.
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Section 7.02 **POLICY ENDORSEMENTS; COPIES OF POLICIES; CERTIFICATES OF INSURANCE**

All insurance policies required by this Lease to be furnished by the Tenant shall be endorsed to provide that the insurance carrier shall give the City written notice at least thirty (30) days in advance of any cancellation, nonrenewal, or adverse change or restriction in coverage.

Each policy of property insurance required by this Lease to be furnished by the Tenant shall be endorsed to name the City as an Additional Insured as to the Tenant improvements, and Loss Payee as the Facility structure, as its interest may appear, and each policy of liability insurance shall be endorsed to name the City as an Additional Insured. In addition, this Lease and the Leased Premises shall be separately listed on each insurance policy.

Within five (5) days after the Effective Date (but in any event prior to the Tenant being permitted to take possession of any portion of the Leased Premises), and thereafter within five days after the City's written requests from time to time, but no more than once annually, the Tenant shall furnish true and complete copies of all of the Tenant's insurance policies, forms, endorsements, jackets, and other items forming a part of, or relating to, all policies of insurance carried or required by this Lease to be carried by the Tenant with respect to the Leased Premises.

In addition, within five (5) days after the Effective Date (but in any event prior to the Tenant being permitted to take possession of any portion of the Leased Premises), and thereafter within five (5) days after the City's written requests from time to time, but no more than once annually, the Tenant shall provide to the City Certificates of Insurance evidencing all insurance carried or required by this Lease to be carried by the Tenant with respect to the Leased Premises. Each Certificate of Insurance shall provide that the insurance carrier shall give the City written notice least thirty (30) days in advance of any cancellation, nonrenewal, or adverse change or restriction in coverage. The City shall be named on each Certificate of property insurance as an Additional Insured and Loss Payee, as its interest may appear and identified hereinabove, and on each Certificate of liability insurance as an Additional Insured. In addition, this Lease and the Leased Premises shall be separately listed on each Certificate. Certificates of property insurance shall be provided on the "Certificate of Insurance" form equal to, as determined by the City, the most current ACORD 28 form. Certificates of liability insurance shall be provided on the "Certificate of Insurance" form equal to, as determined by the City, the most current ACORD 25 form. Any wording on a Certificate that would make notification to the City of cancellation, nonrenewal, or adverse change or restriction in coverage an option shall be deleted or crossed out by the insurance carrier or the insurance carrier's authorized agent or employee. The name and address of the City on each policy and certificate of insurance required by this Lease shall be: City of Pensacola, Department of Risk Management, Post Office Box 12910, Pensacola, Florida 32521. In addition, a copy of each Certificate of Insurance shall be sent to Port of Pensacola, Attn: Port Director, PO Box 889, Pensacola, Florida 32591.

The Tenant shall immediately replace any cancelled, adversely changed, restricted, or non-renewed policies with new policies acceptable to the City and shall provide to the City copies of all such new policies, as well as Certificates of Insurance regarding the new policies, prior to the effective date of such cancellation, nonrenewal, adverse change, or restriction. The Tenant's required insurance coverages shall be considered primary for all purposes, and all other insurance shall be considered as excess, over and above the Tenant's coverages.

Notwithstanding the primary coverage responsibility of the Tenant, the Tenant shall protect the indirect and direct interests of the City by at all times promptly complying with all terms and conditions of its insurance policies, including without limitation timely and complete notification of claims. All written notices of claims made to carriers that relate to the use, damage, impairment, or condition of the Leased Premises shall be copied to the City's Department of Risk Management at the following address: City of Pensacola, Department of Risk Management, Post Office Box 12910, Pensacola, Florida 32521. An additional copy shall be sent to Port of Pensacola, Attn: Port Director, PO Box 889, Pensacola, Florida 32591.

Section 7.03 INSURANCE OF THE TENANT PRIMARY

The insurance coverage required of the Tenant shall be considered primary, and all other insurance shall be considered as excess, over and above the Tenant's required coverage.

Section 7.04 LOSS CONTROL, SAFETY, AND SECURITY

The Tenant shall retain control over its employees, agents, servants, contractors, customers, guests, and invitees, as well as its and their activities on and about the Leased Premises and the manner in which such activities shall be undertaken; to that end, the Tenant shall not be deemed to be an agent of the City. Precaution shall be exercised by the Tenant at all times regarding the protection of all persons, including employees, and property. The Tenant shall make reasonable effort to detect hazards and shall take prompt action where loss control/safety measures should reasonably be expected. The Tenant and its employees, agents, servants, contractors, customers, guests, and invitees, shall at all times comply with all federal and State laws with respect to Seaport Security, including but not limited to, the Port of Pensacola Seaport Security Plan, current edition as amended from time to time or any successor thereto, as/when applicable to the Tenant's operations upon the Leased Premises and its use of Port facilities.

Section 7.05 ACCEPTABILITY OF INSURERS

Insurance is to be placed with insurers that have a current A.M. Best rating of no less than A: X.

Section 7.06 HOLD HARMLESS

The Tenant, for itself and its successors and assigns, shall, and does hereby, covenant and agree to, FULLY AND FOREVER RELEASE, INDEMNIFY, DEFEND, and HOLD HARMLESS the City and its elected officials, employees, officers, directors, volunteers, and representatives, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, arbitration awards, regulatory actions, administrative actions, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including, but not limited to, personal or bodily injury, death, environmental remediation and damage, and property damage, made

upon or suffered or incurred by the City directly or indirectly arising out of, resulting from, or related to any breach or default by the Tenant under this Lease, or the activities, acts or omissions of the Tenant, its successors or assigns under this Lease or at or within the Port, or arising or occurring in, on, under or about the Leased Premises during the Lease Term, including, but not limited to, any acts or omissions of the Tenant, its successors or assigns, including any of its or their respective agents, officers, directors, representatives, employees, consultants, contractors or subcontractors, and their respective officers, agents, employees, directors, and representatives. The indemnity provided for in this Section shall not apply to any liability resulting from negligence of the City, its officers, or employees in instances where such negligence causes personal injury, death, or property damage.

The Tenant shall fully and forever release, hold harmless, defend, and indemnify the City from all such costs, including, but not limited to, expert fees even though a jury may find the Tenant and the City jointly liable. But in the event the City is held liable for a claim, then in that event each of the Parties bears their own costs, legal fees and expert fees for their liability. The City shall, upon notice thereof, transmit to the Tenant every demand, notice, summons, or other process received in any claim or legal proceeding contemplated herein.

Section 7.07 NON-LIABILITY OF THE CITY

The City shall not, in any event, be liable to the Tenant or to any other person or entity for any acts or omissions of the Tenant, its successors, assigns, or sublessees or for any condition resulting from the operations or activities of the Tenant or any such person or entity.

Without limiting the generality of the foregoing, the City shall not be liable for the Tenant's failure to perform any of the Tenant's obligations under this Lease or for any delay in the performance thereof, nor shall any such delay or failure be deemed a default by the City.

Section 7.08 PAYMENT ON BEHALF OF THE CITY

The Tenant agrees to pay on behalf of the City, for all claims or other actions or items described in Section 7.06, "Hold Harmless." Such payment on behalf of the City shall be in addition to any and all other legal remedies available to the City and shall not be considered to be the City's exclusive remedy.

Section 7.09 NO WAIVER OF SOVEREIGN IMMUNITY

Nothing in this Article shall be deemed a change or modification in any manner whatsoever of the method, conditions, limitations, or restrictions of preserving, asserting, or enforcing any claim or legal liability against the City. This Article shall in no way be construed as a waiver, in whole or in part, of the City's sovereign immunity under the Constitution, statutes and case law of the State of Florida.

END OF ARTICLE

ARTICLE 8. COMMON PORT FACILITIES; INSPECTION OF FACILITIES

Section 8.01 USE OF COMMON FACILITIES

The City hereby grants to the Tenant, and to the Tenant's agents, employees, customers, guests, and invitees, the following general, nonexclusive privileges, uses, and rights, subject to the Rules and Regulations, the payment of all applicable fees and charges, and the terms, conditions, and covenants of this Lease:

(a) The general use by the Tenant of all Common Port Facilities outside the Port's security perimeter as defined in the Department of Homeland Security-approved Port of Pensacola security plan.

(b) The right of ingress to and egress from the Leased Premises over and across public roadways and public parking serving the Port for the Tenant, its agents, employees, customers, guests, invitees, suppliers of services, furnishers of materials, and permitted sublessees/sublicensees.

The privileges, uses, and rights granted or permitted under this Article shall be exercisable only if and to the extent necessary in connection with the Tenant's business on the Leased Premises permitted under Article 4 above.

Section 8.02 COMPLIANCE

The rights and privileges granted pursuant to Section 8.01 above shall be exercised subject to and in accordance with all laws (including without limitation all Environmental Laws), ordinances, Rules and Regulations, and Port policies of the United States, the State of Florida, Escambia County, the City of Pensacola and the Port, including without limitation the rules and regulations promulgated with reference to navigation, security, and all applicable charter provisions, rules, regulations, and ordinances of the City, now in force or hereafter prescribed or promulgated by charter authority or by law.

Section 8.03 INSPECTION OF FACILITIES AND CAPITAL IMPROVEMENTS

The City reserves the right to enter the Leased Premises during normal business hours with three (3) business days prior notice to the Tenant, unless in the event of an emergency in which event no prior notice is required, for the purpose of inspecting same or verifying that Environmental Laws, fire regulations, safety regulations, and other applicable laws, rules and regulations, as well as the provisions contained in this Lease, are being adhered to by the Tenant. During its presence in the Leased Premises, the City shall make reasonable efforts to avoid undue interference with the Tenant's operations.

END OF ARTICLE

ARTICLE 9. ACCEPTANCE AND CONDITION OF LEASED PREMISES

PRIOR TO ACCEPTANCE BY TENANT, THE CITY SHALL CAUSE TO BE REMOVED ALL PROPERTY, TRASH, REFUSE, OR REMANTS OF ACTIVITIES THAT OCCURRED ON THE LEASED PREMISES PRIOR TO THE COMMENCEMENT OF THE LEASE TO INCLUDE ACTIVITIES SUCH AS SANDBLASTING AND STORAGE. THE CITY SHALL TURN OVER THE LEASED PREMISES TO THE TENANT "BROOM CLEAN" AND FREE OF ANY KNOWN ENVIORNMENTAL CONTAMINANTS.

FROM THE TENANT SHALL HAVE THREE MONTHS TO INSPECT AND EXAMINE ALL OF THE LEASED PREMISES, INCLUDING WITHOUT LIMITATION THE FACILITIES AND ALL OTHER BUILDINGS, STRUCTURES, IMPROVEMENTS, FACILITIES, AND INFRASTRUCTURE TO DETERMINE IF THEY ARE SUITABLE FOR TENANT'S PURPOSES. THE PARTIES AGREE THAT THIS LEASE IS GRANTED BY THE CITY, AT THE TENANT'S REQUEST, AND THAT THE LEASED PREMISES AND ALL PORTIONS THEREOF SHALL BE AND HEREBY ARE ACCEPTED BY THE TENANT IN THEIR "AS IS" CONDITION. IF UPON FURTHER EXAMINATION AND INSPECTION THE TENANT DOES NOT BELIEVE THE PREMISES ARE SUITABLE FOR ITS INTENDED PURPOSE IT MAY CANCEL THIS LEASE ANYTIME WITHIN SIX MONTHS OF THE COMMENCEMENT DATE; OTHERWISE, THE TENANT SHALL BE DEEMED TO HAVE ACCEPTED THE PROPERTY IN ITS "AS IS" CONDITION.

THE TENANT HEREBY ACKNOWLEDGES AND AGREES THAT THE CITY LEASES THE LEASED PREMISES, INCLUDING ALL PORTIONS, PARTS, AND COMPONENTS THEREOF, TO THE TENANT, AND THE TENANT ACCEPTS THE LEASED PREMISES, AS IDENTIFIED IN EXHIBIT A OF THIS LEASE, FROM THE CITY, "AS IS, WHERE IS AND WITH ALL FAULTS" AS IDENTIFIED BY THE CITY, EXPRESS OR IMPLIED, WRITTEN OR ORAL, OF ANY KIND WHATSOEVER, AND SUBJECT TO ALL DEFECTS, LATENT AND PATENT. THE CITY SHALL HAVE NO OBLIGATION WHATSOEVER TO REPAIR, MAINTAIN, RENOVATE OR OTHERWISE INCUR ANY COST OR EXPENSE WITH RESPECT TO THE LEASED PREMISES OR ANY PORTION THEREOF UNLESS AND EXCEPT AS EXPRESSLY SET FORTH IN THIS LEASE.

UPON THE EXPIRATION OF THREE MONTHS FROM THE COMMENCEMENT DATE OF THE LEASE, SUBJECT TO EXTENSION FOR A FORCE MAJEURE EVENT, THE TENANT'S CONTINUED POSSESSION OF THE LEASED PREMISES SHALL BE CONCLUSIVE EVIDENCE OF THE TENANT'S ACCEPTANCE THEREOF IN AN "AS IS" CONDITION AND THAT THE TENANT DEEMS THE LEASED PREMISES SUITABLE FOR THE PURPOSES FOR WHICH THEY ARE BEING LEASED.

THE CITY MAKES NO REPRESENTATIONS REGARDING THE CONDITION OF THE LEASED PREMISES AND NO PROMISES TO IMPROVE THE SAME. ANY SUCH REPRESENTATIONS OR PROMISES PREVIOUSLY MADE, IF ANY, SHALL NOT BE BINDING UPON THE CITY UNLESS EXPRESSLY CAPTURED AND DETAILED IN THIS LEASE AGREEMENT.

END OF ARTICLE

ARTICLE 10. CONSTRUCTION BY THE TENANT

Section 10.01 GENERAL REQUIREMENTS

The Tenant shall not construct, alter, remodel, renovate, remove, or demolish improvements on the Leased Premises without the prior written approval of the City, which approval shall not be unreasonably withheld, conditioned or delayed; minor non-structural modifications by the Tenant that are in due course of its operations within the Lease Premises, excepted. The Tenant shall further have the right to install and or construct any free-standing improvements within the Leased Premises it wishes provided same are properly permitted.

In the event that the Tenant desires to construct, alter, remodel, renovate, remove, or demolish any improvements on the Leased Premises, it shall submit to the Port Director plans and specifications and a construction time schedule for such work prepared by Florida-registered architects and engineers, such other information and documents as may be required by the Port Director, all of which shall be in sufficient detail for the Port Director, to determine, whether or not the proposed work is consistent with the Tenant's use of the premises as defined in Section 4.01. But in any event, the approval of proposed construction, remodel, renovation, removal or any other improvements for the Tenant business shall not be unreasonably withheld, conditioned or delayed, provided the proposed work is deemed to be consistent with Section 4.01 of this Lease. Upon pre-approval of reasonable estimated expenses as further described below, the Tenant will reimburse the City upon demand for the out-of-pocket expenses incurred by the City to review and act upon the Tenant's request, which expenses may include without limitation the fees and expenses of architects, engineers, attorneys and other professionals. Prior to engaging professionals or incurring other expenses, the City shall provide an estimate of those costs to the Tenant, and should the Tenant wish to continue its request, then the Tenant must approve of the expenses estimated to be incurred prior to incurring any responsibility for City's costs. The Port Director, acting on behalf of the City, shall have a total of thirty (30) days to provide written approval or disapproval of such work.

The Tenant shall not commence any such work unless and until the City, through the Port Director, has given its written approval of such work, and the Tenant has provided to the Port Director any payments, bonds and/or securities as required herein below.

Tenant shall be solely responsible for payment of all hard and soft costs of such work, including but not limited to modifications to the security perimeter as part of Tenant's Capital Improvements, which must be in compliance with all state and federal laws and regulations, and, prior to commencement of any work on the Leased Premises, Tenant shall provide Lessor with reasonably satisfactory evidence of Tenant's ability to pay the costs of such work as and when due. Further, Tenant shall be solely responsible for payment of all hard and soft costs of such work as may be required from time to time to remain in compliance with all applicable state and federal laws and regulations.

Further, prior to the commencement of any such work, the Tenant shall procure and provide to the Port Director any and all additional approvals of such work and/or the plans and specifications for such work required by any federal, state, water management district, county, or municipal government, or authority, agency, officer, department, or subdivision thereof, having jurisdiction

with respect to such work, and shall obtain and provide to the Port Director any and all requisite development, building and construction licenses, orders, permits, and approvals.

The Tenant shall be solely responsible for obtaining and paying the costs of obtaining all required licenses, orders, permits, and approvals for such work.

All such work shall conform to the plans and specifications, construction timetable and other documentations submitted to the City by the Tenant; all conditions and requirements imposed by the City as a condition of its approval, including but not limited to applicable federal, state, and local laws, codes, ordinances, rules, and regulations, including but not limited to the Rules and Regulations and the federal Americans with Disabilities Act and regulations thereunder. In no event shall the approval of the City required by this Article be deemed to be any acknowledgement by the City that such work or any plans, specifications, or other information or documentation submitted to the City complies or will comply with applicable laws, codes, ordinances, rules, and regulations, other than those of the City of Pensacola, and shall not relieve Tenant from obtaining all required governmental authorizations, permits and approvals, including but not limited to authorizations, permits and approvals required by the ordinances, codes, rules and regulations of the City of Pensacola, all of which shall be obtained prior to the commencement of such work. Further, the City, by giving its approval of such work, assumes no liability or responsibility therefor or for any defects in such plans and specifications or for any defects in any of such work.

Upon the commencement of any work permitted under this Article, Tenant shall thereafter diligently and continuously prosecute such work to completion within a reasonable time. Tenant shall cause all work on the Leased Premises to be performed and constructed by appropriately licensed contractors, with high quality, new materials, in a good and workmanlike manner, and pursuant to valid building permits. All Capital Improvements (expressly excluding, however, movable office furniture and trade fixtures, and trade equipment) installed or constructed on the Leased Premises by the Tenant shall be deemed to be the sole property of the Tenant during the term of this Lease. Upon the Expiration Date or early termination, all Capital Improvements shall remain upon and be surrendered with the Leased Premises. Tenant shall indemnify, defend and hold Lessor free and harmless from and against any and all liabilities, claims, demands, lawsuits, administrative proceedings, loss, and damages or any kind, including but not limited to attorneys' fees and costs, arising out of any work done or material supplied to the Leased Premises by or at the request of Tenant.

Prior to commencement of any work on the Leased Premises for a total cost (both hard and soft costs, as estimated by the City) in excess of One Hundred Thousand and NO/100 Dollars (\$100,000.00), Tenant shall provide to the Lessor payment bonds obtained by each general or subcontractor of Tenant ensuring performance of that general contractor's obligations under the construction contract between that general contractor and the Tenant and payment of that contractor's subcontractors and suppliers with respect to the construction, alteration, removal or demolition of any Capital Improvements. Each of the bonds must (i) be issued by a Qualified Surety (hereinafter defined), be in form and substance satisfactory to the Lessor, (iii) run in favor of the Lessor, (iv) be in the amount of the total cost of constructing, altering, removing or demolishing, as the case may be, the Capital Improvements as approved by the Lessor, as such cost is stipulated in the construction contract between the Tenant and its general contractor, and (v) conform to the

provisions of Section 255.05, Florida Statutes, whether or not such statute applies to such work, and any other statutory requirements. A “Qualified Surety” is a corporate surety or insurer authorized to do business, and to issue bonds for construction payment and performance, in the State of Florida and possessing a rating of A/VIII or better in A.M. Best’s Insurance Reports.

Upon completion of all renovations, construction, alterations, or Capital Improvements on the Leased Premises, the Tenant shall provide to the Port Director an accurate and complete conformed set of “as built” plans and specifications, certified by the appropriate contractor(s) and design professional(s), and a copy of the government-issued Certificate of Occupancy, if required for such work.

Section 10.02 CONSTRUCTION REQUIREMENTS

Immediately upon receipt of all approvals by the City required by this Lease and all permits and approvals required by all federal, state, and local governmental units and agencies having jurisdiction, the Tenant shall proceed with construction of said Capital Improvements. Work shall not be performed on days or at times other than those approved in writing by the Port Director, which approval shall not be unreasonably withheld, conditioned or delayed to afford Tenant regular access and opportunity to timely complete its construction.

The Tenant shall construct all Capital Improvements and additions to the Leased Premises at its own expense. Although the City has the right to review proposed improvement plans, and not approve the plans if the plans are inconsistent with the Tenant’s use of the Leased Premises, and construction quality and design control within the norms of the proposed construction or improvements, pursuant to the standards set forth above, if the City does approve the improvement plans, and the Tenant thereafter constructs the improvements, the Capital Improvements shall be commissioned and constructed at the Tenant’s sole initiative and behest, and nothing herein shall be construed as an authorization by City to the Tenant to construct the Capital Improvements, or as an agreement by City to be responsible for paying for the Capital Improvements, and neither the Leased Premises, including those Capital Improvements constructed in compliance with Section 4.01 herein, nor the City’s interest in said Leased Premises, shall be subjected to any construction lien for any Capital Improvements constructed by the Tenant hereunder.

Should the Tenant construct Capital Improvements, alterations, or additions without fulfilling its obligations hereunder, the Tenant shall remove said Capital Improvements, alterations, or additions if so directed by the City, and shall do so at its own expense and within the time limits specified.

The City shall, at any period during construction of the Tenant’s Capital Improvements, alterations, or additions, have the right, but not the obligation, to inspect any or all construction work, workmanship, material and installation involved in, or incidental to, the construction or installation of the Capital Improvements, alterations, or additions, for conformance with the applicable standards set forth in this Lease and within normally acceptable industry practices, provided that such inspection shall not include internal work that is exclusively of an operations (non- structural) nature, and provided further that no such inspections shall be deemed to constitute consent to or approval of any such work.

Upon substantial completion of Tenant’s initial construction, renovations, and Capital

Improvements, and upon completion of any future major permanent renovations or Capital Improvements, the Tenant shall provide the City a complete set of “as-built” project specifications and drawings.

END OF ARTICLE

ARTICLE 11. LIENS PROHIBITED

Notwithstanding any other provision of this Lease, the City's fee simple estate and interest in the Leased Premises shall not be subject to any lien, statutory or otherwise, by reason of any Capital Improvements constructed or altered upon, removed from, or demolished on the Leased Premises or work, labor, services or materials performed upon or supplied to the Leased Premises, by or upon the order or request of the Tenant or its agents, employees or contractors, or any permitted sublessee of the Tenant, or anyone acting by, through or under the Tenant. The Tenant shall include written notice of the foregoing in all contracts for the furnishing of labor, services or materials to or on the Leased Premises. All persons performing labor or service or furnishing materials to the Leased Premises on the order of the Tenant must look solely to the Tenant for payment. The Tenant shall keep the Leased Premises and Capital Improvements free from any construction liens, mechanics liens, vendors liens or any other liens or claims arising out of any work performed, materials furnished or obligations incurred by or at the request of the Tenant or its employees, contractors, or anyone acting by, through or under the Tenant, all of which liens and claims are hereby expressly prohibited, and the Tenant shall defend, indemnify and hold the City harmless from and against any such lien or claim or action thereon, together with costs of suit and reasonable attorneys' fees and costs incurred by the City in connection with any such lien, claim or action. The City may, at any time, post appropriate notices of non-responsibility on the Leased Premises or the Land, and in the public records.

END OF ARTICLE

ARTICLE 12. MAINTENANCE AND REPAIR

Section 12.01 **TRIPLE NET LEASE**

This Lease constitutes a triple net lease of the Leased Premises and, notwithstanding any language herein to the contrary, it is intended and the Tenant expressly covenants and agrees that all Base Rent, and other payments herein required to be paid by the Tenant to the City shall be absolutely net payments to the City, meaning that, during the Lease Term, the City is not and shall not be required to expend any money or do any acts or take any steps affecting or with respect to the use, occupancy, operation, maintenance, preservation, repair, restoration, protection, or insuring of the Leased Premises, or any part thereof, notwithstanding any contrary provision in this Lease.

Section 12.02 **TENANT RESPONSIBILITIES**

Notwithstanding the provisions of any previous lease of any of the Leased Premises or any previous course of dealing, course of performance, or understanding between the City and the Tenant, the Tenant shall, throughout the Lease Term of this Lease, be solely and entirely responsible for all costs and expenses for, related to or arising out of the use, operation, repair, maintenance and replacement of the Leased Premises, including but not limited to, the Facilities, all buildings, improvements, pavement, fencing, landscaping, irrigation, foundations, utility lines, doors, locks, windows, ceilings, partitions, walls, interior and exterior lighting, roofs, drainage installations, curbs, islands, sidewalks, driveways, any designated exclusive parking areas, and improvements thereon and all components thereof, whether such repair, maintenance or replacement be ordinary, extraordinary, structural, or otherwise. Additionally, without limiting the foregoing, the Tenant shall:

(a) At all times perform commercially reasonably routine maintenance and preventive maintenance of the Leased Premises, the Facilities, and all buildings, improvements, and pavement on the Leased Premises and all components thereof and maintain all of the foregoing in a good and clean condition, repair and preservation;

(b) Replace or substitute any fixtures, equipment and components that have become inadequate, obsolete, worn out, unsuitable, or undesirable with replacement or substitute new fixtures, equipment and components of equal or greater value, free of all liens and encumbrances, that shall automatically become a part of the buildings and improvements;

(c) At all times keep the Leased Premises' grounds, pavement and exterior of the Leased Premises, its buildings and improvements, fixtures, landscaping, equipment, and personal property in a maintained, clean, and orderly condition and appearance;

(d) Provide, and maintain in good working order, all obstruction lights and similar devices, fire protection and safety equipment, and all other equipment of every kind and nature required by applicable laws, rules, orders, ordinances, resolutions, or regulations of any competent authority, including the City and the Port Director, provided that such rules, regulations, and ordinances shall be applicable in a non-discriminatory manner to all similarly situated parties;

(e) Observe all insurance regulations and requirements concerning the use and

condition of the Leased Premises for the purpose of reducing fire hazards and increasing the safety of the Tenant's operations on the Port;

(f) Repair any damage to paving or other surfaces of the Leased Premises or the Port caused by the Tenant, its employees, agents, sublessees, licensees, contractors, suppliers, guests or invitees as the result of any oil, gasoline, grease, lubricants, flammable liquids, or substances having a corrosive or detrimental effect thereon or as the result of any cause whatsoever; but in no event shall this relieve the City of its' obligations to maintain the land not a portion of the Leased Premises in good working order for the operations of the Tenant's business as defined in Section 2.01;

(g) Comply with the Port's Storm Water Pollution Prevention Plan and plan and take measures to prevent erosion;

(h) Be responsible for the maintenance and repair of all utility services lines upon and serving the Leased Premises, including, but not limited to, water and gas lines, electrical power and telephone conduits and lines, sanitary sewers, and storm sewers;

(i) Keep and maintain all vehicles and equipment operated on the Port by the Tenant in safe condition, good repair, and insured, as required by this Lease;

(j) Replace broken or cracked plate glass, paint/repaint structures upon the Leased Premises, regularly mow all grass within the Leased Premises, and weed and maintain any landscaping planted or installed by the Tenant on the Leased Premises; and

(k) Provide and use suitable covered metal receptacles for all garbage, trash, and other refuse; assure that boxes, cartons, barrels, or similar items are not piled in an unsightly, unsafe manner on or about the Leased Premises; provide a complete and proper arrangement, satisfactory to the Port Director, for the adequate sanitary handling and disposal away from the Port, of all trash, garbage, and refuse resulting from operation of the Tenant's business.

(l) Prior to the commencement of the first Extension Term of this Lease and as a condition to such extension, upon providing written notice of an intent to renew, the Tenant shall further provide evidence to the City expenditures of not less than \$2,000,000.00 for "Tenant Responsibilities" as described in this section over the course of the initial Lease Term, to include a demonstration that reasonably adequate tourism dollars have been generated as a result of these expenditures to provide continuing incentive to the City of Pensacola to continue to lease the property to Tenant. As a condition for renewal at each subsequent Extension Term, Tenant shall demonstrate cumulative investment of not less than an additional \$2,000,000.00 and a reasonably adequate generation of tourism dollars as a result of the Tenant's operations at the Leased Premises; alternatively, if the condition stated above cannot be satisfied at the second, third, or fourth Extension Term renewal, or any of them, the Extension Term may be granted so long as Tenant agrees to pay Base Rent at the prevailing market rate as determined by a broker's opinion of value or other generally accepted method to determine the then current fair market value of the Leased Premises not including the value of the Tenant's Capital Improvements.

Section 12.03 SAFE, CLEAN AND ORDERLY OPERATION

During the term of this Lease, the Tenant agrees to maintain all portions of the Leased Premises, and any improvements, alterations, or additions thereon, in a safe, clean, and neat condition, and not permit any accumulation of wreckage, debris, or trash. The Tenant agrees to provide for complete, proper and adequate sanitary handling and disposal, away from the Port, of all trash,

garbage, waste and other refuse caused as a result of the Tenant's operations; to provide and use suitable covered metal receptacles, to be approved by the Port Director, for all trash, garbage and other refuse on or about the Leased Premises, and not to pile boxes, cartons, carts, drums, or the like on the outside of the buildings, or dump any waste matter of any nature, in a liquid state or otherwise, on the Leased Premises nor to permit contamination of the Port's stormwater or sanitary sewer systems.

The Tenant agrees to promptly install, without cost or expense to the City, any other device or devices for the handling and disposition of refuse and all manner of waste (liquid or otherwise) as may reasonably be required by the City or the Port Director.

Section 12.04 OTHER SERVICES

At its own expense, the Tenant shall provide interior and exterior painting, janitorial, trash removal and all other services necessary or desirable for the operation of the Tenant's business on the Leased Premises permitted under Article 4 above. The Port provides 24/7/365 controlled gate access to the Port secured restricted area as well as a roving patrol of all land at the Port during normal operating hours. Should the Tenant require specialized security services at its Leased Premises, the Tenant must contract for same separately and may engage any properly licensed security services provider for the provision of same.

Section 12.05 QUARTERLY CONDITION SURVEYS

The Port's Maintenance Superintendent or other Port representative as designated by the Port Director, together with a representative of the Tenant may, at the City's option, inspect the Leased Premises quarterly to observe and note its condition, cleanliness, and existing damage and to determine required repairs and maintenance, provided that such inspections do not materially interfere with the Tenant's use of the Leased Premises. Neither the City's inspection of the Leased Premises nor the City's failure to inspect the Leased Premises shall relieve the Tenant of any of its obligations under this Lease or applicable law.

Section 12.06 PERFORMANCE

In the event that the Tenant refuses or fails to undertake and complete any maintenance, repair or replacements within thirty (30) days after written notice from the Port Director or, in the event of exigent circumstances, such lesser time as the Port Director specifies in such written notice, or for those items that cannot be reasonably cured within 30 days, the Tenant fails to diligently pursue remediation of the failure then and in any such event the City shall have the right, but not the obligation, to perform such maintenance, repair or replacement on behalf of and for the Tenant. The actual costs of such maintenance, repair or replacement, plus twenty-five (25.0%) percent for administration, shall be reimbursed by the Tenant to the City no later than 30 days following receipt by the Tenant of written demand from the City for same.

Section 12.07 UTILITIES

The Tenant shall, at no cost to the City or Port, arrange for all utilities necessary to serve the Leased Premises and promptly pay when due all the utilities costs incurred with respect to the Leased Premises. The Tenant shall pay or cause to be paid any and all charges for water, heat, gas, electricity, sewer, telephone, internet, cable, and any and all other utilities used on the Leased Premises throughout the Lease Term, including, but not limited to, any connection fees and any and all additional third-party costs related to utility connection, metering, maintenance, repair, and usage.

The Tenant shall be responsible for the maintenance and repair of all exterior telephone, internet, cable, water, gas, sewer, and electrical utility lines required for the Leased Premises commencing at the point(s) where said utilities enter upon the Leased Premises. The City shall have no obligations related to said maintenance and repair. The Tenant shall coordinate any required maintenance and repair with the appropriate utility company and the office of the Port Director.

The City reserves to itself the right, at its expense, to install, maintain, repair, replace, or remove and replace water and sewer pipes, electrical lines, cable lines, internet lines, gas pipes, and any other utilities or services located on the Leased Premises as necessary or appropriate, in the City's judgment, to make such utilities available to the City or other tenants, together with the right to enter the Leased Premises at all reasonable times in order to accomplish the foregoing, provided, however, that (i) the City shall not disrupt the operations of the Tenant without prior written approval of the Tenant and shall take reasonable precautions to avoid the disruption of the Tenant's authorized activities; (ii) the alteration and additions after installation do not lessen the utilities previously available to the Tenant; (iii) the City and/or the ultimate user of such utilities will be responsible to repair and maintain such utilities; and (iv) such utilities will be separately metered for different users.

Throughout the Lease Term, the Tenant shall not render any utility lines inaccessible.

Section 12.08 UTILITIES SUPPLY OR CHARACTER

The City shall not be liable in any way to the Tenant for any failure or defect in the supply or character of electrical energy, internet service, cable service, gas, water, sewer, or other utility service furnished to the Leased Premises by reason of any requirement, act, or omission of the City in its capacity as a utility provider or of any public utility providing such service or for any other reason. The City shall have the right to shut down electrical and other utility services to the Leased Premises when necessitated by fire, safety or emergency exigencies, and in advancement of and consistent with the provisions of Section 12.07 herein above whether the need for such utility work arises with respect to the Leased Premises or any other facility at the Port. Whenever reasonable under the circumstances, the City shall give the Tenant not less than five (5) days' prior notice of any such utility shutdown. In no event shall the planned loss of utility services occur during normal manufacturing hours without the express knowledge and written consent of the Tenant. The City shall not be liable to the Tenant for any losses, including the loss of income or business interruption, resulting from any interruptions or failure in the supply of any utility to the Leased Premises whether said utility supply is controlled by the City or by a public utility provider.

END OF ARTICLE

ARTICLE 13. TITLE TO IMPROVEMENTS AND PERSONAL PROPERTY

Section 13.01 **TITLE TO IMPROVEMENTS**

Title to all buildings, structures, pavement, and other improvements presently existing upon the Leased Premises or any part thereof is vested in the City. Capital Improvements made upon the Leased Premises by the Tenant, except those structural improvements constructed in compliance with Section 4.01 herein, shall for financial purposes, be owned and claimed by the Tenant during the term of this lease.

Title to all buildings, structures, pavement, and other improvements not considered to be trade fixtures or personal property of the Tenant constructed or installed on the Leased Premises by the Tenant during the Lease Term, shall become vested in the City immediately and automatically upon completion thereof, without notice to the Tenant or any action by the City.

Section 13.02 **TITLE TO PERSONAL PROPERTY**

Except as otherwise provided in this Section 13.02, all trade fixtures and equipment and other business personal property installed or placed by the Tenant, at its sole expense, in the Leased Premises that can be removed without structural damage to the Leased Premises or any other City-owned property shall remain the property of the Tenant, subject, however, to the provisions of this Section 13.02, unless otherwise provided in subsequent agreements between the Tenant and the City. The Tenant shall have the right at any time during the Lease Term and prior to its expiration or earlier termination of this Lease to remove any and all of said property from the Leased Premises. The Tenant shall promptly repair or pay for all damages, if any, resulting from such removal. All City property damaged by or as a result of removal of the Tenant's property by the Tenant shall promptly be restored at the Tenant's expense to substantially the same condition as it was prior to such damage.

Notwithstanding the foregoing, any and all property not removed by the Tenant prior to the expiration of the Lease Term or the earlier termination of this Lease shall become a part of the land upon which it is located and title thereto shall automatically vest in the City with prior written notice to the Tenant within ten (10) days of suggested transfer of ownership. The City reserves the right to remove and dispose of any or all of such property not removed by the Tenant prior to the expiration of the Lease Term or earlier termination of this Lease, without any liability or obligation to the Tenant.

The provisions of this Section shall survive the expiration of the Lease Term or earlier termination of this Lease, as the case may be, and shall be fully enforceable by the City against the Tenant notwithstanding the termination of this Lease.

END OF ARTICLE

ARTICLE 14. ENVIRONMENTAL COMPLIANCE

Section 14.01 ENVIRONMENTAL LAWS

The Tenant shall, at all times, abide by all Environmental Laws applicable to, concerning, or arising from the Tenant's actions or inactions resulting directly or indirectly from its occupancy, use, or lease of the Leased Premises, including, without limitation, state and federal laws regulating storm water runoff contamination and pollution prevention, numeric nutrient criteria requirements, state and federal laws regulating soil, water, and groundwater quality, and state and federal laws regulating air quality. Prior to the Rent Commencement Date, the Tenant shall identify in writing to the Port Director and its Fire Department all Hazardous Substances that are or may be used in the course of its occupation of the Leased Premises. This list shall be updated by Tenant in March of each year and include quantities of materials stored on the Leased Premises. The City shall have the right to inspect the Leased Premises at any reasonable time to ensure compliance with Environmental Laws and the provisions of this Article.

The City, acting through its Port Director, has the right to limit the amount of Hazardous Substances used and stored on the Leased Premises that are not reasonably used in the course of manufacturing for the authorized purposes herein.

The Tenant shall comply with the Port's Storm Water Pollution Prevention Plan and all amendments thereto irrespective of whether it has its own Storm Water Pollution Prevention Plan.

The Tenant shall not, directly or indirectly, allow the disposal or discharge of Hazardous Substances on the Leased Premises or other Port property, but in no way does this prohibit material to be properly stored in the Leased Premises consistent with the proposed use of the Leased Premises and consistent with all applicable laws governing storage of same.

The Tenant shall be solely responsible for the payment of any and all fines, fees, penalties, assessments or citations issued as a result of the Tenant's failure to comply with applicable environmental laws whether such fine, fee, penalty, assessment or citation be issued to the Tenant directly or the City or Port as the property owner.

Section 14.02 ENVIRONMENTAL CONDITIONS

The City represents and warrants to its actual knowledge without independent investigation that:

- (i) it has not received any notice of violation of any Environmental Laws with respect to the Leased Premises.
- (ii) it has not been a party to any actions, suits, proceedings or damage settlements related in any way to contamination in, upon, over or from the Leased Premises; and
- (iii) the Leased Premises is not listed in the United States Environmental Protection Agency's National Priorities List of Hazardous Waste Sites, CERCLIS, or any other list of hazardous sites maintained by any federal, state or local government agency; and
- (iv) the Leased Premises contains traces of sandblasted paint which may qualify as a Hazardous Substance as defined herein, and asbestos (collectively, the "Known Environmental Conditions").

Section 14.03 REMEDIATION OF ENVIRONMENTAL CONDITIONS

If, following the vacating, abandonment or surrender of the Leased Premises or any portion thereof by the Tenant, an assignee or a sublessee, the City has reason to believe any contamination of the Leased Premises occurred during the Lease Term (expressly excluding the Known Environmental Conditions), the City may at its own cost and expense undertake any environmental site assessment(s) need to verify the existence and extent of any such contamination. Should any contamination attributable to the activities of the Tenant, an assignee or a sublessee be confirmed, the responsible party shall be required to perform any and all assessments, remediation, and/or monitoring activities required by law at its sole cost and expense.

Section 14.04 ENVIRONMENTAL REPORTS

The Tenant promptly shall provide to the Port Director, on an ongoing basis and as updates are required, copies of all Tenant environmental permits and reports related to the Leased Premises, as well as any notices, orders, decrees, citations, or inspection reports issued by environmental regulatory authorities.

Section 14.05 SURVIVAL OF OBLIGATIONS

The obligations of this Article shall survive the expiration, termination, and full or partial assignment of this Lease, as well as the sublease of all or any portion of the Leased Premises.

Section 14.06 NPDES AND SWPPP

The Tenant shall comply with the requirements of the National Pollutant Discharge Elimination System (NPDES) program delegated by the United States Environmental Protection Agency (EPA) to the state of Florida and administered in part by the Florida Department of Environmental Protection (FDEP). The City and the Tenant are required to be covered by a Multi-Sector Generic Permit (MSGP) which is currently identified as “co-located permittees,” and the Tenant shall submit the required Notice of Intent (NOI) to FDEP and provide a copy of the NOI and related Storm Water Pollution Prevention Plans (SWPPP) to the City. The Port Administrative Office maintains copies of the most current SWPPP for tenants. All tenants and users (including the Tenant) are responsible for obtaining and maintaining a current copy of the SWPPP, as well as informing and familiarizing their employees, agents, contractors, and visitors of the SWPPP contents and their responsibilities thereunder. The City has control over the establishment and implementation of all policies relating to storm water associated with port docks and tenant areas, including the Leased Premises. All tenants and users (including the Tenant) shall comply with the most current SWPPP and with the most current Best Management Practices (BMPs) applicable to their facilities and operations contained in the document entitled “Port Pensacola BMPs for Potential Pollutant Sources,” copies of which are available from the Port Director.

END OF ARTICLE

ARTICLE 15. EVENTS OF DEFAULT; REMEDIES; TERMINATION

Section 15.01 **TENANT EVENTS OF DEFAULT**

The occurrence of any one or more of the following events (each such event being referred to in this Lease as an “Event of Default”) shall constitute a material default and breach of this Lease by the Tenant:

- (a) The Tenant fails to make any monetary payment required to be made by the Tenant hereunder, as and when due; or
- (b) The Tenant fails to observe, keep, or perform the terms, covenants, agreements, and conditions of any of Articles 4, 5, 6, 7, 10, 19, or 23, or Section 21 of this Lease; or
- (c) The Tenant fails to observe or perform any covenant, condition or provision of this Lease to be observed or performed by the Tenant, other than as described in subparagraph (a) or (b) above or subparagraphs (d), (e), (f), (g), or (h) below, and such failure shall continue for a period of thirty (30) days after written notice thereof by the City to the Tenant; provided, however, that if the nature of such failure is such that more than thirty (30) days are reasonably required for its remedy or cure, then such 30-day period shall be extended for up to thirty (30) additional days provided that the Tenant begins such remedy or cure within such 30-day period and thereafter diligently and continuously prosecutes such remedy or cure to completion within such additional 30-day period; or
- (d) The Tenant files a voluntary petition in bankruptcy or any petition or answer seeking or acquiescing in any reorganization, rehabilitation, arrangement, composition, readjustment, liquidation, dissolution or other relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or an order for relief is entered in an involuntary bankruptcy case filed against the Tenant; or the Tenant seeks or consents to or acquiesces in the appointment of any trustee, custodian, receiver or liquidator of itself or of all or any part of its assets or any interest therein; or the Tenant shall make a general assignment for the benefit of its creditors; or the Tenant commits any act providing grounds for the entry of an order for relief under any chapter of the federal bankruptcy code; or
- (e) A petition or case is filed against the Tenant seeking any reorganization, rehabilitation, arrangement, composition, readjustment, liquidation, dissolution or other relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, or the appointment of any trustee, custodian, receiver or liquidator of the Tenant or of all or any part of its assets or any interest therein, and such petition, case or appointment is not dismissed within sixty (60) days after such filing or appointment; or
- (f) The Tenant fails to comply with the Port’s Storm Water Pollution Prevention Plan and all amendments thereto; or

(g) The Tenant abandons all or any material part of the Tenant's business on the Leased Premises permitted under Article 4 above or ceases to conduct all or any material part of the Tenant's business at the Leased Premises permitted under Article 4 above for forty-five (45) days during any period of ninety (90) consecutive days; or

(h) The Tenant, its assignees, sublessees, contractors or subcontractors, employs or contracts with or for work or services performed on or from the Leased Premises, any unauthorized alien as described by Section 274(e) of the federal Immigration and Nationalization Act. Failure to comply with this paragraph (h) shall not constitute a material breach by the Tenant, provided the Tenant has undertaken reasonable efforts to ensure compliance with the Act through its practices and policies.

Section 15.02 **REMEDIES.**

Upon the occurrence of any Event of Default, the City may at any time thereafter, with or without notice or demand (except as expressly specified in Section 15.01 above or elsewhere in this Lease), and without limiting the City in the exercise of any right or remedy that the City may have by reason of such Event of Default:

(a) Terminate the Tenant's right to possession of the Leased Premises by any lawful means, in which case this Lease shall terminate and the Tenant shall surrender possession of the Leased Premises to the City within the provisions of the lease termination. In such event, the City shall be entitled to recover from the Tenant all damages incurred by the City by reason of the Tenant's default, including but not limited to the cost of recovering possession of the Leased Premises; cost of repairs for any and all damages to the Leased Premises, ordinary wear and tear excepted; cost of any repairs or improvements required to bring the Leased Premises up to code and obtain an Certificate of Occupancy, if said Leased Premises is left in an untenable state by the Tenant; and the worth at the time of award by the court having jurisdiction thereof of (i) the amount of unpaid Rent and other unpaid amounts under this Lease which had been earned at the time of termination, (ii) the unpaid Rent and other amounts under this Lease which would have been earned after termination until the time of award. The worth at the time of award of the sums referred to in clauses (i) and (ii) above shall be computed by allowing interest from the due date at the greater of five percent (5%) per annum or the legal rate applicable to money judgments entered by the courts of the State of Florida.

(b) Without terminating this Lease, enter and repossess the Leased Premises, remove the Tenant's property and signs therefrom, and re-let or re-use the same for such rent and upon such terms as shall be satisfactory to the City without such re-entry and repossession working a forfeiture of the Rent and other amounts to be paid prior to the lease termination. For the purpose of re-letting or re-use, the City shall be entitled to make any repairs, changes, alterations or additions in or to the Leased Premises that may be necessary or convenient, and the City shall be entitled to recover from the Tenant the cost of repairs for any and all damages to the Leased Premises, ordinary wear and tear excepted; and, cost of any repairs or improvements required to bring the Leased Premises up to code and obtain an Certificate of Occupancy, if said Leased Premises is left in an untenable state by the Tenant.

(c) Maintain the Tenant's right to possession, in which case this Lease shall continue in effect whether or not the Tenant shall have abandoned the Leased Premises. In such event the City shall be entitled to enforce all of the City's rights and remedies under this Lease, including the right to recover Rent and other amounts as they become due hereunder.

(d) Pursue any other remedy now or hereafter available to the City at law or in equity under the laws or judicial decisions of the State of Florida, including without limitation any right or remedy available to a creditor under the Uniform Commercial Code.

Section 15.03 RIGHTS AND REMEDIES OF THE CITY CUMULATIVE

All rights and remedies of the City herein created or otherwise existing or arising at law or in equity by reason of any Event of Default are cumulative, and the exercise of one or more rights or remedies shall not operate to exclude or waive the right to the exercise of any other. All such rights and remedies may be exercised and enforced concurrently. Further, failure by the City to take any authorized action upon the occurrence of an Event of Default shall not be construed to be or act as a waiver of said Event of Default or of any subsequent Event of Default. The City's acceptance of Base Rent, or other amounts or payments by the Tenant for any period or periods after the occurrence of an Event of Default shall not be deemed a waiver of such Event of Default or a waiver of or estoppel to enforce any right or remedy on the part of the City arising or existing by reason of such Event of Default.

END OF ARTICLE

ARTICLE 16. HOLDING OVER

It is agreed and understood that any holding over by the Tenant, with the City's written consent, after the termination of this Lease, shall not serve to renew and extend same, but shall operate and be construed as a tenancy from month-to-month, subject to all terms and conditions of this Lease, including without limitation all Rent provisions.

Should the Tenant hold over without the City's written consent, the Tenant agrees to pay to the City, as monthly Rent during such period of holding over, for such Leased Premises for each month until the Tenant completely vacates the Leased Premises, two hundred percent (200%) of the sum of (i) Base Rent payable for the last month of the Lease Term, including without limitation applicable taxes and (ii) all and other fees and charges required by this Lease or by City ordinance to be paid by the Tenant.

The Tenant shall be liable to the City for all loss or damage resulting from such holding over against the City's will after the termination of this Lease, whether such loss or damage may be contemplated at this time or not. It is expressly agreed that acceptance of the foregoing rental by the City, in the event that the Tenant fails or refuses to surrender possession, shall not serve to grant the Tenant any right to remain in possession beyond the period for which such amount has been paid nor shall it constitute a waiver by the City of its right to immediate possession thereafter.

END OF ARTICLE

ARTICLE 17. ASSIGNMENT AND SUBLEASE

Section 17.01 LEASE ASSIGNMENT

The Tenant shall not assign this Lease or the Tenant's interest in or to the Leased Premises, or any part thereof, without first having obtained the City's prior written consent which consent may be given or withheld in the City's sole and absolute discretion; provided, however, that this section is not intended to apply to or prevent the assignment of this Lease, in its entirety, to any corporation or other entity with which the Tenant may merge or to an Affiliate or Subsidiary. Should there be an internal assignment by the Tenant of the lease to an entity that has common ownership or is otherwise an affiliated entity, then no approval by the City is required, but the Tenant shall provide ten (10) days advance notice of the intent to assign. Nothing in this provision shall impair the responsibilities of the Tenant to the City until the City provides approval of the assignment, when required. Without limiting the foregoing, it is a precondition to City review and approval of a requested assignment of this Lease that there shall then exist no uncured Event of Default nor any event or state of facts which with notice or the lapse of time, or both, would constitute an Event of Default.

In the event that the Tenant requests permission to assign this Lease in whole or in part to an unaffiliated entity, the request shall be submitted to the Port Director not less than thirty (30) days prior to the proposed effective date of the assignment requested, and shall be accompanied by a copy of the proposed assignment agreement(s) and of all agreement(s) collateral thereto, together with the following information and any other reasonable and pertinent information requested by the Port Director: the identity and contact information of the assignee, whether the requested assignment is a full or partial assignment of this Lease, the type of business to be conducted on the Leased Premises by the assignee, and reasonable financial history and financial information of the Assignee if the purpose of the Leased premises is to be different than the proposed usage in Section 2.01.

Section 17.02 LEASED PREMISES SUBLEASE

The Tenant is entitled to sublet parts of the Leased Property to complimentary tenants (e.g., retail vendors, ATMs, food and beverage vendors, food trucks, health & wellness providers, travel & promotion services, etc.), provided that the Tenant shall not sublet the Leased Premises or any part thereof, regardless of the time period, without having first obtained the Port Director or the City's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Without limiting the generality of the foregoing, it is a precondition to Port Director or City review and approval of a proposed sublease of the Leased Premises that there shall then exist no uncured Event of Default nor any event or state of facts that with notice or the lapse of time, or both, would constitute an Event of Default.

In the event that the Tenant requests permission to sublet the Leased Premises in whole or in part, except to a Tenant affiliated entity, the request shall be submitted to the Port Director not less than sixty (60) days prior to the proposed effective date of the sublease requested, and shall be accompanied by a copy of the proposed sublease agreement(s) and of all agreement(s) collateral thereto, together with the following information and any other information requested by the Port Director: the identity and contact information of the sublessee, a description of the

part of the Leased Premises to be subleased, a statement of the entire consideration to be received by the Tenant by reason of such sublease (including but not limited to sublease rent and other fees and charges payable by the sublessee), the type of business to be conducted on subleased premises by the sublessee, and reasonable financial history and financial information of the sublessee.

For purposes of this Section 17.02 and Section 17.03 below, “sublease” and related terms shall include, without limitation, any sublease, license, or agreement, regardless of how denominated, that permits a third party to occupy or use all or any part of the Leased Premises other than those persons who use the Leased Premises in the ordinary course of Tenant’s business for the use permitted under Article 4 above.

Section 17.03 CONSUMMATION OF ASSIGNMENT OR SUBLEASE

The City’s consent for the assignment or sublease of the entire Leased Premises for which the City’s consent is required and for which such consent has been given shall be by written instrument, in a form reasonably satisfactory to the Port Director and the City Attorney, and shall be executed by the assignee or sublessee who shall agree, in writing, for the benefit of the City, to be bound by and to perform all the terms, covenants, and conditions of this Lease. Four (4) executed copies of such written instrument shall be delivered to the City. Failure either to obtain the City’s prior written consent or to comply with the provisions of this Lease shall serve to prevent any such transfer, assignment, or sublease from becoming effective and shall constitute an Event of Default by the Tenant.

The Tenant agrees and acknowledges that it shall remain fully and primarily liable for all obligations of any subtenant/sublessee under this Lease, absent a full assignment of this Lease or any sublease of all or any portion of the Leased Premises to which the City consents and agrees; provided, however that Tenant shall remain responsible for payment of all monies due to the City under this Triple Net Lease unless the assignment incorporates the entire Leased Premises.

END OF ARTICLE

ARTICLE 18. DAMAGE OR DESTRUCTION OF LEASED PREMISES; TAKING BY EMINENT DOMAIN

Section 18.01 **LEASED PREMISES -- DAMAGE OR DESTRUCTION**

If at any time during the continuance of this Lease, the Leased Premises shall be so destroyed or so injured by fire or other casualty as to be unfit for full occupancy and use by the Tenant, and such destruction or injury could reasonably be repaired within one hundred eighty (180) days from the date of such destruction or injury, then the Tenant shall not be entitled to surrender possession of the Leased Premises; provided, however, that the Tenant's obligation to pay Rent shall be equitably reduced to the extent of the diminution in use to the Tenant resulting from such destruction or injury until full use and occupancy is restored to the Tenant. The Tenant shall repair the damage with all reasonable speed at least to the extent of the value of the insurance available from all sources and as nearly as possible to the character and quality of the building and improvements existing immediately prior to such occurrence.

If the Leased Premises shall be so destroyed or injured by fire or other casualty that such destruction or injury could not reasonably be repaired within one hundred eighty (180) days from the date of such destruction or injury, the Tenant shall have the option, upon written notice given to the City within thirty (30) days from the date of such destruction or injury, to terminate this Lease, and upon giving of such notice this Lease shall be terminated as of the date of such destruction or injury. In the event the Tenant elects not to terminate this Lease in accordance with the foregoing options, the Tenant shall repair the damage and restore or rebuild the building and improvements as promptly as reasonably possible after the one hundred eighty (180) day period. All insurance proceeds received by the City and/or the Tenant for the loss shall be available to the Tenant for rebuilding with disbursement of said funds following the terms to be agreed upon in writing in advance of any construction.

Notwithstanding the foregoing provisions of this Article, in the event of damage or destruction, as aforesaid, such that fifty percent (50%) or more of the total floor area of the Facility is rendered unfit for occupancy and use by the Tenant during the last three (3) years of the Lease Term, then either Party shall have the option, upon written notice given to the other Party within thirty (30) days from the date of such destruction or injury, to terminate this Lease, and upon the giving of such notice this Lease shall be terminated as of the date of such destruction or injury. In such case, each party shall be entitled to retain the proceeds of any insurance paid to it as a result of the Loss.

Section 18.02 **TAKING BY EMINENT DOMAIN**

In the event that the Leased Premises or any portion thereof shall be taken for public or quasi-public use or condemned under eminent domain, the Tenant shall be entitled to claim or have paid to the Tenant compensation, loss of business facilities or damages, but nothing herein contained shall be construed to prevent the Tenant from asserting against the condemnor any separate claim for damages to the Tenant occurring by reason of said condemnation, including without limitation loss or damage to leasehold improvements, personal property, business, fixtures, goodwill, cost of removing fixtures or equipment or loss of future profits.

In the event of any such taking or condemnation referred to in the preceding paragraph, then if and when there is an actual taking, in whole or in part, of physical possession of the Leased Premises which shall render the Leased Premises unfit for the use and occupancy by the Tenant substantially as used and occupied prior to such taking, the Tenant may terminate this Lease. The Leased Premises shall be deemed to be unfit for use by the Tenant if the area of the portion thereof remaining after such taking is less than sufficient to accommodate the operations carried on by the Tenant just prior to such taking. If the Tenant elects to terminate this Lease as provided above, it shall give written notice to the City within thirty (30) days after the later of (a) the entry of the final order of court authorizing the taking or appropriation or the date of settlement, as the case may be, or (b) the taking of physical possession by the condemner.

END OF ARTICLE

ARTICLE 19. FEDERAL, STATE, AND LOCAL REGULATIONS

Section 19.01 COMPLIANCE WITH RULES AND REGULATIONS

The Port Director is charged with administering the provisions of this Lease, and is authorized from time to time to promulgate and enforce such Rules and Regulations and policies as the Port Director deems necessary, provided neither will prohibit Tenant from using the Leased Premises for the Permitted Use provided for herein. All such Rules and Regulations and policies so promulgated shall not be inconsistent with any legally authorized rule or regulation of any federal or State of Florida agency, which is binding in law on the Tenant, as the same now are or may from time to time be amended or supplemented, nor inconsistent with the reasonable exercise by the Tenant of any right or privilege granted under this Lease.

The Tenant shall not, and the Tenant shall not suffer or permit any of its officers, representatives, agents, employees, guests, patrons, contractors, subcontractors, licensees, subtenants, invitees, or suppliers to, violate or to cause another person to violate any of the Rules and Regulations.

Section 19.02 COMPLIANCE WITH LAW

The Tenant shall not use the Port or any part thereof, or knowingly permit the same to be used by any of its employees, officers, agents, subtenants, contractors, invitees, or licensees for any illegal purposes.

At all times during the Lease Term, the Tenant shall, in connection with its activities and operations at the Port:

Comply with and conform to all applicable current and future statutes and ordinances, and regulations promulgated thereunder, of all federal and State of Florida agencies of competent jurisdiction that apply to or affect, either directly or indirectly, the Tenant or the Tenant's operations and activities under this Lease. Without limiting the generality of the foregoing, the Tenant shall comply with the United States of America, United States Department of Homeland Security, United States Citizenship and Immigration Services E-Verify in order to implement the legal requirements of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, as amended, and with all applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101), as may be amended from time to time, and federal regulations promulgated thereunder that may be applicable as a result of activities conducted by the Tenant.

Subject to the prior written approval of the Port Director, make, at its own expense, all Capital Improvements, repairs, and alterations to the Leased Premises and all buildings and improvements thereon and to its equipment and personal property that are required to comply with or conform to any of such statutes, ordinances, or regulations.

Regarding the City, be and remain an independent contractor with respect to all installations, construction, and services performed by or on behalf of the Tenant hereunder.

The Tenant, for itself and its successors and assigns, shall, and does hereby, covenant and

agree to FULLY AND FOREVER RELEASE, INDEMNIFY, DEFEND, and HOLD HARMLESS the City and its elected officials, employees, officers, directors, volunteers, and representatives, individually and collectively, from and against any and all penalties, fines, and demands of any kind (including but not limited to costs of investigation, attorneys' fees, court costs, and expert fees) arising out of the Tenant's acts or omissions resulting in any alleged violation of any rule, regulation, statute, order, directive, or mandate of the United States, the State of Florida, Escambia County, or the City of Pensacola.

Section 19.03 COMPLIANCE WITH ENVIRONMENTAL LAWS

At all times during the Lease Term, the Tenant shall not cause, permit or allow any Hazardous Substances to be placed, stored, dumped, dispensed, released, discharged deposited, used, transported or located on any portion of the Premises; provided, however, that quantities of such Hazardous Substances may be used or stored by Tenant on the Leased Premises in the ordinary course of business on the condition that such quantities and the use thereof are:

- (a) Identified in the Hazardous Substances listing described in Section 14.01,
- (b) Permitted by or are exempt from applicable governmental regulations, and
- (c) Are transported, stored and utilized in accordance with applicable governmental regulations and the best practices of the Tenant's industry.

To the extent caused by or resulting from the acts of the Tenant, its agents, servants, employees, or contractors, Tenant agrees that it shall, to the extent necessary to bring the Leased Premises into compliance with any and all applicable Environmental Laws regarding Hazardous Substances and clean-up thereof, investigate and promptly (but in any event within the time period permitted by applicable Environmental Laws) clean up Hazardous Substances found in, on, under, around, or within any portion of the Leased Premises and, with respect to such matters as described herein for which Tenant is responsible, to remediate the Leased Premises, and to pay for all reasonable clean-up and remediation costs at no cost to the City. All clean-up and remediation shall be performed to meet pre-existing conditions, and in no instance shall clean-up or remediation or related agreements with state or federal regulators include restrictions placed on the use of the Leased Premises or any part thereof.

Tenant shall perform Environmental Reporting required under this Section as described in Section 14.04.

Section 19.04 LICENSES AND PERMITS

The Tenant shall obtain in a timely manner and thereafter maintain in full force and effect during the Lease Term all licenses, permits and other approvals required by the federal, state, county, and municipal authorities in order to engage in the Tenant's business on the Leased Premises as permitted under Article 4 above, and consistent with Section 2.01.

END OF ARTICLE

ARTICLE 20. TAXES

Section 20.01 **PAYMENT OF TAXES**

The Tenant shall pay all taxes that may be levied upon, assessed, or charged the Tenant or its property located on the Port by the United States, the State of Florida or any of its political subdivisions, or Escambia County or the City, and shall obtain and pay for all licenses and permits required by law.

Section 20.02 **REAL PROPERTY TAXES**

The Tenant shall be responsible for all real property taxes applicable to the Leased Premises during the Lease Term. If any such taxes paid by the Tenant shall cover any period of time prior to or after the expiration of the Lease Term, the Tenant's share of such taxes shall be equitably prorated to cover only the period of time within the tax year during which this Lease shall be in effect, and the City shall reimburse the Tenant to the extent required. If the Tenant shall fail to pay any such taxes, the City shall have the right, but not the obligation, to pay the same, in which case the Tenant shall repay such amount to the City with the Tenant's next Base Rent installment, together with interest at the highest rate allowed by law.

Section 20.03 **DEFINITION**

As used herein the term "real property tax" shall mean all ad valorem and non-ad valorem taxes and assessments (including interest and penalties thereon) which are imposed against any legal or equitable interest of the City or the Tenant in the Leased Premises or any portion thereof by the City, Escambia County or the State of Florida or by any school, agricultural, lighting, fire, mosquito control, water, drainage or other improvement, benefits or tax district thereof, and which are collected by the Escambia County, Florida, Tax Collector, together with any tax imposed in substitution, partially or totally, of any tax previously included within the definition of "real property tax" and any additional tax the nature of which was previously included within the definition of "real property tax".

Section 20.04 **CONTEST**

The Tenant may contest the legal validity or amount of any taxes, assessment, or charges for which the Tenant is responsible under this Lease, and may institute such proceedings as the Tenant considers necessary. If the Tenant protests any such tax, assessment or charge, the Tenant may withhold or defer payment or pay under protest but shall indemnify and hold the City and the Leased Premises harmless from and against any claim or lien against the City or the Leased Premises arising out of the Tenant's failure to pay the contested taxes, assessments or charges.

Section 20.05 **PERSONAL PROPERTY TAXES**

The Tenant shall pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property of the Tenant contained in the Leased Premises. When possible, the Tenant shall cause said trade fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the Land and Leased Premises. If any of the Tenant's said personal property shall be assessed with the Land

or Leased Premises, the Tenant shall pay the taxes attributable to the Tenant within ten (10) days prior to the delinquency date for payment of such taxes.

END OF ARTICLE

ARTICLE 21. ENCUMBRANCE OF LEASEHOLD ESTATE AND NOTICE TO MORTGAGEES

Tenant shall not encumber by mortgage or other security instrument, by way of collateral assignment, or otherwise, Tenant's interest in this leasehold estate without the prior written consent of City.

Provided that City has given its prior written consent to such encumbrance and that Tenant's lender who has been granted a lien on or security interest in the Tenant's leasehold estate in the Leased Premises ("Lender") has provided City written thereof, including Lender's address for receipt of notices:

(a) Lender shall have the right:

1. To do any act or thing required of Tenant hereunder and all such acts or things done and performed shall be as effective to prevent a forfeiture of Tenant's rights hereunder as if done by the Tenant; and
2. To realize on the security afforded by the leasehold estate by exercising foreclosure proceedings or power of sale or other remedy afforded in law or in equity or by the security documents (hereinafter sometimes collectively referred to as "foreclosure sale") or to acquire by deed-in-lieu, and to transfer, convey, or assign the title of Tenant to the leasehold estate created hereby to any purchaser at any such foreclosure sale or transfer from Lender if Lender acquires by a deed-in-lieu and to acquire and succeed to the interest of Tenant hereunder by virtue of any such foreclosure sale or deed-in-lieu.

(b) In the event of a default by the Tenant under this Lease, the rights of City may not be exercised until written notice of such default is delivered to Lender, or to the person or firm designated by any such Lender, by written notice to City, to accept such notices, and any applicable cure period has expired. Lender shall have the same notice and cure rights as are provided to Tenant under this Lease, except that Lender shall have the right to cure a monetary default as described in Section 17.01(a) within ten (10) days from delivery of said notice.

(c) Lender shall not be liable to the City as an assignee of this Lease unless and until such time as such Lender shall acquire the rights of Tenant hereunder through foreclosure or other appropriate proceedings in the nature thereof, or by deed-in-lieu, or as a result of any other action or remedy provided for by such mortgage, or which may otherwise be provided by law.

(d) No modification or voluntary surrender by the Tenant of this Lease shall be made without the consent of Lender if Lender has requested such authority to consent by written notice delivered to City.

(e) The City agrees to provide an estoppel certificate upon written request of Lender acknowledging that (to the extent true and noting any exceptions) this Lease is in full force and effect; that there are no defaults that exist under the Lease; that the Rent is current; and such other matters as Lender may reasonably require.

(f) Notwithstanding the foregoing, the ultimate transferee of Tenant's leasehold estate under the Lease, in the event of foreclosure, deed-in-lieu or otherwise, is subject to the written approval of the City, such approval not to be unreasonably withheld, conditioned, or delayed. At a minimum, such ultimate successor must be able to demonstrate sufficient financial ability to conduct the operations permitted under Article 4 above and have at least five (5) years' experience in the operation of a business of a similar size and offering similar services as that conducted by the Tenant under this Lease as permitted under Article 4 above.

END OF ARTICLE

ARTICLE 22. PORT DEVELOPMENT RIGHTS

The City reserves the right to further develop or improve all areas designated as Port property as the City may determine in its sole discretion to be in the best interests of the Port, regardless of the desires or views of the Tenant, and without interference or hindrance from the Tenant, including, but not limited to, the “option property” more particularly described on Exhibit C.

Except as may be required by this Lease or any other agreement between the parties, the City reserves the right, but shall not be obligated to the Tenant, to keep and repair all areas of the Port. All obligations of the City hereunder are subject to annual appropriation. However, this provision shall not excuse the City’s performance of any of its responsibilities or obligations hereunder.

END OF ARTICLE

ARTICLE 23. GENERAL PROVISIONS

Section 23.01 **ACKNOWLEDGMENT**

The Parties hereto acknowledge that they have thoroughly read this Lease, including any exhibits or attachments hereto, and have sought and received whatever competent advice and counsel necessary for them to form a full and complete understanding of their rights and obligations hereunder. The Parties further acknowledge that this Lease is the result of extensive negotiations between the Parties and shall not be interpreted against the City by reason of the preparation of this Lease by the City.

Section 23.02 **AUTHORITY OF THE PORT DIRECTOR**

The Port Director or his designee may exercise all rights and obligations of the City under this Lease, unless otherwise specifically provided in this Lease or required by law.

Section 23.03 **CAPACITY TO EXECUTE**

The individuals executing this Lease personally warrant that they have full authority to execute this Lease on behalf of the entity for whom they are acting hereunder.

Section 23.04 **DELIVERY OF NOTICES**

Any notices permitted or required by this Lease shall be in writing and delivered personally or sent by registered or certified U. S. mail, postage prepaid, or by courier service, such as FedEx or UPS. Any such notice shall be deemed to have been delivered to and received by the addressee (i) upon personal delivery to the Tenant's address below between 9:00 a.m. and 5:00 p.m. on any business day (i.e., any day other than a Saturday, Sunday, or a federally-designated official holiday), (ii) the next business day after deposit with a courier service such as FedEx or UPS, or (iii) five (5) business days after deposit in the U. S. mail.

Notices to the City shall be addressed to:

City of Pensacola
Port of Pensacola
Attention: Port Director
700 South Barracks
Street
Pensacola, Florida 32502

Notices to the Tenant shall be addressed to:

Port Warehouse 4, LLC
c/o Clark Partington Attorneys
P.O. Box 13010
Pensacola, FL 32591
Attention: Scott Remington,

Attorney

The parties may from time to time designate, in writing, changes to the addresses stated.

Section 23.05 **EMPLOYEES OF THE TENANT**

The Tenant shall require all of its employees, subcontractors, and independent contractors hired by the Tenant and working in view of the public to wear clean and neat attire and to display appropriate identification. Tenant employees shall obtain identification badges from the City. The Tenant shall be responsible for paying the cost of DHS/TSA-required employee background checks and badging to include a Transportation Worker Identification Credential (TWIC).

Section 23.06 **ENTIRE AGREEMENT**

This Lease constitutes the entire agreement between the Parties on the subject matter hereof and may not be changed, modified, discharged, or extended except by written instrument duly executed by the City and the Tenant, and all prior and contemporaneous agreements and understandings, written as well as oral, are hereby superseded. The Tenant agrees that no representations or grants of rights or privileges shall be binding upon the City unless expressed in writing in this Lease.

Section 23.07 **FORCE MAJEURE**

Neither the City nor the Tenant shall be deemed to be in violation of this Lease if it is prevented from performing any of its obligations hereunder by reason of strikes, boycotts, labor disputes, embargoes, shortages of material, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, tides, riots, rebellion, sabotage, pandemic, disease, any responsive measure or state of emergency declared by a governmental entity in relation to pandemic or disease or any other circumstances for which it is not responsible or which is not in its control (individually and collectively a "Force Majeure Event"); provided, however, that these circumstances shall not excuse the Tenant from making, as and when due, any monetary payment required under this Lease or by the Rules and Regulations, including but not limited to Base Rent, port rentals, fees, and charges, Taxes under Article 20, and insurance premiums. But the Tenant in a Force Majeure Event shall be entitled to deferment of the Base Rent, fees, and charges, listed above for up to one hundred eighty (180) days after the cessation of the Force Majeure Event or until performance under this Lease can be reestablished, whichever occurs first, on election to do so with written notice to the City and/or Port Director.

Section 23.08 **RULES OF CONSTRUCTION**

Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Lease Agreement: words importing the singular number shall include the plural number and vice versa; captions and headings herein are for convenience but are to be read in unison with the language of the section to include its defined meaning or generally accepted meaning of the header and is otherwise also for reference and should constitute a material part of this Lease, but shall affect and read in toto to its meaning, construction or effect; words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neutral genders, and words of the neutral gender shall be deemed and construed to include correlative words of the masculine and feminine genders; all references in this Lease to particular "articles," "sections," or "paragraphs" are references to articles, sections or paragraphs within this Lease, unless specifically indicated otherwise; and, days are measured

in calendar days unless expressly listed in business days.

Both City and Tenant acknowledge that they have each had meaningful input into the provisions and conditions of this Lease.

Section 23.09 GENERAL INTERPRETATION

Insofar as this Lease grants, permits, or contemplates the use of space or facilities or the doing of any other act or thing at the Port by the Tenant, such use or the doing of such act or thing by the Tenant is to be in connection with the permitted use under Section 4.01. Each of the Parties, however, has entered into this Lease solely for its own benefit; and (without limiting the right of either Party to maintain suits, actions, or other proceedings because of breaches of this Lease) this Lease does not grant to any third person (excepting a successor party to the City or the Tenant) a right to claim damages or bring any suit, action, or other proceeding against either the City or the Tenant because of any breach hereof.

Section 23.10 GOVERNING LAW

The laws of the State of Florida shall govern this Lease and all disputes arising hereunder, with venue in Escambia County, Florida.

Section 23.11 INCORPORATION OF EXHIBITS

All exhibits referred to in this Lease are intended to be and hereby are specifically incorporated and made a part of this Lease.

Section 23.12 INCORPORATION OF REQUIRED PROVISIONS

The Parties hereto incorporate herein by this reference all applicable provisions lawfully required to be contained herein by any governmental body or agency.

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Section 23.13 INVALID PROVISIONS

In the event that any covenant, condition, or provision herein contained is held to be invalid by a court of competent jurisdiction, the invalidity of any such covenant, condition, or provision shall in no way affect any other covenant, condition, or provision herein contained, provided that the invalidity of any such covenant, condition, or provision does not materially prejudice either the City or the Tenant in its respective rights and obligations contained in the valid covenants, conditions, and provisions of this Lease.

Section 23.14 NONLIABILITY OF INDIVIDUALS

No director, officer, agent, elected official, or employee of either Party shall be charged personally or held contractually liable by or to the other Party under any term or provision of this Lease or because of any breach hereof or because of its or their execution or attempted execution.

Section 23.15 NONINTERFERENCE WITH PORT OPERATIONS

The Tenant, by executing this Lease, expressly agrees for itself, its successors, and assigns that it will not make use of its Leased Premises in any manner that might interfere with other operations at the Port or otherwise constitute a hazard. In the event that the aforesaid covenant is breached, the City reserves the right to enter the Tenant's Leased Premises and cause the abatement of such interference or hazard at the expense of the Tenant, but the Tenant has a ten (10) day right to cure if the situation is a non-emergency.

Section 23.16 NOTICE OR CONSENT

Any notice or consent required herein to be obtained from or given by the City (or the Port Director) may be given by the Port Director unless otherwise provided. Consent of the Tenant when required herein shall not be unreasonably withheld, delayed, or conditioned.

Section 23.17 NONWAIVER

The acceptance of rentals, fees, and charges by the City for any period or periods after an Event of Default shall not be deemed a waiver of the Event of Default cured by payments made by the Tenant to the City, and any right on the part of the City to terminate this Lease after the Event of Default is cured and payment is received by the City is waived by the City's acceptance of the money that may be the basis of the event of the default.

Section 23.18 OTHER LAND AND BUILDINGS EXCLUDED

It is agreed and understood that this Lease and any exhibit hereto is not intended to provide for the lease of any building, land, space, or area or to set any rental rates for any building, land, space, or area other than that specifically described herein.

Section 23.19 PATENTS AND TRADEMARKS

The Tenant represents that it is the owner of, or fully authorized to use, any and all services, processes, machines, articles, marks, names, or slogans used by it in its operations under, or in connection with, this Lease. The Tenant shall indemnify, defend and hold harmless the City, its elected officials, employees, volunteers, representatives and agents from and against any loss, liability, damage, expense, suit, or claim for damages in connection with any actual or alleged infringement of any patent, trademark, or copyright, or from any claim of unfair competition or

other similar claim, arising out of the Tenant's operations under or in connection with this Lease.

Section 23.20 **PUBLIC RECORDS LAWS**

The Florida Public Records Law, as contained in Chapter 119, Florida Statutes, is very broad. As a result, any written communication created or received by the City will be made available to the public and media, upon request, unless a statutory exemption from such disclosure exists.

The Tenant is a private Tenant and is not ordinarily subject to Public Records Laws, but shall comply with the Florida Public Records Law in effect from time to time if and to the extent that the Florida Public Records Law is applicable to the Tenant.

Section 23.21 **REMEDIES TO BE NONEXCLUSIVE**

All remedies provided in this Lease shall be deemed cumulative and additional and not in lieu of or exclusive of each other or of any other remedy available to the City at law or in equity (to the extent not inconsistent with the express provisions hereof) and the exercise of any remedy or the existence herein of other remedies or indemnities shall not prevent the exercise of any other remedy.

Section 23.22 **SIGNS AND LOGOS**

The installation and operation of exterior identifying signs, promotions, advertisements, posters, and live or static graphics on the Leased Premises are subject to the prior written approval of the Port Director. Such signs shall be substantially uniform in size, type, and location with those of other tenants, and consistent with the City's graphics standards for Downtown facilities, and in compliance with all applicable laws and ordinances. The signs shall be for the purpose of assigning Port users with wayfinding. Tenant may display exterior and interior static and electronic signage that advertises its products & services, promotes special events & tournaments, promotes third-party services & products, etc., as long as such advertising and signage is consistent with similarly situated businesses and does not violate any applicable laws and ordinances, subject to the prior written approval of the Port Director, not to be unreasonably withheld conditioned, or delayed.

Sign(s) and location(s) may be changed and altered from time to time with the written approval of the Port Director, said approval not to be unreasonably withheld, conditioned, or delayed. At the expiration of the Lease Term or earlier termination of this Lease the Tenant, upon written request from the City, shall remove, at the Tenant's expense, all lettering and signs so erected on the Leased Premises.

Any Tenant Logo will be permitted to be affixed to the exterior of the Leased Premises provided same is affixed in a manner that is in compliance with applicable City of Pensacola sign ordinances and with the prior written approval of the Port Director, which shall not be unreasonably withheld, conditioned or delayed.

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In addition, Tenant will be permitted to paint its Tenant Logo or Name on the exterior of the Facility and on the leasehold grounds.

Section 23.23 **SUCCESSORS AND ASSIGNS**

The provisions of this Lease shall be binding upon and inure to the benefit of the successors and assigns of the Parties hereto; provided, however, that this provision shall in no way whatsoever alter the restriction herein regarding assignment and sublease by the Tenant.

Section 23.24 **NO PARTNERSHIP**

Nothing in this agreement constitutes a partnership or joint venture between the Parties. It is the express intention of the Parties to deny any such relationship.

Section 23.25 **THIRD PARTIES**

Nothing in this Lease, express or implied, is intended to or shall confer upon any person, other than the Parties and their respective permitted successors and assigns, any right, benefit or remedy of any nature whatsoever under or by reason of this Lease.

Section 23.26 **TIME IS OF THE ESSENCE**

Time is of the essence of this Lease.

Section 23.27 **MEMORANDUM OF LEASE**

Concurrently with the execution of this Lease, the Parties shall execute a short-form memorandum of this Lease satisfactory to the City Attorney, in form suitable for recording, and in substance sufficient to provide constructive notice to third parties of the material terms and provisions of this Lease. The Tenant shall cause such memorandum to be recorded in the public records of Escambia County, Florida.

Section 23.28 **REPRESENTATIONS AND WARRANTIES OF CITY AND TENANT**

City hereby represents and warrants to the Tenant that as of the Effective Date:

- a. The City is the fee simple owner and record title holder of the Leased Premises.
- b. The City has the full right and authority to make, execute and perform this Lease and grant the rights contained herein to the Tenant.

The Tenant hereby represents and warrants to the City that as of the Effective Date:

- a. The Tenant has the full right, power and authority to make, execute and perform this Lease.
- b. This Lease is binding upon and enforceable against the Tenant in accordance with its terms.

END OF ARTICLE

IN WITNESS WHEREOF, the undersigned have duly executed this Lease as of the dates set forth below.

CITY:

TENANT:

CITY OF PENSACOLA,
a Florida municipal corporation

PORT WAREHOUSE 4, LLC
a Florida limited liability company

By: _____ ,
D.C. Reeves, Mayor

By: _____
Rob Fabbro, Manager

Date: _____

Date: _____

Attest:

Signed by Tenant in the presence
of:

Ericka Burnett, City Clerk

Print Name: _____

Signed by Mayor in the presence of:

Print Name: _____

Print Name: _____

Print Name: _____

Approved as to form

Charles V. Peppler, City Attorney

Approved as to content:

Clark Merritt, Port Director



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 22-01188

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: D.C. Reeves, Mayor

SUBJECT:

APPROVAL TO ALLOCATE A PORTION OF LOST IV FUNDING FOR THE PAVING OF THE FIRST CITY ART CENTER PARKING LOT

RECOMMENDATION:

That City Council approve the transfer of LOST IV funding in the amount of \$60,000 from the Pavement Management project to a project for the rehabilitation of the parking lot at the First City Art Center parking lot located at 1060 N. Guillemard St.

HEARING REQUIRED: No Hearing Required

SUMMARY:

The parking lot at 1060 N. Guillemard St. is owned by the City of Pensacola and serves the tenant, First City Art Center. The lot is in need of rehabilitation due to deterioration that exceeds simply resurfacing. The area will be milled, repaved, and remarked for parking.

At the December 15, 2022, City Council meeting, this item was postponed to a date certain of January 19, 2023. At the January 17, 2023 Agenda Conference, this item was pulled by the sponsor.

PRIOR ACTION:

December 15, 2022 - City Council postponed this item to the January 19, 2023 City Council Meeting

January 19, 2023 - This item was pulled by the sponsor at the Agenda Conference.

FUNDING:

Budget: \$ 60,000.00 LOST IV FY23

Actual: \$ 49,888.22 Construction Cost
6,111.78 Contingency
2,000.00 Parking Stall Markings
2,000.00 CEI

\$ 60,000.00 Estimated Cost

FINANCIAL IMPACT:

Funding is available within the LOST IV fund in the Fiscal Year 2023 Public Works budget.

LEGAL REVIEW ONLY BY CITY ATTORNEY: Yes

12/1/2022

STAFF CONTACT:

Kerrith Fiddler, City Administrator

David Forte, Deputy City Administrator

Amy Tootle, PE - Director Public Works & Facilities

ATTACHMENTS:

- 1) Project Location Map
- 2) FCAC Executive Summar_City of Pensacola

PRESENTATION: No

First City Art Center

Pavement Rehabilitation
Item: 22-01188

Legend

 First City Art Center

E. GONZALES ST

N GUILLEMARD ST

E. DE SOTO ST

N TARRAGONA ST

PROJECT
AREA

Google Earth

500 ft

386





1060 N. Guillemard Street
Pensacola, FL 32501
850.429.1222 / www.firstcityart.org



EXECUTIVE SUMMARY

Prepared by First City Art Center
03/17/2023

First City Arts Alliance, dba First City Art Center (FCAC), is a 501(c)(3) non-profit art center in Pensacola, FL engaging the community through a broad range of workshops, classes, studio spaces, gallery exhibits, fundraising events, summer camp, youth art programs, outreach programs, and field trips. FCAC provides a variety of opportunities for people to interact with art. We offer classes and workshops in glass blowing, glass bead making, stained glass, sculpture, pottery on the wheel, hand-built pottery, drawing, painting, sewing, and various other mediums.

FCAC cultivates a creative culture, inviting people of all backgrounds, ages, and skill levels to explore, participate and experiment with art. We encourage a cooperative environment that nurtures the artist and the observer while building a community around the arts that provides open dialogue, camaraderie, public service, education, fellowship and mentorship programs. FCAC serves approximately 10,000 adults and children each year. First City Art Center is an active, dynamic and exciting resource for the community.

Founded in the Belmont / Devilliers neighborhood of Pensacola in 1999, FCAC started as a fledgling community of artists committed to enhancing the opportunity for participants to explore, express and share their talents. After 10 years, with its rented space badly deteriorating, FCAC moved to the City of Pensacola owned "water works facility" in the Long Hollow neighborhood under a lease that commenced June 6, 2012. With several modifications, the basic tenants of the lease required FCAC to remit lease payments in the amount of \$2,000 per month. Under this arrangement, the City of Pensacola reimbursed FCAC for any maintenance or capital improvements. According to City documents, it appears that the City reimbursed FCAC approximately. \$212,000.00 from 6/11/2012 to 5/20/2019.

In 2019, the lease between the City of Pensacola and FCAC was redrafted. The new lease, for a term of ten (10) years, included the provision that FCAC would remit a lease payment of \$1 (one dollar) per month and assume financial responsibility for maintenance, insurance, capital improvements, operation expenses and utilities. At the point of the lease conversion, the City records indicate that FCAC was due a reimbursement of just under \$60,000 from the City for submitted receipts. This reimbursement was nullified at the point of the new lease.

FCAC holds that we are extraordinary stewards of the City's property. Subsequent to our occupation, we have invested significant resources into the property and since the inception of the 2019 lease, have invested more than \$432,000.00. The most recent addition to the campus is a state of the art double classroom for children's programming, funded in large part by Impact100. Additionally, due to high demand from the public, we are in the process of creating more classroom space with a value of over \$150,000, funded by a donor directed gift. These activities have / will result in almost \$600,000 invested in the city's property by FCAC.

At point in this discussion is the parking lot within the campus at FCAC. As evidenced by the included photographs, it is in deplorable condition. We have not been able to find any records indicating when it was last re-paved. When the City passed the property to FCAC, the parking lot was in extreme disrepair. The previous tenant had encountered severe flooding and significant heavy truck traffic. The parking lot has experienced continued deterioration to the point of hazard.

All the financial investment provided by FCAC has been directed toward facilities. These investments benefit both FCAC and the City of Pensacola. As owner of the property, the City is realizing a significant increase in value of its asset and FCAC is providing programming space to meet the needs / requests of our neighbors.

It is our opinion that the parking lot falls under a different category of maintenance. It is fundamental to the property and integral to the occupation of the premises. Thousands of area residents use this parking lot on an annual basis.

In addition to the everyday use of the parking lot, we will host several community-wide events that require a well surfaced parking lot. FCAC will host 3 *Hot Glass Cold Brews* this year that enjoy 600 to 700 participants each. We will also return our very popular "*Pumpkin Patch*" experience to the campus after several years off-site. The "*Pumpkin Patch*" draws neary 3,000 neighbors.

As part of this discussion, the replacement of the "hanger roof" has been injected. FCAC concedes that this capital improvement is certainly the responsibility of the Center. It is our understanding that the roof was last replaced in the late 1940's and current replacement costs are estimated at nearly \$200,000. It is our goal to replace the roof within the next 24 months.

The Board of Trustees and the thousands of area residents that make up the community of First City Art Center request that the City of Pensacola resurface the parking lot of the Center's campus.

The information contained here is to the best of our knowledge and investigation.

For clarifications or questions please contact:

Bart Hudson, Executive Director

First City Art Center

850.429.1222 / cell: 202.680.3277

Exhibit 1: Aerial view of First City Art Center Campus

Exhibit 2: Photo of current parking lot condition

Exhibit 3: Photo of full parking lot

Exhibit 4: City of Pensacola accounting of capital investment prior to 2016 lease

Exhibit 5: First City Art Center accounting of maintenance / capital investment subsequent to 2016 lease

Exhibit 6: Lease between City of Pensacola and First City Art Center dated 05/31/2012



EXHIBIT 1

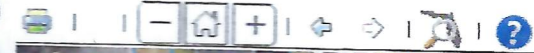
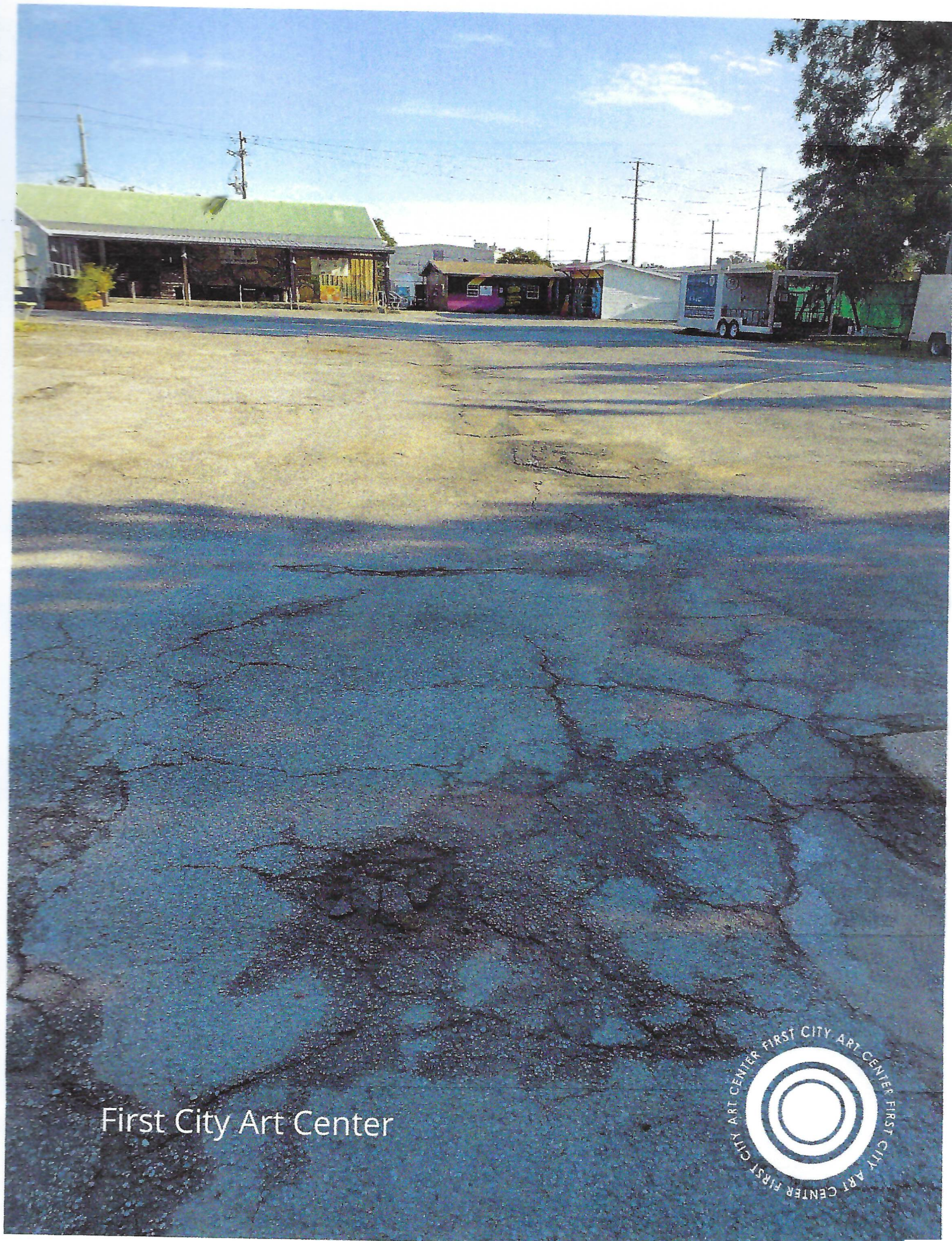




EXHIBIT 2

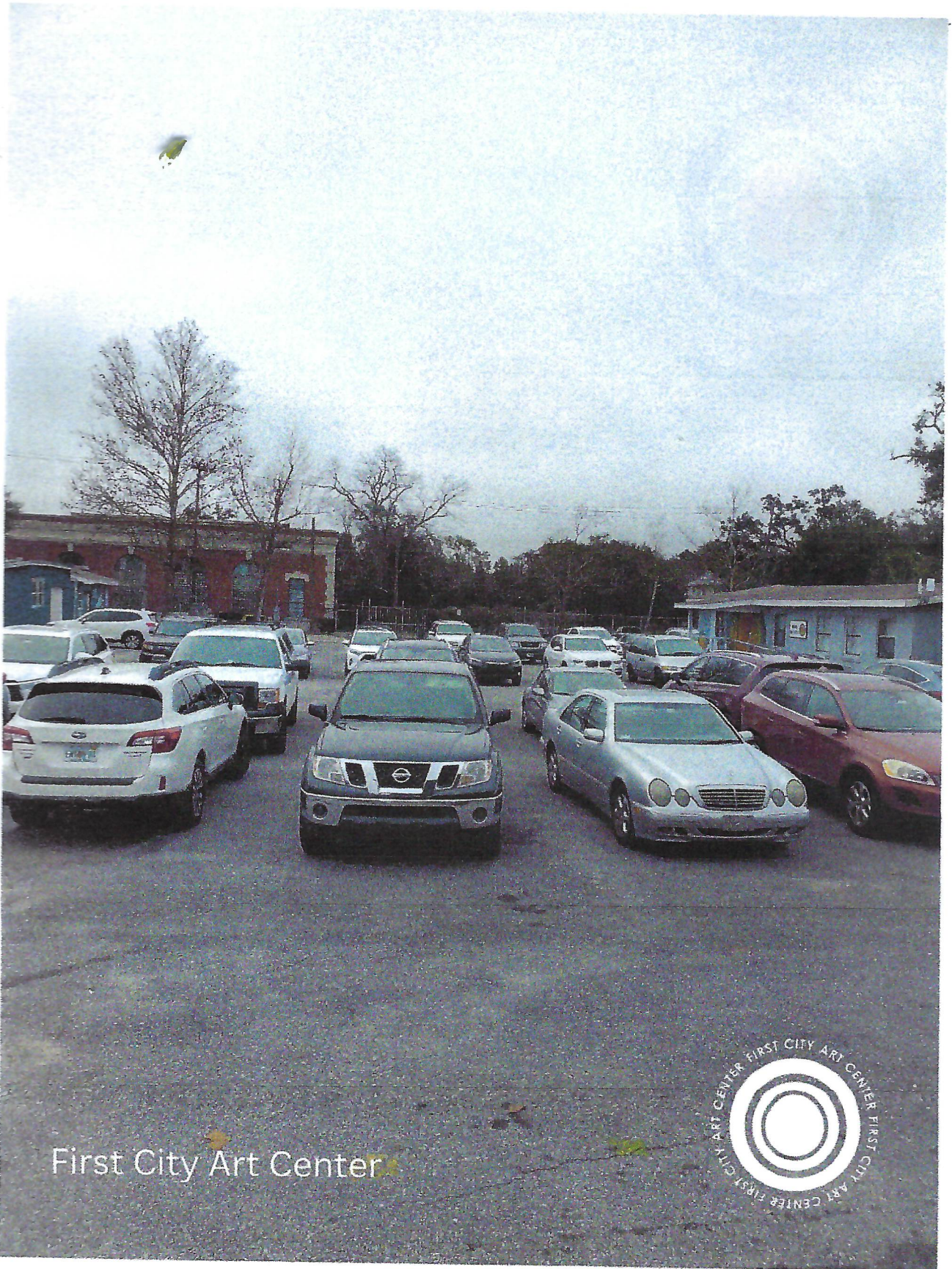


First City Art Center





EXHIBIT 3



First City Art Center





EXHIBIT 4

FIRST CITY ARTS COUNCIL
HISTORY OF INVOICES AND CREDITS

Date	Inv #	Inv Amt	Payment	Ck #	Credit	Balance	Cum Bal
6/11/2012	117552	2,000.00	2,000.00	7050		-	-
6/20/2012	117621	2,000.00	2,000.00	2889		-	-
7/20/2012	117944	2,000.00	2,000.00	2901		-	-
8/20/2012	118226	2,000.00	2,000.00	None Given		-	-
9/20/2012	118515	2,000.00				2,000.00	2,000.00
10/22/2012	118775	2,000.00			6,540.96	(4,540.96)	(2,540.96)
11/20/2012	119116	2,000.00				2,000.00	(540.96)
12/20/2012	119382	2,000.00				2,000.00	1,459.04
1/20/2013	119597	2,000.00				2,000.00	3,459.04
2/20/2013	119858	2,000.00				2,000.00	5,459.04
3/20/2013	120216	2,000.00				2,000.00	7,459.04
4/19/2013	120496	2,000.00			22,257.61	(20,257.61)	(12,798.57)
5/20/2013	120819	2,000.00				2,000.00	(10,798.57)
6/20/2013	121120	2,000.00				2,000.00	(8,798.57)
7/12/2013	121354	2,000.00				2,000.00	(6,798.57)
8/20/2013	121740	2,000.00				2,000.00	(4,798.57)
9/30/2013	122091	2,000.00				2,000.00	(2,798.57)
10/20/2013	122370	2,000.00				2,000.00	(798.57)
11/19/2013	122661	2,000.00				2,000.00	1,201.43
12/19/2013	122913	2,000.00				2,000.00	3,201.43

1/19/2014	123151	2,000.00	3,591.21	(1,591.21)	1,610.22	
2/18/2014	123463	2,000.00	2,299.90	(299.90)	1,310.32	34,689.68
3/20/2014	123686	2,000.00		2,000.00	3,310.32	
4/19/2014	123960	2,000.00	3,893.93	(1,893.93)	1,416.39	
5/19/2014	124327	2,000.00		2,000.00	3,416.39	
6/19/2014	124763	2,000.00		2,000.00	5,416.39	
7/19/2014	125013	2,000.00		2,000.00	7,416.39	
8/19/2014	125329	2,000.00		2,000.00	9,416.39	
9/19/2014	125661	2,000.00		2,000.00	11,416.39	
10/20/2014	126011	2,000.00	15,163.21	(13,163.21)	(1,746.82)	
11/20/2014	126226	2,000.00		2,000.00	253.18	
12/20/2014	126525	2,000.00		2,000.00	2,253.18	
1/20/2015	126777	2,000.00		2,000.00	4,253.18	
2/20/2015	127019	2,000.00		2,000.00	6,253.18	
3/20/2015	127327	2,000.00		2,000.00	8,253.18	
4/20/2015	127576	2,000.00		2,000.00	10,253.18	
5/20/2015	127826	2,000.00		2,000.00	12,253.18	
6/20/2015	128135	2,000.00		2,000.00	14,253.18	
7/20/2015	128443	2,000.00		2,000.00	16,253.18	
8/20/2015	128749	2,000.00	11,982.95	(9,982.95)	6,270.23	11,982.95
9/20/2015	129054	2,000.00	14,965.31	(12,965.31)	(6,695.08)	
10/21/2015	129320	2,000.00		2,000.00	(4,695.08)	
11/21/2015	129621	2,000.00		2,000.00	(2,695.08)	
12/21/2015	129836	2,000.00		2,000.00	(695.08)	
1/22/2016	130088	2,000.00		2,000.00	1,304.92	
2/21/2016	130400	2,000.00		695.08	2,000.00	
3/21/2016	130791	2,000.00	1,304.92	1,720.00	3,720.00	
4/20/2016	131090	2,000.00	5549	-	3,720.00	
5/20/2016	131399	2,000.00	5638	3,720.00	-	
6/20/2016	131724	2,000.00	5574	-	-	
7/20/2016	131952	2,000.00	5638	(17,340.00)	(17,340.00)	19,340.00

				New Lease Agreement - credit balance o	
3/20/2019	142171	2,000.00		2,000.00	(61,417.11)
4/20/2019	142589	2,000.00		2,000.00	(59,417.11)
5/20/2019	142919	2,000.00		2,000.00	(57,417.11)
6/20/2019	143328	2,000.00		2,000.00	(55,417.11)
7/20/2019	143675	2,000.00		2,000.00	(53,417.11)
8/20/2019	144077	2,000.00		2,000.00	(51,417.11)
9/20/2019	144460	2,000.00		2,000.00	(49,417.11)
10/20/2019	144834	2,000.00		2,000.00	(47,417.11)
11/20/2019	145342	2,000.00		2,000.00	(45,417.11)
12/20/2019	145529	2,000.00		2,000.00	(43,417.11)
1/20/2020	145932	2,000.00		2,000.00	(41,417.11)
2/20/2020	146331	2,000.00		2,000.00	(39,417.11)
3/20/2020	146652	2,000.00		2,000.00	(37,417.11)
4/20/2020	147040	2,000.00		2,000.00	(35,417.11)
5/20/2020	147353	2,000.00		2,000.00	(33,417.11)
6/20/2020	147674	2,000.00		2,000.00	(31,417.11)
6/30/2020	147758	14.00	14.00 3057003	-	(31,417.11)
7/20/2020	147950	1.00	1.00 3057003	-	(31,417.11)
8/20/2020	148342	1.00	1.00 3057003	-	(31,417.11)
9/20/2020	148594	1.00	1.00 3511728	-	(31,417.11)
10/20/2020	148899	1.00	1.00 3511728	-	(31,417.11)
11/20/2020	149201	1.00	1.00 3511728	-	(31,417.11)
12/20/2020	149444	1.00	1.00 3511728	-	(31,417.11)
1/20/2021	149879	1.00	1.00 3511728	-	(31,417.11)
2/20/2021	150213	1.00	1.00 3511728	-	(31,417.11)
3/20/2021	150587	1.00	1.00 3511728	-	(31,417.11)
4/20/2021	150761	1.00	1.00 3511728	-	(31,417.11)
5/20/2021	151204	1.00	1.00 3511728	-	(31,417.11)
6/20/2021	151543	1.00	1.00 3511728	-	(31,417.11)
7/20/2021	151940	1.00	1.00 3511728	-	(31,417.11)
8/20/2021	152414	1.00	1.00 3511728	-	(31,417.11)

9/20/2021	152784	1.00	1.00	3008361	-	(31,417.11)
10/20/2021	153214	1.00	1.00	3008361	-	(31,417.11)
11/20/2021	153594	1.00	1.00	3008361	-	(31,417.11)
12/20/2021	153959	1.00	1.00	3008361	-	(31,417.11)
1/20/2022	154317	1.00	1.00	3008361	-	(31,417.11)
2/20/2022	154655	1.00	1.00	3008361	-	(31,417.11)
3/20/2022	154994	1.00	1.00	3008361	-	(31,417.11)
4/20/2022	155245	1.00	1.00	3008361	-	(31,417.11)
5/20/2022	155815	1.00	1.00	3008361	-	(31,417.11)
6/20/2022	156112	1.00	1.00	3008361	-	(31,417.11)
7/20/2022	156438	1.00	1.00	3008361	-	(31,417.11)
8/20/2022	156438	1.00	1.00	3008361	-	(31,417.11)
9/20/2022	157277	1.00	1.00	8929	-	(31,417.11)
10/20/2022	157630	1.00	1.00	8929	-	(31,417.11)
11/20/2022	158002	1.00	1.00	8929	-	(31,417.11)
12/20/2022	158272	1.00	1.00	8929	-	(31,417.11)
April 2023 - Pre-paid			1.00	8929	(1.00)	(31,418.11)
August 2023 - Pre-Paid			1.00	8929	(1.00)	(31,419.11)
February 2023 - Pre-paid			1.00	8929	(1.00)	(31,420.11)
January 2023 - Pre-paid			1.00	8929	(1.00)	(31,421.11)
July 2023 - Pre-Paid			1.00	8929	(1.00)	(31,422.11)
June 2023 - Pre-Paid			1.00	8929	(1.00)	(31,423.11)
March 2023 - Pre-paid			1.00	8929	(1.00)	(31,424.11)
May 2023 - Pre-paid			1.00	8929	(1.00)	(31,425.11)

196,044.00 15,636.92 211,832.19



EXHIBIT 5

FCAC

Property Maintenance and improvements

Date	Transaction Type	Num	Name	Memo/Description	Amount
1/8/2014	Check	on-line	Armstrong Electric Company	lighting in Art Gallery	\$ 850.00
3/11/2014	Check	4071	Coastal Overhead Door	12x12 Garage door for warehouse	\$ 1,700.00
4/25/2014	Check	on-line	Armstrong Electric Company	Relocate panel mounted on the brick wall to metal wall	\$ 900.00
5/30/2014	Bill	2014-121	The Haile Company of NW FL	Materials and Labor For Handicap Ramp	\$ 5,805.00
5/30/2014	Bill	2014-123	The Haile Company of NW FL	Materials and Labor for Foyer	\$ 4,230.00
5/30/2014	Bill	2014-122	The Haile Company of NW FL	Materials and Labor for Entry Door and Windows	\$ 3,049.00
6/4/2014	Check	4095	Panhandle Alarm & Telephone	Fire Alarm system Installation & Permit	\$ 3,263.50
6/10/2014	Check	on-line	Armstrong Electric Company	Inv 618150 Run power to security system. repair outlets	\$ 479.85
2/4/2015	Check	ONLINE	Renaissance Man	STAIR AND RAMP RAILING	\$ 500.00
2/6/2015	Check	5158	Sommer, Glen	door frame for the cold shop	\$ 700.62
6/29/2015	Check	5232	Climattech	invoice 10637 installation of new ac	\$ 3,720.00
6/30/2015	Journal Entry	AJE2039		Blue Prints, Consulting, Facility designs, Impact 100, etc	\$ 15,000.00
7/9/2015	Check	5249	Dufraim Construction	bathroom construction - Wheel Chair Access	\$ 5,595.00
7/21/2015	Check	online	Panhandle Alarm & Telephone	inv 530769 instillation of fire alarm	\$ 80.00
12/22/2015	Check	5453	Climattech	invoice installation of new ac	\$ 3,720.00
8/5/2015	Check	online	Panhandle Alarm & Telephone	inv 533428- fire alarm installation	\$ 650.00
8/18/2015	Check	5289	Dufraim Construction	bathroom construction	\$ 4,895.00
8/18/2015	Check	5284	Architectural Affairs	Bathroom Signage	\$ 21.97
4/26/2016	Check	5571	Premier Engineering Group	inv 160011-1 professional services	\$ 1,350.00
5/4/2016	Check	5581	Architectural Affairs	INV 16004 PHASE 2 POTTERY AND PORCH	\$ 107.28
5/27/2016	Check	5620	Dufraim Construction	pottery addon	\$ 19,340.00
6/23/2016	Check	5640	Dufraim Construction	pottery addon	\$ 26,524.00
7/28/2016	Check	5663	Dufraim Construction	POTTERY ADDITION- CHECK REQUEST #3	\$ 25,690.00

8/22/2016	Check	DEBIT	The Paint Mart	PAINT - MISN IMPACT PROJECT	\$	209.57
8/24/2016	Check	debit	Home Depot	ceiling fans - impact project	\$	671.27
8/25/2016	Check	debit	Home Depot	misc. impact project	\$	60.90
8/25/2016	Check	debit	Home Depot	misc. impact project	\$	100.33
8/30/2016	Check	debit	Lowe's	paint supplies- impact	\$	523.53
9/2/2016	Check	5686	Dufrain Construction	POTTERY ADDITION- CHECK REQUEST #4	\$	37,261.40
9/9/2016	Check	debit	Home Depot	misc. impact project	\$	9.98
9/20/2016	Check	5697	Dereull, Joe Associates	impact 100 job	\$	1,000.00
10/04/2016	Check	5713	Dufrain Construction	impact project	\$	9,000.00
10/19/2016	Check	5745	Dufrain Construction	impact project	\$	8,601.71
11/14/2016	Check	DEBIT	Armstrong Electric Company	INV 622865 CEILING FANS	\$	245.70
12/14/2016	Check	5930	Dufrain Construction	inv 3904 Impact Building	\$	380.00
12/14/2016	Check	5929	Boyd Plumbing Company	Plumping	\$	619.00
5/2/2017	Check	6119	Andre Head	asphalt repair the parking lot	\$	675.00
5/8/2017	Check	6124	Andre Head	asphalt repair the parking lot	\$	375.00
6/7/2017	Check	6176	P3 Construction	roof repair	\$	250.00
9/29/2017	Check	6397	Andre Head	Asphalt Patching	\$	375.00
5/25/2018	Check	7536	Heard, Andre	Asphalt Repair in Parking Lot	\$	425.00
8/20/2018	Check	7551	Heard, Andre	Asphalt Repair in Parking Lot	\$	325.00
1/31/2019	Check	7615	Air Design	Thermostat Replacement (2)	\$	486.00
2/19/2019	Check	7628	Heard, Andre	Asphalt Repair in Parking Lot	\$	375.00
3/26/2019	Check	Debit	Climattech	Maintenance & Repairs	\$	140.02
1/29/2020	Check	epay	Home Depot	garage door	\$	940.46
2/14/2020	Check	EPAY	Home Depot	Garage Door Installation	\$	200.00
11/12/2020	Check	epay	Dually Garage Door	New garage door	\$	630.00
1/8/2021	Check	epay	Armstrong Electric Company	LED lights for hanger	\$	4,150.00
1/26/2021	Check	epay	Landmark Engineering	For New Building - Impact YAP building	\$	4,500.00
3/11/2021	Check	epay	Home Depot	Repair supplies	\$	162.22
3/11/2021	Check	8488	Reimburse Empl; C. Blackmon	Kilz, paint prep for repairs	\$	88.01
3/16/2021	Check	epay	Fireman Pest Control	Prevent damage to buildings from pests	\$	125.00
3/25/2021	Check	7782	AK Property Maintenance Service	Gallery 1060 Entryway	\$	2,500.00

3/25/2021	Check	7782	AK property Maintenance service	Repairs n Gallery 1060 Entryway: ADA access, rails, ste	\$ 2,500.00
3/30/2021	Check	epay	Pensacola Hardware	Supplies for repairs	\$ 36.54
4/2/2021	Check	epay	Lowes	outlets, tubes for repairs	\$ 14.51
4/2/2021	Check	epay	Home Depot	Paint for building maintained	\$ 59.90
4/15/2021	Check	8501	Lloyd Hollaway - Electrical	Yellow building electrical repairs - update	\$ 800.00
4/20/2021	Check	8502	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies	\$ 27.44
4/22/2021	Check	epay	Armstrong Electric	Electrical upgrade	\$ 30.53
4/27/2021	Check	epay	Pensacola Hardware	Supplies for repairs	\$ 240.61
5/20/2021	Check	epay	Scapin	Rewiring Junction Box	\$ 135.00
5/25/2021	Check	8521	Reimburse Empl; C. Blackmon	For Paint - building maintenance	\$ 49.63
6/8/2021	Check	epay	Armstrong Electric	Electrical upgrade warehouse	\$ 3,497.90
6/8/2021	Check	epay	Lowes	Paint for building maintained	\$ 171.21
6/8/2021	Check	epay	Climate Control	Clean filters - maintained	\$ 109.00
6/9/2021	check	7786	Terry Brown	Plumbing repairs warm shop	\$ 300.00
6/21/2021	Check	7785	Demo Creative Space	Improvements	\$ 500.00
6/22/2021	Check	8535	Jimmy Rhea	building generator platform	\$ 500.00
6/22/2021	Check	epay	Crest Wholesale	Cleaning; maintained	\$ 128.40
6/22/2021	Check	epay	Fireman Pest Control	Prevent damage to buildings from pests	\$ 125.00
7/14/2021	Check	epay	Paint Mart	Facility Repair - supplies	\$ 27.99
7/22/2021	Check	8568	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies (split, Kilz)	\$ 25.86
7/22/2021	Check	8568	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies	\$ 98.68
8/2/2021	Check	epay	All Seasons Service	Heating/ Air Repairs	\$ 278.56
8/12/2021	Check	8587	Air Design	AC unit repair	\$ 505.70
8/31/2021	Check	8602	Regal CSI	For New Building - Impact YAP building	\$ 77,962.00
9/7/2021	Check	epay	AK property Maintenance service	Demolition; campus clean up	\$ 230.13
9/9/2021	Check	epay	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies	\$ 15.32
9/23/2021	Check	8619	Regal CSI	For New Building - Impact YAP building	\$ 22,595.50
9/23/2021	Check	epay	Xtreme Plumbing	Pumping sewer lines; solid waste	\$ 275.00
9/23/2021	Check	epay	Stop Fire Sales	Fire safety -campus, alarm systems	\$ 142.00
10/19/2021	Check	epay	Boyettes Vacuum pump and Port	Pumping sewer lines; solid waste	\$ 199.00
10/27/2021	Check	epay	Pensacola Hardware	Facility Repair - supplies	\$ 178.03

11/3/2021	Check	epay	Fireman Pest Control	Prevent damage to buildings from pests	\$	125.00
11/4/2021	Check	8707	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies	\$	159.05
11/7/2021	Check	8703	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies	\$	20.32
11/8/2021	Check	epay	Filter Buy	Filters for furnace maintained	\$	94.43
11/30/2021	Check	epay	Pensacola Hardware	Facility Repair - supplies	\$	145.70
12/14/2021	Check	epay	Armstrong Electric	Electrical upgrade & repairs	\$	892.39
1/11/2022	Check	8726	Lentile, Lauren customer	paint samples	\$	77.27
1/11/2022	Check	epay	Armstrong Electric	Electrical upgrade & repairs	\$	1,075.71
1/18/2022	Check	epay	Boyettes Vacuum pump and Port	Pumping sewer lines; solid waste	\$	199.00
1/20/2022	Check	8730	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies	\$	62.72
2/1/2022	Check	epay	Boyettes Vacuum pump and Port	Pumping sewer lines; solid waste	\$	199.00
2/3/2022	Check	epay	Filter Buy	Filters for furnace maintained	\$	155.25
2/24/2022	Check	epay	Fireman Pest Control	Prevent damage to buildings from pests	\$	125.00
2/24/2022	Check	8754	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies	\$	134.85
2/28/2022	Check	epay	Roto Rooter	Fixing plumbing problem	\$	311.00
3/2/2022	Check	epay	Pensacola Hardware	Facility Repair - supplies	\$	106.33
3/3/2022	Check	8758	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies	\$	24.70
3/29/2022	Check	8771	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies	\$	96.73
4/5/2022	Check	epay	Boyettes Vacuum pump and Port	Pumping sewer lines; solid waste	\$	199.00
4/25/2022	Check	epay	The Home Depot	paint for YAP	\$	372.01
4/25/2022	Check	epay	The Home Depot	paint YAP	\$	218.87
5/12/2022	Check	epay	Climate Control	Clean filters - maintained	\$	115.00
5/20/2022	Check	epay	Fireman Pest Control	Prevent damage to buildings from pests	\$	125.00
6/6/2022	Card	Card	Boyettes Vacuum pump and Port	Pumping sewer lines; solid waste	\$	199.00
6/8/2022	Card	Card	Fixtures	Fixtures	\$	46.59
6/13/2022	Check	epay	Home Depot	dry wall for repairs; water damage	\$	59.18
6/14/2022	Check	8830	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies	\$	18.25
6/15/2022	Check	8834	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies	\$	184.51
6/27/2022	Check	epay	Lowes	Units for new building	\$	176.54
6/27/2022	Card	Card	Keys	Keys for new building	\$	48.00
7/8/2022	Check	8855	Regal CSI	For New Building - Impact YAP building	\$	90,000.00

7/11/2022	Card	Card	Fixtures	Fixtures		\$	24.35
8/12/2022	Check	epay	Lowes	Shelf brackets; campus plants, beatification		\$	159.25
8/12/2022	Check	epay	Fireman Pest Control	Prevent damage to buildings from pests		\$	125.00
8/23/2022	Check	8897	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies		\$	270.65
8/26/2022	Check	epay	Home Depot	Rent drain cleaner; maintained		\$	100.00
8/26/2022	Check	epay	Boyettes Vacuum pump and Port	Pumping sewer lines; solid waste		\$	199.00
8/29/2022	Check	epay	Home Depot	Supplies for building repairs and improvement		\$	19.22
8/30/2022	Check	8900	Regal CSI	For New Building - Impact YAP building		\$	9,442.50
8/31/2022	Check	epay	Boyettes Vacuum pump and Port	Pumping sewer lines; solid waste		\$	199.00
9/2/2022	Check	epay	Roto Rooter	Fixing plumbing problem		\$	517.75
9/2/2022	Card	Card	Webstraunt Supply	Replace sink yellow building		\$	201.53
9/7/2022	Check	epay	Climate Control	maintained Furnace, Air		\$	304.50
9/15/2022	Check	epay	Lowes	Supplies for building repairs and improvement		\$	442.17
9/19/2022	Card	Card	Sherwin Williams	Paint for building maintained		\$	483.64
9/19/2022	Card	Card	Sherwin Williams	Paint for building maintained		\$	6.06
10/5/2022	Check	epay	Armstrong Electric	Electrical upgrade & repairs		\$	235.00
10/7/2022	Check	epay	Stop Fire Sales	Fire safety -campus, alarm systems		\$	250.37
10/17/2022	Check	epay	Lowes	Supplies for building repairs and improvement		\$	142.14
10/21/2022	Check	epay	Home Depot	Supplies for building repairs and improvement		\$	153.74
11/1/2022	Check	9029	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies		\$	33.22
11/4/2022	Check	epay	Fireman Pest Control	Prevent damage to buildings from pests		\$	125.00
11/22/2022	Check	epay	Xtreme Plumbing	Pumping sewer lines; solid waste		\$	351.00
11/25/2022	Card	Card	Amazon	Maintenance supplies		\$	68.33
11/28/2022	Card	Card	Amazon	Light unit replacements		\$	190.08
11/30/2022	Check	epay	Lowes	Supplies for building repairs and improvement		\$	29.44
11/30/2022	Check	epay	Lowes	Supplies for building repairs and improvement		\$	214.60
12/2/2022	Check	epay	Lowes	Supplies for building repairs and improvement		\$	167.46
12/5/2022	Check	epay	Lowes	Supplies for building repairs and improvement		\$	135.80
12/8/2022	Card	Card	Pensacola Glass	Mirror replacement BR Warehouse		\$	84.99
12/8/2022	Card	Card	Pensacola Glass	Mirror replacement parts BR Warehouse		\$	12.51
12/23/2022	Check	epay	Boyettes Vacuum pump and Port	Pumping sewer lines; solid waste		\$	199.00

1/3/2023	Check	epay	Armstrong Electric	Improved lighting, repairs	\$	315.00
1/4/2023	Check	epay	Armstrong Electric	Improved lighting	\$	303.66
1/27/2023	Check	epay	Pensacola Hardware	Facility Repair - supplies (Repair sinks, walls, shelving, e	\$	282.57
2/1/2023	Check	epay	Home Depot	Facility Repair - supplies	\$	193.93
2/2/2023	Check	ck	Voelkel Engineering	Improvement of facility, ceramic utility room addition	\$	3,200.00
2/3/2023	Check	epay	Filter Buy	Filters for furnace maintained	\$	155.25
2/21/2023	Check	epay	Harbor Freight	Facility Repair - supplies (Repair sinks, walls, shelving, e	\$	152.50
2/23/2023	Check	epay	Lowes	Facility Repair - supplies	\$	156.80
2/23/2023	Check	epay	Lowes	Facility Repair - supplies	\$	205.58
2/24/2023	Check	ck	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies (lights gallery)	\$	122.45
2/24/2023	Check	epay	Lowes	Facility Repair - supplies (Repair sinks, walls, shelving, e	\$	79.77
2/27/2023	Check	epay	Home Depot	Facility Repair - supplies	\$	144.11
3/1/2023	Check	epay	Armstrong Electric	Electrical upgrade & repairs	\$	604.42
3/7/2023	Check	9164	Reimburse Empl; C. Blackmon	Reimbursement for maintained supplies	\$	204.09
Total					\$	432,638.59

COUNTY OF

THIS is a true and correct copy
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Main Street
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EXHIBIT 6

THIS LEASE AGREEMENT (the "Lease") is made and entered into to be effective as of the 31st day of May 2019, by and between the City of Pensacola, a municipal corporation of the State of Florida whose principal offices are located at 222 W. Main Street, Pensacola, FL 32502 (the "City" or "Lessor") and First City Arts Alliance, Inc., d/b/a First City Arts Center (the "Lessee"), a Florida not-for-profit corporation whose principal offices are located at 1060 N. Guillemard Street, Pensacola FL 32501.

WHEREAS, the City and the Lessee entered into a Lease Agreement (the "Original Lease") on June 6, 2012, recorded at OR 7463/844-857, which lease was amended on May 30, 2014, recorded at OR 7463/858-862, and further amended on October 19, 2015, recorded at OR 7463/863-871; and

WHEREAS, in order to extend the term of the lease, clarify certain provisions of the lease, and amend the process of accounting for the payment of lease fees and credits allowed and the accrual of lease payment credits, the parties intend by this Agreement to amend the existing lease agreement and restate the Agreement herein by this Amended and Restated Lease Agreement, the execution of which shall supersede and take effect in place of the existing provisions of the Original Lease and its two amendments recited above;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, it is agreed by the City and the Lessee that the Original Lease, as amended, shall be amended and fully restated by the following, superseding agreement:

1. STATEMENT OF PURPOSE

Lessor owns certain real property more particularly described as Lots 1 through 12, 22-24, Block 47, Belmont Tract, City of Pensacola, Escambia County, Florida (the "Property"). Lessee intends to use the Property as a multipurpose arts, cultural and educational center in furtherance of such purpose.

2. PREMISES LEASED

Lessor hereby leases to Lessee the Property subject to the terms, provisions, and conditions of this Lease.

3. TERM

The term of this Lease shall be for a period of ten (10) years commencing on the date and year first above written.

4. RENEWAL AND RIGHT TO PURCHASE

A. RENEWAL

While Lessor is under no obligation to renew this Lease at the end of the lease terms, Lessor shall give favorable consideration to such a renewal taking into consideration Lessee's favorable impact upon the City and any capital expenditures to improve the property.

B. RIGHT TO PURCHASE PROPERTY RIGHT OF FIRST REFUSAL

In the event that the City determines to sell the property during the term of this Lease Agreement, for one dollar and other good and valuable consideration received from Lessee, Lessor grants Lessee the right of first refusal to purchase the property during the lease term of ten (10) years. Any sale of the property by Lessor to a third party during the term of this Lease is subject to the Lease. Lessor has the exclusive right in its discretion to determine if an offer to purchase the Property is acceptable to Lessor.

5. LEASE PAYMENTS

The Lessor agrees to lease the subject property to Lessee at a monthly rate of \$1.00 in recognition for previous years of investments for capital improvements and substantial maintenance projects by Lessee.

The parties agree that this is a triple net lease and that the Lessee is responsible for all expenses such as capital expenses, maintenance expenses, operation expenses, insurance, taxes and utilities.

All expenditures for improvements and maintenance repairs and construction in the amount of \$5000.00 or more shall receive prior approval from the Mayor or his designee.

All improvements shall be completed to the satisfaction of the Lessor pursuant to Section 8 below.

6. USE OF PREMISES

The Property shall be used by Lessee and its sublessees solely for non-profit art center as well as neighborhood revitalization and community service activities.

7. LESSEE'S ACKNOWLEDGEMENTS AND REPRESENTATIONS

Lessee represents to and covenants with Lessor that the representations made by it are true and correct and that Lessee shall use the Property only for such purposes as described.

8. CONSTRUCTION OF IMPROVEMENTS AND CONSTRUCTION PLANS

Lessee shall submit design plans and specifications for the Improvements on the Property to the Mayor or Mayor's designee for all improvements that will exceed the amount of \$5000.00.

Once the lessee has received approval from the Mayor or his designee, the lessor may commence with the improvement.

Lessee shall be fully responsible for the cost and development of the Improvements to the Property at Lessee's sole cost and expense, pursuant to the terms and conditions of this Lease Agreement.

9. TITLE TO IMPROVEMENTS

Title to Improvements that shall be placed upon the Property by Lessee shall vest in Lessor upon the completion of the Improvements, and Lessee acknowledges that it shall have no right to remove such fixed or permanent Improvements from the Property.

10. INSPECTION AND ACCESS TO PROPERTY

During the term of the Lease and any renewal or extension hereof, Lessee shall permit the representatives of Lessor access to the Property at all reasonable times deemed necessary for inspection. An inspection shall occur at least once per year by a representative of the City to document improvements and the condition of the property.

11. COVENANTS AND RESTRICTIONS

Lessor and Lessee agree that the following restrictions shall be covenants running with the land, and shall be binding on Lessor, Lessee, sublessees and the successors of the parties, and all other successors in interest to the Property, or any part thereof:

- A. That the Property shall be devoted only to the uses specified in this Lease or as approved in writing by Lessor.
- B. That the Lessee will maintain the exterior appearance (including landscaping) suitable to the area and the Property's uses.

12. NO MORTGAGES OR ENCUMBRANCES

A. Lessee shall not mortgage, encumber, or allow any liens to be placed against the Property or its leasehold interest therein.

B. Lessee shall remove any liens or encumbrances placed against the Property on account of Lessee's activities or occupation of the Property during the term of this Lease or as it may be renewed. If Lessee fails to remove any such lien from the Property, within thirty (30) days of the recording or other reasonable notice of any lien or encumbrance, such failure shall constitute a breach of the Lease.

13. LESSOR'S WARRANTIES

Lessor warrants that Lessee may use and have the quiet enjoyment of the Property for its intended use, that Lessor has the right to enter into this Lease, and Lessee's possession will be superior to the assertions of third parties claiming title superior to Lessor (including lien claims).

14. **INDEMNIFICATION AND HOLD HARMLESS AGREEMENT IN FAVOR OF LESSOR**

Lessee shall defend and indemnify Lessor, and save it harmless from any and all claims, suits, actions, damages, liability and expense in connection with loss of life, bodily or personal injury, or property damage arising from or out of any occurrence in, upon, at or about the Property or any part thereof, occasioned wholly or in part by any act or omission of Lessee, its successors and assigns, its agents, contractors, employees, servants, invitees, sublessees, licensees or concessionaires. The Lessee's obligation shall not be limited by, or in any way to, any insurance coverage or by any provision in or exclusion or omission from any policy of insurance.

15. **INSURANCE REQUIRED**

Less shall maintain insurance and provide Lessor with certificates in accordance with Exhibit "A" during the life of this Lease Agreement as may be applicable under the circumstances. Lessor shall have the right to make reasonable increases to the minimum required limits of liability on Exhibit "A" during the term of this Lease or any renewal or extension hereof. Lessee shall be responsible for all deductibles and self-insured retentions under its insurance policies.

16. **NO DISCRIMINATION**

Lessee agrees that it will not discriminate upon the basis of race, color, religion, national origin, sex, pregnancy, age, disability or handicap, familial status, marital status or any other legally protected class in the construction, subleasing, use, occupancy, or operation of the Property, or in the improvements to be erected thereon and that each contract, or agreement with respect thereto shall specifically contain the following provision:

"Equal Opportunity Provision"

- A. In the operation of the property, neither the Lessee nor any contractor or manager employed by Lessee shall discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, pregnancy, age, disability or handicap, familial status, marital status or any other legally protected class, and they shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, national origin, sex, pregnancy, age, disability or handicap, familial status, marital status or any other legally protected class. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment, or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Lessee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by Lessee setting forth the provisions of this Equal

Opportunity Clause, and to cause any contractor, subcontractor or manager to do likewise.

- B. The Lessee and any contractor or manager shall, in all solicitations or advertisements for employees placed by them or on their behalf, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, sex, pregnancy, age, disability or handicap, familial status, marital status or any other legally protected class. They shall send to each labor union or representative of workers with which they, or any of them, have a collective bargaining agreement or other contract or understanding, a notice, to be provided by Lessee, advising the labor union or workers' representative of their commitments under this Equal Opportunity Clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

17. AD VALOREM TAXES AND UTILITIES

Lessee shall pay any and all ad valorem taxes, or other taxes that may be levied against the Property commencing as of the effective date hereof. Lessee shall pay all utilities for the Property.

18. WASTE

Lessee shall maintain the Property in a good, safe and substantial condition and shall use all reasonable precaution to prevent waste, damage or injury to the Property.

19. ENFORCEMENT OF LEASE, FORFEITURE DEFAULT, REMEDIES, NONWAIVER

Lessor may enforce the performance of this Lease in any manner provided by law, and this Lease shall be void upon the following events:

- A. If Lessee shall desert or vacate the Property;
- B. If default shall be made by Lessee in the payment of the Lease payments as specified in this Lease;
- C. If Lessee shall file a petition of bankruptcy, or make an assignment for the benefit of creditors, or be adjudicated a bankrupt, or take advantage of any insolvency act.

Lessor shall notify Lessee of any such default and of Lessor's intention to declare this Lease terminated which notice Lessor shall make in writing. Unless Lessee shall have removed or cured the default within ten (10) days if a monetary default or to maintain insurance as required by this Agreement or within thirty (30) days if a nonmonetary default, from the date of Lessor's notice of intention to declare the Lease terminated, this Lease shall come to an end as if the date established by notice from Lessor to Lessee, Lessor's agent or attorney shall have the

right, without further notice or demand, to re-enter and remove Lessee and Lessee's property from the Property without being deemed guilty of any trespass.

The failure of Lessor to insist, in any one or more instances, on a strict performance of any of the terms or conditions of this Lease, or to exercise any option set forth in this Lease, shall not be construed as a future waiver or a relinquishment of the provision or option, but it shall continue and remain in full force and effect. The receipt by Lessor of rent, with knowledge of the breach of any term or condition hereof, shall not be deemed a waiver of the breach and no waiver by Lessor of any provision hereof shall be deemed to have been made unless expressed in writing and signed by Lessor.

20. NOTICES

All notices provided in this Lease shall be deemed sufficient when sent by U.S. Certified Mail, Return Receipt Requested, postage prepaid, to the following address:

Lessor: The City of Pensacola
 c/o Mayor
 City Hall
 222 West Main Street
 Pensacola, Florida 32502

Lessee: First City Arts Alliance, Inc., d/b/a First City Arts Center
 Current address: 1060 North Guillemard
 Pensacola, FL 32501

21. PROVISIONS BINDING

The terms and provisions of this Lease shall be binding upon and shall inure to the benefit of the parties hereto, including sublessees, and, their successors, respectively.

22. AMENDMENT

This Lease may not be altered, changed or amended except by an instrument in writing, signed by the parties hereto.

23. SEVERABILITY

If any provisions of this Lease shall be declared in contravention of law or void as against public policy, such provisions shall be considered severable and the remaining provisions of this Lease shall continue in full force and effect.

24. PARAGRAPH HEADINGS

The paragraph headings in this Lease are intended for convenience only and shall not be taken into consideration in any construction or interpretation of this Lease or any of its provisions.

25. ENTIRE AGREEMENT

This instrument constitutes in the entire agreement between Lessor and Lessee on the subject of this Lease, and all prior to contemporaneous oral or written agreements, or representation of any nature with reference to the subject matter of this Lease are canceled and superseded by the provisions of this Lease.

26. WAIVER

Failure on the part of Lessor to complain of any action or non-action on the part of Lessee, no matter how long it may continue, shall not be deemed to be a waiver by Lessor of any of its rights under this Lease. Further, it is covenanted and agreed that no waiver at any time of any of the provisions of this Lease by Lessor shall be construed as a waiver at any subsequent time of the same provisions. The consent or approval by Lessor to or of any action by Lessee requiring Lessor's consent or approval shall not be deemed to waive or render unnecessary Lessor's consent or approval to or of any subsequent similar act by Lessee.

27. TIME OF THE ESSENCE

Time is of the essence of each and every provision, covenant and condition of this Lease on the part of Lessor and Lessee to be done and performed.

28. GOVERNING LAW

This Lease is subject to and shall be governed by the laws of the State of Florida.

29. VENUE

Venue for any claim, action or proceeding arising out of the Lease shall be Escambia County, Florida.

30. ASSIGNMENT

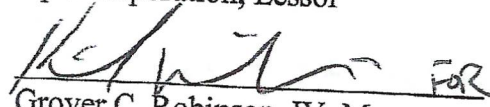
Lessee shall not assign this Lease without prior written approval by Lessor.

31. SUBLETTING

Lessee may sublet portions of the Property upon obtaining prior written approval from Lessor.

EXECUTED in multiple original copies to be effective as of the day and year first above written.

CITY OF PENSACOLA
A municipal corporation, Lessor

By:  For
Grover C. Robinson, IV, Mayor

Attest:

Ericka L. Burnett
Ericka L. Burnett, City Clerk

First City Arts Alliance, Inc., d/b/a
First City Arts Center, a Florida
Not For Profit Corporation, Lessee

Attest:

By:

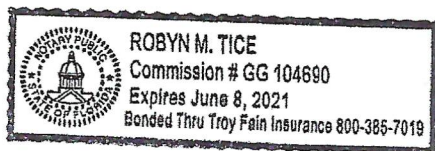
[Signature]
President

Secretary [Signature]

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was acknowledged before me this 31ST day of MAY, 2019, by GROVER C. ROBINSON, IV and Ericka L. Burnett, the Mayor and City Clerk, respectively, of the City of Pensacola, a municipal corporation, for an on behalf of the City, and who are personally known to me.

GIVEN under my hand and official seal this 31ST day of MAY, 2019.



NOTARY PUBLIC

Robyn M. Tice
Name

[Type or print Name]

My Commission Expires:

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was acknowledged before me this 22nd day of May, 2019, by the President of First City Arts Alliance, Inc., d/b/a First City Arts Center, a Florida not for profit corporation, for and on behalf of the corporation and who is personally known to me or has produced FL DL as identification.

GIVEN under my hand and official seal this 22nd day of May, 2019.

Approved as to form:

[Signature]
City Attorney

NOTARY PUBLIC

[Signature]
Name
Stephanie A. Chwastyk

[Type or print Name]

My Commission Expires:

Stephanie A. Chwastyk
Notary Public-State of Florida
My Comm. Expires: April 5, 2020
Notary State No. 55070104

Exhibit "A" to Lease Agreement

Insurance

The Lessee shall procure and maintain insurance of the types and to the limits specified at all times during the terms of this Lease.

The term "Lessor" as used in this section of the Lease Agreement is defined to mean the City of Pensacola itself, any subsidiaries or affiliates, elected and appointed officials, employees, volunteers, representatives and agents.

Insurance shall be issued by an insurer whose business reputation; financial stability and claims payment reputation is satisfactory to the Lessor, for the Lessor's protection only. Unless otherwise agreed, the amounts, form and type of insurance shall conform to the following minimum requirements:

The Lessee shall purchase coverage on forms no more restrictive than the latest editions of the Commercial General Liability Policy filed by the Insurance Services Office. The Lessor shall be an Additional Insured and such coverage shall be at least as broad as that provided to the Named Insured under the policy for the terms and conditions of this Lease. The Lessor shall not be considered liable for premium payment, entitled to any premium return or dividend and shall not be considered a member of any mutual or reciprocal company.

Commercial General Liability coverage must be provided, including bodily injury and property damage liability for premises, operations, products and completed operations, contractual liability, and independent contractors. Fire legal liability must be endorsed onto this policy with minimum limits of \$100,000. The coverage shall be written on occurrence-type basis. Minimum limits of \$1,000,000 per occurrence, and in the aggregate must be provided.

Liquor Liability Insurance must be provided, including coverage for bodily injury and property damage arising out of the furnishing of alcoholic beverages. Minimum limits for this coverage are \$1,000,000 each common cause and in the aggregate. The Lessor must be listed as an additional insured.

BUILDER'S RISK COVERAGE

Lessee or its contractor shall obtain builder's risk insurance for any property improvements undertaken by the Lessee. Coverage shall be on an Inland Marine "All-Risk" type form which includes collapse coverage for any improvement while being constructed on the Property.

The Amount of Insurance is to be 100% of the completed value of the work. The policy must be specifically endorsed to eliminate any "Occupancy" clause or similar warranty or representation that the premises in the course of construction shall not be occupied or used without specific endorsement of the policy.

The Lessor shall be listed as Additional Insured by endorsement on the policy and if required by the Lessor, a certified copy of the policy shall be supplied to the Lessor. The policy shall contain

a "Waiver of Subrogation" clause in favor of the Lessor, any subsidiaries or affiliates, its elected and appointed officials, employees, volunteers, representatives, and agents.

PROPERTY INSURANCE

Lessee shall be responsible for maintaining property insurance coverage for the Lessee's contents and personal property. Lessor will, to the extent available, maintain property insurance coverage for the structure of the building including permanent improvements and betterments, and permanently installed equipment and fixtures.

The limits and types of Lessor provided property insurance is in the sole discretion of the Lessor. Lessee shall have no right of recourse against the Lessor for any loss not covered by such insurance.

In the event the leased premises or the building or any part thereof shall be so damaged by fire or other casualty during the term of the Lease so that the leased premises are rendered untenable, then in case such damage is not capable of being repaired by Lessor in the exercise of reasonable diligence within one hundred (180) days thereafter, or if Lessor does not actually complete such repairs within one hundred eighty (180) days after such loss or damage, it shall be optional with either party hereto to cancel this Lease by giving the other party written notice to that effect; and in the event of cancellation, rent shall be paid only up to the date of such damage. Lessee shall not be required to pay rental on the premises during the period the premises are rendered untenable and the term of this Lease shall be extended by the amount of time that the premises are untenable.

CERTIFICATES OF INSURANCE

Required insurance shall be documented in the Certificates of Insurance that provide that the Lessor shall be notified at least thirty (30) days in advance of cancellation, nonrenewal or adverse change or restriction in coverage. The Lessor shall be named on each Certificate as an Additional Insured and this Lease shall be listed. If required by the Lessor, the Lessee shall furnish copies of the Lessee's insurance policies, forms, endorsements, jackets and other items forming a part of, or relating to such policies. Certificates shall be on the "Certificate of Insurance" form equal to, as determined by the Lessor an ACORD 25. The Lessee shall replace any canceled, adversely changed, restricted or non-renewed policies with new policies acceptable to the Lessor and shall file with the Lessor Certificates of Insurance under the new policies prior to the effective date of such cancellation, adverse change or restriction. The "Certificate Holder" address should read: City of Pensacola, Risk Management, P.O. Box 12910, Pensacola, FL 32521

INSURANCE OF THE LESSEE PRIMARY

The Lessee required coverage shall be considered primary, and all other insurance shall be considered as excess, over and above the Lessee's coverage. The Lessee's policies of coverage will be considered primary as relates to all provisions of the Lease.

LOSS CONTROL AND SAFETY

The Lessee shall retain control over its employees, agents, servants and subcontractors, as well as control over its invitees, and its activities on and about the subject premises and the manner in which such activities shall be undertaken and to that end, the Lessee shall not be deemed to be an agent of the Lessor. Precaution shall be exercised at all times by the Lessee for the protection of all persons, including employees, and property. The Lessee shall make special effort to detect hazards and shall take prompt action where loss control/safety measures should reasonably be expected.

PAY ON BEHALF OF THE LESSOR

The Lessee agrees to pay on behalf of the Lessor, as well as provide a legal defense for the Lessor, both of which will be done only if and when requested by the Lessor, for all claims as described in the Indemnification and Hold Harmless paragraph. Such payment on the behalf of the Lessor shall be in addition to any and all other legal remedies available to the Lessor and shall not be considered to be the Lessor's exclusive remedy.





City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 23-00302

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: D.C. Reeves, Mayor

SUBJECT:

APPROVAL TO REALLOCATE LOST IV FUNDING FOR THE 17TH AVENUE BRIDGE (GRAFFITI BRIDGE) OVERHEAD LOW CLEARANCE WARNING SYSTEM

RECOMMENDATION:

That the City Council approve the reallocation of funds from LOST IV - Street Reconstruction and LOST IV - Reserved - Capital Equipment for the design and construction of two overhead low clearance warning systems at the 17th Avenue Graffiti Bridge.

HEARING REQUIRED: No Hearing Required

SUMMARY:

The purpose of the reallocation of funds is for the design and construction of two overhead low clearance warning systems on 17th Avenue, one on either side of the railroad trestle bridge (southbound and northbound).

The railroad trestle currently only accommodates vehicles less than 10 feet in vertical height clearance, from the roadway pavement to the lowest part of the bridge structure.

Public Works and FDOT have installed advance signage warning drivers that there are truck and vertical height restrictions along 17th Avenue, between Cervantes Street and the Pensacola Bay Bridge. This step now allows law enforcement to cite drivers who disobey the regulatory signage. The next step is to construct an overhead warning system that will physically alert drivers if their vehicle exceeds the vertical threshold and allow drivers time to veer off or turn around, before striking the railroad trestle, getting stuck beneath the bridge, causing property damage, and ultimately causing traffic jams.

PRIOR ACTION:

None

FUNDING:

Budget: \$ 28,238.58 LOST IV - Street Reconstruction

137,918.98 LOST IV - Reserved - Capital Equipment
\$166,157.58 TOTAL

Actual: \$ 28,238.58 LOST IV - Street Reconstruction
112,761.42 LOST IV - Reserved - Capital Equipment
\$ 141,000.00 TOTAL

FINANCIAL IMPACT:

Funding is available within the LOST IV funding. The unused amount of \$28,238.58 from LOST IV - Street Reconstruction will be reallocated to this project. The remaining amount of \$112,761.42 will come from LOST IV - Reserved-Capital Equipment. This will leave a balance of \$25,157.58 within LOST IV - Reserved-Capital Equipment.

LEGAL REVIEW ONLY BY CITY ATTORNEY: Yes

4/11/2023

STAFF CONTACT:

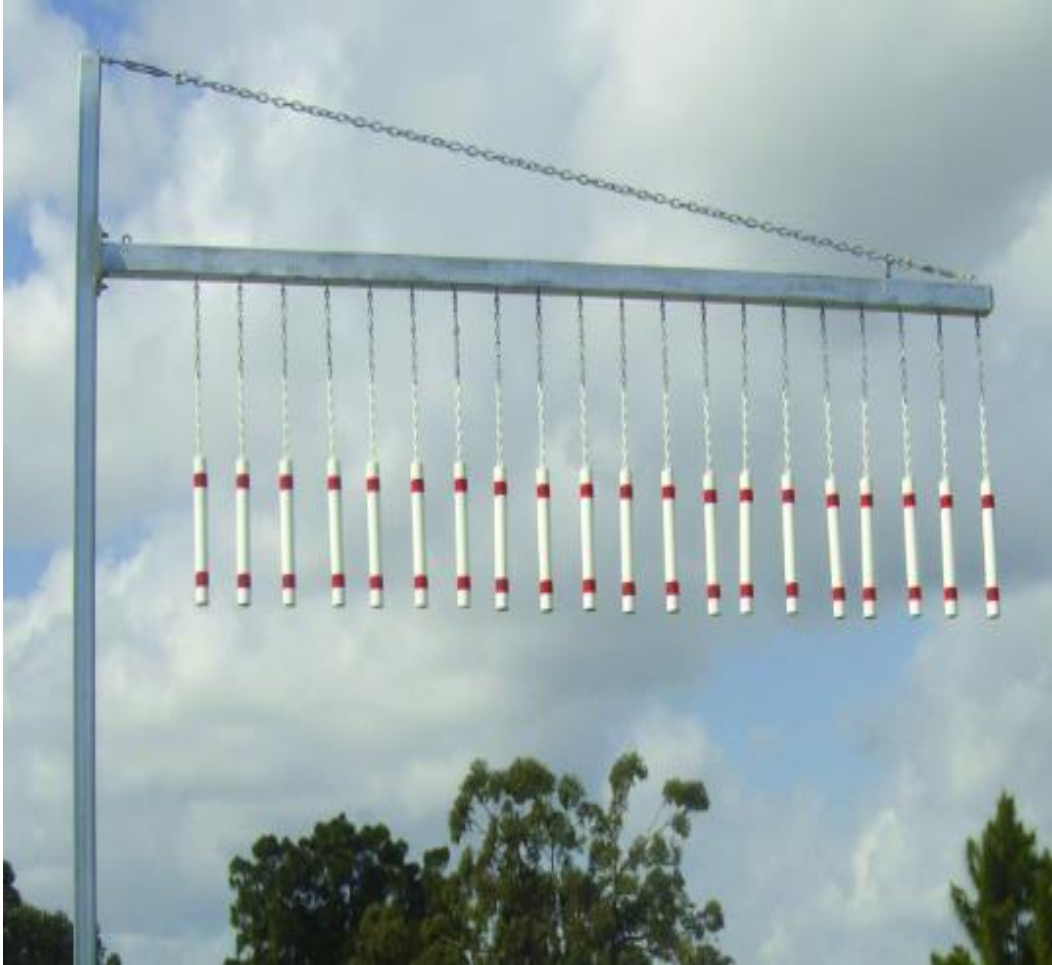
Kerrith Fiddler, City Administrator
David Forte, Deputy City Administrator
Amy Tootle, Public Works and Facilities Director

ATTACHMENTS:

- 1) Warning system concept

PRESENTATION: No

Low clearance bar with chains and chimes





City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 23-00346

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: D.C. Reeves, Mayor

SUBJECT:

NAMING OF THE SKATEPARK LOCATED AT HOLLICE T. WILLIAMS PARK IN HONOR OF BLAKE DOYLE

RECOMMENDATION:

That City Council approve the naming of the skatepark located at Hollice T. Williams Park in honor of Blake Doyle.

HEARING REQUIRED: No Hearing Required

SUMMARY:

Blake Doyle passed away on January 24, 2015, in a tragic accident leaving behind a wife, daughter, family and friends who were devastated by the loss. Doyle was known as a friend who was always lifting other people up in all walks of life. His passing was the catalyst behind his friends' efforts to dedicate their time and resources to spearheading a community skatepark project in his honor.

Doyle's friend Jon Shell started a 501(c)(3) called Upward Intuition to legally accept donations to fund the skatepark. Since the project began there has been an outpouring of community support. Two foundations have donated \$100,000 each to the project including the Kugelman Family Foundation and the Gannett Foundation.

Jon Shell on behalf of Upward Intuition made a request to the Parks and Recreation Board in February 2023 to name the entire skatepark facility the Blake Doyle Skatepark at Hollice T. Williams Park. The Parks and Recreation Board approved the request. At the same meeting, the Board approved naming several other amenities within the skatepark area as well. Council approval of those items will be brought forward as a separate action item at a later date.

PRIOR ACTION:

February 16, 2023 - Parks and Recreation Board voted to approved the request.

FUNDING:

Budget: \$ N/A

Actual: \$ N/A

FINANCIAL IMPACT:

Any costs not borne by the requestor, or the requestor's organization will be assumed by the Parks and Recreation Department.

LEGAL REVIEW ONLY BY CITY ATTORNEY: Yes

4/18/2023

STAFF CONTACT:

Kerrith Fiddler, City Administrator
Amy Miller, Deputy City Administrator
Adrian Stills, Director of Parks and Recreation

ATTACHMENTS:

1. Park Amenity Dedication Form - Blake Doyle Skatepark at Hollice T. Williams Park
2. February 16, 2023, Parks Board Meeting Minutes - Approved
3. Upward Intuition Letter

PRESENTATION: No

Park Amenity Dedication PROPOSAL FORM

The installation of any plaque as a dedication to an individual or group at a City facility must be approved. Please fill out the form below. You will be notified of the decision.

Nominating Party

NAME: Jon Shell | Upward Intuition

(INDIVIDUAL OR REPRESENTATIVE OF GROUP)

ADDRESS: 2004 E Lakeview Ave, Pensacola, FL 32503

DAY PHONE: 850-572-0488

EVENING PHONE:

E-MAIL: jonshell88@gmail.com

PERSON/ORGANIZATION/EVENT BEING HONORED

NAME: Blake Doyle (Blake Doyle Community Skatepark)

PARK DEDICATION WOULD BE LOCATED: see exhibit A

DESCRIBE THE SIGNIFICANT CONTRIBUTIONS MADE BY THE HONOREE:

Blake passed away on January 24th of 2015 in a tragic accident and left behind a wife and daughter, family, and countless devastated friends who loved Blake. Blake's passing was a huge reason we decided to dedicate our time and resources to a community skatepark project. Blake's close friends and family have been a huge help in pushing this project forward and have stayed engaged in the process since 2015. Blake was a great friend to so many people and was a great example of how to love your friends and encourage and uplift them. My hope is that this park will be a reminder for people to love their friends and that every day is a gift that we should make the most of.

SIGNATURE

Jon Shell

DATE 2/10/2023

PLEASE FORWARD TO THE PARKS AND RECREATION DEPARTMENT:

222 West Main Street
Pensacola, FL 32502
Phone: 850.436.5670
Fax: 850.436.5199



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Meeting Minutes 3 - Final

Parks and Recreation Board

Thursday, February 16, 2023

8:00 AM

Hagler Mason Conference Room, 2nd Floor

CALL TO ORDER

ROLL CALL

Present 6 - Chairperson Rand Hicks, Renee Borden, Antonio Bruni, Alejandra Escobar-Ryan, John Jerralds, and Michael Wolf

Absent 2 - David Del Gallo, and Leah Harrison

APPROVAL OF MINUTES

MINUTES OF JANUARY 19, 2023 PARKS AND RECREATION BOARD

Attachments: [23-1-19 Minutes - Unapproved](#)

A motion was made by Escobar-Ryan, seconded by Borden, that this Minutes be Approved. The motion carried by the following vote:

Yes: 6 - Chairperson Hicks, Borden, Bruni, Escobar-Ryan, Jerralds, and Wolf

DIRECTOR'S REPORT

DIRECTOR'S REPORT

Attachments: [23-2-16 Director's Report Parks and Recreation Board](#)

Chairperson Hicks asked board members if they had questions regarding the Director's Report.

Member Bruni asked if Parks is considering two-weeks early registration for summer camps and/or all camps. Director Stills responded that we are going to try and engage that same process going across the board making it early registration accessible to city residents.

Director Stills announced to board that Tonya Byrd has accepted the promotion as Assistant Parks and Recreation Director. Director Stills asked Assistant Director, Byrd to speak to board members regarding summer programs.

Assistant Director, Byrd told board members we are looking for two-week period for our summer camps at the four locations where we have after

school and summer camps. We have taken a look at the Outdoor Camp and one of the concerns restricting that registration just to city residents for a two-week period that camp fills up in less than an hour. Looking at last year statistics for number of participants, we had 204 participants all summer long 9 1/2 weeks of camp 169 were residents only 35 were nonresidents so our concern is those 35 kids that have come up through the camps and want to advance they will not have that opportunity. Member Bruni agreed it is a legitimate concern but thinks the concern of city residents having access is the reason we pay extra city taxes us having access first. If the camp fills up with all city residents, sorry tell the county to start a program or get the county to give us money to expand our program. We might get push back from those families, but they are not our constituents they are not our citizens. To grandfather in the kids from the Outdoor Camps, would be an option. Discussion continued with staff responding according to questions from board members. Director Stills and Assistant Director Byrd also provided input.

Chairperson Hicks asked about the development of Pickle Ball. Director Stills responded we have three sites where we are doing pickle ball in now. We are in the process of trying to create other courts with existing tennis facilities that we have. Director Stills reminded board members that Athletic Superintendent Fox had said at last meeting that most of the really serious pickle ball players do not want to play with a tennis net, but we are in the process of conversions doing one in particular at Armstrong Park.

Chairperson Hicks asked about lacrosse and disc golf. Director Stills replied he has no updates at this time. We did have a group trying to start lacrosse at one of our facilities. Director Stills asked Superintendent of Administration and Special Projects Carmody to update board. Superintendent of Administration and Special Projects Carmody shared that Hitzman Park had improvements two years ago. We poured in new concrete pads, new signage, and new baskets. The idea to have an 18-hole disc golf course has been thought about, it is still an option. I had worked with some pro players and UWF on the design so that tournaments could take place by doubling the use of the 9-hole course. Chairperson Hicks stated he could bring the pros to Park Department. Superintendent of Administration and Special Projects replied yes that would be great.

Member Borden inquired about the Bay Bluffs structural assessment project. Director Stills stated we were made aware there were some structural damages on some of the steps. We are in the process of getting someone to go out and assess it. We will keep the board updated with the progress.

COUNCIL EXECUTIVE'S REPORT

COUNCIL EXECUTIVE'S REPORT - BYLAWS

Attachments: [Boards Handbook Key Points](#)

Executive Council Kraher came before Parks and Recreation board to give an overview of the board handbook that will provide guidance to all Council appointed boards. Executive Council Kraher began by explaining to the board that the document that had been distributed titled City of Pensacola, Parks and Recreation Advisory Board, Rules of Conduct and Procedure was a document in the system but was unable to determine its origin or if it had been approved by council.

Executive Council Kraher shared with board members cliff notes of what administration is looking at doing knowing that the board had been discussing the bylaws so as to not duplicate work or override any decisions. City Council had a workshop where we talked about our plan for creating a handbook for our boards, commissions, and authorities. The handbook is to cover those things that are across the board we are trying to standardize all of our boards with big items e.g., term limits, selections, attendance, voting and quorum and public input. The handbook attempts to mirror Council Rules and Procedures.

After the general guidelines are established, will look at each board and individualize the needs for that specific board.

Executive Council Kraher asked board members if they had any questions. Discussion ensued among Executive Council Kraher and board members responding accordingly to comments and questions.

STAFF REPORTS

PARKS PRESENTATION - BILL KIMBALL

Attachments: [Parks Presentation](#)

Parks Superintendent Kimball brought an overview presentation regarding City Parks.

- * Annual Budget is \$2.5 Million
- * Parks is divided into three divisions - Parks Crew, Tree Crew, and Trash Crew
- * Employees - 22 Full Time Staff
- * A park is within a half mile radius of 97% of all city residents
- * 58 Parks with Playground Structures
- * 23 Parks with Outdoor Basketball Courts
- * 3 Boat Launches
- * 3 Parks with Tennis Courts
- * 4 Parks with Dog Parks
- * 2 Parks with Splash Pad

Parks Superintendent Kimball asked the board members for questions.

Member Wolf asked how many splash pads are in the city. Parks Superintendent Kimball responded the city has two. One at Legion Field and one at Plaza De Luna. Member Wolf asked if the splash pads are salt systems. Parks Superintendent Kimball responded neither is salt system Plaza De Luna is chlorinated recycled system and Legion Field is not on a recycled water system is ran through water meter.

Member Bruni asked if the tree crew is a dedicated tree crew. Bill responded we have 2 employees in the department on the tree crew this is their main job, but they do have other responsibilities. The set-up and break down of barricades for special events and they are our only CDL drivers so when things come up, they get pulled to drive the barricade trailers. Member Bruni asked when they remove or trim a tree do they have to go through the permit department. Parks Superintendent Kimball responded we were the permitting department now that we have the arborist every tree we remove is inspected and goes through the City's Arborist. Member Bruni asked if the tree crew is kept busy year-round. Parks Superintendent Kimball responded yes, we are back logged we have over 164 work orders that are prioritized based on the most hazardous to the least hazardous that are on public property and right-a-ways.

Member Borden asked if labor is still a primary issue. It was last year when you came before the board with your presentation. Parks Superintendent Kimball responded labor is always an issue general labor is getting better ball crew is fully staffed, landscaping crew is very close to being fully staffed again, it's the tree crew it's the expertise of the tree crew and the requirement to have a CDL license those positions are not paid much more than our general landscapers so it's hard to fill those positions.

Chairperson Hicks asked if a private company is removing a tree is it required to have orange cones in place. Parks Superintendent Kimball responded if the work is being done in the right-of-way it is required.

NEW BUSINESS

PARK AMENITY REQUEST:

NAMING OF BLAKE DOYLE COMMUNITY SKATEPARK

NAMING OF KUGELMAN FAMILY AMPHITHEATER

NAMING OF JONAH BOWL

NAMING OF GANNETT FOUNDATION BEGINNER AREA

Attachments: [23-2-16 2022-Upward Intuition Blake Doyle Skate Park](#)

Jon Shell came before the board to present his request to the naming of the following: Blake Doyle Community Skatepark at Hollis T. Williams, Kugelman Family Amphitheater, Jonah Bowl, and Gannett Foundation Beginner Area. Mr. Shell began by saying he did not have any words

prepared for today that he had wrote a cover letter and submitted it along with the park amenity forms. He appreciates everyone and is really excited about the Skatepark. Mr. Shell stated that he and Director Stills were at the construction site of the skatepark and it's looking really good. I think it's something that the city can be very proud of, and I plan to be out there as much as I possibly can, probably everyday once it's built. So, thank you, all. Mr. Shell asked board if they had specific questions.

Member Borden asked the individuals that you're requesting to name the certain sections those individuals made donation to the construction of the park itself or to your organization or how, but I think there was a dollar amount wasn't there associated with those? Mr. Shell responded, yes, it's different for each one. The Gannett Foundation was a \$100,000 grant to Upward Intuition and then we gave that funding straight to the city to go towards construction. When we got started pushing for a public skatepark back in 2015 that is when, a friend of mine, Blake Doyle past and so his family and a lot of his friends rallied around that, and we were pushing for public skatepark before we even knew that we were going to partner with the city. We decided from the beginning we wanted to do it in memory of Blake. The Kugelman family made a dollar donation \$100,000 gift. And then, Jonah Bowl. Jonah's mother is present with me today. When Jonah past suddenly, Jonah's parents Justin and Kristen along with family and friends rallied behind the Skatepark project and helped me put on events and collect donations. Our organization, Upward Intuition we spent nearly \$100,000 on soft costs on design. We weren't able to use it. We had a new redesign, but they've been a huge part of the project and helped with community support and events and so forth.

Member Escobar-Ryan commented that this is a wonderful example of how people can turn very sad events into something amazing for the whole community. I just want to say thank you my respect to you and all the families involved and all the people pushing this into the community I totally understands the ideal behind the naming and totally support this.

Directors Stills added that Mr. Shell and his whole organization has obviously been very, very instrumental and there's a lot of opportunity to do a lot of other things, not just this being a park for skateboarders and people that appreciate that sport and that activity and the naming of the particular different apparatuses we liked the idea. The naming to the skatepark will be the Blake Doyle Community Skatepark at Hollis T. Williams, the entire section and entire development under the interstate is in honor of Mr. Williams, who I knew personally, we're excited to be getting to a point where this particular development is kicking off.

Chairperson Hicks commented, So let's look at the larger context of what

we're seeing here. There was once upon a time, a neighborhood that when we installed interstate 1-10 it disappeared, and people were displaced in every direction. And of course, Hollis T. Williams Park is meant to bring life back, diversity back and all the things that we want from human endeavor to that area. The people who are named here the Kugleman family of course is a great family, and their foundation is one of the noblest enterprises in the city. I have no qualms about naming stuff for people who give heart and soul back to the city, but I'm wondering about the forgotten community that's been displaced and do we have a plan based in history to come and tell their story and to name certain areas after them. We have, an indigenous heritage trail that's being conceived that would tell a story about the larger Native American community here past present and going into the future. Might it not be a good idea for us to contextualize this story that is going to occur down at Hollis T. Williams with the addition of the skatepark. As part of a larger plan that we've thought out and we know where we're going and we can start seeking for resources and funding for these various elements from the beginning. Which is right now we're beginning now. The day is today.

Mr. Shell commented, when we started applying for grants that was a big part of the story is the larger linear park. In 2010, they came up with the Greenway Framework Plan and obviously it was put on the shelf. Not much happened since 2010. It was a few years ago that became one of the restored projects so the design is completed for the 1.3-mile linear park. I've spoken been speaking and advocating for that project, the Hollis Williams project since 2015 the county spent nearly \$2 million on the design, and there's construction documents ready to go. I'm really excited about it. I just worked on a committee the Bloomberg Grant Foundation. That grant application actually comes from Mayor Reeves. I was on the committee that put that grant together and it's a million-dollar art grant and the theme of the grant is shifting perspectives so telling the stories of the people that lived in a neighborhood along the Hollis Williams corridor. We will find out this spring if the city's is going to get that grant. I just wanted to assure all of you that i am committed to pushing that forward and figuring out how to best tell that story.

Chairperson Hicks commented, I love the integrity of that idea. Well done. Thank you.

Director Stills commented, Superintendent of Administration and Special Projects Carmody, worked with Ms. Holly Benson yesterday and completing getting all of that information presented to make that happen. We're excited of the opportunity for that grant and want to thank Superintendent of Administration and Special Projects Carmody and also Cultural Affairs Coordinator, Robinson. We have been working on for quite

some time Jon we appreciate your diligence on that.

Thank you, Jon for coming today. Thank you so much.

Jon shared with board tentatively planning JUNE 10th as the grand opening date for the skatepark.

NAMING OF BLAKE DOYLE COMMUNITY SKATEPARK AT HOLLIS T WILLIAMS

A motion was made by Wolf, seconded by Escobar-Ryan, that this Park Amenity be Approved. The motion carried by the following vote:

Yes: 6 - Chairperson Hicks, Borden, Bruni, Escobar-Ryan, Jerralds, and Wolf

NAMING OF KUGELMAN FAMILY AMPHITHEATER

A motion was made by Bruni, seconded by Wolf, that this Park Amenity be Approved. The motion carried by the following vote:

Yes: 6 - Chairperson Hicks, Borden, Bruni, Escobar-Ryan, Jerralds, and Wolf

NAMING OF JONAH BOWL

A motion was made by Escobar-Ryan, seconded by Wolf, that this Park Amenity be Approved. The motion carried by the following vote:

Yes: 6 - Chairperson Hicks, Borden, Bruni, Escobar-Ryan, Jerralds, and Wolf

NAMING OF GANNETT FOUNDATION BEGINNER AREA

A motion was made by Bruni, seconded by Wolf, that this Park Amenity be Approved. The motion carried by the following vote:

Yes: 6 - Chairperson Hicks, Borden, Bruni, Escobar-Ryan, Jerralds, and Wolf

DISCUSSION ITEMS

2023 NATIONAL RECREATION AND PARK ASSOCIATION - SUSTAINABILITY REPORT

Sponsor: Antonio Bruni

Attachments: [NRPA - Sustainability Report](#)

Member Bruni shared with board members the report Roth (2023) Sustainability in Parks and Recreation National Recreation and Park Association. A report based on a survey of nearly 200 park and recreation leaders that explores how they are working to make their agencies and communities more sustainable.

CULTURAL AFFAIRS BOARD

Attachments: [Proposed Ordinance - Cultural Affairs](#)

Cultural Affairs Coordinator Robinson came before board to give an overview of her position and the proposed ordinance to establish a Cultural Affairs Advisory Board. The Cultural Affairs Advisory Board will have a formalized process for public art donations in the city parks and in the rights-of-way. The board would review the proposals as an advisory board before going to Council. Cultural Affairs Coordinator asked board members if they had any questions.

Member Borden asked if the naming of park amenities will go through Cultural Affairs Board or stay with Parks and Recreation. Director Stills responded that it would stay with Parks and Recreation.

CITY OF PENSACOLA ATHLETIC PARTNER LEASE AGREEMENT

Attachments: [City of Pensacola Youth Sports Organization Field Use Lease Agreement](#)

Superintendent of Administration and Special Projects Carmody came before the board to update the board on the progress of the Youth Sports Organization Field Use Lease Agreement and asked the board members if they were able to review the field least agreement and asked if they had any questions.

Member Borden asked is this different from the MOU or just for the field use. Superintendent of Administration and Special Projects Carmody responded it is similar, but this is a lease, and it is only for our youth sports partners.

Members Bruni asked about the percentages of camps are we not doing that anymore. Superintendent of Administration and Special Projects Carmody responded camps are different and that is a separate MOU like the Challenger Camp that Athletics Superintendent Fox explained last meeting and a lot of those are subcontracted and we get a percentage or a flat fee for those types of camps. Member Bruni asked if they don't subcontract. Superintendent of Administration and Special Projects Carmody responded that we have to do a different agreement if they are charging a fee but, some camps are training camps and do not charge a fee.

Discussion ensued among board members and Superintendent of Administration and Special Projects Carmody responding accordingly to comments and questions.

Pensacola Youth Soccer board member, Travis Peterson spoke before the board regarding his involvement with Pensacola Youth Soccer and the

inner-city sports programs. Travis Peterson began by telling the board that he is on the board of Pensacola Youth Soccer and is coming here in a slightly different capacity. About 12 years ago, I was fortunate to be a part of a group of individuals and businesses that helped to coordinate the first Soul Bowl that was held at the Community Maritime Park. If you don't know, the Soul Bowl is an annual inner city football day of fun between Pensacola Rattlers and the SYAH Tigers and it's a cultural event. It's also a really good food event and it's a highlight of the year for these two inner city programs. Recently we had all of the major sports providers from the city in one room around the table with the Mayor, Director Stills and Kim Carmody. The coaches of the football programs and the cheer programs aren't just coaches for those inner-city programs, they are mentors. Discussion at this meeting entailed the lease agreement and the fees associated with the activity. As you know, at Pensacola Youth Soccer, we have about 900 kids that play each season. We waive 10 to 15 youths per season that cannot pay. The inner-city programs its 50 60 70% of their kids can't pay. They have kids that come through the program the entire season and they don't see their parents. When you start talking about levying fees on nonprofit service providers, it's important to look at these programs individually because you know 10 bucks a head from Pensacola Youth Soccer is something we can pay. That would be about \$19,000 this year. We spent at least \$25,000 just on patching up the fields, your fields. We operated at a loss last year only because we had donations from years previous. Programs can't do that. Football plays four major games on their home field a year. It costs twice, three times, four times as much to outfit a football player as it does soccer, all we need is a ball, shin guards, and cleats. So, when we look at these different groups, I think it's important to look at, you know, and I want to be clear and thanks to Kim and Adrian and the rest of the parks and rec team for trying to create some consistency. We exist to provide a service. But it's a different community. These are different sports with different seasons with different impacts on the field and they have different civic contributions. At Pensacola Youth Soccer, we may have a few coaches that do this, but I guarantee you, that's why I say it. McGee field and at Legion field those kids are being tutored and mentored. They're being in some cases, parented by their football and cheer coaches. Please don't assume that all of these programs are the same. Please don't assume that they all have the same abilities to pay. Please don't assume that just because you put it in writing that they're going to be able to pay. We had the Directors of both of these inner-city programs say we don't know if we can pay. So, what are we going to do? Tell them they can't play football that's the real question. For some of the organizations, they are providing a different civic contribution by waiving of fees for these kids and the additional mentoring and tutoring and after school, and you know, in some cases, just keeping an eye on kids while their parents are working. That's a civic contribution that they are making and as taxpayers we should

be comfortable saying that has a value. What's going to be the answer when you have 300 kids who don't have something to do after school? Or in the evening. I just don't know if that's what the city wants to be. How you want to be treating your youth sports organizations.

Member Borden voiced her concerns about revenues collected from youth sports associations and the lack of accountability and transparency of the fees being paid to the city. Superintendent of Administration and Special Projects Carmody assured board members that with a change in administration and a new Parks and Recreation Director that the current lease agreements will be followed and reporting and accounting of funds will be transparent and available for board review.

Discussion ensued among board members, Travis Peterson, Director Stills, and Superintendent of Administration and Special Projects Carmody responding accordingly to comments and questions.

OPEN FORUM

ADJOURNMENT

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.



To inspire and empower the next generations for a greater community.

February 10, 2023

Dear Parks and Recreation Board Members,

I'd like to sincerely thank you all for your support of the skatepark project over the years and all that the City has done to get us to this point.

In January 2015, I wrote a series of blog posts called "Forgotten Youth" that outlined the need for a public skatepark in our City and some of the problems that a skatepark would help to solve. The support and encouragement for the idea was overwhelming but I wasn't sure what to make of it.

When Blake Doyle passed tragically in 2015 there was so much hurt and devastation among my peer group and in the skate community. Bart Doyle (Blake's twin brother) and I talked about doing something to honor Blake. We decided that a skatepark might be a way to accomplish this.

I was so naive about what the process would entail or how long it would take. In hindsight, this may have been a good thing. The fact that we wanted to do this to honor Blake played a big part in deciding to commit 100% to see this project come to fruition and beginning to advocate and help raise funds for the park. I didn't even know that we would need a 501(c)(3) to legally accept donations. This is how Upward Intuition originally came to be. Lots of people were eager to volunteer their time and resources and many of them were kids. The initial core group of kid advocates are no longer kids. Many of them have spent more than half of their life helping to push this project forward. It's hard to explain how excited I am to finally get to enjoy the skatepark with everyone that has put so much time and energy into making it happen.

I could not be happier with the design and build of the park. The skatepark we will have here in a few months really is incredible. I hope that we can continue working together to keep the park programmed with clinics, contests, events, and live music. I believe we have a unique opportunity to be able to host professional contests that would bring people from all over to Pensacola.

It feels like the end of an era but the beginning of a new and exciting chapter. I am so excited about the plans for the rest of the HTW park and I will continue to advocate and help in any way possible to push this next phase forward.

If any of you have ideas relating to the skatepark, questions, or concerns, please reach out to me anytime. Hope to see you all at the ribbon cutting!

Sincerely,

2004 E Lakeview Ave
Pensacola, FL 32503
(850) 572-0488
jon@upwardintuition.org



upwardintuition.org



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 23-00251

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: D.C. Reeves, Mayor

SUBJECT:

APPROVAL OF THE CITY OF PENSACOLA YOUTH SPORTS ORGANIZATION FIELD USE LEASE AGREEMENT WITH PENSACOLA YOUTH SOCCER, INC., FOR THE USE OF HITZMAN-OPTIMIST SOCCER FIELD

RECOMMENDATION:

That City Council approve a City of Pensacola Youth Sports Organization Field Use Lease Agreement with Pensacola Youth Soccer, Inc., for the use of Hitzman-Optimist Soccer Field to establish the terms and responsibilities of both parties as to the use of the Hitzman-Optimist Soccer Field for conducting a youth soccer program. Further, that City Council authorize the Mayor to take the action necessary to execute and administer this field use lease agreement, consistent with the terms of the agreement and the Mayor's Executive Powers as granted in the City Charter.

HEARING REQUIRED: No Hearing Required

SUMMARY:

Parks and Recreation is requesting City of Pensacola to enter into a field use lease agreement with Youth Sports Organizations to conduct youth sports programs which will promote positive physical, mental, and social development of participating youths.

This Youth Sports Organization Field Use Lease Agreement with the City of Pensacola details the roles and responsibilities of both the City of Pensacola and the Youth Sports Organization. The Youth Sports Organization Field Use Lease Agreement shall be for a period of one (1) year with three (3) additional one (1) year terms. Youth Sports Organization agrees to pay the City of Pensacola \$10 per paying child per season. A roster of all youth participating in the program along with full payment no later than thirty (30) days after each season begins.

PRIOR ACTION:

None

FUNDING:

N/A

FINANCIAL IMPACT:

Financial impact unknown at this time. However, the Parks and Recreation Department will receive their portion of fees, to be collected after each season. Funds received will be accounted for in the Recreation Fund.

LEGAL REVIEW ONLY BY CITY ATTORNEY: Yes

4/4/2023

STAFF CONTACT:

Kerrith Fiddler, City Administrator
Amy Miller, Deputy City Administrator
Adrian Stills, Parks and Recreation Director
Tonya Byrd, Assistant Parks and Recreation Director

ATTACHMENTS:

- 1) City of Pensacola Youth Sports Organization Field Use Lease Agreement

PRESENTATION: No

**CITY OF PENSACOLA YOUTH SPORTS ORGANIZATION FIELD USE LEASE
AGREEMENT**

STATE OF FLORIDA
COUNTY OF ESCAMBIA

THIS LEASE AGREEMENT (the “Lease”) is made and entered into to be effective as of, _____ by and between the City of Pensacola, a municipal corporation of the State of Florida whose principal offices are located at 222 W. Main Street, Pensacola, Florida 32502 (the “City” or “Lessor”) and **Pensacola Youth Soccer, Inc.** (the “Lessee”), a Florida not-for-profit corporation whose mailing address is **707 East Cervantes Street, Suite B #114, Pensacola, Florida 32501.**

1. STATEMENT OF PURPOSE

Lessor owns certain real property in the City of Pensacola having a postal address of 3221 Langley Avenue Pensacola, FL 32504, known as Hitzman-Optimist Soccer Field Lessor and Lessee mutually agree for Lessee to utilize **Hitzman-Optimist Soccer Field** (as specified, the “Property”) for conducting a youth soccer program (the “Program”), promoting positive physical, mental, and social development of participating youth. Lessor agrees to allow Lessee to use such other soccer fields designated in writing by Lessor.

2. PREMISES LEASED

Lessor hereby leases to Lessee the Property subject to the terms, provisions, and conditions of this Lease.

3. TERM

The term of this Lease shall be for a period of one (1) year commencing upon signature of last signing party. This Lease supersedes all other agreements between the City and Lessee for use of the Property.

4. RENEWAL

Upon written request of the Lessee, this Lease may be extended annually for up to three (3) additional one (1) year terms. Lessee must notify the Lessor at least sixty (60) days prior to the expiration of the initial term if they wish to renew.

5. TERMINATION FOR CONVENIENCE

Either Lessor or Lessee may terminate its participation in this agreement by providing a minimum of one hundred eighty (180) days written notice to the other party of its intent to terminate this Agreement.

6. LEASE PAYMENTS

Lessee agrees to pay the City of Pensacola \$10 per paying child per season. Lessee must provide a roster of all youth participating in the program along with the full payment no later than thirty (30) days after each season begins.

7. USE OF PREMISES

The Property shall be used by Lessee solely for the purposes as stated within Section 1, and any other uses must be approved by the City in writing prior to any other use by Lessee. Lessee agrees to coordinate with the City of Pensacola Parks and Recreation Department for use of the property to allow for any City-sponsored recreational programs.

Lessee agrees to seek and obtain prior written approval from the Lessor before undertaking any activity or construction on or near the Property that may adversely affect the adjacent residential or commercial property.

CONCESSIONS: Lessee may maintain concession activity or contract with a concessionaire for food and drink during the Program. Lessee and its concessionaire must comply with all applicable ordinances and health regulations. Lessor is responsible for all repairs, maintenance, and certification of all concession equipment, including ventilated hoods and fire extinguisher or suppression systems. The lessee is responsible for the certification of all concession personnel. The sale of alcoholic beverages is prohibited, and no alcoholic beverages are allowed at any time on the Property. Lessee must ensure that any area used for concessions is properly cleaned and garbage removed or properly disposed of following such use.

8. CONDITIONS OF USE

Lessee agrees that certain conditions must be met, and information provided prior to the assumption of any activities as a requirement of the lease. Lessee also agrees to provide the following information to the City's Parks and Recreation Department:

- a. A list of all staff, coaches, assistant coaches, referees, volunteers, and board members annually and an update within thirty (30) days of any changes.
- b. Documentation ensuring that Level 1 background screenings occur, at minimum, annually on each of the above listed persons per F.S. 943.0438 and that all criteria are met. Lessee shall immediately provide copies of Level 1 background screening results to the Lessor upon request.
- c. Provide a copy of the Lessee's certificate of insurance per Attachment B.
- d. Provide a copy of the Lessee's Board meeting schedule, constitution, by-laws, and standard operating procedures annually.
- e. Notify the City of Pensacola Parks and Recreation Athletics Superintendent or designee within 4 hours if there has been a serious incident or injury or of an incident that has required the response of first responders to the field; and no later than 12:00 p.m. the next business day following minor injuries or incidents that require medical attention or if there appears to be a hazard or dangerous condition on the field. The notification shall include the date of the incident, the name of the injured party, and a brief description of the incident.
- f. Notification by 12:00pm the next business day of any damage incurred to the Property or remainder of the Park resulting from the Program activities.
- g. Schedules and any subsequent updates of schedules for season end and start dates, practices, games, and camps at least thirty (30) days prior to commencement of the activity.
- h. Annual meeting held with appropriate personnel of both Lessor (Parks & Recreation Director, Athletic Manager, etc.) and the Lessee (President, Recreation Manager, etc.) to review documents and activities prior to commencement of the Program.

- i. Lessee must add the City of Pensacola to its Hold Harmless/Indemnification Agreement included as part of league registration and provide to the City.
- j. Proof from marketing materials that it has been advertised by Lessee that residents of the City of Pensacola have a minimum of two (2) weeks advance notice and opportunity to register for the activity before registration is opened to non-City residents.
- k. Provide a list of all City residents that registered for the activity during the two (2) week advance registration period described above, and if requested, provide copies of each of those City residents' registrations.

9. LESSEE'S ACKNOWLEDGEMENTS AND REPRESENTATIONS

Lessee represents to and covenants with Lessor that the representations made by it are true and correct and that Lessee shall use the Property only for such purposes as described.

10. CONSTRUCTION AND TITLE TO IMPROVEMENTS

Lessee shall not make any capital improvements to the property without written permission from Lessor.

Lessor reserves the right in its sole discretion to prioritize the necessity of all capital repairs and substantial improvements to the Property. Lessee agrees that any of their contributions in lieu of cash payments are not considered as vestment or assertion of priority in any capital improvements or repairs.

Title to any Buildings and/or Improvements that are on or that shall be placed upon the Property by Lessee shall vest to the Lessor immediately. Lessee acknowledges that it shall have no right to remove such fixed or permanent buildings or improvements from the Property without the express written consent of the Lessor upon request by the Lessee.

11. INSPECTION AND ACCESS TO PROPERTY

During the term of the Lease and any renewal or extension thereof, Lessee shall permit the representatives of Lessor access to the Property at any time.

12. COVENANTS AND RESTRICTIONS

Lessor and Lessee agree that the following restrictions shall be binding on Lessee and any authorized sublessees to whom the Lessor has consented:

- a. That the Property shall be devoted only to the uses specified in this Lease or as approved in writing by Lessor.
- b. That the Lessee shall keep the interior of the Property in good working order (clean and orderly) and shall not allow the Property to deteriorate excepting normal wear and tear from permitted use and shall notify the Lessor upon discovery of any deterioration, including from normal wear and tear, (such as reporting inoperable and damaged equipment), in accordance with section 8(f) above.
- c. That the Lessee shall require its contractors or subcontractors to maintain the same insurance requirements in Attachment B and cause the City of Pensacola to be named as an additional insured.
- d. Lessee is responsible for the repair of any and all damage caused by lessee or lessee's activities.

13. NO MORTGAGES OR ENCUMBRANCES

Lessee shall not mortgage, encumber, or allow any liens to be placed against the Property or its leasehold interest therein.

14. LESSOR'S WARRANTIES

Lessor warrants that Lessee may use the Property for its intended use, that Lessor has the right to enter into this Lease.

15. USE IS NOT EXCLUSIVE

Lessor grants Lessee use of the described property for the purposes stated herein, however, there is no grant to Lessee of exclusive use or of any tenant or ownership rights beyond the use as described in section 1 of this Agreement. The Lessor shall make all efforts to prevent any conflict of use between the City and Lessee, however if such a conflict occurs, the Lessor's right of use and control of the property shall prevail.

16. INDEMNIFICATION AND HOLD HARMLESS AGREEMENT IN FAVOR OF LESSOR

Lessee shall defend and indemnify Lessor, and save it harmless from all claims, suits, actions, damages, liability, and expense in connection with loss of life, bodily or personal injury, or property damage in accordance with Attachment B during any renewal or extension hereof.

17. INSURANCE REQUIRED

Lessee shall maintain insurance and provide Lessor with certificates in accordance with Attachment B during the life of this Lease Agreement as may be applicable under the circumstances. Lessor shall have the right to make reasonable increases to the minimum required limits of liability on Attachment B during any renewal or extension hereof. Lessee shall be responsible for all deductibles and self-insured retentions under its insurance policies.

18. PUBLIC RECORDS

The parties acknowledge that if the Lessee is a "contractor" as defined in Florida State Statute Section 119, that the Lessee shall comply with all requirements listed in Attachment "A".

19. NO DISCRIMINATION

Lessee agrees that it will not discriminate upon the basis of race, color, religion, national origin, sex, pregnancy, age, disability or handicap, familial status, marital status or any other legally protected class in the construction, subleasing, use, occupancy, or operation of the Property, or in the improvements to be erected thereon and that each contract, or agreement with respect thereto shall specifically contain the following provision:

"Equal Opportunity Provision"

- a. In the operation of the property, neither the Lessee nor any contractor or manager employed by Lessee shall discriminate against any employee or applicant for

employment because of race, color, religion, national origin, sex, pregnancy, age, disability or handicap, familial status, marital status or any other legally protected class, and they shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, national origin, sex, pregnancy, age, disability or handicap, familial status, marital status or any other legally protected class. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment, or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Lessee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by Lessee setting forth the provisions of this Equal Opportunity Clause, and to cause any contractor, subcontractor, or manager to do likewise.

- b. The Lessee and any contractor or manager shall, in all solicitations or advertisements for employees placed by them or on their behalf, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, sex, pregnancy, age, disability or handicap, familial status, marital status or any other legally protected class. They shall send to each labor union or representative of workers with which they, or any of them, have a collective bargaining agreement or other contract or understanding, a notice, to be provided by Lessee, advising the labor union or workers' representative of their commitments under this Equal Opportunity Clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

20. ENFORCEMENT OF LEASE, FORFEITURE DEFAULT, REMEDIES, NONWAIVER

Lessor may enforce the performance of this Lease in any manner provided by law, and this Lease shall be void upon the following events:

- a. If default shall be made by Lessee in the performance of any of the terms or conditions of this Lease.
- b. If Lessee shall fail to comply with any of the statutes, ordinances, rules, or regulations of any governmental body governing or regulating Lessee's business.

Lessor shall provide to Lessee in writing intention to terminate the lease within 15 days in the event of default.

The failure of Lessor to insist, in any one or more instances, on a strict performance of any of the terms or conditions of this Lease, or to exercise any option set forth in this Lease, shall not be construed as a future waiver or a relinquishment of the provision or option, but it shall continue and remain in full force and effect.

21. NOTICES

All notices provided in this Lease shall be deemed sufficient when sent by U.S. Certified Mail, Return Receipt Requested, postage prepaid, to the following address:

Lessor: The City of Pensacola
 c/o City Administrator

City Hall 222 West Main Street Pensacola, FL 32502

Lessee: **Pensacola Youth Soccer, Inc.**
Attn: Phil Nickinson
707 East Cervantes Street, Suite B #114, Pensacola, Florida 32501.
850-366-8764
phil@pensacolayouthsouthsoccer.com

22. AMENDMENT

This Lease may not be altered, changed, or amended except by an instrument in writing, signed by the parties hereto.

23. SEVERABILITY

If any provisions of this Lease shall be declared in contravention of law or void as against public policy, such provisions shall be considered severable and the remaining provisions of this Lease shall continue in full force and effect.

24. PARAGRAPH HEADINGS

The paragraph headings in this Lease are intended for convenience only and shall not be taken into consideration in any construction or interpretation of this Lease or any of its provisions.

25. ENTIRE AGREEMENT

This instrument constitutes the entire agreement between Lessor and Lessee.

26. WAIVER

Failure on the part of Lessor to complain of any action or non-action on the part of Lessee, no matter how long it may continue, shall not be deemed to be a waiver by Lessor of any of its rights under this Lease. Further, it is covenanted and agreed that no waiver at any time of any of the provisions of this Lease by Lessor shall be construed as a waiver at any subsequent time of the same provisions. The consent or approval by Lessor to or of any action by Lessee requiring Lessor's consent or approval shall not be deemed to waive or render unnecessary Lessor's consent or approval to or of any subsequent similar act by Lessee.

27. GOVERNING LAW

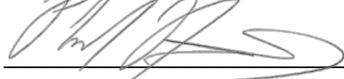
This Lease is subject to and shall be governed by the laws of the State of Florida.

28. VENUE

Venue for any claim, action or proceeding arising out of the Lease shall be Escambia County, Florida.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in multiple original copies to become effective upon the last party's signature on this Agreement.

Pensacola Youth Soccer, Inc.



Phil Nickinson, President

Printed Name and Title of above signature.

Date: March 31, 2023

CITY OF PENSACOLA, FLORIDA

D.C. Reeves, Mayor

Printed Name and Title of above signature.

Date: _____

Attest:

Ericka Burnett, City Clerk

Approved as to Substance:

Adrian Stills, Parks and Recreation Director

Legal in form and valid as drawn:

City Attorney

Attachment "A"

PUBLIC RECORDS: Contractor shall comply with Chapter 119, Florida Statutes. Specifically, Contractor 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 Contract term and following the completion of the Contract if Contractor does not transfer the records to the City.
- D.** Upon completion of the Contract, transfer, at no cost, to the City, all public records in possession of Contractor or keep and maintain public records required by the City to perform the service. If Contractor transfers all public records to the City upon completion of the Contract, Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If Contractor keeps and maintains public records upon completion of the Contract, Contractor 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 Contractor to comply with Chapter 119, Florida Statutes, shall be grounds for immediate unilateral cancellation of this Contract by the City.

IF CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE PUBLIC RECORDS COORDINATOR AT:

THE OFFICE OF THE CITY CLERK, (850) 435-1715

PUBRICORDS@CITYOFPENSACOLA.COM

222 WEST MAIN STREET, PENSACOLA, FL 32502

INSURANCE AND INDEMNIFICATION

ATTACHMENT B

GENERAL

The term City, as is used in this section, is defined to mean the City of Pensacola, itself, any subsidiaries or affiliates, elected and appointed officials, employees, volunteers, representatives and agents.

COVERAGE

Insurance shall be issued by an insurer whose business reputation, financial stability and claims payment reputation is satisfactory to the City, for the City's protection only. Unless otherwise agreed, the amounts, form and type of insurance shall conform to the following minimum requirements.

Worker's Compensation

The Lessee shall purchase and maintain Worker's Compensation Insurance Coverage for all Workers' Compensation as legally required. Additionally, the policy, or separately obtained policy, must include Employers Liability Coverage of at least \$100,000 each person – accident, \$100,000 each person – disease, \$500,000 aggregate – disease.

If Lessee qualifies as exempt by the Florida Department of Workers Compensation, a certificate of exemption is acceptable for this requirement.

Commercial General Liability Coverage

The Lessee shall purchase coverage on forms no more restrictive than the latest editions of the Commercial General Liability filed by the Insurance Services Office. **The City of Pensacola shall be an Additional Insured** and such coverage shall be at least as broad as that provided to the Named Insured under the policy for the terms and conditions of this Contract. The City shall not be considered liable for premium payment, entitled to any premium return or dividend and shall not be considered a member of any mutual or reciprocal company. Minimum limits of \$1,000,000 per occurrence for liability must be provided. If the required limits of liability afforded should become impaired by reason of any claim, then the Lessee agrees to have such limits of \$1,000,000 per occurrence, reinstated under the policy.

Commercial General Liability coverage must be provided, including bodily injury and property damage liability for premises, operations, products and completed operations (including pollution related claims), independent lessees, breach of contract, and property damage resulting from, collapse or underground (c,u) exposures. The coverage shall be written on occurrence-type basis. Any motorized vehicles utilized within the leased premise such as golf carts, scooters, or other motorized devices,

must be endorsed on the commercial general liability policy to include coverage for bodily injury or property damage.

CERTIFICATES OF INSURANCE

Required insurance shall be documented in the Certificates of Insurance which provide that the City shall be notified at least thirty (30) days in advance of cancellation, non-renewal or adverse change or restriction in coverage. **The City shall be named as an Additional Insured** and this contract shall be listed. If required by the City, the Lessee shall furnish copies of the Lessee's insurance policies, forms, endorsements, jackets and other items forming a part of, or relating to such policies. Certificates shall be on the "Certificate of Insurance" form equal to, as determined by the City, an ACORD 25. **Any wording in a Certificate which would make notification of cancellation, adverse change or restriction in coverage to the City an option shall be deleted or crossed out by the insurance carrier or the insurance carrier's agent or employee.** If on an ACORD 25 or similar form, the words "endeavor to" and "but failure..." shall be deleted so that the sentence ends with the word "left" or signed endorsements for the cancellation clauses MUST accompany Certificate(s) of Insurance. The Lessee shall replace any canceled, adversely changed, restricted or non-renewed policies with the new policies acceptable to the City and shall file with the City, Certificate of Insurance under the new policies prior to the effective date of such cancellation, adverse change or restriction. If any policy is not timely replaced, in a manner acceptable to the City, the Lessee shall, upon instructions of the City, cease all operations under the Contract until directed by the City in writing, to resume operations.

INSURANCE OF THE LESSEE PRIMARY

The Lessee required coverage shall be considered primary, and all other insurance shall be considered as excess, over and above the Lessee's coverage. The Lessee's policies of coverage will be considered primary as relates to all provisions of the contract.

LOSS CONTROL AND SAFETY

The Lessee shall retain control over its employees, agents, servants, as well as control over its invitees, and its activities on and about the subject premises and the manner in which such activities shall be undertaken and to that end, the Lessee shall not be deemed to be an agent of the City. Precaution shall be exercised at all times by the Lessee for the protection of all persons, including employees and property. The Lessee shall make special effort to detect hazards and shall take prompt action where loss control/safety measures should reasonably be expected.

HOLD HARMLESS

The Lessee shall indemnify and hold harmless the City of Pensacola, its elected officials, officers and employees, from any and all liabilities, damages, losses, and costs, including,

but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of the Lessee and its directors, officers, employees, agents, volunteers, invitees, spectators, or participants including Lessee's contractors, subcontractors, or vendors utilized by the Lessee in the performance of this contract. The Lessee's obligation shall not be limited by, or in any way to, any insurance coverage or by any provision in or exclusion or omission from any policy of insurance.

PAY ON BEHALF OF THE CITY

The Lessee agrees to pay on behalf of the City, as well as provide a legal defense for the City, both of which will be done only if and when requested by the City, for all claims as described in the Hold Harmless paragraph. Such payment on the behalf of the City shall be in addition to any and all other legal remedies available to the City and shall not be considered to be the City's exclusive remedy.

GOVERNING LAW AND VENUE

This Contract is governed and construed in accordance with laws of the State of Florida. The law of the State of Florida shall be the law applied in the resolution of any claim, actions or proceedings arising out of the Contract. Venue for any claim, actions or proceedings arising out of this Contract shall be Escambia County, Florida.

ADDENDUM TO FIELD USE LEASE AGREEMENT

This Addendum amends certain language in the City of Pensacola Field Use Lease Agreement between the Lessor, City of Pensacola, and the Lessee, Pensacola Youth Soccer, Inc. To the extent that any language in said Agreement varies from or conflicts with any language in this Addendum, the language of this Addendum shall govern and take precedence. Otherwise, all other terms and conditions of the Agreement not specifically amended herein will remain in full force and effect.

- 1. The list of registered City residents identified in Article 8(k) of the Agreement would remain strictly confidential and would not be subject to any Public Records Disclosure laws. Furthermore, Lessee shall not be obligated to verify the addresses reflected in said list, which addresses will be self-reported by City residents.**
- 2. Regarding the insurance requirements set forth in Article 12(c) of the Agreement, Lessee may satisfy such requirements by identifying any independent contractors as an “additional insured” under the Lessee’s policy.**
- 3. Regarding the field maintenance responsibilities set forth in Article 12 of the Agreement, Lessee and Lessor shall hereafter negotiate a detailed field maintenance agreement which will specify Lessee’s and Lessor’s respective field maintenance obligations. Such field maintenance agreement shall be finalized and signed no later than thirty (30) days from the date of the full execution of the Agreement.**

PENSACOLA YOUTH SOCCER, INC.



Phil Nickinson, President

DATE: March 31, 2023

CITY OF PENSACOLA, FLORIDA

D.C. Reeves, Mayor

DATE: _____, 2023



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 23-00253

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: D.C. Reeves, Mayor

SUBJECT:

APPROVAL OF THE CITY OF PENSACOLA YOUTH SPORTS ORGANIZATION FIELD USE LEASE AGREEMENT WITH SOUTHERN YOUTH SPORTS ASSOCIATION, FOR THE USE OF LEGION FIELD.

RECOMMENDATION:

That City Council approve a City of Pensacola Youth Sports Organization Field Use Lease Agreement with Southern Youth Sports Association for the use of Legion Field to establish the terms and responsibilities of both parties as to the use of Legion Field for conducting a youth football program. Further, that City Council authorize the Mayor to take the action necessary to execute and administer this field use lease agreement, consistent with the terms of the agreement and the Mayor's Executive Powers as granted in the City Charter.

HEARING REQUIRED: No Hearing Required

SUMMARY:

This request is to allow the Mayor to enter into a field use lease agreement with Youth Sports Organizations to conduct youth sports programs which will promote positive physical, mental, and social development of participating youths.

This Youth Sports Organization Field Use Lease Agreement with the City of Pensacola details the roles and responsibilities of both the City of Pensacola and the Youth Sports Organization. The Youth Sports Organization Field Use Lease Agreement shall be for a period of one (1) year with three (3) additional one (1) year terms. Youth Sports Organization agrees to pay the City of Pensacola \$10 per paying child per season. A roster of all youth participating in the program along with full payment no later than thirty (30) days after each season begins.

PRIOR ACTION:

None

FUNDING:

N/A

FINANCIAL IMPACT:

Financial impact unknown at this time. However, the Parks and Recreation Department will receive their portion of fees, to be collected after each season. Funds received will be accounted for in the Recreation Fund.

LEGAL REVIEW ONLY BY CITY ATTORNEY: Yes

4/4/2023

STAFF CONTACT:

Kerrith Fiddler, City Administrator
Amy Miller, Deputy City Administrator
Adrian Stills, Parks and Recreation Director
Tonya Byrd, Assistant Parks and Recreation Director

ATTACHMENTS:

- 1) City of Pensacola Youth Sports Organization Field Use Lease Agreement-Southern Youth Sports Association

PRESENTATION: No

**CITY OF PENSACOLA YOUTH SPORTS ORGANIZATION FIELD USE LEASE
AGREEMENT**

STATE OF FLORIDA
COUNTY OF ESCAMBIA

THIS LEASE AGREEMENT (the “Lease”) is made and entered into to be effective as of, _____ by and between the City of Pensacola, a municipal corporation of the State of Florida whose principal offices are located at 222 W. Main Street, Pensacola, Florida 32502 (the “City” or “Lessor”) and **Southern Youth Sports Association** (the “Lessee”), a Florida not-for-profit corporation whose mailing address is **1320 West Gregory Street, Pensacola, Florida 32502.**

1. STATEMENT OF PURPOSE

Lessor owns certain real property in the City of Pensacola having a postal address of 1301 West Gregory Street Pensacola, FL 32502, known as Roger Scott Athletic Complex Multipurpose Field Lessor and Lessee mutually agree for Lessee to utilize **Legion Field** (as specified, the “Property”) for conducting a youth football program (the “Program”), promoting positive physical, mental, and social development of participating youth. Lessor agrees to allow Lessee to use such other football fields designated in writing by Lessor.

2. PREMISES LEASED

Lessor hereby leases to Lessee the Property subject to the terms, provisions, and conditions of this Lease.

3. TERM

The term of this Lease shall be for a period of one (1) year commencing upon signature of last signing party. This Lease supersedes all other agreements between the City and Lessee for use of the Property.

4. RENEWAL

Upon written request of the Lessee, this Lease may be extended annually for up to three (3) additional one (1) year terms. Lessee must notify the Lessor at least sixty (60) days prior to the expiration of the initial term if they wish to renew.

5. TERMINATION FOR CONVENIENCE

Either Lessor or Lessee may terminate its participation in this agreement by providing a minimum of one hundred eighty (180) days written notice to the other party of its intent to terminate this Agreement.

6. LEASE PAYMENTS

Lessee agrees to pay the City of Pensacola \$10 per paying child per season. Lessee must provide a roster of all youth participating in the program along with the full payment no later than thirty (30) days after each season begins.

7. USE OF PREMISES

The Property shall be used by Lessee solely for the purposes as stated within Section 1, and any other uses must be approved by the City in writing prior to any other use by Lessee. Lessee agrees to coordinate with the City of Pensacola Parks and Recreation Department for use of the property to allow for any City-sponsored recreational programs.

Lessee agrees to seek and obtain prior written approval from the Lessor before undertaking any activity or construction on or near the Property that may adversely affect the adjacent residential or commercial property.

CONCESSIONS: Lessee may maintain concession activity or contract with a concessionaire for food and drink during the Program. Lessee and its concessionaire must comply with all applicable ordinances and health regulations. Lessor is responsible for all repairs, maintenance, and certification of all concession equipment, including ventilated hoods and fire extinguisher or suppression systems. The lessee is responsible for the certification of all concession personnel. The sale of alcoholic beverages is prohibited, and no alcoholic beverages are allowed at any time on the Property. Lessee must ensure that any area used for concessions is properly cleaned and garbage removed or properly disposed of following such use.

8. CONDITIONS OF USE

Lessee agrees that certain conditions must be met, and information provided prior to the assumption of any activities as a requirement of the lease. Lessee also agrees to provide the following information to the City's Parks and Recreation Department:

- a. A list of all staff, coaches, assistant coaches, referees, volunteers, and board members annually and an update within thirty (30) days of any changes.
- b. Documentation ensuring that Level 1 background screenings occur, at minimum, annually on each of the above listed persons per F.S. 943.0438 and that all criteria are met. Lessee shall immediately provide copies of Level 1 background screening results to the Lessor upon request.
- c. Provide a copy of the Lessee's certificate of insurance per Attachment B.
- d. Provide a copy of the Lessee's Board meeting schedule, constitution, by-laws, and standard operating procedures annually.
- e. Notify the City of Pensacola Parks and Recreation Athletics Superintendent or designee within 4 hours if there has been a serious incident or injury or of an incident that has required the response of first responders to the field; and no later than 12:00 p.m. the next business day following minor injuries or incidents that require medical attention or if there appears to be a hazard or dangerous condition on the field. The notification shall include the date of the incident, the name of the injured party, and a brief description of the incident.
- f. Notification by 12:00pm the next business day of any damage incurred to the Property or remainder of the Park resulting from the Program activities.
- g. Schedules and any subsequent updates of schedules for season end and start dates, practices, games, and camps at least thirty (30) days prior to commencement of the activity.

- h. Annual meeting held with appropriate personnel of both Lessor (Parks & Recreation Director, Athletic Manager, etc.) and the Lessee (President, Recreation Manager, etc.) to review documents and activities prior to commencement of the Program.
- i. Lessee must add the City of Pensacola to its Hold Harmless/Indemnification Agreement included as part of league registration and provide to the City.
- j. Proof from marketing materials that it has been advertised by Lessee that residents of the City of Pensacola have a minimum of two (2) weeks advance notice and opportunity to register for the activity before registration is opened to non-City residents.
- k. Provide a list of all City residents that registered for the activity during the two (2) week advance registration period described above, and if requested, provide copies of each of those City residents' registrations.

9. LESSEE'S ACKNOWLEDGEMENTS AND REPRESENTATIONS

Lessee represents to and covenants with Lessor that the representations made by it are true and correct and that Lessee shall use the Property only for such purposes as described.

10. CONSTRUCTION AND TITLE TO IMPROVEMENTS

Lessee shall not make any capital improvements to the property without written permission from Lessor.

Lessor reserves the right in its sole discretion to prioritize the necessity of all capital repairs and substantial improvements to the Property. Lessee agrees that any of their contributions in lieu of cash payments are not considered as vestment or assertion of priority in any capital improvements or repairs.

Title to any Buildings and/or Improvements that are on or that shall be placed upon the Property by Lessee shall vest to the Lessor immediately. Lessee acknowledges that it shall have no right to remove such fixed or permanent buildings or improvements from the Property without the express written consent of the Lessor upon request by the Lessee.

11. INSPECTION AND ACCESS TO PROPERTY

During the term of the Lease and any renewal or extension thereof, Lessee shall permit the representatives of Lessor access to the Property at any time.

12. COVENANTS AND RESTRICTIONS

Lessor and Lessee agree that the following restrictions shall be binding on Lessee and any authorized sublessees to whom the Lessor has consented:

- a. That the Property shall be devoted only to the uses specified in this Lease or as approved in writing by Lessor.
- b. That the Lessee shall keep the interior of the Property in good working order (clean and orderly) and shall not allow the Property to deteriorate excepting normal wear and tear from permitted use and shall notify the Lessor upon discovery of any deterioration, including from normal wear and tear, (such as reporting inoperable and damaged equipment), in accordance with section 8(f) above.

- c. That the Lessee shall require its contractors or subcontractors to maintain the same insurance requirements in Attachment B and cause the City of Pensacola to be named as an additional insured.
- d. Lessee is responsible for the repair of any and all damage caused by lessee or lessee's activities.

13. NO MORTGAGES OR ENCUMBRANCES

Lessee shall not mortgage, encumber, or allow any liens to be placed against the Property or its leasehold interest therein.

14. LESSOR'S WARRANTIES

Lessor warrants that Lessee may use the Property for its intended use, that Lessor has the right to enter into this Lease.

15. USE IS NOT EXCLUSIVE

Lessor grants Lessee use of the described property for the purposes stated herein, however, there is no grant to Lessee of exclusive use or of any tenant or ownership rights beyond the use as described in section 1 of this Agreement. The Lessor shall make all efforts to prevent any conflict of use between the City and Lessee, however if such a conflict occurs, the Lessor's right of use and control of the property shall prevail.

16. INDEMNIFICATION AND HOLD HARMLESS AGREEMENT IN FAVOR OF LESSOR

Lessee shall defend and indemnify Lessor, and save it harmless from all claims, suits, actions, damages, liability, and expense in connection with loss of life, bodily or personal injury, or property damage in accordance with Attachment B during any renewal or extension hereof.

17. INSURANCE REQUIRED

Lessee shall maintain insurance and provide Lessor with certificates in accordance with Attachment B during the life of this Lease Agreement as may be applicable under the circumstances. Lessor shall have the right to make reasonable increases to the minimum required limits of liability on Attachment B during any renewal or extension hereof. Lessee shall be responsible for all deductibles and self-insured retentions under its insurance policies.

18. PUBLIC RECORDS

The parties acknowledge that if the Lessee is a "contractor" as defined in Florida State Statute Section 119, that the Lessee shall comply with all requirements listed in Attachment "A".

19. NO DISCRIMINATION

Lessee agrees that it will not discriminate upon the basis of race, color, religion, national origin, sex, pregnancy, age, disability or handicap, familial status, marital status or any other legally protected class in the construction, subleasing, use, occupancy, or operation of the Property, or in the improvements to be erected thereon and that each contract, or agreement with respect thereto shall specifically contain the following provision:

“Equal Opportunity Provision”

- a. In the operation of the property, neither the Lessee nor any contractor or manager employed by Lessee shall discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, pregnancy, age, disability or handicap, familial status, marital status or any other legally protected class, and they shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, national origin, sex, pregnancy, age, disability or handicap, familial status, marital status or any other legally protected class. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment, or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Lessee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by Lessee setting forth the provisions of this Equal Opportunity Clause, and to cause any contractor, subcontractor, or manager to do likewise.
- b. The Lessee and any contractor or manager shall, in all solicitations or advertisements for employees placed by them or on their behalf, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, sex, pregnancy, age, disability or handicap, familial status, marital status or any other legally protected class. They shall send to each labor union or representative of workers with which they, or any of them, have a collective bargaining agreement or other contract or understanding, a notice, to be provided by Lessee, advising the labor union or workers’ representative of their commitments under this Equal Opportunity Clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

20. ENFORCEMENT OF LEASE, FORFEITURE DEFAULT, REMEDIES, NONWAIVER

Lessor may enforce the performance of this Lease in any manner provided by law, and this Lease shall be void upon the following events:

- a. If default shall be made by Lessee in the performance of any of the terms or conditions of this Lease.
- b. If Lessee shall fail to comply with any of the statutes, ordinances, rules, or regulations of any governmental body governing or regulating Lessee’s business.

Lessor shall provide to Lessee in writing intention to terminate the lease within 15 days in the event of default.

The failure of Lessor to insist, in any one or more instances, on a strict performance of any of the terms or conditions of this Lease, or to exercise any option set forth in this Lease, shall not be construed as a future waiver or a relinquishment of the provision or option, but it shall continue and remain in full force and effect.

21. NOTICES

All notices provided in this Lease shall be deemed sufficient when sent by U.S. Certified Mail, Return Receipt Requested, postage prepaid, to the following address:

Lessor: The City of Pensacola
c/o City Administrator
City Hall 222 West Main Street Pensacola, FL 32502

Lessee: **Southern Youth Sports Association**
Attn: Tammie May
1320 West Gregory Street, Pensacola, Florida 32502.
850-777-0165
May_t@bellsouth.net

22. AMENDMENT

This Lease may not be altered, changed, or amended except by an instrument in writing, signed by the parties hereto.

23. SEVERABILITY

If any provisions of this Lease shall be declared in contravention of law or void as against public policy, such provisions shall be considered severable and the remaining provisions of this Lease shall continue in full force and effect.

24. PARAGRAPH HEADINGS

The paragraph headings in this Lease are intended for convenience only and shall not be taken into consideration in any construction or interpretation of this Lease or any of its provisions.

25. ENTIRE AGREEMENT

This instrument constitutes the entire agreement between Lessor and Lessee.

26. WAIVER

Failure on the part of Lessor to complain of any action or non-action on the part of Lessee, no matter how long it may continue, shall not be deemed to be a waiver by Lessor of any of its rights under this Lease. Further, it is covenanted and agreed that no waiver at any time of any of the provisions of this Lease by Lessor shall be construed as a waiver at any subsequent time of the same provisions. The consent or approval by Lessor to or of any action by Lessee requiring Lessor's consent or approval shall not be deemed to waive or render unnecessary Lessor's consent or approval to or of any subsequent similar act by Lessee.

27. GOVERNING LAW

This Lease is subject to and shall be governed by the laws of the State of Florida.

28. VENUE

Venue for any claim, action or proceeding arising out of the Lease shall be Escambia County, Florida.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in multiple original copies to become effective upon the last party's signature on this Agreement.

Southern Youth Sports Association


Tammie May, President

Tammie May, Director
Printed Name and Title of above signature.

Date: 3/23/2023

CITY OF PENSACOLA, FLORIDA

D.C. Reeves, Mayor

Printed Name and Title of above signature.

Date: _____

Attest:

Ericka Burnett, City Clerk

Approved as to Substance:

Adrian Stills, Parks and Recreation Director

Legal in form and valid as drawn:

City Attorney

Attachment "A"

PUBLIC RECORDS: Contractor shall comply with Chapter 119, Florida Statutes. Specifically, Contractor 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 Contract term and following the completion of the Contract if Contractor does not transfer the records to the City.
- D.** Upon completion of the Contract, transfer, at no cost, to the City, all public records in possession of Contractor or keep and maintain public records required by the City to perform the service. If Contractor transfers all public records to the City upon completion of the Contract, Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If Contractor keeps and maintains public records upon completion of the Contract, Contractor 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 Contractor to comply with Chapter 119, Florida Statutes, shall be grounds for immediate unilateral cancellation of this Contract by the City.

IF CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE PUBLIC RECORDS COORDINATOR AT:

THE OFFICE OF THE CITY CLERK, (850) 435-1715

PUBRICORDS@CITYOFPENSACOLA.COM

222 WEST MAIN STREET, PENSACOLA, FL 32502

INSURANCE AND INDEMNIFICATION

ATTACHMENT B

GENERAL

The term City, as is used in this section, is defined to mean the City of Pensacola, itself, any subsidiaries or affiliates, elected and appointed officials, employees, volunteers, representatives and agents.

COVERAGE

Insurance shall be issued by an insurer whose business reputation, financial stability and claims payment reputation is satisfactory to the City, for the City's protection only. Unless otherwise agreed, the amounts, form and type of insurance shall conform to the following minimum requirements.

Worker's Compensation

The Lessee shall purchase and maintain Worker's Compensation Insurance Coverage for all Workers' Compensation as legally required. Additionally, the policy, or separately obtained policy, must include Employers Liability Coverage of at least \$100,000 each person – accident, \$100,000 each person – disease, \$500,000 aggregate – disease.

If Lessee qualifies as exempt by the Florida Department of Workers Compensation, a certificate of exemption is acceptable for this requirement.

Commercial General Liability Coverage

The Lessee shall purchase coverage on forms no more restrictive than the latest editions of the Commercial General Liability filed by the Insurance Services Office. **The City of Pensacola shall be an Additional Insured** and such coverage shall be at least as broad as that provided to the Named Insured under the policy for the terms and conditions of this Contract. The City shall not be considered liable for premium payment, entitled to any premium return or dividend and shall not be considered a member of any mutual or reciprocal company. Minimum limits of \$1,000,000 per occurrence for liability must be provided. If the required limits of liability afforded should become impaired by reason of any claim, then the Lessee agrees to have such limits of \$1,000,000 per occurrence, reinstated under the policy.

Commercial General Liability coverage must be provided, including bodily injury and property damage liability for premises, operations, products and completed operations (including pollution related claims), independent lessees, breach of contract, and property damage resulting from, collapse or underground (c,u) exposures. The coverage shall be written on occurrence-type basis. Any motorized vehicles utilized within the leased premise such as golf carts, scooters, or other motorized devices,

must be endorsed on the commercial general liability policy to include coverage for bodily injury or property damage.

CERTIFICATES OF INSURANCE

Required insurance shall be documented in the Certificates of Insurance which provide that the City shall be notified at least thirty (30) days in advance of cancellation, non-renewal or adverse change or restriction in coverage. **The City shall be named as an Additional Insured** and this contract shall be listed. If required by the City, the Lessee shall furnish copies of the Lessee's insurance policies, forms, endorsements, jackets and other items forming a part of, or relating to such policies. Certificates shall be on the "Certificate of Insurance" form equal to, as determined by the City, an ACORD 25. **Any wording in a Certificate which would make notification of cancellation, adverse change or restriction in coverage to the City an option shall be deleted or crossed out by the insurance carrier or the insurance carrier's agent or employee.** If on an ACORD 25 or similar form, the words "endeavor to" and "but failure..." shall be deleted so that the sentence ends with the word "left" or signed endorsements for the cancellation clauses MUST accompany Certificate(s) of Insurance. The Lessee shall replace any canceled, adversely changed, restricted or non-renewed policies with the new policies acceptable to the City and shall file with the City, Certificate of Insurance under the new policies prior to the effective date of such cancellation, adverse change or restriction. If any policy is not timely replaced, in a manner acceptable to the City, the Lessee shall, upon instructions of the City, cease all operations under the Contract until directed by the City in writing, to resume operations.

INSURANCE OF THE LESSEE PRIMARY

The Lessee required coverage shall be considered primary, and all other insurance shall be considered as excess, over and above the Lessee's coverage. The Lessee's policies of coverage will be considered primary as relates to all provisions of the contract.

LOSS CONTROL AND SAFETY

The Lessee shall retain control over its employees, agents, servants, as well as control over its invitees, and its activities on and about the subject premises and the manner in which such activities shall be undertaken and to that end, the Lessee shall not be deemed to be an agent of the City. Precaution shall be exercised at all times by the Lessee for the protection of all persons, including employees and property. The Lessee shall make special effort to detect hazards and shall take prompt action where loss control/safety measures should reasonably be expected.

HOLD HARMLESS

The Lessee shall indemnify and hold harmless the City of Pensacola, its elected officials, officers and employees, from any and all liabilities, damages, losses, and costs, including,

but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of the Lessee and its directors, officers, employees, agents, volunteers, invitees, spectators, or participants including Lessee's contractors, subcontractors, or vendors utilized by the Lessee in the performance of this contract. The Lessee's obligation shall not be limited by, or in any way to, any insurance coverage or by any provision in or exclusion or omission from any policy of insurance.

PAY ON BEHALF OF THE CITY

The Lessee agrees to pay on behalf of the City, as well as provide a legal defense for the City, both of which will be done only if and when requested by the City, for all claims as described in the Hold Harmless paragraph. Such payment on the behalf of the City shall be in addition to any and all other legal remedies available to the City and shall not be considered to be the City's exclusive remedy.

GOVERNING LAW AND VENUE

This Contract is governed and construed in accordance with laws of the State of Florida. The law of the State of Florida shall be the law applied in the resolution of any claim, actions or proceedings arising out of the Contract. Venue for any claim, actions or proceedings arising out of this Contract shall be Escambia County, Florida.



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 09-23

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: D.C. Reeves, Mayor

SUBJECT:

AN ORDINANCE AMENDING SECTIONS 7-4-1, 7-4-2, 7-4-3, 7-4-4, 7-4-6, AND 7-4-11 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA; REMOVING AUTHORITY TO OPERATE BOTTLE CLUBS; ADDING DEFINITION OF RESTAURANT; LIMITING RESTRICTION ON NUMBER AND LOCATION OF ESTABLISHMENTS WHERE ALCOHOLIC BEVERAGES CAN BE SOLD; EXPANDING THE EXEMPTION FOR RESTAURANT TO SELL ALCOHOLIC BEVERAGES..

RECOMMENDATION:

That City Council approve Proposed Ordinance No. 09-23 on first reading.

AN ORDINANCE AMENDING SECTIONS 7-4-1, 7-4-2, 7-4-3, 7-4-4, 7-4-6, AND 7-4-11 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA; REMOVING AUTHORITY TO OPERATE BOTTLE CLUBS; ADDING DEFINITION OF RESTAURANT; LIMITING RESTRICTION ON NUMBER AND LOCATION OF ESTABLISHMENTS WHERE ALCOHOLIC BEVERAGES CAN BE SOLD; EXPANDING THE EXEMPTION FOR RESTAURANT TO SELL ALCOHOLIC BEVERAGES; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

HEARING REQUIRED: No Hearing Required

SUMMARY:

Chapter 7 of the City Code of Ordinances currently provides certain exemptions for restaurants that meet the criteria for a state-issued 4-COP SFS (Special Food Service) license, which requires a restaurant to have a minimum of 2500 sf of service area and the capacity to serve at least 150 people at one time. These restaurants are allowed to serve beer, wine, and liquor. In a dense urban environment, such as the City of Pensacola, it is not uncommon for restaurants to find themselves unable to meet this size threshold, even when utilizing City right of way to provide additional seating.

Chapter 7 provides an additional exemption for restaurants that do not qualify for the SFS license, and serve beer and wine only, with no minimum seating capacity or service area requirements. The Mayor's Office and City staff are proposing an amendment to the City Code that would expand this exemption to allow for restaurants that are not of sufficient size to meet the SFS requirement, but are able to provide a minimum seating capacity of 25 people, to also serve beer, wine and liquor. This

proposed Ordinance would foster the vibrant and diverse transformation that the City, especially downtown, has been experiencing over the past several years as well as generate more economic and entrepreneurial opportunities for our City.

Another component of the proposed ordinance will eliminate the ability to operate a bottle club within the City of Pensacola. The removal of this business type is recommended, as the use has historically been the source of enforcement and public nuisance-related issues not just in Pensacola, but in other jurisdictions as well. Multiple other agencies have removed, or heavily restricted bottle blubs already, so this request aligns with actions taken by others.

Currently, there are no bottle clubs operating within the City per staff records, so there will be no nonconforming locations created by the passage of this ordinance.

PRIOR ACTION:

None.

FUNDING:

N/A

FINANCIAL IMPACT:

None

LEGAL REVIEW ONLY BY CITY ATTORNEY: Yes

4/14/2023

STAFF CONTACT:

Kerrith Fiddler, City Administrator
David Forte, Deputy City Administrator
Sherry Morris, AICP, Development Services Department Director

ATTACHMENTS:

- 1) Proposed Ordinance No. 09-23

PRESENTATION: No

PROPOSED
ORDINANCE NO. _____

ORDINANCE NO. _____

AN ORDINANCE
TO BE ENTITLED:

AN ORDINANCE AMENDING SECTIONS 7-4-1, 7-4-2, 7-4-3, 7-4-4, 7-4-6, AND 7-4-11 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA; REMOVING AUTHORITY TO OPERATE BOTTLE CLUBS; ADDING DEFINITION OF RESTAURANT; LIMITING RESTRICTION ON NUMBER AND LOCATION OF ESTABLISHMENTS WHERE ALCOHOLIC BEVERAGES CAN BE SOLD; EXPANDING THE EXEMPTION FOR RESTAURANT TO SELL ALCOHOLIC BEVERAGES; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY OF PENSACOLA, FLORIDA:

SECTION 1. Chapter 7-4 of the Code of the City of Pensacola, Florida, is hereby amended to read as follows:

Sec. 7-4-1. Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

~~Bottle club shall have the meaning set forth in section F.S. § 561.01, Fla. Stat.~~

Consideration means:

- (1) The payment of or obligation to pay any cover charge, entrance fee, dues, or commission for the right or privilege to enter or remain upon the premises;
- (2) The payment of or obligation to pay for ice, nonalcoholic mixes or other nonalcoholic liquids used in connection with alcoholic beverage drinks;
- (3) The payment of or obligation to pay for use of glassware or other containers for the consumption of alcoholic beverage drinks;
- (4) The payment of or obligation to pay for food;
- (5) The payment of or obligation to pay for entertainment of any kind, whether live, recorded, taped, or on film; or

- (6) The payment of or obligation to pay for any combination of the foregoing.

Dense business area means all of that portion of the corporate limits of the city as defined in chapter 12-13.

Private club means any place or establishment licensed or required to be licensed pursuant to F.S. § 565.02(4).

Restaurant means a public food service establishment preparing and serving food during all operating hours and serving alcoholic beverages that is governed by either:

- (1) A State series special food service (SFS) alcoholic beverage license pursuant to section 561.20(2)(a), Fla. Stat.; or
- (2) another State consumption on premises license and which holds a State restaurant seating license and provides seating for at least 25 persons at one time.

School means an institution primarily for academic instruction, public, parochial or private (whether for-profit or nonprofit) and having a curriculum the same as ordinarily given in a public school, but not including colleges, universities or other institutions of post-secondary education.

Sec. 7-4-2. Hours of operation.

- (a) Alcoholic beverages may be sold only on Monday through Sunday, between the hours of 7:00 a.m. and 3:00 a.m. of the following day.
- (b) No saloon, barroom, cocktail lounge, club or other place where alcoholic beverages are ordinarily sold, shall remain open during such prohibited hours of sale; provided, however, the provisions of this section shall not be construed as prohibiting grocery stores, restaurants or eating places, which ordinarily sell such beverages, from remaining open during the prohibited hours, so long as such beverages are not sold or permitted to be consumed upon the premises of such places during such hours.
- ~~(c) Bottle clubs may be permitted to operate on Monday through Sunday only between the hours of 10:00 p.m. and 3:00 a.m. of the following day. Subsections (a) and (b) of this section shall not be applicable to bottle clubs.~~

Sec. 7-4-3. Certificates of Compliance.

- (a) It shall be unlawful to sell, or offer to keep for sale, alcoholic beverages containing more than one percent of alcohol by weight in any place or establishment, including a private club ~~or bottle club~~, for which a certificate of compliance with the provisions of this chapter has not been issued. ~~It shall~~

~~also be unlawful for a bottle club to operate at any location for which a certificate of compliance has not been issued.~~ It shall also be unlawful for a private club to serve or receive or keep for consumption on the premises, whether by members, nonresident guests or other persons, alcoholic beverages containing more than one percent of alcohol by weight at any location for which a certificate of compliance has not been issued. Provided, however, no certificate of compliance shall be required for any place or establishment lawfully operating on June 26, 1986. Any place or establishment lawfully operating on June 26, 1986, which would not be permitted under the terms of this chapter by reason of restrictions stated herein, shall be declared a nonconforming use and may be continued subject to the following provisions:

- (1) *Extension of nonconforming use.* No such nonconforming use may be extended to occupy any greater area of land or extended to occupy any land outside any buildings on the same parcel.
- (2) *Abandonment of nonconforming use.* If such nonconforming use is abandoned for a period of more than 180 days, any future use of such land and structure shall be in conformity with the provisions of this title.
- (3) *Change in nonconforming use.* There may be a change in tenant, ownership or management of a nonconforming use provided there is no change in the nature or character of such nonconforming use.

Provided further, however, no certificate of compliance shall be required for any place or establishment to sell or offer or keep for sale in sealed containers for consumption off of the premises beer, as defined by section F.S. § 563.01, Fla. Stat., or wine, as defined by section F.S. § 564.01(1), Fla. Stat.

- (b) Each petition for a certificate of compliance shall be considered by the mayor and, if the mayor finds that the petition is in compliance with the provisions of this chapter, then the mayor shall issue a certificate of compliance with the provisions of this chapter, subject to appeal to the city council.
- (c) Notice of each decision of the mayor to grant or deny a certificate of compliance with this chapter shall be filed immediately in the office of the city clerk where it shall be available for public inspection. The city clerk shall send notice of any decision to deny a certificate of compliance to the petitioner, which notice shall inform the petitioner of the right of any person aggrieved by the decision of the mayor to appeal to the city council within ten calendar days after the date of such notice.
- (d) Any person aggrieved by a decision of the mayor pursuant to this chapter may appeal to the city council by filing in the office of the city clerk a written

notice of appeal within ten calendar days after the date of the mayor's granting of a certificate of compliance or within ten calendar days after the date of the city clerk's notice to the petitioner of the mayor's decision to deny a certificate of compliance. The notice of appeal shall set forth a short and plain statement alleging the reasons why the decision of the mayor was not in compliance with the provisions of this chapter.

- (e) The city council shall consider any appeal pursuant to this chapter at a city council meeting within a reasonable time following the date of filing of a notice of appeal. At the meeting, the appellant, the petitioner (if not the appellant) and the mayor may present evidence concerning whether the decision of the mayor was in compliance with the provisions of this chapter. The burden of proof shall be upon the appellant. The city council shall consider the evidence presented concerning the criteria set forth in this chapter and render its decision which shall be final.
- (f) The mayor shall issue to the petitioner a certificate of compliance with the provisions of this chapter if an appeal has been timely filed, and the city council has approved the granting of a certificate of compliance.

Sec. 7-4-4. Establishments prohibited in proximity of residential district.

- (a) A certificate of compliance shall not be issued for any place or establishment, including a private club ~~or a bottle club~~, within 500 feet of any vacant or residentially developed parcel of property zoned R-1AAAAA, R-1AAAA, R-1AAA, R-1AA, R-1A, R-ZL, R-2A, or PR-1AAA. This restriction shall not apply in the Historic District, the Waterfront Redevelopment District, the South Palafox Business District or the dense business area.
- (b) The city shall determine said distance by measuring a radius from the property line of the place or establishment. If any portion of a parcel of property is within said distance, whether or not the property is located within the corporate limits of the city, then the entire parcel shall be deemed to be within said distance.
- (c) The provisions of subsection (a) of this section shall not be applicable to any large multi-use retail store with a floor area of 200,000 square feet or greater which has obtained a license pursuant to section F.S. § 565.02(1)(a), Fla. Stat., or to any motel, hotel or restaurant which has obtained a special alcoholic beverage license pursuant to section F.S. § 561.20(2)(a), Fla. Stat., or a restaurant licensed by the division of hotels and restaurants of the state department of business regulation with a seating license and which provides seating for at least 25 persons at one time.

Sec. 7-4-5. Restriction of distance from schools and churches.

- (a) A certificate of compliance shall not be issued for any place or establishment within the city limits, but outside the dense business area, which lies within 500 feet of any church or school, nor for any place or establishment within the dense business area which lies within 300 feet of any church or school, unless, in the case of a church, the governing body of such church consents in writing to the issuance of a certificate of compliance.
- (b) The city shall determine distances by measuring a radius from the property line of the place or establishment. If any portion of a parcel of land in use as church or school facilities lies within said radius, whether or not the property is located within the corporate limits of the city, then the church or school shall be deemed to be within said distance.

Sec. 7-4-6. Restriction of number of certain alcoholic beverage establishments.

- (a) There shall be no more than one place or establishment where beer, as defined by section F.S. § 563.01, Fla. Stat., or wine, as defined by F.S. § 564.01(1), Fla. Stat., or liquor, as defined by section F.S. § 565.01, Fla. Stat., are sold, offered or kept for sale, or received, kept or brought for consumption on or off the premises, opening or having entrance upon any one side or sidewalk of any block within the city, except as provided in subsection (b) of this section. Provided that, if any such place or establishment occupies a corner location in any particular block of the city, then such place or establishment shall not be considered to be within the provisions of subsection (a) of this section.
- (b) The provisions of subsection (a) of this section shall not be applicable to any motel, hotel or restaurant which has obtained a special alcoholic beverage license pursuant to section F.S. § 561.20(2)(a), Fla. Stat., or a restaurant licensed by the division of hotels and restaurants of the state department of business regulation with a seating license and which provides seating for at least 25 persons at one time.

Sec. 7-4-7. Additional criteria for certificate of compliance.

- (a) A certificate of compliance shall not be issued for any place or establishment in any area in which the comprehensive plan or zoning ordinances of the city do not permit the sale of alcoholic beverages or where the place or establishment is not in compliance with the building, plumbing, electrical and gas codes of the city.
- (b) Additionally, prior to granting a certificate of compliance, the mayor shall first determine that the place or establishment complies with the other requirements of this chapter and that the granting of a certificate shall not interfere with safe traffic circulation.

Sec. 7-4-8. Conditional certificate of compliance for places or establishments not constructed or completed.

Conditional certificates of compliance may be issued for places or establishments which have not been constructed for which certificates of occupancy have not been issued by the inspection services department of the city. No conditional certificate shall be issued unless the construction plans show that the place or establishment when occupied will be in compliance with the requirements of this chapter. Prior to issuing a certificate of occupancy for a place or establishment for which a conditional certificate has been issued, the mayor shall determine whether the place or establishment complies with the zoning and building codes of the city and whether the main public entrance of the place or establishment has changed from that set forth in the construction plans so as to render the place or establishment in violation of the restrictions set forth in this chapter. If the place or establishment does not comply or if the main public entrance thereto has changed in the manner described above, the conditional permit shall be revoked by the mayor (notice of which shall be furnished to the petitioner) subject to the right of the petitioner to recommence the petition process. If the place or establishment does comply and the main public entrance thereto has not changed in the manner described above, the mayor shall issue a certificate of compliance in accordance with section 7-4-3(b), the issuance of which shall be subject to review by the manner prescribed in section 7-4-3.

Sec. 7-4-9. Sunday deliveries.

It shall be unlawful for any wholesaler or distributor of alcoholic beverages to make any deliveries of alcoholic beverages to any retail establishment or other place retailing such beverages, by motor truck or other vehicle before 1:00 p.m. on Sundays, within the corporate limits of the city.

Sec. 7-4-10. Certain exemptions for distributors.

It is the intent of this chapter that the provisions of sections 7-4-4 and 7-4-5 do not apply to distributors of alcoholic beverages, as the same are defined by the Beverage Law of the State of Florida.

Sec. 7-4-11. Additional exemption for certain licensed restaurants.

Notwithstanding any provisions of this chapter to the contrary, a restaurant licensed by the division of hotels and restaurants of the state department of business regulation with a seating license and which provides seating for at least 25 persons at one time may sell beer, and wine, and liquor for consumption on the premises only during the hours of sale permitted by section 7-4-2. Additionally, any restaurant meeting the requirements stated above, and obtaining a license pursuant to F.S. § 561.20(2)(a)4, shall be permitted to sell beer, wine, and liquor for consumption on the premises only during the hours of sale permitted by section 7-4-2.

Sec. 7-4-12. Additional exemption for certain licensed restaurants.

Vendors licensed pursuant to section F.S. § 563.02(1), Fla. Stat., and nonprofit civic organizations permitted pursuant to section F.S. § 561.422, Fla. Stat., shall be exempt from the provisions of this chapter to the extent required by said law.

Sec. 7-4-13. Consumption in public places.

- (a) Except as provided below, it shall be unlawful for any person to consume, possess, or control any type of alcoholic beverages or any other intoxicating liquors other than a beverage in an unopen container at or upon any park, playground or other recreational facility owned by the city, or in or upon any street right-of-way within the city, including, but not limited to, sidewalks, alleyways, and paved or unpaved portions of the right-of-way.
- (b) This prohibition shall not apply to those activities, either public or private, for which prior approval by the mayor has been granted or obtained pursuant to the provisions of the special events permitting, sections 11-4-171 through 11-4-180.
- (c) Public or private activities where alcoholic beverages or other intoxicating liquors may be consumed will be allowed under a special event permit in the following parks and recreational facilities:
 - (1) Bayview Park (excluding Bayview Resource Center) and Bayview Senior Citizens Center.
 - (2) Plaza de Luna.
 - (3) Seville Square.
 - (4) William Bartram Memorial Park.
 - (5) East Pensacola Heights Clubhouse.
 - (6) Sanders Beach Corinne Jones Resource Center (limited to the inside and the veranda).

Sale of alcoholic beverages by any activity sponsor, vendor, or other person at such a public or private activity shall be prohibited except for those events specifically permitting such sales under the activity's special event permit.

- (d) Alcoholic beverages sales and consumption will be allowed on the Osceola Municipal Golf Course, in the Saenger Theatre, on the premises of the Roger Scott Tennis Center exclusive of the parking lot area outside of the perimeter fencing, and the Bayview Senior Citizens Center (limited to the inside and outdoor patio areas on the south side of the building), all subject to the terms

and conditions of their respective vendor management agreements and city ordinance.

- (e) At the time of application for a special event permit, the applicant as provided in section 11-4-177 shall furnish to the mayor for the activity a copy of its proof of liquor liability insurance and other required insurance coverages naming the city as an additional insured to protect the city from any potential liabilities or losses related to the proposed activity.
- (f) The applicant also shall arrange with the city to provide security services for the activity at the time of application for a special event permit. The cost of such security services shall be paid for by the applicant. The city shall detail the number of officers as deemed appropriate to maintain public safety at the function but in no case less than the following for any proposed activity:
 - (1) Outdoor events of 150 people or less shall require a minimum of one police officer. Outdoor events of more than 150 people shall require a minimum of two officers.
 - (2) Indoor events of any size shall require a minimum of two officers with one stationed inside the facility and one in the parking lot.
- (g) This prohibition against open containers shall not apply to events taking place within the Specialty Center District as defined in section 11-4-171 where the event organizer has obtained a special events permit that invokes the Specialty Center District.

Sec. 7-4-14. Enforcement.

- (a) In addition to the penalties for violations of this Code provided for in section 1-1-8, this chapter also may be enforced by the city in an action to enjoin any violation of this chapter or to close any place or establishment where such violation occurs.
- (b) For violations of section 7-4-13, in lieu of making an arrest or issuing a notice to appear pursuant to section 1-1-8, a law enforcement officer may issue a civil citation as described below:
 - (1) A law enforcement officer may issue a citation to a person when, based upon personal investigation, the officer has reasonable cause to believe that the person has committed a violation of section 7-4-13.
 - (2) A citation issued by a law enforcement officer shall be in a form prescribed by the mayor and shall contain:

- a. The date and time of issuance.
- b. The name and address of the person to whom the citation is issued.
- c. The date and time the violation of section 7-4-13 was committed.
- d. The facts constituting reasonable cause.
- e. The name of the law enforcement officer.
- f. The procedure for the person to follow in order to pay the civil penalty or to contest the citation.
- g. The applicable civil penalty if the person elects to contest the citation.
- h. The applicable civil penalty if the person elects not to contest the citation.
- i. A conspicuous statement that if the person fails to pay the civil penalty within the time allowed, or fails to appear in court to contest the citation, such person shall be deemed to have waived the right to contest the citation and that, in such case, judgment may be entered for an amount up to the maximum civil penalty.

(3) For violations of section 7-4-13, the following civil penalty citation schedules will apply if the person cited elects not to contest a citation and the civil penalties which will apply if such person elects to contest a citation:

- a. For those persons not contesting a citation:
 - 1. First citation: \$50.00.
 - 2. Second citation: \$100.00.
 - 3. Third citation: \$200.00.
 - 4. Fourth and all additional citations: \$400.00.
- b. For those persons contesting a citation, the county court may impose a fine within the court's discretion up to a maximum of \$500.00.

- (4) After issuing a citation to an alleged violator, a law enforcement officer shall deposit the original citation and one copy of the citation with the county court.

Sec. 7-4-15. Sales and consumption restricted to licensed buildings.

- (a) It shall be unlawful for any owner of a licensed establishment, or for any agent, servant or employee of any such owner to permit the consumption of any alcoholic beverages in or upon any parking or other area outside of the building or room mentioned in his or her license certificate as the address thereof, when any part of such parking or other area is adjacent to the building or premises in which the building licensed under such section is operated, and when such parking or other area is owned, rented, leased, regulated, controlled or provided, directly or indirectly, by such owner or by any agent, servant or employee of such owner.
- (b) It shall be unlawful for any person to consume any alcoholic beverage in or upon any parking or other area outside of and adjacent to licensed premises when such parking or other area is owned, rented, leased, regulated, controlled or provided, directly or indirectly, by such establishment.
- (c) If any licensed owner mentioned herein be a corporation, then the officers of such corporation shall be regarded as the owners thereof, for the purposes of enforcement of this section.
- (d) Any person violating any of the provisions of this section shall, upon conviction, be punished as provided in section 1-1-8.
- (e) The mayor is hereby authorized to grant exemptions from the operation of this section. Any person seeking an exemption from the operation of this section must make a request in writing to the mayor's office, and this application must describe in detail the reasons and circumstances pertaining to the intended consumption of alcoholic beverages in an outside area. Exemptions may be granted by the mayor only in situations where it would appear that the exemption, if granted, would not create a public nuisance or a public disturbance. In determining whether to grant a requested exemption, the mayor shall take into account the following factors:
 - (1) The degree to which the consumption of alcoholic beverages in an outside area would be exposed to public view.
 - (2) The level of noise likely to be created by the granting of an exemption.

- (3) The extent to which litter control is exercised by the person or entity providing for the availability of alcoholic beverages.
- (4) The degree to which law enforcement services have been or may be required to be provided by the city.

No exemption granted by the mayor shall be effective for a period of more than one year from the date of issue. Such exemption may be renewed by the mayor on an annual basis upon written request, and the mayor may grant annual renewal by application of the four factors set forth above.

- (f) Any person aggrieved by the denial of an exemption by the mayor shall have a right to appeal the mayor's decision to the city council. Such an appeal must be filed in writing in the office of the city clerk within ten calendar days after the date of the mayor's decision to deny an exemption. The notice of appeal shall set forth a short and plain statement of the reasons why the decision of the mayor was not in compliance with the provisions of this section.
- (g) The city council shall consider any appeal pursuant to this section within a reasonable time following the date of filing of a notice of appeal. At the meeting, the appellant and the mayor may present evidence concerning whether the decision of the mayor was in compliance with the provisions of this section. The burden of proof shall be upon the appellant. The city council shall consider the evidence presented concerning the criteria set forth in this section and render its decision which shall be final.
- (h) The mayor is authorized to revoke any exemption which may have been granted pursuant to this section in the event that it is determined by the mayor that the conduct of patrons of a licensed establishment which has been granted an exemption constitutes a public nuisance or a public disturbance. In determining whether a public nuisance or disturbance exists, the mayor may consider and investigate the level of noise created by outdoor consumption of alcoholic beverages, the degree of litter produced, and the degree to which law enforcement services have been necessitated. In the event that the mayor determines that an exemption previously granted should be revoked, the mayor shall provide written notice to the owner of the licensed establishment no less than five days in advance of the effective date of the revocation, informing the owner of the licensed establishment of the intention to revoke the exemption and the reasons therefor.
- (i) Any person aggrieved by the revocation of an exemption by the mayor shall have a right to appeal the mayor's decision to the city council. Such an appeal must be filed in writing in the office of the city clerk within ten calendar days after the date of the mayor's decision to deny an exemption. The notice of appeal shall set forth a short and plain statement of the reasons why the

decision of the mayor was not in compliance with the provisions of this section, or why the exemption should not be revoked.

- (j) The city council shall consider any appeal of a revocation of exemption pursuant to this section within a reasonable time following the date of filing of a notice of appeal. At the meeting, the appellant and the mayor may present evidence concerning whether the decision of the mayor was in compliance with the provisions of this section. The burden of proof shall be upon the appellant. The city council shall consider the evidence presented concerning the criteria set forth in this section and render its decision which shall be final.

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

File #: 10-23

City Council

4/27/2023

LEGISLATIVE ACTION ITEM

SPONSOR: City Council Vice President Casey Jones
D.C. Reeves, Mayor

SUBJECT:

PROPOSED ORDINANCE NO. 10-23 - REPEAL OF SECTION 11-4-17, PROHIBITION OF SKATEBOARDS ON SIDEWALKS.

RECOMMENDATION:

That City Council approve Proposed Ordinance No. 10-23 on first reading:

AN ORDINANCE REPEALING, IN ITS ENTIRETY, SECTION 11-4-17 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

HEARING REQUIRED: No Hearing Required

SUMMARY:

A portion of City Code Section 11-4-17. Prohibition of skateboards on sidewalks, carves out a specific area within the downtown corridor. This action puts skateboarders directly in the streets, which we have recently seen is not a safe resolution.

The section portion of the code addresses the prohibition of skateboarding by the posting of signs. With the opening of the skate park, it is believed that skateboarding in other areas will be greatly reduced. There would still be no prohibition on private property owners prohibiting skateboarding on their property.

PRIOR ACTION:

May 23, 1996 - Ordinance No. 23-96, Prohibition of Skateboarding on certain City Sidewalks in Downtown Pensacola area was created and passed by City Council.

FUNDING:

N/A

FINANCIAL IMPACT:

None

STAFF CONTACT:

Don Kraher, Council Executive

ATTACHMENTS:

- 1) Proposed Ordinance No. 10-23

PRESENTATION: No

PROPOSED
ORDINANCE NO. 10-23

ORDINANCE NO. _____

AN ORDINANCE
TO BE ENTITLED:

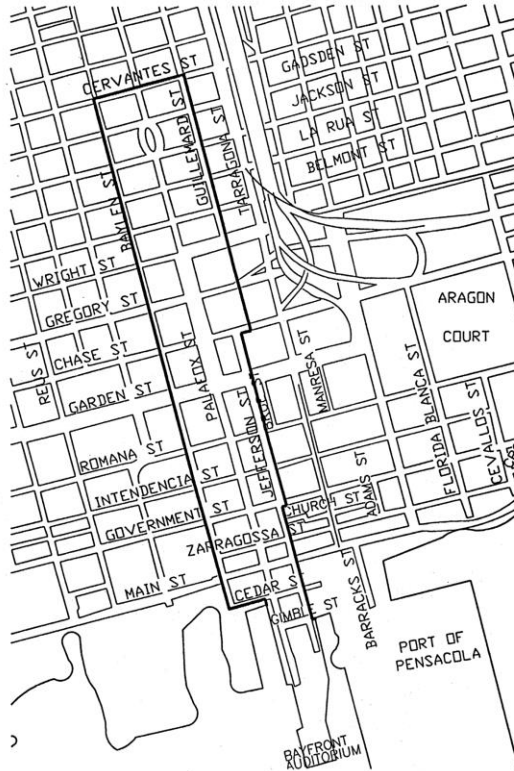
AN ORDINANCE REPEALING, IN ITS ENTIRETY, SECTION 11-4-17 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY OF PENSACOLA, FLORIDA:

SECTION 1. Chapter 11-4-17 of the Code of the City of Pensacola, Florida, is hereby repealed to read as follows:

~~Sec. 11-4-17. Prohibition of skateboards on sidewalks.~~

- ~~a) Skateboarding shall be prohibited on public sidewalks and on walkways and parking lots in an area bounded on the west by the west right-of-way line of Baylen Street, on the north by the north right-of-way line of Cervantes Street, on the east by the east right-of-way lines of Guillemard Street and Jefferson Street, and on the south by the waterfront. A map depicting this area is on file in the office of the city clerk and as follows:~~



- (b) ~~Within the city limits of the City of Pensacola no person shall skateboard on any property that has been posted by the owner to prohibit skateboarding thereon. Posting shall mean that a sign or signs have been placed on the property, with letters of not less than two inches in height with the words "No Skateboarding," and stating the name of the owner of the property. One or more signs shall be placed in a manner so as to be clearly visible from outside the property boundaries to provide reasonable notice to the public that the property is posted as no skateboarding. As used herein, the term "owner" shall include any person having any interest in said property under and by virtue of which the person is entitled to possession thereof, and shall include the agents or authorized employees of the owner. Any owner of property who posts "No Skateboarding" signs on their property shall notify the police department of such posting.~~
- (c) ~~A violation of this section shall be deemed a noncriminal infraction. The penalty for violations of this section shall be fines according to the following schedule:~~
- ~~(1) First offense: \$10.00.~~
 - ~~(2) Second offense: \$20.00.~~
 - ~~(3) Third offense: \$35.00.~~
 - ~~(4) Fourth and subsequent offenses, per offense: \$50.00.~~
- (d) ~~Notwithstanding the fines provided in subsection (c) of this section, the penalty for skateboarding on a device intended to serve as a handrail, a fence, a wall, a step, a fountain, or a bench shall be a fine up to \$500.00, and/or an obligation to perform up to 80 hours of supervised community service. The amount of the fine and the~~

~~extent of the community service obligation are to be determined by the county court. The violation of this section shall be deemed a noncriminal infraction.~~

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

File #: 23-00012

City Council

4/27/2023

DISCUSSION ITEM

SUBJECT:

QUARTERLY FINANCIAL REPORT- TWELVE MONTHS ENDING SEPTEMBER 30, 2022
(UNAUDITED) - FINANCE DIRECTOR AMY LOVOY

ATTACHMENTS:

1) Financial Report - Twelve Months Ending September 30, 2022 (Unaudited)

PRESENTATION: Yes

FINANCIAL REPORT TWELVE MONTHS ENDING SEPTEMBER 30, 2022

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).

The preliminary financial report for Fiscal Year 2022 is presented herein. Unaudited schedules setting forth the status of the major General Government, Special Revenue, Capital Projects, Enterprise and Internal Service Funds of the City of Pensacola for the twelve months ending September 30, 2022, are attached to this preliminary report. The Fiscal Year 2022 budget included estimated grant revenues. Due to the nature of grants, however, they are not reflected in the preliminary financial report.

Significant variances from budget are noted in the individual fund narrative that follows. The City's debt service, investment, legal cost, Contracts and Expenditures over \$25,000 and the Tree Planting Trust Fund schedules are also attached for Council's review. At fiscal year-end, encumbrances net of contracts payable are reported separately from actual expenditures/expenses in the financial schedules. (During the fiscal year actual expenditures/expenses and encumbered purchase orders are combined and reported together.) Encumbrances net of contracts payable and corresponding Fiscal Year 2022 appropriations are carried forward to Fiscal Year 2023 in a supplemental budget resolution.

The Investment Section of this financial report provides a comparison of interest rates for Fiscal Year 2021 to Fiscal Year 2022. Interest Income in the various funds was at or near budget, interest rates continue to trend lower as a result of the COVID-19 Pandemic.

The Legal Services and Fees of this financial report provides a listing of legal services and fees paid through the fourth quarter of FY 2022.

Contracts and Expenditures over \$25,000 approved by the Mayor have been included in this report with the changing of how the monthly information is being provided to City Council.

The Tree Planting Trust Fund Schedule in this financial report provides the revenues received through the fourth quarter of FY 2022 along with the address of the property, the district the property is within, the amount received and the reason for the removal of the tree.

General Fund:

Expenditures and encumbrances totaling \$60,873,300 were slightly below total revenues of \$63,211,100. Total Fiscal Year 2022 revenue increased from Fiscal Year 2021 by \$4,492,600 or 7.65%. Total revenues were \$3,230,230 above the beginning budget of \$59,980,900. The main components of this increase was an increase in Property Taxes, Franchise Fees, License and Permits, and Municipal Revenue Sharing. Property Taxes increased \$213,400 over the beginning budget, Franchise Fees increased \$631,200 over the

beginning budget, License and Permits increased \$135,800 over the beginning budget, and Municipal Revenue Sharing were \$1,629,519 over the beginning budget . Interest Income exceeded beginning budget by \$311,200.

Property Tax Revenue of \$19,640,100 was above the Fiscal Year 2021 revenue by \$1,502,800 or 8.29%. Local Business Tax revenue of \$946,700 was higher than Fiscal Year 2021 revenue by \$10,700 or 1.14%. Half Cent Sales Tax revenues increased from the prior year by \$529,900 or 8.83% and Municipal Revenue Sharing increased from the prior year revenues by \$626,200 or 25.68% both due to the ongoing recovery from the COVID-19 Pandemic.

Generally, departmental expenditures including encumbrances were within final approved appropriations; overall, expenditures and encumbrances net of contracts payable were 5.12% or \$3,284,000 lower than appropriations.

On March 7, 2021, City council passed resolution 2021-32 amending the City of Pensacola's financial planning and administration policy as it related to the annual transfer into the Stormwater Capital Project Fund. Historically, the policy provides for the amount transferred into the Stormwater Capital Project Fund to be an amount equivalent to the stormwater utility fee revenue. The revised policy sets the dollar amount of the transfer into the Stormwater Capital Project Fund at \$2,735,000 each fiscal year. Funds are transferred monthly based on the amount of stormwater utility fee revenue collected until the \$2,735,000 required annual transfer is met.

Key to building General Fund reserves is the amount available in fund balance. The five major categories of fund balance are: (1) non-spendable, (2) restricted, (3) committed, (4) assigned and (5) unassigned. Non-Spendable Fund Balances are those amounts that are not in a spendable form (such as pre-paid insurance). Restricted Fund Balances are those amounts that can be spent only for the specific purpose stipulated by external resource providers, external contractual obligations (such as encumbrances), or enabling legislation. Restrictions may be changed or lifted only with the consent of the resource providers. Committed Fund Balances are those 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 (such as ordinances and resolutions). Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally. Assigned Fund Balances are those amounts the City intends to use for a specific purpose. Unassigned Fund Balances are 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. All categories of fund balance require appropriation by Council before funds can be expended. The components of FYE 2022 General Fund non-spendable, restricted, committed, assigned and unassigned fund balance are:

Amount	Description
	<u>Non-Spendable</u>
\$ 48,499	- Prepaid Expenses
48,499	Sub-Total Non-Spendable
	<u>Restricted</u>
424,621	- Saenger Theatre Capital
618,014	- Encumbrance Carryforward Appropriation
1,042,635	Sub-Total Restricted
	<u>Committed</u>
14,042,818	- Council Reserve
613,302	- Tree Planting Trust Fund
21,756	- Park Purchases Fund
14,677,875	Sub-Total Committed
	<u>Assigned</u>
5,100,000	- Designation for Fund Balance (FY 2023-2025)
503,272	- Designation for Housing Initiatives
2,550,000	- Designated for Natural Disaster 5% Match
4,058,521	- Unencumbered Carryforward Appropriation
-	- Unencumbered Carryforward Appropriation (there is HOPE)
-	- Estimated Unfunded Actuarial Liability for Pension Plans
519,544	- Special Assessments
26,498	- Designation for Lien Amnesty
12,757,835	Sub-Total Assigned
	<u>Unassigned</u>
495,015	- Available Balance for Future Year Appropriations
495,015	Sub-Total Unassigned
\$ 29,021,860	Total Fund Balance

The \$14.04 million City Council reserve experienced retained the same earnings during Fiscal Year 2022. This reserve amount represents 21.38% of Fiscal Year 2023 General Fund Beginning Adopted Appropriations (Expenditure Budget) which exceeds the minimum reserve of 20% as provided for in the Fund Balance Policy of Governmental Funds. In addition, the reserve amount represents slightly over three and half months of FY 2023 General Fund Budgeted Expenditures.

The City's current Financial Planning and Administration Policy provides that each fiscal year the General Fund's maximum amount of appropriated Beginning Fund Balance should be no more than three percent of budgeted revenues. Based on the Fiscal Year 2023 Beginning Budget Document that amount is projected to be approximately \$1.7 million for fiscal years (FY 2023, FY 2024, and FY 2025) totaling \$5.1 million. This amount was established as an Assigned Fund Balance in closing the books for Fiscal Year 2019, however, no expenditure of those funds will occur until appropriated by City Council. The

Fiscal Year 2023 Approved Budget appropriated \$1.7 million of the \$5.1 million Fund Balance.

FEMA will provide 90% of the costs associated with the repairs and cleanup of the damages incurred from Hurricane Sally. The remaining 10% will be split between the State of Florida and the City of Pensacola. Therefore, \$2.46 million of available Fund Balance within the General Fund is being assigned to ensure the City has sufficient funds for the required General Fund 5% match. By assigning fund balance, the amount of \$495,015 available for additional carryover is more readily identifiable in the Unassigned Fund Balance Designation.

Tree Planting Trust Fund

The Tree Planting Trust Fund revenue and expenditures are recorded in the General Fund. For Fiscal Year 2022, the “Tree Planting Trust Fund” account contributions plus interest income equaled \$133,743 and \$98,562 in encumbrances and expenditures.

At the November 14, 2019 City Council meeting, a resolution was adopted by City Council to appropriate \$100,000 within the Tree Planting Trust Fund for the implementation of the Tree Planting and Management Plan. The total balance in the “Tree Planting Trust Fund” at the end of Fiscal Year 2022 was \$613,274. The balance will be appropriated on the Unencumbered Carryforward Resolution No. 2023-004 to allow for implementation once a plan for these funds has been determined.

Park Purchases Trust Fund

The Park Purchases Trust Fund revenue and expenditures are recorded in the General Fund. For Fiscal Year 2022 the “Park Purchases Trust Fund” account contributions plus interest income equaled \$17,009 and no expenditures. The total balance in the “Park Purchases Trust Fund” at the end of Fiscal Year 2022 was \$21,756.

Housing Initiatives Fund

the Housing Initiatives Fund is dedicated to receive 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”.

At fiscal year end the Housing Initiatives Fund account contributions plus interest equaled \$47,807 and the expenditures were \$38,937. The total balance in the Housing Initiatives Fund at the end of the Fiscal Year 2021 was \$503,272.

Local Option Gasoline Tax Fund:

Fiscal Year 2022 revenue from Local Option Gasoline Tax decreased \$2,200 from the amount received in Fiscal Year 2021. The total Local Option Gasoline Tax and Interest Income revenue of \$1,436,600 was above the beginning budget of \$1,370,000 by \$66,600. The Local Option Gasoline Tax is based on the number of gallons sold. With the reopening

of businesses and less telecommuting, there are more drivers on the road meaning more gasoline being purchased resulting in additional revenue over the prior fiscal year. Total revenues and appropriated fund balance of \$1,608,000 exceeds total expenditures by \$67,400.

Ending restricted fund balance excluding encumbrances was \$975,400, which will be used for future debt service payments. As of December 2022, projected fund balance for future year appropriations is \$807,700.

Stormwater Utility Fund:

Total stormwater utility fees including penalties were \$2,967,200. The State Right of Way Maintenance Contract with the State of Florida awarded to the Public Works Department provided revenue in the amount of \$90,200 for Fiscal Year 2022.

Total revenues for the Stormwater Utility Fund of \$3,059,400 is over budget by \$97,400. Total expenditures and encumbrances net of contracts payable of \$2,929,200 for the fiscal year are below budget of \$2,962,000 by \$32,800.

At fiscal year end the Stormwater Utility Fund committed fund balance excluding encumbrances was \$406,700 which is available for appropriations in future years. As of December 2022, projected fund balance for future year appropriations is \$349,500. For Fiscal Year 2022 City Council approved an adjustment to the Stormwater Utility Fee from \$72.24 per ESU to \$76.12 with a subsequent increase for Fiscal Year 2023 to the maximum approved by City Council of \$80 per ESU. This increase for Fiscal Year 2022 is expected to increase revenue to provide funding for an additional three-person crew to provide additional stormwater maintenance.

Parking Management Fund:

Fiscal Year 2022 revenues exceeded expenses and encumbrances by \$304,200. Revenues of \$1,132,300 exceeded Fiscal Year 2022 operating expenses of \$828,000 by \$304,200. Compared to Fiscal Year 2021, revenues for Fiscal Year 2022 increased by \$281,600. This is due mainly to the increase in parking in the downtown area.

Expenditures and encumbrances totaled \$828,000 and exceeded Fiscal Year 2022 operating expenses of \$728,300 by \$99,700

At fiscal year end the Parking Management Fund committed fund balance excluding encumbrances was \$722,100 which is available for appropriations in future years. At the end of Fiscal Year 2022 restricted fund balance excluding encumbrances was \$40,500.

Natural Disaster Fund

This fund is categorized as a special revenue fund that accounts for any disaster-related activity. The Natural Disaster Fund receives revenues from Federal and State agencies on a reimbursement basis. For the COVID-19 Pandemic and Hurricane Sally,

FEMA is expected to provide 90% and the State of Florida is providing 5% of approved obligated projects with the City of Pensacola being responsible for the balance of the expenditures. As previously mentioned, \$2.46 million Fund Balance has been assigned in the General Fund to provide for the City's 5% required match. Total revenue received \$17,444,249 coming from FEMA, State, and Insurance proceeds net of interest adjustments in Fiscal Year 2022.

Expenditures and encumbrances net of contracts payable of \$11,452,200 were less than revenues of \$17,444,200 by \$5,992,000 at fiscal year end. At the end of Fiscal Year 2022 restricted fund balance excluding encumbrances was a negative \$2,415,300. This is mainly due to the nature of the grants being reimbursed after the City has expended the funds.

Municipal Golf Course Fund:

Revenues of \$881,800 were at final budget estimates. When compared to FY 2021, revenue for this fiscal year is \$28,800 above prior year revenues. Expenditures and encumbrances net of contracts payable of \$787,000 were \$22,700 above prior Fiscal Year. Revenues were \$94,800 more than total expenditures and encumbrances net of contracts payable before the General Fund subsidy. This increase in revenues is mainly due to the good weather and essential services provided to the public at Osceola. At the end of Fiscal Year 2022, total assigned fund balance excluding encumbrances was \$348,000 after the \$250,000 subsidy. As of December 2022 projected fund balance for future year appropriations is \$303,700.

During Fiscal Year 2021, 23,401 rounds were played with 6,737 driving range usage, and through the end of Fiscal Year 2022, 24,103 rounds were played with 6,939 driving range usage, an increase of 702 rounds and an increase of 202 in driving range usage. Staff continues to advertise the golf course through local media outlets as well as keeping the golf course's website updated. Staff also continues to monitor revenues and implement various marketing strategies as appropriate.

Concession payments from Fusion Grill are current through the fourth quarter of FY 2022.

Inspection Services Fund:

Inspection Services revenues of \$2,684,100 exceeded beginning budget estimates by \$930,100. The increase in housing and the increase in overall building permits have contributed to this increase in revenues. With the increased activity in the construction industry, it has become necessary to add a new full-time position as well as a temporary position in order to provide better customer service and meet the workload in this strong economy. Therefore, additional funding was required in the FY 2022 budget. City Council approved the Budget Resolution 2022-018 on February 10, 2022, to help provide for a Building Inspections Specialist and a temporary receptionist, equipment for this additional staff, and two new Ford Ranger pick-up trucks to be purchased which will give each licensed Inspections employee a vehicle to use.

Expenditures and encumbrances of \$1,941,600 were \$187,600 were above ending budget and revenues exceeded expenditures by \$742,500.

At the end of Fiscal Year 2022, restricted fund balance excluding encumbrances was \$1,975,300.

Roger Scott Tennis Center:

The Roger Scott Tennis Center Fund accounts for the operations of the City-owned public tennis center. The City has contracted with Gulf Coast Tennis Group, LLC for the operation and management of the center. As part of the current contract, the City receives a minimum annual guaranteed revenue of \$125,000 plus an additional \$3,840 for the rights to operate the pro-shop, which is estimated to fund the City's cost of operations. The City's three-year contract that began on August 26, 2022.

To help businesses cope with the economic impacts of COVID-19, the City offered a commercial rent/lease deferral program to qualified lessees through June 30, 2020. Under the program, businesses were allowed to apply for deferrals on rent payments due in April, May, and June. Deferred payments are required to be paid in equal installments over a 12 month period or over the months remaining on the existing lease, whichever is the lesser period, commencing July 1, 2020, along with the rent/lease payment, which is also due on those dates. As of The Gulf Coast Tennis Group applied for and received approval for the deferral. As of the date of this report, there is no remaining balance. City Council forgave the outstanding deferral balance effective September 30, 2022.

Revenues of \$134,300 were above the final budget estimate at fiscal year end by \$5,500. Historical Roger Scott Tennis Center has declined due to the repayment of the rent deferrals collected in FY 2021, but it continues to increase over the prior year's activity through the fourth quarter.

Expenditures and encumbrances of \$95,400 were well within the budget of \$137,700. Total revenues exceeded expenditures by \$38,900. Assigned fund balance at the end of Fiscal Year 2022 was \$247,600, which is available for appropriation in future years. As of December 2022, projected fund balance for future year appropriations is \$48,600.

Following is a comparison of the activity at Roger Scott Tennis Center between the Fiscal Year End for FY's 2021 and 2022.

	<u>FYE 2021</u>	<u>FYE 2022</u>	<u>DIFF</u>
Daily Participants			
Hard Courts	1,006	1,733	727
All Courts (Includes Clay Courts)	2,679	4,803	2,124
Sub-Total	<u>3,685</u>	<u>6,536</u>	<u>2,851</u>
Playing Members	<u>22,559</u>	<u>23,391</u>	<u>832</u>
Sub-Total	<u>26,244</u>	<u>29,927</u>	<u>3,683</u>
Instructional Students	28,030	27,607	(423)
Rentals/Special Events/Programs	8,876	10,494	1,618
Total Players	<u>63,150</u>	<u>68,028</u>	<u>4,878</u>

Community Maritime Park Management Services Fund:

The Community Maritime Park ("Park") Management Services Fund accounts for the receipts and expenditures thereof at the Community Maritime Park. Typical expenditures are related to utilities, special event services and maintenance of the park outside of the baseball stadium.

Revenues of \$981,300 were below budget estimates (excluding Renewal & Replacement) by \$32,800 mainly due to the decrease in park attendance surcharge revenue. Community Maritime Park Operating Expenditures and encumbrances of \$985,600 were well within the \$128,400 budget. Total expenditures exceeded revenues by \$4,300.

Renewal & Replacement revenues of \$251,300 exceed total Renewal & Replacement expenditures and encumbrances of \$13,700 by \$237,600.

Ending restricted fund balance excluding encumbrances, Parking and Renewal & Replacement was \$1,373,500.

Local Option Sales Tax Fund:

Revenues of \$12,516,800 were above ending budget by \$1,294,500 in the Local Option Sales Tax (LOST) Fund. Local Option Sales Tax collections increased by 14.14% from Fiscal Year 2021. The Local Option Sales Tax Plan is an eleven-year plan that will end on December 31, 2028. Over the life of the LOST IV Series total revenue should equal the total estimated revenue.

This revenue line item is closely monitored and should it appear that revenues are not going to meet the total projected revenues for the plan, projects may need to be evaluated and possibly shifted to the next LOST series, should Escambia County voters approve a fifth extension of this tax.

Total expenditures and encumbrances net of contracts payable of \$15,541,700 were well within the \$43,745,400 budget.

Restricted fund balance excluding encumbrances and bond reserves increased an additional \$652,400 from a negative \$3,086,100 to a negative \$2,433,800 in Fiscal Year 2022. All bond eligible expenses have been accounted for separately in the financial statements. 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.

It will be necessary to draw upon the City's pooled cash to cover cash shortfalls in the fund. This is projected to be necessary through the end of the life of the LOST IV Series. In addition, fund balance is projected to be negative based on anticipated project completion dates.

Stormwater Capital Projects Fund:

The Stormwater Capital Projects Fund accounts for the construction of various stormwater improvements and is funded by a transfer from the City's General Fund. On May 27, 2021 City Council adopted Resolution No. 2021-32 amending the City's Financial Planning and Administrative Policy that provides greater flexibility allowing Stormwater Capital purchases to be paid for outside the Stormwater Capital Project Fund and set the General Fund transfer amount to the Stormwater Capital Fund at \$2,735,000 for future years.

Total expenditures and encumbrances net of contracts payable were \$2,436,600. At fiscal year end, fund balance less encumbrances was \$4,089,800, of which \$4,058,700 has been carried forward to complete approved Stormwater capital projects.

Gas Utility Fund:

Expenses of \$74,910,700 exceeded Fiscal Year 2022 revenues of \$70,387,600 by \$4,523,100. Compared to Fiscal Year 2021, revenues for Fiscal Year 2022 increased by \$18,961,200. This is due mainly to an increase in consumption and an overall increase in gas costs over the prior year.

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 Fiscal Year 2013. This fee is charged for expenses that were made in the prior fiscal year. For Fiscal Year 2022, \$800,529 has been received from Infrastructure Cost Recovery Revenue.

An enterprise fund's results of operations can be measured by its "net current assets" balance and "total fund equity less required bond reserves." Net current assets is a measurement of assets having a life of one year or less minus liabilities (obligations) payable within one year. Total fund equity less required bond reserves is a measurement of total assets minus total liabilities excluding required bond reserves (Note: Does not include the Florida Retirement System portion of GASB Statement No. 68, Accounting and Financial Reporting for Pensions as data has not been received from the State).

Pensacola Energy's net current assets at the beginning of Fiscal Year 2022 were \$23.7 million. At fiscal year end net current assets were \$22.2 million, a \$1.5 million decrease, the majority of which is a result of a decrease in cash related to operations. Total fund equity less bond reserves at the beginning of Fiscal Year 2022 were \$73.5 million. At fiscal year end that amount increased by \$5.3 million to \$78.8 million.

Sanitation Fund:

Sanitation Operations revenues of \$9,153,400 were above Sanitation expenses (excluding Code Enforcement) of \$9,133,800 by \$19,600. Sanitation Fund revenues for Fiscal Year 2022 were \$1,567,800 above the Fiscal Year 2021 revenues.

Due to the historically large discrepancy between Lot Cleaning billings and collections, Lot Cleaning revenue is reported on a cash basis. Fiscal year billings are footnoted on the financial schedules. Code Enforcement revenue of \$1,587,700 exceeded total Code Enforcement expenses of \$1,337,900 by \$249,800.

Federal CNG rebates as well as advertising revenue is also dedicated for equipment and vehicle replacement. Sanitation conducted a rate study to update the 2016 Solid Waste Rate Study through Geosyntech Consultants. The results of that study were presented to City Council on August 15, 2022 and a multi-year plan to increase rates to account for the rising cost of labor, operations and equipment was presented.

Net current assets, excluding Code Enforcement and Lot Cleaning at the beginning of Fiscal Year 2022 were \$420,500. At fiscal year end net current assets were \$294,800, a decrease of \$125,700. Total fund equity less bond reserves increased by \$1,964,100 ending the fiscal year with \$2,851,900 balance.

Port Fund:

Port Revenues of \$3,141,800 plus \$34,500 in Transfers In from the Local Option Sales Tax Fund were below Port operating expenses of \$3,354,600 by \$178,300 at fiscal year end. Port Revenues for Fiscal Year 2022 were below Fiscal Year 2021 by \$1,433,000 before the Transfer In from the Local Option Sales Tax Fund. The majority of the revenue decrease was due to a decrease in GE cargo storage fees, reduced dockage fees from the Blue Origin vessel departure, and ending of short-term operating fees from the Hurricane Sally debris consolidation site that operated on Port following the storm. Both revenues and expenses continue to be closely monitored at the Port.

Net current assets, at the beginning of Fiscal Year 2022, were \$3,495,800. By fiscal year end net current assets totaled \$3,605,400, an increase of \$109,600. Total fund equity less required bond reserves increased by \$233,600 from a beginning balance of \$18.3 million to \$18.6 million.

Airport Fund:

Revenues of \$29.5 million were higher than original budget estimates by \$9,892,300. Compared to Fiscal Year 2021, Fiscal Year 2022 revenues increased by \$6,894,900 and Fiscal Year 2022 operating expenses (excluding CARES Act Funding and Debt Service) increased by \$5,774,906. The Airport received funds from the CARES Act to help with recovery of the COVID-19 Pandemic. The Airport utilize \$11.1 million in CARES funding between 2020 and 2022 towards operations and maintenance cost to help to keep airline rates and charges down. The Airport has seen a significant recovery from the effects of the COVID-19 Pandemic with 2022 passenger traffic exceeding pre-pandemic levels. Even with the record level of activity, Airport management continues to monitor transportation activities and is ready to take appropriate budgetary action if needed.

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. 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.

Net current assets at the beginning of Fiscal Year 2022 were \$15.2 million. At fiscal year end they totaled \$19.6 million, an increase of \$4.4 million. Total fund equity less required bond reserves increased by \$56.5 million from a beginning balance of \$179.3 million to \$235.8 million.

Insurance Retention Fund / Central Services Fund:

These funds are categorized as internal service funds. They provide a service 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 fourth quarter of the last three fiscal years are as follows:

	<u>FY 2022</u>	<u>FY 2021</u>	<u>FY 2020</u>
July	0.91%	0.18%	1.15%
August	1.00%	0.18%	0.91%
Sept.	1.04%	0.18%	0.89%

Legal Costs Schedule:

A schedule of legal costs paid directly 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.

Contracts/Expenditures Over \$25,000:

With the changing of the monthly financial report being provided by the Council's Budget Analyst, the schedule of contracts and expenditures over \$25,000 approved by the Mayor have been included for the months of July, August and September.

Tree Planting Trust Fund:

The Tree Planting Trust Fund Schedule in this financial report provides the revenues received at the end of Fiscal Year 2022 along with the address of the property, the district the property is within, the amount received and the reason for the removal of the tree.

Police/Fire/General Pension Plans

The current interest investment rate net of fees for the three pension plans have been reported to the City Pension Boards. The General Pension Plan experienced a net loss of 17.5%, the Fire Pension Plan net loss was 18.0% and the Police Pension Plan net loss was 15.51% for Fiscal Year 2022. As of Fiscal Year Ended 2022, the current actuarial assumed earnings rate for the General Pension Plan is 7.2%, the Fire Pension Plan is 7.75% and the Police Pension Plan is 7.125%.

All general employees hired on or after June 18, 2007 are participating in FRS and the General Pension Plan is closed to new participants. All sworn police officer employees hired on or after March 18, 2013 are participating in FRS and the Police Pension Plan is closed to new participants.

**CITY OF PENSACOLA
GENERAL FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022				FY 2021			
	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.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 1,700,000	3,833,487	3,833,487	3,833,487	100.00%	3,346,713	100.00%	100.00%
REVENUES:								
GENERAL PROPERTY TAXES								
Current Taxes	19,396,700	19,396,700	19,396,700	19,551,223	100.80%	18,093,919	100.00%	100.00%
Delinquent Taxes	30,000	30,000	30,000	88,881	296.27%	43,324	100.00%	100.00%
Sub-Total	19,426,700	19,426,700	19,426,700	19,640,104	101.10%	18,137,243	101.38%	100.00%
FRANCHISE FEE								
Gulf Power - Electricity	6,190,200	6,190,200	6,190,200	6,704,104	108.30%	5,848,323	100.00%	100.00%
City of Pensacola - Gas	994,500	994,500	994,500	1,177,512	118.40%	983,948	100.00%	100.00%
ECUA - Water and Sewer	2,003,500	2,003,500	2,003,500	1,937,755	96.72%	1,874,597	100.00%	100.00%
Sub-Total	9,188,200	9,188,200	9,188,200	9,819,371	106.87%	8,706,868	96.66%	100.00%
PUBLIC SERVICE TAX								
Gulf Power - Electricity	6,879,100	6,879,100	6,879,100	7,210,774	104.82%	6,640,993	100.00%	100.00%
City of Pensacola - Gas	840,200	840,200	840,200	766,579	91.24%	844,286	100.00%	100.00%
ECUA - Water	1,346,400	1,346,400	1,346,400	1,260,740	93.64%	1,238,942	100.00%	100.00%
Miscellaneous	30,000	30,000	30,000	43,410	144.70%	41,992	100.00%	100.00%
Sub-Total	9,095,700	9,095,700	9,095,700	9,281,503	102.04%	8,766,213	98.30%	100.00%
LOCAL BUSINESS TAX								
Local Business Tax	900,000	900,000	900,000	929,411	103.27%	918,590	100.00%	100.00%
Local Business Tax Penalty	15,000	15,000	15,000	17,332	115.55%	17,450	100.00%	100.00%
Sub-Total	915,000	915,000	915,000	946,743	103.47%	936,040	102.30%	100.00%

**CITY OF PENSACOLA
GENERAL FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021			
	COUNCIL	COUNCIL	CURRENT	% OF		% OF		% OF	
	BEGINNING BUDGET	AMENDED BUDGET	APPROVED BUDGET	ACTUAL F.Y.E.	BUDGET F.Y.E.	ACTUAL F.Y.E.	BUDGET F.Y.E.	ACTUAL F.Y.E.	BUDGET F.Y.E.
REVENUES: (continued)									
LICENSES, PERMITS & PENALTIES									
Special Permits (Planning)	45,000	114,300	114,300	132,475	115.90%	120,393	100.00%	120,393	100.00%
Taxi Permits	8,000	8,000	8,000	2,332	29.15%	50	100.00%	50	100.00%
Fire Permits	23,000	23,000	23,000	43,130	187.52%	21,365	100.00%	21,365	100.00%
Tree Removal & Pruning Permits	0	0	0	5,690	----	3,750	100.00%	3,750	100.00%
Scooter Permit & Fee	0	25,500	25,500	25,500	100.00%	25,500	100.00%	25,500	100.00%
Banner Fee Permit	0	0	0	2,655	----	0	----	0	----
Sub-Total	76,000	170,800	170,800	211,782	123.99%	171,058	225.08%	171,058	100.00%
INTERGOVERNMENTAL									
FEDERAL									
Payment in Lieu of Taxes	10,500	10,500	10,500	6,771	64.49%	6,178	100.00%	6,178	100.00%
STATE									
1/2 Cent Sales Tax	5,350,800	5,350,800	5,350,800	6,530,695	122.05%	6,000,839	100.00%	6,000,839	100.00%
Beverage License Tax	110,000	110,000	110,000	127,242	115.67%	125,305	100.00%	125,305	100.00%
Mobile Home Tax	11,000	11,000	11,000	11,176	101.60%	11,160	100.00%	11,160	100.00%
Communication Services Tax	3,148,100	3,148,100	3,148,100	2,906,977	92.34%	3,159,425	100.00%	3,159,425	100.00%
State Rev Sharing - Motor Fuel Tax	530,500	530,500	530,500	624,570	117.73%	541,669	100.00%	541,669	100.00%
State Rev Sharing - Sales Tax	1,890,800	1,890,800	1,890,800	2,439,882	129.04%	1,896,575	100.00%	1,896,575	100.00%
Gas Rebate Municipal Vehicles	12,000	12,000	12,000	30,631	255.26%	20,769	100.00%	20,769	100.00%
Fire Fighter Supplemental Compensation	45,000	45,000	45,000	60,275	133.94%	30,517	100.00%	30,517	100.00%
Sub-Total	11,108,700	11,108,700	11,108,700	12,738,219	114.67%	11,792,437	107.26%	11,792,437	100.00%
OTHER CHARGES FOR SERVICES									
Swimming Pool Fees	0	0	0	899	----	546	100.00%	546	100.00%
Esc. School Board - SRO	362,800	362,800	362,800	351,403	96.86%	273,097	100.00%	273,097	100.00%
ECSD - 911 Calltakers	310,000	310,000	310,000	296,687	95.71%	246,000	100.00%	246,000	100.00%
Downtown Improvement Board - COPS	60,000	60,000	60,000	60,000	100.00%	60,000	100.00%	60,000	100.00%
State Traffic Signal Maintenance	326,600	326,600	326,600	362,218	110.91%	352,484	100.00%	352,484	100.00%
State Street Light Maintenance	312,700	312,700	312,700	421,736	134.87%	396,762	100.00%	396,762	100.00%
State Reimbursable Agreements	100,000	348,095	348,095	110,242	31.67%	249,499	100.00%	249,499	100.00%
Miscellaneous	45,000	45,000	45,000	34,517	76.70%	29,070	100.00%	29,070	100.00%
Sub-Total	1,517,100	1,765,195	1,765,195	1,637,702	92.78%	1,607,458	88.56%	1,607,458	100.00%

**CITY OF PENSACOLA
GENERAL FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021			
	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.
REVENUES: (continued)									
FINES, FORFEITURES & PENALTIES									
POLICE									
Court Fines	12,500	12,500	12,500	9,814	78.51%	11,056	100.00%	11,056	100.00%
Traffic Fines	110,000	110,000	110,000	64,640	58.76%	75,767	100.00%	75,767	100.00%
OTHER FINES									
Miscellaneous	6,000	6,000	6,000	782	13.03%	1,909	100.00%	1,909	100.00%
Sub-Total	<u>128,500</u>	<u>128,500</u>	<u>128,500</u>	<u>75,236</u>	58.55%	<u>88,732</u>	69.05%	<u>88,732</u>	100.00%
INTEREST									
Investments and Deposits	0	0	0	311,204	----	101,403	100.00%	101,403	100.00%
Sub-Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>311,204</u>	----	<u>101,403</u>	----	<u>101,403</u>	100.00%
OTHER REVENUES									
Miscellaneous	400,000	400,000	400,000	353,591	88.40%	286,265	100.00%	286,265	100.00%
Miscellaneous - Saenger Facility Fee	75,000	75,000	75,000	139,885	186.51%	45,029	100.00%	45,029	100.00%
Sale of Assets	50,000	50,000	50,000	55,790	111.58%	79,745	100.00%	79,745	100.00%
Sub-Total	<u>525,000</u>	<u>525,000</u>	<u>525,000</u>	<u>549,266</u>	104.62%	<u>411,039</u>	78.29%	<u>411,039</u>	100.00%
Sub-Total Revenues	<u>51,980,900</u>	<u>52,323,795</u>	<u>52,323,795</u>	<u>55,211,130</u>	105.52%	<u>50,718,491</u>	100.00%	<u>50,718,491</u>	100.00%
TRANSFERS IN									
Gas Utility Fund	8,000,000	8,000,000	8,000,000	8,000,000	100.00%	8,000,000	100.00%	8,000,000	100.00%
Sub-Total	<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>	100.00%	<u>8,000,000</u>	100.00%	<u>8,000,000</u>	100.00%
TOTAL REVENUES	<u>59,980,900</u>	<u>60,323,795</u>	<u>60,323,795</u>	<u>63,211,130</u>	104.79%	<u>58,718,491</u>	100.77%	<u>58,718,491</u>	100.00%
TOTAL REVENUES AND FUND BALANCE	<u>\$ 61,680,900</u>	<u>64,157,282</u>	<u>64,157,282</u>	<u>67,044,617</u>	104.50%	<u>62,065,204</u>	99.87%	<u>62,065,204</u>	100.00%

**CITY OF PENSACOLA
GENERAL FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
EXPENDITURES:										
CITY COUNCIL										
Personnel Services	\$ 826,300	826,300	826,374	758,992		91.85%	647,435	86.19%	647,435	86.19%
City Sponsored Pensions	0	0	96	60		62.50%	49	89.09%	49	89.09%
Sub-Total	826,300	826,300	826,470	759,052	0	91.84%	647,484	86.19%	647,484	86.19%
Operating Expenses	491,200	1,119,610	1,163,540	614,499	188,283	68.99%	363,197	36.48%	363,197	36.48%
Sub-Total	1,317,500	1,945,910	1,990,010	1,373,551	188,283	78.48%	1,010,681	55.32%	1,010,681	55.32%
Allocated Overhead/(Cost Recovery)	(379,600)	(407,800)	(451,900)	(451,900)		100.00%	(407,800)	100.00%	(407,800)	100.00%
Sub-Total	937,900	1,538,110	1,538,110	921,651	188,283	72.16%	602,881	43.75%	602,881	43.75%
MAYOR										
Personnel Services	1,557,400	1,557,400	1,560,455	1,451,957		93.05%	1,575,266	97.73%	1,575,266	97.73%
City Sponsored Pensions	44,600	44,600	45,441	44,750		98.48%	47,044	100.00%	47,044	100.00%
Sub-Total	1,602,000	1,602,000	1,605,896	1,496,707	0	93.20%	1,622,310	97.79%	1,622,310	97.79%
Operating Expenses	540,600	635,017	674,368	506,616	0	75.12%	459,018	88.26%	459,018	88.26%
Sub-Total	2,142,600	2,237,017	2,280,264	2,003,323	0	87.85%	2,081,328	95.43%	2,081,328	95.43%
Allocated Overhead/(Cost Recovery)	(834,900)	(988,800)	(1,038,300)	(1,038,300)		100.00%	(1,028,800)	100.00%	(1,028,800)	100.00%
Sub-Total	1,307,700	1,248,217	1,241,964	965,023	0	77.70%	1,052,528	91.44%	1,052,528	91.44%
CITY CLERK										
Personnel Services	311,800	311,800	316,292	316,280		100.00%	299,292	99.81%	299,292	99.81%
City Sponsored Pensions	26,700	26,700	26,700	26,700		100.00%	28,100	100.00%	28,100	100.00%
Sub-Total	338,500	338,500	342,992	342,980	0	100.00%	327,392	99.83%	327,392	99.83%
Operating Expenses	55,500	55,500	49,221	48,505		98.55%	48,952	89.96%	48,952	89.96%
Sub-Total	394,000	394,000	392,213	391,485	0	99.81%	376,344	98.42%	376,344	98.42%
Allocated Overhead/(Cost Recovery)	(85,600)	(111,200)	(100,800)	(100,800)		100.00%	(111,200)	100.00%	(111,200)	100.00%
Sub-Total	308,400	282,800	291,413	290,685	0	99.75%	265,144	97.78%	265,144	97.78%

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 Twelve Months Ended September 30, 2022**

	(Unaudited) FY 2022					FY 2021				
	COUNCIL BEGINNING	COUNCIL AMENDED	CURRENT APPROVED	ACTUAL	ENCUMBRANCES	% OF BUDGET	ACTUAL	% OF BUDGET	ACTUAL	% OF BUDGET
	BUDGET	BUDGET	BUDGET	F.Y.E.		F.Y.E.	F.Y.E.	F.Y.E.	F.Y.E.	F.Y.E.
EXPENDITURES: (continued)										
LEGAL										
Personnel Services	1,000,200	1,000,200	1,000,200	772,499		77.23%	938,514	100.00%	938,514	100.00%
City Sponsored Pensions	18,000	18,000	18,000	18,000		100.00%	18,900	100.00%	18,900	100.00%
Sub-Total	1,018,200	1,018,200	1,018,200	790,499	0	77.64%	957,414	100.00%	957,414	100.00%
Operating Expenses	210,200	235,681	217,518	158,450	16,400	80.38%	116,705	86.06%	116,705	86.06%
Sub-Total	1,228,400	1,253,881	1,235,718	948,949	16,400	78.12%	1,074,119	98.26%	1,074,119	98.26%
Allocated Overhead/(Cost Recovery)	(296,600)	(369,600)	(356,700)	(356,700)		100.00%	(369,600)	100.00%	(369,600)	100.00%
Sub-Total	931,800	884,281	879,018	592,249	16,400	69.24%	704,519	97.38%	704,519	97.38%
HUMAN RESOURCES										
Personnel Services	907,700	907,700	907,295	858,259		94.60%	909,371	100.00%	909,371	100.00%
City Sponsored Pensions	102,500	102,500	102,905	102,675		99.78%	107,840	100.00%	107,840	100.00%
Sub-Total	1,010,200	1,010,200	1,010,200	960,934	0	95.12%	1,017,211	100.00%	1,017,211	100.00%
Operating Expenses	182,100	184,414	278,658	198,166		71.11%	162,207	98.47%	162,207	98.47%
Sub-Total	1,192,300	1,194,614	1,288,858	1,159,100	0	89.93%	1,179,418	99.78%	1,179,418	99.78%
Allocated Overhead/(Cost Recovery)	(375,900)	(416,400)	(511,700)	(511,700)		100.00%	(416,400)	100.00%	(416,400)	100.00%
Sub-Total	816,400	778,214	777,158	647,400	0	83.30%	763,018	99.67%	763,018	99.67%
NON-DEPARTMENTAL FUNDING										
Operating Expenses	4,514,800	4,918,211	4,918,211	4,367,706	13,361	89.08%	4,053,480	85.85%	4,053,480	85.85%
Sub-Total	4,514,800	4,918,211	4,918,211	4,367,706	13,361	89.08%	4,053,480	85.85%	4,053,480	85.85%
FINANCIAL SERVICES										
Personnel Services	1,908,200	1,908,200	1,944,620	1,814,984		93.33%	1,844,283	99.43%	1,844,283	99.43%
City Sponsored Pensions	242,800	242,800	243,543	243,155		99.84%	258,306	99.99%	258,306	99.99%
Sub-Total	2,151,000	2,151,000	2,188,163	2,058,139	0	94.06%	2,102,589	99.50%	2,102,589	99.50%
Operating Expenses	380,000	390,830	480,175	342,925		71.42%	344,298	87.21%	344,298	87.21%
Sub-Total	2,531,000	2,541,830	2,668,338	2,401,064	0	89.98%	2,446,887	97.49%	2,446,887	97.49%
Capital Outlay	0	0	10,300	0	10,273	99.74%	0	0.00%	0	0.00%
Allocated Overhead/(Cost Recovery)	(1,445,000)	(1,431,100)	(1,595,500)	(1,595,500)		100.00%	(1,431,100)	100.00%	(1,431,100)	100.00%
Sub-Total	1,086,000	1,110,730	1,083,138	805,564	10,273	75.32%	1,015,787	94.15%	1,015,787	94.15%

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 Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
EXPENDITURES: (continued)										
PLANNING SERVICES										
Personnel Services	640,400	676,100	708,204	697,045		98.42%	684,971	97.70%	684,971	97.70%
City Sponsored Pensions	62,600	62,600	62,633	62,630		100.00%	65,900	100.00%	65,900	100.00%
Sub-Total	703,000	738,700	770,837	759,675	0	98.55%	750,871	97.90%	750,871	97.90%
Operating Expenses	204,000	215,115	182,978	179,490		98.09%	172,616	77.91%	172,616	77.91%
Sub-Total	907,000	953,815	953,815	939,165	0	98.46%	923,487	92.09%	923,487	92.09%
PARKS & RECREATION										
Personnel Services	3,828,100	3,846,700	3,777,073	3,502,001		92.72%	3,098,094	91.62%	3,098,094	91.62%
City Sponsored Pensions	632,500	632,500	633,142	633,195		100.01%	655,644	99.98%	655,644	99.98%
Sub-Total	4,460,600	4,479,200	4,410,215	4,135,196	0	93.76%	3,753,738	92.98%	3,753,738	92.98%
Operating Expenses	3,059,000	3,316,972	3,386,157	3,029,186	122,358	93.07%	2,937,836	9.81%	2,937,836	9.81%
Sub-Total	7,519,600	7,796,172	7,796,372	7,164,382	122,358	93.46%	6,691,574	92.90%	6,691,574	92.90%
Allocated Overhead/(Cost Recovery)	(8,900)	(8,800)	(9,000)	(9,000)		100.00%	(8,800)	100.00%	(8,800)	100.00%
Sub-Total	7,510,700	7,787,372	7,787,372	7,155,382	122,358	93.46%	6,682,774	92.90%	6,682,774	92.90%
PUBLIC WORKS & FACILITIES										
Personnel Services	1,919,300	1,934,600	1,853,497	1,687,437		91.04%	1,697,553	97.92%	1,697,553	97.92%
City Sponsored Pensions	262,200	262,200	262,303	262,267		99.99%	276,447	100.00%	276,447	100.00%
Sub-Total	2,181,500	2,196,800	2,115,800	1,949,704	0	92.15%	1,974,000	98.20%	1,974,000	98.20%
Operating Expenses	2,920,300	3,399,349	3,483,049	2,797,834	166,682	85.11%	3,096,908	87.05%	3,096,908	87.05%
Sub-Total	5,101,800	5,596,149	5,598,849	4,747,538	166,682	87.77%	5,070,908	90.82%	5,070,908	90.82%
Allocated Overhead/(Cost Recovery)	(298,700)	(311,200)	(313,900)	(313,900)		100.00%	(311,200)	100.00%	(311,200)	100.00%
Sub-Total	4,803,100	5,284,949	5,284,949	4,433,638	166,682	87.05%	4,759,708	90.31%	4,759,708	90.31%

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 Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022						FY 2021			
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
EXPENDITURES: (continued)										
FIRE										
Personnel Services	8,473,100	8,473,100	8,495,083	8,431,253		99.25%	8,047,408	99.83%	8,047,408	99.83%
City Sponsored Pensions	1,318,800	1,318,800	1,324,424	1,324,328		99.99%	1,286,862	100.00%	1,286,862	100.00%
Sub-Total	9,791,900	9,791,900	9,819,507	9,755,581	0	99.35%	9,334,270	99.85%	9,334,270	99.85%
Operating Expenses	1,579,800	1,679,847	1,525,359	1,432,851	23,841	95.50%	1,408,984	94.98%	1,408,984	94.98%
Sub-Total	11,371,700	11,471,747	11,344,866	11,188,432	23,841	98.83%	10,743,254	99.16%	10,743,254	99.16%
POLICE										
Personnel Services	16,088,700	16,746,500	16,125,106	16,112,840		99.92%	15,471,807	99.50%	15,471,807	99.50%
City Sponsored Pensions	4,262,100	4,262,100	4,266,002	4,262,675		99.92%	4,466,677	100.00%	4,466,677	100.00%
Sub-Total	20,350,800	21,008,600	20,391,108	20,375,515	0	99.92%	19,938,484	99.61%	19,938,484	99.61%
Operating Expenses	3,849,600	3,905,236	4,681,160	4,608,728	55,927	99.65%	3,812,691	100.00%	3,812,691	100.00%
Sub-Total	24,200,400	24,913,836	25,072,268	24,984,243	55,927	99.87%	23,751,175	99.67%	23,751,175	99.67%
TRANSFERS OUT										
Municipal Golf Course Fund	250,000	250,000	250,000	250,000		100.00%	250,000	100.00%	250,000	100.00%
Stormwater Capital Projects Fund	2,735,000	2,735,000	2,735,000	2,735,000		100.00%	2,735,000	100.00%	2,735,000	100.00%
Sub-Total	2,985,000	2,985,000	2,985,000	2,985,000	0	100.00%	2,985,000	100.00%	2,985,000	100.00%
TOTAL EXPENDITURES	\$ 61,680,900	64,157,282	64,157,282	60,276,138	597,125	94.88%	58,302,755	95.09%	58,302,755	95.09%

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 Twelve Months Ended September 30, 2022
(Unaudited)

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% 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	578,121	578,121	578,121		100.00%	527,207	100.00%	527,207	100.00%
REVENUES:										
Tree Trust Fund	0	10,000	10,000	131,650		1316.50%	70,200	100.00%	70,200	100.00%
Interest	0	0	0	2,093		----	2,014	----	2,014	----
TOTAL REVENUES	0	10,000	10,000	133,743		1337.43%	72,214	102.87%	72,214	102.87%
TOTAL REVENUES AND FUND BALANCE	\$ 0	588,121	588,121	711,864		121.04%	599,421	100.34%	599,421	100.34%
EXPENDITURES:										
Operating Expenses	0	588,121	588,121	77,672	20,890	16.76%	22,100	4.64%	22,100	4.64%
Sub-Total	0	588,121	588,121	77,672	20,890	16.76%	22,100	4.64%	22,100	4.64%
TOTAL EXPENDITURES	\$ 0	588,121	588,121	77,672	20,890	16.76%	22,100	4.19%	22,100	4.64%

CITY OF PENSACOLA
PARK PURCHASES - GENERAL FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)

	FY 2022					FY 2021			
	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	0	0	0	----	101,925	100.00%	101,925	100.00%
REVENUES:									
Park Purchases Fund	0	0	0	17,003	----	8,075	100.00%	8,075	100.00%
Interest	0	0	0	6	----	422	----	422	----
TOTAL REVENUES	0	0	0	17,009	----	8,497	105.23%	8,497	105.23%
TOTAL REVENUES AND FUND BALANCE	<u>\$ 0</u>	<u>0</u>	<u>0</u>	<u>17,009</u>	----	<u>110,422</u>	----	<u>110,422</u>	100.38%
EXPENDITURES:									
Personnel Services	\$ 0	0	0	0	----	0	----	0	----
Operating Expenses	0	0	0	0	----	0	----	0	----
Capital Outlay	0	0	0	0	----	110,000	100.00%	110,000	100.00%
Sub-Total	0	0	0	0	----	110,000	100.00%	110,000	100.00%
TOTAL EXPENDITURES	<u>\$ 0</u>	<u>0</u>	<u>0</u>	<u>0</u>	----	<u>110,000</u>	100.00%	<u>110,000</u>	100.00%

CITY OF PENSACOLA
HOUSING INITIATIVES FUND - GENERAL FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)

	FY 2022					FY 2021			
	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	\$ 49,000	494,402	494,402	494,402	100.00%	515,879	100.00%	515,879	100.00%
REVENUES:									
Sale of Asset	0	0	0	3,000	----	4,621	100.02%	4,621	100.02%
Repayment of Loan	0	0	0	43,000	----	0	----	0	----
Interest	0	0	0	1,807	----	1,968	----	1,968	----
TOTAL REVENUES	0	0	0	47,807	----	6,589	142.62%	6,589	142.62%
TOTAL REVENUES AND FUND BALANCE	\$ 49,000	494,402	494,402	542,209	109.67%	522,468	100.38%	522,468	100.38%
EXPENDITURES:									
Personnel Services	\$ 41,300	41,300	41,300	38,522	93.27%	23,239	54.30%	23,239	54.30%
Operating Expenses	7,700	453,102	453,102	415	0.09%	4,827	1.01%	4,827	1.01%
Grants & Aids	0	0	0	0	----	0	----	0	----
Sub-Total	49,000	494,402	494,402	38,937	7.88%	28,066	5.39%	28,066	5.39%
TOTAL EXPENDITURES	\$ 49,000	494,402	494,402	38,937	7.88%	28,066	5.39%	28,066	5.39%

CITY OF PENSACOLA
LOCAL OPTION GASOLINE TAX FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)

	FY 2022					FY 2021			
	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	\$ 174,300	171,400	171,400	171,400	100.00%	102,329	100.00%	102,329	100.00%
REVENUES:									
Gasoline Tax (6 cent local)	1,370,000	1,370,000	1,370,000	1,428,852	104.30%	1,431,737	100.00%	1,431,737	100.00%
Interest	0	0	0	7,722	----	7,053	100.00%	7,053	100.00%
Sub-Total	1,370,000	1,370,000	1,370,000	1,436,574	104.86%	1,438,790	100.00%	1,438,790	100.00%
TOTAL REVENUES	1,370,000	1,370,000	1,370,000	1,436,574	104.86%	1,438,790	100.00%	1,438,790	100.00%
TOTAL REVENUES AND FUND BALANCE	\$ 1,544,300	1,541,400	1,541,400	1,607,974	104.32%	1,541,119	100.00%	1,541,119	100.00%
EXPENDITURES:									
Allocated Overhead/(Cost Recovery)	7,200	4,300	4,300	4,300	100.00%	4,300	100.00%	4,300	100.00%
Sub-Total	7,200	4,300	4,300	4,300	100.00%	4,300	100.00%	4,300	100.00%
TRANSFERS OUT									
LOGT Debt Service Fund	1,537,100	1,537,100	1,537,100	1,536,318	99.95%	1,536,818	100.00%	1,536,818	100.00%
TOTAL EXPENDITURES	\$ 1,544,300	1,541,400	1,541,400	1,540,618	99.95%	1,541,118	100.00%	1,541,118	100.00%

**CITY OF PENSACOLA
STORMWATER UTILITY FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% 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	70,023	70,023	70,023		100.00%	350,500	100.00%	350,500	100.00%
REVENUES:										
Stormwater Utility Fees	2,866,800	2,866,800	2,866,800	2,961,184		103.29%	2,799,669	100.00%	2,799,669	100.00%
Delinquent Stormwater Utility Fee	5,000	5,000	5,000	6,038		120.76%	2,278	100.00%	2,278	100.00%
Miscellaneous	0	0	0	0		----	6,502	100.00%	6,502	100.00%
CHARGES FOR SERVICES:										
State Right of Way Maintenance	90,200	90,200	90,200	90,214		100.02%	90,213	100.00%	90,213	100.00%
Interest Income	0	0	0	2,002		----	4,137	100.00%	4,137	100.00%
TOTAL REVENUES	2,962,000	2,962,000	2,962,000	3,059,438		103.29%	2,902,799	100.00%	2,902,799	100.00%
TOTAL REVENUES AND FUND BALANCE	\$ 2,962,000	3,032,023	3,032,023	3,129,461		103.21%	3,253,299	100.00%	3,253,299	100.00%
EXPENDITURES:										
STORMWATER O & M										
Personnel Services	\$ 994,600	1,003,200	1,020,082	1,018,072		99.80%	1,011,831	100.00%	1,011,831	100.00%
City Sponsored Pensions	248,600	248,600	249,002	248,841		99.94%	285,679	100.00%	285,679	100.00%
Sub-Total	1,243,200	1,251,800	1,269,084	1,266,913	0	99.83%	1,297,510	100.00%	1,297,510	100.00%
Operating Expenses	423,000	424,440	384,639	377,226	0	98.07%	423,474	78.38%	423,474	78.38%
Capital Outlay	0	0	0	0		----	5,000	100.00%	5,000	100.00%
Allocated Overhead/(Cost Recovery)	206,100	235,000	231,000	231,000		100.00%	235,000	100.00%	235,000	100.00%
Sub-Total	1,872,300	1,911,240	1,884,723	1,875,139	0	99.49%	1,960,984	94.38%	1,960,984	94.38%
STREET CLEANING										
Personnel Services	474,300	479,500	447,138	399,030		89.24%	442,785	100.00%	442,785	100.00%
City Sponsored Pensions	71,900	71,900	71,978	71,950		99.96%	77,283	100.00%	77,283	100.00%
Sub-Total	546,200	551,400	519,116	470,980	0	90.73%	520,068	100.00%	520,068	100.00%
Operating Expenses	428,000	424,083	500,884	455,764		90.99%	417,736	81.89%	417,736	81.89%
Capital Outlay	0	0	0	0		----	0	----	0	----
Allocated Overhead/(Cost Recovery)	115,500	145,300	127,300	127,300		100.00%	145,300	100.00%	145,300	100.00%
Sub-Total	1,089,700	1,120,783	1,147,300	1,054,044	0	91.87%	1,083,104	92.14%	1,083,104	92.14%
TOTAL EXPENDITURES	\$ 2,962,000	3,032,023	3,032,023	2,929,183	0	96.61%	3,044,088	95.88%	3,044,088	93.57%

**CITY OF PENSACOLA
PARKING MANAGEMENT FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% 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	750	750	750		100.00%	0	----	0	----
REVENUES:										
Dumpster Loan Repayment	0	0	0	0		----	6,054	100.00%	6,054	100.00%
Miscellaneous	100	100	100	1,190		1190.00%	141	100.71%	141	100.71%
Intrest Income	0	0	0	2,680		----	709	100.14%	709	100.14%
CHARGES FOR SERVICES:										
Boat Launch Fees	3,000	3,000	3,000	21,620		720.67%	19,297	100.00%	19,297	100.00%
Parking Fines/Citations	372,600	372,600	372,600	379,933		101.97%	345,816	100.00%	345,816	100.00%
Parking Lot	108,000	108,000	108,000	131,635		121.88%	89,341	100.00%	89,341	100.00%
Parking Garage	448,000	448,000	448,000	270,135		60.30%	155,727	100.00%	155,727	100.00%
Parking Meters	211,000	211,000	211,000	323,671		153.40%	180,139	100.00%	180,139	100.00%
Parking on St Dumpsters	1,500	1,500	1,500	1,389		92.60%	5,776	100.00%	5,776	100.00%
Parking -Airport Charges for Service	0	0	0	0		----	9,077	100.00%	9,077	100.00%
Special Item	0	0	0	0		----	38,626	100.00%	38,626	100.00%
TOTAL REVENUES	1,144,200	1,144,200	1,144,200	1,132,253		98.96%	850,703	100.00%	850,703	100.00%
TOTAL REVENUES AND FUND BALANCE	\$ 1,144,200	1,144,950	1,144,950	1,133,003		98.96%	850,703	100.00%	850,703	100.00%
EXPENDITURES:										
Personnel Services	\$ 430,700	430,700	439,500	382,566		87.05%	311,406	99.03%	311,406	99.03%
Operating Expenses	647,500	608,250	536,280	334,618	120	62.42%	361,227	77.70%	361,227	77.70%
Capital Outlay	66,000	66,000	112,670	13,835	40,421	48.15%	15,634	51.43%	15,634	51.43%
Allocated Overhead/(Cost Recovery)	0	40,000	56,500	56,500		100.00%	40,000	100.00%	40,000	100.00%
Sub-Total	1,144,200	1,144,950	1,144,950	787,519	40,541	72.32%	728,267	85.70%	728,267	85.70%
TOTAL EXPENDITURES	\$ 1,144,200	1,144,950	1,144,950	787,519	40,541	72.32%	728,267	85.70%	728,267	85.70%

**CITY OF PENSACOLA
NATURAL DISASTER FUND
(Formerly Hurricane Damage Fund)
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% 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	0	0	0		----	0	100.00%	0	100.00%
REVENUES:										
State - Lee Street	0	0	0	0		----	0	----	0	----
State - 12th Avenue & Cross	0	0	0	0		----	39,265	100.00%	39,265	100.00%
April Flood - FEMA 75%	0	0	0	(55,096)		----	20,507	----	20,507	----
April Flood -State 75%	0	0	0	(11,725)		----	3,621	----	3,621	----
FEMA COVID 19 (CORONAVIRUS)	0	0	0	0		----	0	0.00%	0	0.00%
County- COVID19 (CORONAVIRUS)	0	0	0	0		----	1,003,361	22.73%	1,003,361	22.73%
Hurricnae Sally - FEMA 75%	0	25,412,181	25,412,181	16,846,949		66.29%	2,289,602	6.73%	2,289,602	6.73%
Hurricnae Sally - State 12.5%	0	7,917,969	7,917,969	681,541		8.61%	381,600	4.52%	381,600	4.52%
Hurricnae Sally - Insurance Proceeds	0	0	0	0		----	281,562	----	281,562	----
Hurricnae Michael - Mutual Aid	0	0	0	0		----	1,569	----	1,569	----
State - FDOT - Landside Improvement	0	1,081,712	1,081,712	0		0.00%				
Interest	0	0	0	(17,420)		----	(36,696)	----	(36,696)	----
Sub-Total	0	34,411,862	34,411,862	17,444,249		50.69%	3,984,391	8.48%	3,984,391	8.48%
TOTAL REVENUES	0	34,411,862	34,411,862	17,444,249		50.69%	3,984,391	8.48%	3,984,391	8.48%
TOTAL REVENUES AND FUND BALANCE	\$ 0	34,411,862	34,411,862	17,444,249		50.69%	3,984,391	8.48%	3,984,391	8.48%
EXPENDITURES:										
Personnel Services	\$ 0	0	159,232	159,232		100.00%	756,474	99.86%	756,474	99.86%
Sub-Total	0	0	159,232	159,232	0	100.00%	756,474	99.86%	756,474	99.86%
Operating Expenses	0	32,054,173	32,181,996	5,961,541	3,260,799	28.66%	12,802,049	28.88%	12,802,049	28.88%
Capital Outlay	0	2,357,689	2,070,634	2,069,971	661	100.00%	627,437	32.96%	627,437	32.96%
Sub-Total	0	34,411,862	34,411,862	8,190,744	3,261,460	33.28%	14,185,960	30.19%	14,185,960	30.19%
TOTAL EXPENDITURES	\$ 0	34,411,862	34,411,862	8,190,744	3,261,460	33.28%	14,185,960	30.19%	14,185,960	30.19%

CARRYOVERS ARE NOT INCLUDED IN ENCUMBRANCES COLUMN AND CONTRACTS & RETAINAGE PAYABLE ARE BACKED-OUT OF ENCUMBRANCE COLUMN.

CITY OF PENSACOLA
MUNICIPAL GOLF COURSE FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)

	FY 2022					FY 2021			
	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	26,009	26,009	26,009	100.00%	6,025	100.00%	6,025	100.00%
REVENUES:									
GOLF COURSE CHARGES									
Green Fees	298,300	298,300	298,300	336,167	112.69%	327,470	100.00%	327,470	100.00%
Electric Cart Rentals	98,000	98,000	98,000	125,109	127.66%	115,133	100.00%	115,133	100.00%
Pull Cart Rentals	100	100	100	277	277.00%	268	100.00%	268	100.00%
Concessions	18,000	18,000	18,000	18,000	100.00%	18,000	92.31%	18,000	92.31%
Pro Shop Sales	13,000	13,000	13,000	23,797	183.05%	20,120	100.00%	20,120	100.00%
Tournaments	37,400	37,400	37,400	38,426	102.74%	36,377	100.00%	36,377	100.00%
Driving Range	32,000	32,000	32,000	45,493	142.17%	44,499	100.00%	44,499	100.00%
Capital Surcharge	37,900	37,900	37,900	42,716	112.71%	40,214	100.00%	40,214	100.00%
Interest Income	0	0	0	1,765	----	929	100.00%	929	100.00%
SUB-TOTAL REVENUES	534,700	534,700	534,700	631,750	118.15%	603,010	99.75%	603,010	99.75%
TRANSFERS IN GENERAL FUND	250,000	250,000	250,000	250,000	100.00%	250,000	100.00%	250,000	100.00%
TOTAL REVENUES	784,700	784,700	784,700	881,750	112.37%	853,010	99.82%	853,010	99.82%
TOTAL REVENUES AND FUND BALANCE	\$ 784,700	810,709	810,709	907,759	111.97%	859,035	99.83%	859,035	99.83%
EXPENDITURES:									
OPERATIONS									
Personnel Services	\$ 403,500	403,500	381,519	363,657	95.32%	379,440	99.79%	379,440	99.79%
City Sponsored Pensions	44,600	44,600	44,600	44,600	100.00%	47,000	100.00%	47,000	100.00%
Sub-Total	448,100	448,100	426,119	408,257	95.81%	426,440	99.81%	426,440	99.81%
Operating Expenses	336,600	357,401	379,382	374,230	98.64%	311,861	77.73%	311,861	77.73%
Capital Outlay	0	5,208	5,208	5,208	100.00%	0	98.25%	0	98.25%
Sub-Total	784,700	810,709	810,709	787,695	97.16%	738,301	88.82%	738,301	88.82%
TOTAL EXPENDITURES	\$ 784,700	810,709	810,709	787,695	97.16%	738,301	88.82%	738,301	88.82%

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 Twelve Months Ended September 30, 2022
(Unaudited)

	FY 2022					FY 2021			
	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	279,657	279,657	279,657	100.00%	8,972	100.00%	8,972	100.00%
REVENUES:									
Building Permits	914,800	914,800	914,800	1,593,682	174.21%	1,888,135	100.00%	1,888,135	100.00%
Electrical Permits	210,000	210,000	210,000	247,270	117.75%	218,678	100.00%	218,678	100.00%
Gas Permits	48,000	48,000	48,000	56,250	117.19%	55,250	100.00%	55,250	100.00%
Plumbing Permits	140,000	140,000	140,000	143,832	102.74%	123,552	100.00%	123,552	100.00%
Mechanical Permits	94,500	94,500	94,500	114,807	121.49%	119,726	100.00%	119,726	100.00%
Miscellaneous Permits	7,000	7,000	7,000	6,750	96.43%	6,700	100.00%	6,700	100.00%
Zoning Review & Inspection Fees	32,100	32,100	32,100	50,200	156.39%	60,150	100.00%	60,150	100.00%
Permit Application Fee	295,600	295,600	295,600	432,600	146.35%	478,800	100.00%	478,800	100.00%
Tree Removal & Pruning Permits	0	0	0	1,350	----	2,250	100.00%	2,250	100.00%
Lien Search Fees	12,000	12,000	12,000	30,450	253.75%	23,775	100.00%	23,775	100.00%
Interest Income	0	0	0	6,828	----	2,144	100.00%	2,144	100.00%
Sale of Asset	0	0	0	0	----	0	----	0	----
Miscellaneous	0	0	0	110	----	22	100.00%	22	100.00%
TOTAL REVENUES	1,754,000	1,754,000	1,754,000	2,684,129	153.03%	2,979,182	100.00%	2,979,182	100.00%
TOTAL REVENUES AND FUND BALANCE	\$ 1,754,000	2,033,657	2,033,657	2,963,786	145.74%	2,988,154	100.00%	2,988,154	100.00%
EXPENDITURES:									
OPERATIONS									
Personnel Services	\$ 1,110,900	1,251,800	1,251,599	1,170,280	93.50%	756,437	80.14%	1,036,651	97.89%
City Sponsored Pensions	136,000	136,000	136,201	136,096	99.92%	141,885	100.01%	141,916	99.99%
Sub-Total	1,246,900	1,387,800	1,387,800	1,306,376	94.13%	898,322	82.74%	1,178,567	98.13%
Operating Expenses	285,400	299,057	298,757	289,880	97.03%	324,090	80.52%	350,129	23.94%
Capital Outlay	8,500	71,700	71,700	6,956	97.62%	27,409	100.00%	27,409	100.00%
Sub-Total	1,540,800	1,758,557	1,758,257	1,603,212	94.77%	1,249,821	82.46%	1,556,105	57.55%
Allocated Overhead/(Cost Recovery)	213,200	275,100	275,400	275,400	100.00%	159,900	75.00%	275,100	100.00%
Sub-Total	1,754,000	2,033,657	2,033,657	1,878,612	95.48%	1,409,721	81.54%	1,831,205	61.46%
TOTAL EXPENDITURES	\$ 1,754,000	2,033,657	2,033,657	1,878,612	95.48%	1,409,721	81.54%	1,831,205	61.46%

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 Twelve Months Ended September 30, 2022
(Unaudited)

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% 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	8,905	8,905	8,905		100.00%	0	----	0	----
REVENUES:										
CHARGES FOR SERVICES										
Scott Tennis Pro Revenue	128,800	128,800	128,800	127,604		99.07%	130,208	100.00%	130,208	100.00%
Scott Tennis Pro Shop Lease	0	0	0	640		----	640	90.52%	640	90.52%
Interest Income	0	0	0	6,101		----	763	100.00%	763	100.00%
TOTAL REVENUES	128,800	128,800	128,800	134,345		104.31%	131,611	99.95%	131,611	99.95%
TOTAL REVENUES AND FUND BALANCE	\$ 128,800	137,705	137,705	143,250		104.03%	131,611	99.95%	131,611	99.95%
EXPENDITURES:										
OPERATIONS										
Operating Expenses	\$ 128,800	130,084	130,084	87,802		67.50%	65,357	53.75%	65,357	53.75%
Capital Outlay	0	7,621	7,621	7,620		99.99%	0	98.96%	0	98.96%
Sub-Total	128,800	137,705	137,705	95,422	0	69.29%	65,357	56.40%	65,357	56.40%
TOTAL EXPENDITURES	\$ 128,800	137,705	137,705	95,422	0	69.29%	65,357	56.40%	65,357	56.40%

CITY OF PENSACOLA
COMMUNITY MARITIME PARK MANAGEMENT SERVICES FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
PARK OPERATIONS:										
APPROPRIATED FUND BALANCE	\$ 37,400	516,022	516,022	516,022		100.00%	74,616	120.85%	74,616	100.00%
REVENUES:										
COMMUNITY MARITIME PARK										
Event Scheduling Management										
Rentals	35,000	35,000	35,000	6,600		18.86%	13,800	40.59%	13,800	100.00%
Vendor Kiosk Management										
Kiosk Sales	4,000	4,000	4,000	0		0.00%	0	0.00%	0	----
Donations	0	0	0	5,850		----	0	----	0	----
Parking Management	110,000	110,000	110,000	139,651		126.96%	121,427	117.89%	121,427	100.00%
City Hall Parking	27,000	27,000	27,000	26,575		98.43%	26,512	98.19%	26,512	100.00%
Lease Fees	155,000	155,000	155,000	147,484		95.15%	148,984	101.35%	148,984	100.00%
User Fees										
Northwest Florida Professional Baseball	175,000	175,000	175,000	175,000		100.00%	175,000	100.00%	175,000	100.00%
University of West Florida	25,000	25,000	25,000	20,000		80.00%	0	0.00%	0	----
Surcharge										
Attendance	275,000	275,000	275,000	222,947		81.07%	299,837	109.79%	299,837	111.67%
Naming Rights	112,500	112,500	112,500	112,500		100.00%	112,500	100.00%	112,500	100.00%
Community Event Concessions	30,000	30,000	30,000	30,005		100.02%	0	0.00%	0	----
Parcels Option Payments	0	0	0	71,908		----	370,107	102.18%	370,107	99.64%
Other Charges for Services	65,600	65,600	65,600	22,605		34.46%	24,068	103.30%	24,068	100.00%
Miscellaneous Revenue	0	0	0	202		----	50	----	50	33.33%
Sub-Total	1,014,100	1,014,100	1,014,100	981,327		96.77%	1,292,285	98.35%	1,292,285	102.37%
TOTAL REVENUES	1,014,100	1,014,100	1,014,100	981,327		96.77%	1,292,285	98.35%	1,292,285	102.37%
TOTAL REVENUES AND FUND BALANCE	\$ 1,051,500	1,530,122	1,530,122	1,497,349		97.86%	1,366,901	99.36%	1,366,901	102.24%

CITY OF PENSACOLA
COMMUNITY MARITIME PARK MANAGEMENT SERVICES FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
EXPENDITURES										
COMMUNITY MARITIME PARK										
Personnel Services	\$ 129,900	129,900	134,568	54,232		40.30%	47,937	47.28%	47,937	47.28%
Operating Expenses	901,600	1,254,450	1,249,782	800,409	40,234	64.04%	764,682	67.34%	764,682	67.34%
Capital Outlay	0	125,772	125,772	70,772		56.27%	0	0.00%	0	0.00%
Sub-Total	<u>1,031,500</u>	<u>1,510,122</u>	<u>1,510,122</u>	<u>925,413</u>	<u>40,234</u>	<u>61.28%</u>	<u>812,619</u>	<u>61.70%</u>	<u>812,619</u>	<u>61.70%</u>
DEBT SERVICE										
Principal	20,000	20,000	20,000	20,000		100.00%	20,000	100.00%	20,000	100.00%
Sub-Total	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>0</u>	<u>100.00%</u>	<u>20,000</u>	<u>100.00%</u>	<u>20,000</u>	<u>100.00%</u>
TOTAL PARK OPERATIONS EXPENDITURES	<u>\$ 1,051,500</u>	<u>1,530,122</u>	<u>1,530,122</u>	<u>945,413</u>	<u>40,234</u>	<u>61.79%</u>	<u>832,619</u>	<u>62.28%</u>	<u>832,619</u>	<u>62.28%</u>
PARK RENEWAL AND REPLACEMENT:										
APPROPRIATED FUND BALANCE	<u>\$ 0</u>	<u>0</u>	<u>0</u>	<u>0</u>		----	<u>(5,588)</u>	100.00%	<u>(5,588)</u>	100.00%
REVENUES:										
Variable Ticket	128,400	128,400	128,400	178,593		139.09%	106,632	77.49%	106,632	77.49%
Interest Income	0	0	0	72,729		----	4,572	100.00%	4,572	100.00%
Sub-Total	<u>128,400</u>	<u>128,400</u>	<u>128,400</u>	<u>251,322</u>		<u>195.73%</u>	<u>111,204</u>	<u>78.22%</u>	<u>111,204</u>	<u>78.22%</u>
TOTAL REVENUES AND FUND BALANCE	<u>\$ 128,400</u>	<u>128,400</u>	<u>128,400</u>	<u>251,322</u>		<u>195.73%</u>	<u>105,616</u>	<u>77.33%</u>	<u>105,616</u>	<u>77.33%</u>
EXPENDITURES										
Operating Expenses	128,400	128,400	128,400	13,682		10.66%	72,696	53.22%	72,696	53.22%
Capital Outlay	0	0	0	0		----	0	----	0	----
Sub-Total	<u>128,400</u>	<u>128,400</u>	<u>128,400</u>	<u>13,682</u>	<u>0</u>	<u>10.66%</u>	<u>72,696</u>	<u>53.22%</u>	<u>72,696</u>	<u>53.22%</u>
TOTAL RENEWAL AND REPLACEMENT EXPENDITURES	<u>\$ 128,400</u>	<u>128,400</u>	<u>128,400</u>	<u>13,682</u>	<u>0</u>	<u>10.66%</u>	<u>72,696</u>	<u>53.22%</u>	<u>72,696</u>	<u>53.22%</u>
TOTAL FUND:										
TOTAL REVENUES AND FUND BALANCE	<u>\$ 1,179,900</u>	<u>1,658,522</u>	<u>1,658,522</u>	<u>1,748,671</u>		<u>105.44%</u>	<u>1,472,517</u>	<u>99.93%</u>	<u>1,472,517</u>	<u>99.93%</u>
TOTAL EXPENDITURES	<u>\$ 1,179,900</u>	<u>1,658,522</u>	<u>1,658,522</u>	<u>959,095</u>	<u>40,234</u>	<u>57.83%</u>	<u>905,315</u>	<u>61.44%</u>	<u>905,315</u>	<u>61.44%</u>

**CITY OF PENSACOLA
LOCAL OPTION SALES TAX
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
LOCAL OPTION SALES TAX FUND:										
APPROPRIATED FUND BALANCE	\$ 0	32,523,185	32,523,185	32,523,185		100.00%	30,277,674	100.00%	30,277,674	100.00%
REVENUES:										
1-CT Local Option Sales Tax	9,605,500	9,605,500	9,605,500	12,234,245		127.37%	10,718,928	100.00%	10,718,928	100.00%
Interest	0	0	0	3,164		----	12,422	100.00%	12,422	100.00%
Contributions	0	1,302,546	1,302,546	0		0.00%	0	----	0	----
Miscellaneous	0	307,816	307,816	272,998		88.69%	10,000	100.00%	10,000	100.00%
Sale of Assets - Cash	0	6,400	6,400	6,400		100.00%	0	----	0	----
TOTAL REVENUES	9,605,500	11,222,262	11,222,262	12,516,807		111.54%	10,741,350	100.00%	10,741,350	100.00%
TOTAL REVENUES AND FUND BALANCE	\$ 9,605,500	43,745,447	43,745,447	45,039,992		102.96%	41,019,024	100.00%	41,019,024	100.00%
EXPENDITURES:										
CAPITAL PROJECTS										
Operating Expenses	0	117,184	992,409	363,629	606,588	97.76%	426,722	99.37%	426,722	99.37%
Capital Outlay	4,030,300	22,851,343	21,976,212	6,581,943	4,653,764	51.13%	6,826,592	52.21%	6,826,592	52.21%
Sub-Total	4,030,300	22,968,527	22,968,621	6,945,572	5,260,352	53.14%	7,253,314	53.50%	7,253,314	53.50%
TRANSFER OUT										
Port of Pensacola	0	152,108	152,108	34,450		22.65%	87,659	36.56%	87,659	36.56%
Pensacola International Airport	0	15,049,612	15,049,612	739,146		4.91%	945,850	5.91%	945,850	5.91%
Sub-Total	0	15,201,720	15,201,720	773,596	0	5.09%	1,033,509	6.37%	1,033,509	6.37%
DEBT SERVICE										
Principal	5,193,900	5,193,900	5,193,900	2,181,000		41.99%	3,821,387	100.00%	3,821,387	100.00%
Interest	381,300	381,300	381,206	381,206		100.00%	476,658	100.00%	476,658	100.00%
Sub-Total	5,575,200	5,575,200	5,575,106	2,562,206	0	45.96%	4,298,045	100.00%	4,298,045	100.00%
TOTAL EXPENDITURES	\$ 9,605,500	43,745,447	43,745,447	10,281,374	5,260,352	35.53%	12,584,868	39.71%	12,584,868	39.71%

**CITY OF PENSACOLA
LOCAL OPTION SALES TAX
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
LOST SERIES 2017 PROJECT FUND:										
APPROPRIATED FUND BALANCE	\$ 0	0	0	0		----	1,030,879	100.00%	1,030,879	100.00%
REVENUES:										
Interest	0	0	0	0		----	0	----	0	----
TOTAL REVENUES	0	0	0	0		----	0	----	0	----
TOTAL REVENUES AND FUND BALANCE	\$ 0	0	0	0		----	1,030,879	100.00%	1,030,879	100.00%
EXPENDITURES:										
CAPITAL PROJECTS										
Capital Outlay	0	0	0	0		----	1,030,879	100.00%	1,030,879	100.00%
Sub-Total	0	0	0	0	0	----	1,030,879	100.00%	1,030,879	100.00%
TOTAL LOST IV BOND EXPENDITURES	\$ 0	0	0	0	0	----	1,030,879	100.00%	1,030,879	100.00%
TOTAL:										
TOTAL REVENUES AND FUND BALANCE	\$ 9,605,500	43,745,447	43,745,447	45,039,992		102.96%	42,049,903	100.00%	42,049,903	100.00%
TOTAL EXPENDITURES	\$ 9,605,500	43,745,447	43,745,447	10,281,374	5,260,352	35.53%	13,615,747	41.19%	13,615,747	41.19%

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
STORMWATER CAPITAL PROJECTS FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% 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	\$ 42,500	3,751,156	3,751,156	3,751,156		100.00%	4,497,859	100.00%	4,497,859	100.00%
REVENUES:										
Interest	0	0	0	15,950		----	20,500	100.00%	20,500	100.00%
Transfer In From General Fund	2,735,000	2,735,000	2,735,000	2,735,000		100.00%	2,735,000	100.00%	2,735,000	100.00%
Miscellaneous	0	0	0	24,250		----	0	----	0	----
TOTAL REVENUES	2,735,000	2,735,000	2,735,000	2,775,200		101.47%	2,755,500	100.00%	2,755,500	100.00%
TOTAL REVENUES AND FUND BALANCE	\$ 2,777,500	6,486,156	6,486,156	6,526,356		100.62%	7,253,359	100.00%	7,253,359	100.00%
EXPENDITURES:										
CAPITAL PROJECTS										
Operating Expenses	662,200	964,682	1,115,083	562,355	210,000	69.26%	639,026	82.87%	639,026	82.87%
Capital Outlay	1,925,700	5,341,074	5,153,473	1,299,376	147,244	28.07%	2,718,548	56.58%	2,718,548	56.58%
Sub-Total	2,587,900	6,305,756	6,268,556	1,861,731	357,244	35.40%	3,357,574	60.11%	3,357,574	60.11%
Allocated Overhead/(Cost Recovery)	189,600	180,400	217,600	217,600		100.00%	180,400	100.00%	180,400	100.00%
TOTAL EXPENDITURES	\$ 2,777,500	6,486,156	6,486,156	2,079,331	357,244	37.57%	3,537,974	61.10%	3,537,974	61.10%

**CITY OF PENSACOLA
GAS UTILITY FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
GAS OPERATIONS:										
APPROPRIATED FUND BALANCE	\$ 0	3,223,428	3,223,428	3,223,428		100.00%	1,332,889	100.00%	1,332,889	100.00%
REVENUES:										
GAS										
Residential User Fees	21,898,700	28,357,000	28,357,000	26,001,787		91.69%	23,271,782	100.00%	23,271,782	100.00%
Commercial User Fees	12,616,600	16,346,100	16,346,100	16,341,504		99.97%	12,441,413	100.00%	12,441,413	100.00%
Municipal User Fees	301,900	301,900	301,900	404,721		134.06%	297,674	100.00%	297,674	100.00%
Interruptible User Fees	2,993,400	3,895,600	3,895,600	4,549,458		116.78%	3,145,742	58.67%	3,145,742	58.67%
Transportation User Fees	5,225,000	19,316,191	19,316,191	19,548,314		101.20%	6,642,348	150.06%	6,642,348	150.06%
Compressed Natural Gas	952,400	952,400	952,400	1,428,401		149.98%	954,400	100.00%	954,400	100.00%
Miscellaneous Charges	557,300	557,300	557,300	724,427		129.99%	658,194	99.98%	658,194	99.98%
New Accounts/Turn-on Fees	659,400	659,400	659,400	456,666		69.25%	467,875	100.00%	467,875	100.00%
Interest Income	10,000	10,000	10,000	94,804		948.04%	109,337	100.00%	109,337	100.00%
Infrastructure Cost Recovery	3,305,900	3,305,900	3,305,900	800,529		24.22%	3,415,627	100.00%	3,415,627	100.00%
Cookbooks	0	0	0	4,221	----	----	8,181	100.00%	8,181	100.00%
Sale of Asset	0	0	0	32,800	----	----	13,836	100.00%	13,836	100.00%
TOTAL REVENUES	48,520,600	73,701,791	73,701,791	70,387,632		95.50%	51,426,409	100.00%	51,426,409	100.00%
TOTAL REVENUES AND FUND BALANCE	\$ 48,520,600	76,925,219	76,925,219	73,611,060		95.69%	52,759,298	100.00%	52,759,298	100.00%
EXPENSES:										
GAS OPERATION & MAINTENANCE										
Personnel Services	\$ 8,936,800	8,974,700	8,972,850	8,357,254		93.14%	7,898,626	97.22%	7,898,626	97.22%
City Sponsored Pensions	1,321,000	1,321,000	1,322,850	1,322,697		99.99%	1,399,368	99.97%	1,399,368	99.97%
Sub-Total	10,257,800	10,295,700	10,295,700	9,679,951	0	94.02%	9,297,994	97.63%	9,297,994	97.63%
Operating Expenses	26,014,200	53,050,579	52,881,879	49,412,871	2,340,572	97.87%	27,033,081	99.50%	27,033,081	99.50%
Capital Outlay	916,000	2,202,840	2,289,140	1,523,136	495,841	88.20%	2,371,567	86.11%	2,371,567	86.11%
Sub-Total	37,188,000	65,549,119	65,466,719	60,615,958	2,836,413	96.92%	38,702,642	97.86%	38,702,642	97.86%
TRANSFERS OUT										
General Fund	8,000,000	8,000,000	8,000,000	8,000,000		100.00%	8,000,000	100.00%	8,000,000	100.00%
Sub-Total	8,000,000	8,000,000	8,000,000	8,000,000	0	100.00%	8,000,000	100.00%	8,000,000	100.00%
Allocated Overhead/(Cost Recovery)	1,309,000	1,352,500	1,434,900	1,434,900		100.00%	1,352,500	100.00%	1,352,500	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 Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
EXPENSES: (continued)										
DEBT SERVICE										
Interest	191,600	191,600	191,600	191,465		99.93%	228,213	99.96%	228,213	99.96%
Principal	1,832,000	1,832,000	1,832,000	1,832,000		100.00%	1,795,000	100.00%	1,795,000	100.00%
Sub-Total	2,023,600	2,023,600	2,023,600	2,023,465	0	99.99%	2,023,213	100.00%	2,023,213	100.00%
TOTAL GAS OPERATIONS EXPENSES	\$ 48,520,600	76,925,219	76,925,219	72,074,323	2,836,413	97.38%	50,078,355	98.32%	50,078,355	98.32%

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 Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021			
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
SANITATION OPERATIONS:									
APPROPRIATED FUND BALANCE	\$ 481,600	2,446,471	2,446,471	2,446,471		3,276,737	100.00%	3,276,737	100.00%
REVENUES:									
SANITATION									
Residential Refuse Container Charges	4,932,200	4,993,719	4,993,719	4,993,719		4,754,122	100.00%	4,754,122	100.00%
Bulk Item Collection Charges	130,000	139,404	139,404	198,381		128,326	100.16%	128,326	100.16%
Business Refuse Container Charges	127,000	231,453	231,453	231,454		164,932	100.00%	164,932	100.00%
Fuel Surcharge	360,000	360,000	360,000	397,302		333,092	100.00%	333,092	100.00%
County Landfill	1,230,000	1,230,000	1,230,000	1,238,042		1,226,621	100.00%	1,226,621	100.00%
New Accounts/Transfer Fees	85,000	85,000	85,000	77,760		79,300	100.00%	79,300	100.00%
Premium Service Fee	0	0	0	5,040		----	----	----	----
Miscellaneous	40,000	40,000	40,000	74,841		32,329	100.00%	32,329	100.00%
Interest Income	0	0	0	4,887		7,535	100.00%	7,535	100.00%
Sale of Assets	5,000	5,000	5,000	25,525		19,650	100.00%	19,650	100.00%
SUB-TOTAL SANITATION REVENUES	6,909,200	7,084,576	7,084,576	7,246,951		6,745,907	100.00%	6,745,907	100.00%
CAPITAL EQUIPMENT SURCHARGE									
Equipment Surcharge	774,000	774,000	774,000	786,719		759,456	100.00%	759,456	100.00%
CNG Rebates	500,000	500,000	500,000	1,039,480		0	----	0	----
Advertising Revenue	80,200	80,200	80,200	80,200		80,200	100.00%	80,200	100.00%
Sub-Total	1,354,200	1,354,200	1,354,200	1,906,399		839,656	100.00%	839,656	100.00%
SUB-TOTAL SANITATION REVENUES	8,263,400	8,438,776	8,438,776	9,153,350		7,585,563	100.00%	7,585,563	100.00%
CODE ENFORCEMENT									
Franchise Fees	1,325,000	1,325,000	1,325,000	1,397,721		1,374,953	100.00%	1,374,953	100.00%
Lot Cleaning (FY Cash Balance) *	70,000	70,000	70,000	69,783		82,125	79.86%	82,125	79.86%
Code Enforcement Violations	100,000	100,000	100,000	120,205		93,623	100.00%	93,623	100.00%
Sub-Total	1,495,000	1,495,000	1,495,000	1,587,709		1,550,701	98.68%	1,550,701	98.68%
ENFORCEMENT REVENUES	1,495,000	1,495,000	1,495,000	1,587,709		1,550,701	98.68%	1,550,701	98.68%
SUB-TOTAL REVENUES	9,758,400	9,933,776	9,933,776	10,741,059		9,136,264	99.78%	9,136,264	99.78%
TOTAL REVENUES AND FUND BALANCE	\$ 10,240,000	12,380,247	12,380,247	13,187,530		12,413,001	99.84%	12,413,001	99.84%

* Actual billings are \$99,798 however collections are typically lower.

**CITY OF PENSACOLA
SANITATION FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
SANITATION OPERATIONS CONTINUED:										
EXPENSES:										
SANITATION SERVICES										
Personnel Services	\$ 2,783,900	2,808,300	2,670,414	2,643,339		98.99%	2,744,545	98.38%	2,744,545	98.38%
City Sponsored Pensions	383,600	383,600	383,937	383,935		100.00%	390,542	100.00%	390,542	100.00%
Sub-Total	3,167,500	3,191,900	3,054,351	3,027,274	0	99.11%	3,135,087	98.57%	3,135,087	98.57%
Operating Expenses	3,639,100	3,756,253	3,990,912	3,974,061	9,547	99.82%	3,666,394	99.99%	3,666,394	99.99%
Allocated Overhead/(Cost Recovery)	489,100	538,200	576,900	576,900		100.00%	538,200	100.00%	538,200	100.00%
Sub-Total	7,295,700	7,486,353	7,622,163	7,578,235	9,547	99.55%	7,339,681	99.38%	7,339,681	99.38%
CAPITAL EQUIPMENT										
Capital Outlay	1,305,000	3,222,723	3,187,723	1,401,774		43.97%	1,651,847	99.96%	1,651,847	99.96%
Sub-Total	1,305,000	3,222,723	3,187,723	1,401,774	0	43.97%	1,651,847	99.96%	1,651,847	99.96%
DEBT SERVICE										
Interest	1,500	1,500	1,500	1,492		99.47%	4,445	98.78%	4,445	98.78%
Principal	142,800	142,800	142,800	142,740		99.96%	139,880	99.99%	139,880	99.99%
Sub-Total	144,300	144,300	144,300	144,232	0	99.95%	144,325	99.95%	144,325	99.95%
SUB-TOTAL SANITATION EXPENSES	8,745,000	10,853,376	10,954,186	9,124,241	9,547	83.38%	9,135,853	99.57%	9,135,853	99.57%
CODE ENFORCEMENT PROGRAM										
Personnel Services	848,800	850,400	845,109	810,829		95.94%	648,044	100.00%	648,044	100.00%
City Sponsored Pensions	44,600	44,600	44,600	44,600		100.00%	194,837	100.00%	194,837	100.00%
Sub-Total	893,400	895,000	889,709	855,429	0	96.15%	842,881	100.00%	842,881	100.00%
Operating Expenses	346,600	379,371	266,808	260,813	0	97.75%	224,544	80.09%	224,544	80.09%
Capital Outlay	34,000	34,000	34,000	0		0.00%	0	----	0	----
Allocated Overhead/((Cost Recovery)	112,400	109,900	129,100	129,100		100.00%	109,900	100.00%	109,900	100.00%
Sub-Total	1,386,400	1,418,271	1,319,617	1,245,342	0	94.37%	1,177,325	95.46%	1,177,325	95.46%
CODE ENFORCEMENT ZONING/HOUSING										
Personnel Services	66,600	66,600	66,521	65,567		98.57%	63,363	100.00%	63,363	100.00%
City Sponsored Pensions	31,400	31,400	31,454	31,453		100.00%	28,152	100.00%	28,152	100.00%
Sub-Total	98,000	98,000	97,975	97,020	0	99.03%	91,515	100.00%	91,515	100.00%
Operating Expenses	10,600	10,600	8,469	8,427		99.50%	7,243	99.97%	7,243	99.97%
Capital Outlay	0	0	0	0		----	0	----	0	----
Sub-Total	108,600	108,600	106,444	105,447	0	99.06%	98,758	99.99%	98,758	99.99%
SUB-TOTAL CODE ENFORCEMENT	1,495,000	1,526,871	1,426,061	1,350,789	0	94.72%	1,276,083	95.80%	1,276,083	95.80%
TOTAL EXPENSES	\$ 10,240,000	12,380,247	12,380,247	10,475,030	0	84.61%	10,411,936	99.17%	10,411,936	99.17%
TOTAL FUND:										
TOTAL REVENUES AND FUND BALANCE	\$ 10,240,000	12,380,247	12,380,247	13,187,530		106.52%	12,413,001	99.84%	12,413,001	99.84%
TOTAL EXPENSES	\$ 10,240,000	12,380,247	12,380,247	10,475,030	0	84.61%	10,411,936	99.17%	10,411,936	99.17%

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 Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021			
	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	831,528	831,528	831,528	100.00%	251,717	100.00%	251,717	100.00%
REVENUES:									
PORT									
Handling	31,700	31,700	31,700	52,949	167.03%	16,933	100.00%	16,933	100.00%
Wharfage	402,400	557,511	557,511	582,747	104.53%	424,107	100.00%	424,107	100.00%
Storage	309,000	366,550	366,550	366,550	100.00%	729,965	100.00%	729,965	100.00%
Dockage	845,500	845,500	845,500	703,872	83.25%	548,819	100.00%	548,819	100.00%
Water Sales	6,000	6,000	6,000	5,932	98.87%	10,757	100.00%	10,757	100.00%
Property Rental	597,500	597,500	597,500	600,181	100.45%	609,143	100.00%	609,143	100.00%
Stevedore Fees	3,000	3,000	3,000	28,323	944.10%	14,186	100.00%	14,186	100.00%
Harbor	27,700	27,700	27,700	39,155	141.35%	34,630	100.00%	34,630	100.00%
Security Fees	104,500	104,500	104,500	114,767	109.82%	79,023	100.00%	79,023	100.00%
Interior Lighting	115,000	115,000	115,000	209,085	181.81%	182,244	100.00%	182,244	100.00%
Miscellaneous/Billed	0	0	0	18,237	----	26,245	100.00%	26,245	100.00%
Seville Harbor Lease	46,100	46,100	46,100	46,162	100.13%	83,914	100.00%	83,914	100.00%
Miscellaneous/Non-Billed	0	0	0	4,485	----	93,927	100.00%	93,927	100.00%
Miscellaneous -Ins Proceeds - Sally	0	0	0	0	----	1,650,924	100.00%	1,650,924	100.00%
Cedar Street Lease/Parking Lot	65,700	65,700	65,700	75,685	115.20%	59,760	100.00%	59,760	100.00%
Pilot Boat Fee	0	29,580	29,580	37,950	128.30%	0	----	0	----
Donations	0	300,000	300,000	0	0.00%	0	----	0	----
Interest Income	0	0	0	255,769	----	10,243	100.00%	10,243	100.00%
SUB-TOTAL OPERATING REVENUES	2,554,100	3,096,341	3,096,341	3,141,849	101.47%	4,574,820	100.00%	4,574,820	100.00%
TRANSFERS IN LOCAL OPTION SALES TAX FUND	0	152,108	152,108	34,450	22.65%	87,659	36.56%	87,659	36.56%
TOTAL REVENUES	2,554,100	3,248,449	3,248,449	3,176,299	97.78%	4,662,479	96.84%	4,662,479	96.84%
TOTAL REVENUES AND FUND BALANCE	\$ 2,554,100	4,079,977	4,079,977	4,007,827	98.23%	4,914,196	97.00%	4,914,196	97.00%
EXPENSES:									
OPERATIONS & MAINTENANCE									
Personnel Services	\$ 903,400	906,400	896,779	836,978	93.33%	805,074	92.28%	805,074	92.28%
City Sponsored Pensions	104,500	104,500	104,501	104,500	100.00%	108,619	99.84%	108,619	99.84%
Sub-Total	1,007,900	1,010,900	1,001,280	941,478	94.03%	913,693	93.12%	913,693	93.12%
Operating Expenses	1,333,000	1,843,662	2,023,004	1,500,352	84.40%	1,004,011	61.39%	1,004,011	61.39%
Capital Outlay	100,000	1,073,915	849,393	288,925	73.11%	1,187,334	80.21%	1,187,334	80.21%
Sub-Total	2,440,900	3,928,477	3,873,677	2,730,755	84.41%	3,105,038	75.92%	3,105,038	75.92%
CARES ACT FUNDING (a)									
Cares Act Personnel Services	0	0	0	0	----	(275,616)	----	(275,616)	----
Cares Act Operating Expenses	0	0	0	(121,594)	----	(409,562)	----	(409,562)	----
Sub-Total	0	0	0	(121,594)	----	(685,178)	----	(685,178)	----
Allocated Overhead/(Cost Recovery)	113,200	151,500	206,300	206,300	100.00%	151,500	100.00%	151,500	100.00%
TOTAL EXPENSES	\$ 2,554,100	4,079,977	4,079,977	2,815,461	82.22%	2,571,360	76.64%	2,571,360	76.64%

(a) In fiscal year 2021, the Port of Pensacola was awarded \$806,772 in CARES funding to help cover operating, maintenance and debt service expenses. As of March 31, 2022 all grant funds have been expended.

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 Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021			
	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	\$ 12,039,700	20,711,762	20,711,762	20,711,762	100.00%	2,808,525	100.00%	2,808,525	100.00%
REVENUES:									
AIRLINE REVENUES									
Loading Bridges Fees	243,000	243,000	243,000	731,450	301.01%	199,988	100.00%	199,988	100.00%
Air Carrier Landing Fees	319,000	319,000	319,000	370,288	116.08%	463,113	100.00%	463,113	100.00%
Cargo Landing Fees	44,000	44,000	44,000	39,073	88.80%	46,060	100.00%	46,060	100.00%
Apron Area Rental	825,000	825,000	825,000	904,811	109.67%	513,923	100.00%	513,923	100.00%
Cargo Apron Area Rental	73,000	73,000	73,000	93,475	128.05%	94,095	100.00%	94,095	100.00%
Baggage Handling System	1,056,000	1,056,000	1,056,000	983,248	93.11%	458,284	100.00%	458,284	100.00%
Ron Ramp	71,000	71,000	71,000	85,519	120.45%	115,462	100.00%	115,462	100.00%
Airline Rentals	2,270,000	2,270,000	2,270,000	2,979,639	131.26%	1,458,241	100.00%	1,458,241	100.00%
SUBTOTAL AIRLINE REVENUES	4,901,000	4,901,000	4,901,000	6,187,503	126.25%	3,349,166	100.00%	3,349,166	100.00%
NON-AIRLINE REVENUES									
U.S.Government	96,000	96,000	96,000	96,000	100.00%	96,000	100.00%	96,000	100.00%
Rental Cars	3,731,000	3,731,000	3,731,000	6,902,498	185.00%	6,309,382	100.29%	6,309,382	100.29%
Rental Car Customer Facility Charge (Garage)	829,000	829,000	829,000	987,667	119.14%	891,902	100.00%	891,902	100.00%
CFC - Rental Car Svc Facility	2,225,000	2,225,000	2,225,000	2,828,315	127.12%	2,554,113	100.00%	2,554,113	100.00%
Rental Car Service Facility Rent	263,000	263,000	263,000	297,321	113.05%	279,125	100.00%	279,125	100.00%
Fixed Base Operators	223,000	223,000	223,000	245,954	110.29%	210,594	100.00%	210,594	100.00%
Restaurant and Lounge	597,000	597,000	597,000	932,465	156.19%	793,817	100.00%	793,817	100.00%
Advertising	129,000	129,000	129,000	172,766	133.93%	170,971	100.00%	170,971	100.00%
Hangar Rentals	100,000	100,000	100,000	159,332	159.33%	133,633	100.00%	133,633	100.00%
ST Ground Lease	266,000	266,000	266,000	274,714	103.28%	269,330	100.00%	269,330	100.00%
Airport & 12th	168,000	168,000	168,000	199,220	118.58%	188,765	100.00%	188,765	100.00%
Parking Lot	5,000,000	5,000,000	5,000,000	7,839,560	156.79%	5,417,043	100.00%	5,417,043	100.00%
Gift Shop	270,000	270,000	270,000	588,694	218.03%	490,334	100.54%	490,334	100.54%
Taxi / Car Sharing Permits	134,000	134,000	134,000	252,010	188.07%	177,816	100.00%	177,816	100.00%
LEO/TSA Security	110,000	110,000	110,000	110,090	100.08%	112,230	100.00%	112,230	100.00%
Commercial Property Rentals	190,000	190,000	190,000	323,616	170.32%	376,264	100.00%	376,264	100.00%
GSA/TSA Term Rent	162,000	162,000	162,000	162,826	100.51%	166,547	100.00%	166,547	100.00%
Miscellaneous	134,000	134,000	134,000	373,838	278.98%	320,716	99.97%	320,716	99.97%
Interest Income	93,000	93,000	93,000	576,470	619.86%	250,605	100.00%	250,605	100.00%
Sale of Asset	0	0	0	2,435	----	60,050	100.00%	60,050	100.00%
SUB-TOTAL NON-AIRLINE REVENUES	14,720,000	14,720,000	14,720,000	23,325,791	158.46%	19,269,237	100.11%	19,269,237	100.11%
TOTAL OPERATING REVENUES	19,621,000	19,621,000	19,621,000	29,513,295	150.42%	22,618,403	100.09%	22,618,403	100.09%
TOTAL REVENUES AND FUND BALANCE	\$ 31,660,700	40,332,762	40,332,762	50,225,057	124.53%	25,426,928	100.08%	25,426,928	100.08%

**CITY OF PENSACOLA
AIRPORT FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - BUDGETED AND ACTUAL
For the Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
EXPENSES:										
OPERATION & MAINTENANCE										
Personnel Services	\$ 4,657,300	4,657,300	5,007,362	5,002,446		99.90%	4,235,838	99.19%	4,235,838	99.19%
City Sponsored Pensions	700,200	700,200	701,045	701,033		100.00%	726,452	99.85%	726,452	99.85%
Sub-Total	5,357,500	5,357,500	5,708,407	5,703,479	0	99.91%	4,962,290	99.28%	4,962,290	99.28%
Operating Expenses	14,260,300	16,640,147	13,747,283	10,697,642	927,799	84.57%	7,692,315	91.06%	7,692,315	91.06%
Capital Outlay	2,452,000	8,742,115	11,251,572	4,404,331	1,010,805	48.13%	2,408,441	87.89%	2,408,441	87.89%
Sub-Total	22,069,800	30,739,762	30,707,262	20,805,452	1,938,604	74.07%	15,063,046	92.18%	15,063,046	92.18%
CARES ACT FUNDING (a)										
Cares Act Personnel Services	0	0	0	(2,768,578)		----	(2,273,664)	----	(2,273,664)	----
Cares Act Operating Expenses	0	0	0	(900,013)		----	(2,907,889)	----	(2,907,889)	----
Sub-Total	0	0	0	(3,668,591)	0	----	(5,181,553)	----	(5,181,553)	----
DEBT SERVICE GARB										
Interest	586,500	586,500	586,500	468,931		79.95%	517,989	79.96%	517,989	79.96%
Principal	2,277,000	2,277,000	2,277,000	1,821,500		80.00%	1,768,600	79.99%	1,768,600	79.99%
Sub-Total	2,863,500	2,863,500	2,863,500	2,290,431	0	79.99%	2,286,589	79.99%	2,286,589	79.99%
DEBT SERVICE CFC										
Interest	242,300	242,300	242,300	12,303		5.08%	51,144	15.87%	51,144	15.87%
Principal	5,800,000	5,800,000	5,800,000	5,800,000		100.00%	0	0.00%	0	0.00%
Sub-Total	6,042,300	6,042,300	6,042,300	5,812,303	0	96.19%	51,144	3.27%	51,144	3.27%
Allocated Overhead/(Cost Recovery)										
General Fund	685,100	687,200	719,700	719,700		100.00%	687,200	100.00%	687,200	100.00%
TOTAL OPERATING EXPENSES	\$ 31,660,700	40,332,762	40,332,762	25,959,295	1,938,604	69.17%	12,906,426	65.14%	12,906,426	65.14%

(a) In fiscal year 2020, Pensacola International Airport was awarded \$11,081,566 in CARES funding to help cover operating, maintenance and debt service expenses. As of March 31, 2022 all grant funds have been expended.

(a) In fiscal year 2021, Pensacola International Airport was awarded an additional \$4,502,199 in CARES funding to help cover operating, maintenance and debt service expenses. Funds have not yet be spent.

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 Twelve Months Ended September 30, 2022
(Unaudited)

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% 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	86,919	86,919	86,919		100.00%	0	----	0	----
REVENUES:										
Service Fees	1,448,400	1,521,481	1,521,481	1,448,369		95.19%	1,471,869	93.89%	1,471,869	93.89%
TOTAL REVENUES	1,448,400	1,521,481	1,521,481	1,448,369		95.19%	1,471,869	93.89%	1,471,869	93.89%
TOTAL REVENUES AND FUND BALANCE	\$ 1,448,400	1,608,400	1,608,400	1,535,288		95.45%	1,471,869	93.89%	1,471,869	93.89%
EXPENSES:										
RISK MANAGEMENT										
Personnel Services	\$ 374,600	374,600	401,069	386,939		96.48%	642,869	98.01%	642,869	98.01%
City Sponsored Pensions	51,000	51,000	51,076	51,075		100.00%	53,870	100.00%	53,870	100.00%
Sub-Total	425,600	425,600	452,145	438,014	0	96.87%	696,739	98.16%	696,739	98.16%
Operating Expenses	805,500	878,500	851,955	708,292		83.14%	552,011	94.67%	552,011	94.67%
Sub-Total	1,231,100	1,304,100	1,304,100	1,146,306	0	87.90%	1,248,750	96.55%	1,248,750	96.55%
CITY CLINIC										
Personnel Services	157,900	244,200	244,073	170,471		69.84%	175,690	97.14%	175,690	97.14%
City Sponsored Pensions	24,500	24,500	24,627	24,576		99.79%	24,969	99.99%	24,969	99.99%
Sub-Total	182,400	268,700	268,700	195,047	0	72.59%	200,659	97.48%	200,659	97.48%
Operating Expenses	34,900	35,600	35,600	35,557		99.88%	43,116	96.54%	43,116	96.54%
Sub-Total	217,300	304,300	304,300	230,604	0	75.78%	243,775	97.32%	243,775	97.32%
TOTAL EXPENSES	\$ 1,448,400	1,608,400	1,608,400	1,376,910	0	85.61%	1,492,525	96.67%	1,492,525	96.67%

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 Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021			
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	% OF BUDGET F.Y.E.
APPROPRIATED FUND BALANCE	\$ 0	0	0	0		----	0	----	0
REVENUES:									
Service Fees									
Mail Room	88,900	88,900	89,602	88,321		98.57%	81,314	92.30%	81,314
Innovation & Technology	3,904,500	4,211,712	4,211,010	3,210,823		76.25%	2,836,130	81.97%	2,836,130
Engineering	1,088,000	1,100,920	1,100,920	813,143		73.86%	734,732	87.06%	734,732
Central Garage	2,177,700	2,246,979	2,246,979	1,963,557		87.39%	1,643,459	87.65%	1,643,459
TOTAL REVENUES	7,259,100	7,648,511	7,648,511	6,075,844		79.44%	5,295,635	84.50%	5,295,635
TOTAL REVENUES AND FUND BALANCE	\$ 7,259,100	7,648,511	7,648,511	6,075,844		79.44%	5,295,635	84.50%	5,295,635
EXPENSES:									
MAIL ROOM									
Personnel Services	\$ 51,700	51,700	46,876	46,107		98.36%	47,475	95.16%	47,475
City Sponsored Pensions	18,000	18,000	18,000	18,000		100.00%	18,903	99.96%	18,903
Sub-Total	69,700	69,700	64,876	64,107	0	98.81%	66,378	96.48%	66,378
Operating Expenses	19,200	19,200	24,726	24,723		99.99%	15,466	80.13%	15,466
Sub-Total Mail Room	88,900	88,900	89,602	88,830	0	99.14%	81,844	92.90%	81,844
INNOVATION & TECHNOLOGY									
Personnel Services	1,664,700	1,664,700	1,664,625	1,445,317		86.83%	1,325,730	87.54%	1,325,730
City Sponsored Pensions	176,600	176,600	176,675	176,674		100.00%	192,373	100.00%	192,373
Sub-Total	1,841,300	1,841,300	1,841,300	1,621,991	0	88.09%	1,518,103	88.95%	1,518,103
Operating Expenses	1,772,600	2,009,912	2,008,645	1,384,373	77,260	72.77%	1,288,726	78.53%	1,288,726
Capital Outlay	290,600	360,500	361,065	206,666	76,923	78.54%	77,488	76.50%	77,488
Sub-Total Technology Resources	3,904,500	4,211,712	4,211,010	3,213,030	154,183	79.96%	2,884,317	83.61%	2,884,317

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 Twelve Months Ended September 30, 2022
(Unaudited)**

	FY 2022					FY 2021				
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	ACTUAL F.Y.E.	ENCUMBRANCES	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.	ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
ENGINEERING										
Personnel Services	873,800	873,800	872,975	566,887		64.94%	535,906	85.92%	535,906	85.92%
City Sponsored Pensions	81,400	81,400	81,491	81,457		99.96%	85,300	99.94%	85,300	99.94%
Sub-Total	955,200	955,200	954,466	648,344	0	67.93%	621,206	87.60%	621,206	87.60%
Operating Expenses	132,800	145,720	146,454	144,719		98.82%	120,910	95.65%	120,910	95.65%
Capital Outlay	0	0	0	0		----	0	----	0	----
Sub-Total Engineering	1,088,000	1,100,920	1,100,920	793,063	0	72.04%	742,116	88.93%	742,116	88.93%
CENTRAL GARAGE										
Personnel Services	1,141,900	1,153,400	1,153,400	903,564		78.34%	1,100,454	99.62%	1,100,454	99.62%
City Sponsored Pensions	159,100	159,100	159,100	159,100		100.00%	190,700	100.00%	190,700	100.00%
Sub-Total	1,301,000	1,312,500	1,312,500	1,062,664	0	80.96%	1,291,154	99.67%	1,291,154	99.67%
Operating Expenses	741,900	747,283	746,678	486,332	67,813	74.21%	300,504	98.17%	300,504	98.17%
Capital Outlay	134,800	187,196	187,801	74,042	5,625	42.42%	0	19.95%	0	19.95%
Sub-Total Central Garage	2,177,700	2,246,979	2,246,979	1,623,038	73,438	75.50%	1,591,658	88.22%	1,591,658	88.22%
TOTAL EXPENSES	\$ 7,259,100	7,648,511	7,648,511	5,717,961	227,621	77.74%	5,299,935	85.84%	5,299,935	85.84%

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 2022
(Unaudited)**

PROGRAM	FY 2022					
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	DIFFERENCE APPROVED - AMENDED	FY 2022 ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
AIRPORT						
Aircraft Rescue & Firefighting Facility (ARFF)	\$ 979,300	979,300	1,022,166	42,866	899,888	88.04%
Airport Administration	3,576,200	4,141,429	4,336,805	195,376	3,900,184	89.93%
Maintenance	15,833,900	23,927,170	23,231,992	(695,178)	14,038,355	60.43%
Operations	1,090,300	1,102,706	1,361,848	259,142	1,230,899	90.38%
Security	1,275,200	1,276,357	1,474,151	197,794	1,455,826	98.76%
Sub-total	22,754,900	31,426,962	31,426,962	-	21,525,152	68.49%
CITY CLERK						
Administration of Legal Documents	96,000	70,400	77,244	6,844	76,776	99.39%
City Elections/Appointments	36,100	36,100	36,387	287	36,384	99.99%
City Council Meetings Preparation	96,000	96,000	97,027	1,027	97,024	100.00%
Public Records	80,300	80,300	80,755	455	80,501	99.69%
Sub-total	308,400	282,800	291,413	8,613	290,685	99.75%
CITY COUNCIL						
Audit	105,000	181,475	176,100	(5,375)	96,475	54.78%
City Council Support	482,200	463,296	436,996	(26,300)	356,807	81.65%
Office of the City Council	350,700	893,339	925,014	31,675	468,369	50.63%
Sub-total	937,900	1,538,110	1,538,110	-	921,651	59.92%
COMMUNITY REDEVELOPMENT AGENCY - CRA						
Asset Maintenance and Operation	460,800	959,395	1,063,290	103,895	424,568	39.93%
Community Policing	100,000	100,000	92,800	(7,200)	92,138	99.29%
Non-Capital Projects and Activities	1,474,500	5,666,919	5,621,314	(45,605)	1,130,145	20.10%
Redevelopment Plan Implementation	665,000	791,826	740,736	(51,090)	680,933	91.93%
2009 ECUA/WWTP Relocation	1,300,000	1,300,000	1,300,000	-	1,300,000	100.00%
Eastside Redevelopment Area Plan Implementation	294,700	1,046,969	1,046,969	-	137,754	13.16%
Westside Redevelopment Area Plan Implementation	1,202,300	2,086,929	2,086,929	-	365,140	17.50%
Sub-total	5,497,300	11,952,038	11,952,038	-	4,130,678	34.56%
FINANCIAL SERVICES						
Accounting	510,900	556,056	480,441	(75,615)	317,809	66.15%
Budget	58,100	96,731	53,141	(43,590)	33,489	63.02%
Contract & Lease Services	105,600	90,200	61,956	(28,244)	47,883	77.29%
Payroll	232,100	221,100	290,725	69,625	260,257	89.52%
Purchasing	179,300	146,643	196,875	50,232	146,126	74.22%
Sub-total	1,086,000	1,110,730	1,083,138	(27,592)	805,564	74.37%
FINANCIAL SERVICES - RISK MANAGEMENT SERVICES						
Risk Management Services	1,231,100	1,304,100	1,304,100	-	1,146,306	87.90%
Sub-total	1,231,100	1,304,100	1,304,100	-	1,146,306	87.90%
FINANCIAL SERVICES - MAIL ROOM						
Mail Room	88,900	88,900	89,602	702	88,830	99.14%
Sub-total	88,900	88,900	89,602	702	88,830	99.14%
FIRE						

**CITY OF PENSACOLA
BUDGET PROGRAMS
FISCAL YEAR 2022
(Unaudited)**

PROGRAM	FY 2022					
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	DIFFERENCE APPROVED - AMENDED	FY 2022 ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
Administrative Support	552,400	556,315	581,147	24,832	561,593	96.64%
City Emergency Management	10,500	10,500	14,340	3,840	14,047	97.96%
Emergency Operations - Fire Suppression	8,801,800	8,824,246	8,748,428	(75,818)	8,718,834	99.66%
Emergency Operations - Rescue	311,200	311,200	318,105	6,905	296,614	93.24%
Facilities and Apparatus Management	811,300	867,103	866,197	(906)	817,295	94.35%
Fire Cadet	266,200	266,200	160,277	(105,923)	158,677	99.00%
Fire Code Enforcement	399,400	399,400	454,214	54,814	420,351	92.54%
Marine Operations	50,700	68,583	43,218	(25,365)	42,866	99.19%
Technical Support to City	10,500	10,500	14,340	3,840	14,047	97.96%
Training	157,700	157,700	144,600	(13,100)	144,108	99.66%
Sub-total	11,371,700	11,471,747	11,344,866	(126,881)	11,188,432	98.62%
HOUSING						
HOME Program	162,500	912,977	912,977	-	22,031	2.41%
SHIP Program	-	7,258	7,258	-	69	0.95%
Sub-total	162,500	920,235	920,235	-	22,100	2.40%
HOUSING - CDBG						
Community Development Block Grant (CDBG) Program	516,900	1,192,431	1,189,298	(3,133)	411,964	34.64%
Housing Rehabilitation	548,700	683,911	687,044	3,133	219,188	31.90%
Sub-total	1,065,600	1,876,342	1,876,342	-	631,152	33.64%
HOUSING - SECTION 8						
Section 8 Housing Assistance Payments Program Fund	21,796,500	26,282,959	26,282,959	-	17,685,412	67.29%
Sub-total	21,796,500	26,282,959	26,282,959	-	17,685,412	67.29%
HUMAN RESOURCES						
Human Resources Administration	654,400	616,214	608,779	(7,435)	480,242	78.89%
Recruiting & Training	162,000	162,000	168,379	6,379	167,158	99.27%
Sub-total	816,400	778,214	777,158	(1,056)	647,400	83.30%
HUMAN RESOURCES - CLINIC						
Clinic	217,300	304,300	304,300	-	230,604	75.78%
Sub-total	217,300	304,300	304,300	-	230,604	75.78%

**CITY OF PENSACOLA
BUDGET PROGRAMS
FISCAL YEAR 2022
(Unaudited)**

PROGRAM	FY 2022					
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	DIFFERENCE APPROVED - AMENDED	FY 2022 ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
INNOVATION & TECHNOLOGY						
Innovation & Technology Administration	400,400	401,118	418,101	16,983	397,813	95.15%
Network/System Management	3,504,100	3,810,594	3,792,909	(17,685)	2,815,217	74.22%
Sub-total	3,904,500	4,211,712	4,211,010	(702)	3,213,030	76.30%
INSPECTION SERVICES						
Inspection Services	1,754,000	2,033,657	2,033,657	-	1,878,612	92.38%
Sub-total	1,754,000	2,033,657	2,033,657	-	1,878,612	92.38%
LEGAL						
Client Legal Advisory Services	931,800	884,281	879,018	(5,263)	592,249	67.38%
Sub-total	931,800	884,281	879,018	(5,263)	592,249	67.38%
MAYOR						
City Administrator/Cabinet	772,600	624,493	626,974	2,481	498,702	79.54%
Public Information Officer	140,300	151,200	168,738	17,538	130,054	77.07%
Neighborhood Services	174,300	186,699	163,803	(22,896)	155,837	95.14%
Neighborhood Challenge Grants	50,000	108,525	108,525	-	15,339	14.13%
Office of the Mayor	170,500	177,300	173,924	(3,376)	165,091	94.92%
Sub-total	1,307,700	1,248,217	1,241,964	(6,253)	965,023	77.70%
NON-DEPARTMENTAL FUNDING						
Agency funding	4,514,800	4,918,211	4,918,211	-	4,367,706	88.81%
Sub-total	4,514,800	4,918,211	4,918,211	-	4,367,706	88.81%
PARKING						
Parking Fund	1,144,200	1,144,950	1,144,950	-	787,519	68.78%
Sub-total	1,144,200	1,144,950	1,144,950	-	787,519	68.78%
PARKS & RECREATION						
Aquatics	236,800	299,048	346,682	47,634	335,250	96.70%
Athletic Field Maintenance	448,300	456,192	514,966	58,774	509,067	98.85%
Athletics	565,200	579,016	711,599	132,583	701,891	98.64%
Office of the Director (Administration)	1,085,900	1,144,885	1,254,316	109,431	1,088,704	86.80%
Park Administration & Maintenance	2,624,200	2,753,361	2,563,231	(190,130)	2,430,509	94.82%
Recreation/Resource Center Administration	1,106,100	1,106,900	1,053,455	(53,445)	953,532	90.51%
Resource Center	1,146,700	1,149,770	1,031,577	(118,193)	884,579	85.75%
Senior Center	232,800	233,500	247,621	14,121	196,307	79.28%
Volunteer & Outdoor Pursuits	64,700	64,700	63,925	(775)	55,543	86.89%
Sub-total	7,510,700	7,787,372	7,787,372	-	7,155,382	91.88%

**CITY OF PENSACOLA
BUDGET PROGRAMS
FISCAL YEAR 2022
(Unaudited)**

PROGRAM	FY 2022					
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	DIFFERENCE APPROVED - AMENDED	FY 2022 ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
PARKS & RECREATION - GOLF						
Osceola Golf Course	784,700	810,709	810,709	-	787,695	97.16%
Sub-total	784,700	810,709	810,709	-	787,695	97.16%
PARKS & RECREATION - TENNIS						
Roger Scott Tennis Center	128,800	137,705	137,705	-	95,422	69.29%
Sub-total	128,800	137,705	137,705	-	95,422	69.29%
PARKS & RECREATION - CMP						
Community Maritime Park Cultural Events	1,179,900	1,658,522	1,658,522	-	959,095	57.83%
Sub-total	1,179,900	1,658,522	1,658,522	-	959,095	57.83%
PENSACOLA ENERGY						
Customer Service	1,331,100	1,346,158	1,335,558	(10,600)	1,241,849	92.98%
Gas Construction	4,714,000	6,114,476	6,363,626	249,150	5,275,875	82.91%
Gas Cost	16,320,700	41,375,000	41,106,150	(268,850)	40,693,161	99.00%
Gas Marketing	2,477,900	2,562,487	2,885,037	322,550	2,727,701	94.55%
Gas Operations	12,255,300	14,105,598	13,925,748	(179,850)	11,014,563	79.09%
Gas Training	357,300	357,200	421,550	64,350	386,653	91.72%
Infrastructure Replacement	1,040,700	1,040,700	863,950	(176,750)	711,056	82.30%
Sub-total	38,497,000	66,901,619	66,901,619	-	62,050,858	92.75%
PLANNING SERVICES						
Business Licenses	48,600	48,600	43,318	(5,282)	43,315	99.99%
Planning Services	858,400	905,215	910,497	5,282	895,850	98.39%
Sub-total	907,000	953,815	953,815	-	939,165	98.46%

**CITY OF PENSACOLA
BUDGET PROGRAMS
FISCAL YEAR 2022
(Unaudited)**

PROGRAM	FY 2022					
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	DIFFERENCE APPROVED - AMENDED	FY 2022 ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
POLICE						
Administration - Chief's Office	1,521,900	1,576,700	1,736,283	159,583	1,736,230	100.00%
Cadets	431,600	431,600	123,614	(307,986)	123,608	100.00%
Central Records	479,000	479,000	430,930	(48,070)	430,920	100.00%
Communications Center	2,032,500	2,032,500	2,168,833	136,333	2,167,803	99.95%
Community Oriented Policing Squad	888,000	923,600	923,513	(87)	923,454	99.99%
Crime Scene Investigation	858,300	858,300	864,866	6,566	864,841	100.00%
Criminal Intelligence Unit	103,900	103,900	97,592	(6,308)	97,587	99.99%
Criminal Investigation Unit	2,631,000	2,720,500	2,721,075	575	2,706,194	99.45%
k-9 Unit	464,500	492,100	500,594	8,494	500,563	99.99%
Neighborhood Unit	669,800	687,900	377,414	(310,486)	376,397	99.73%
Property Management	377,700	383,080	434,451	51,371	426,113	98.08%
School Resource Office (SRO)	883,400	918,800	656,906	(261,894)	653,837	99.53%
Traffic	1,365,100	1,422,800	1,221,072	(201,728)	1,221,015	100.00%
Training/Personnel	883,000	913,256	1,010,914	97,658	995,270	98.45%
Uniform Patrol	9,823,600	10,151,600	11,024,938	873,338	10,981,164	99.60%
Vice & Narcotics	787,100	818,200	779,273	(38,927)	779,247	100.00%
Sub-total	24,200,400	24,913,836	25,072,268	158,432	24,984,243	99.65%
PORT						
Administration	511,400	641,813	732,791	90,978	593,376	80.97%
Business & Trade Development	224,000	235,618	101,872	(133,746)	93,435	91.72%
Operations & Maintenance	1,373,500	2,094,042	2,169,864	75,822	1,453,824	67.00%
Seaport Security	271,900	281,184	254,360	(26,824)	243,112	95.58%
Waterfront Development	173,300	193,055	166,366	(26,689)	129,395	77.78%
Port Pilot Boat Program	-	29,580	23,541	(6,039)	23,535	99.97%
Federal/State Matching Grant/Donations	-	604,685	631,183	26,498	400,378	63.43%
Sub-total	2,554,100	4,079,977	4,079,977	-	2,937,055	71.99%
PUBLIC WORKS & FACILITIES - GENERAL FUND						
Building Maintenance Administration	296,700	315,595	364,336	48,741	237,864	65.29%
City Facility Maintenance & Repair	1,321,700	1,433,060	1,423,975	(9,085)	1,272,560	89.37%
Daily Operations	308,700	336,692	358,486	21,794	230,022	64.16%
Resource Center Maintenance	130,300	133,261	115,923	(17,338)	101,779	87.80%
Street Daily Operation	1,048,100	1,069,652	905,491	(164,161)	783,209	86.50%
Traffic Signals & Street Lighting	1,664,500	1,963,389	2,083,438	120,049	1,777,094	85.30%
Traffic Striping	33,100	33,300	33,300	-	31,110	93.42%
Sub-total	4,803,100	5,284,949	5,284,949	-	4,433,638	83.89%

**CITY OF PENSACOLA
BUDGET PROGRAMS
FISCAL YEAR 2022
(Unaudited)**

PROGRAM	FY 2022					
	COUNCIL BEGINNING BUDGET	COUNCIL AMENDED BUDGET	CURRENT APPROVED BUDGET	DIFFERENCE APPROVED - AMENDED	FY 2022 ACTUAL F.Y.E.	% OF BUDGET F.Y.E.
PUBLIC WORKS & FACILITIES - STORMWATER FUND						
Stormwater Operation & Maintenance	1,872,300	1,911,240	1,884,723	(26,517)	1,875,139	99.49%
Street Sweeping FDOT Roadways	63,300	64,400	58,003	(6,397)	53,631	92.46%
Street Sweeping Operation & Maintenance	1,026,400	1,056,383	1,089,297	32,914	1,000,413	91.84%
Sub-total	<u>2,962,000</u>	<u>3,032,023</u>	<u>3,032,023</u>	<u>-</u>	<u>2,929,183</u>	96.61%
PUBLIC WORKS & FACILITIES - CENTAL SERVICES FUND						
Plan Review	185,300	185,300	183,460	(1,840)	60,792	33.14%
Project Design	480,200	480,200	490,863	10,663	360,133	73.37%
Project Management	414,500	424,707	418,682	(6,025)	364,421	87.04%
Survey Operations Coordination	8,000	10,713	7,915	(2,798)	7,717	97.50%
Sub-total	<u>1,088,000</u>	<u>1,100,920</u>	<u>1,100,920</u>	<u>-</u>	<u>793,063</u>	72.04%
SANITATION SERVICES						
Code Enforcement	1,386,400	1,418,271	1,319,617	(98,654)	1,005,243	76.18%
Code Enforcement-Zoning/Housing	108,600	108,600	106,444	(2,156)	72,247	67.87%
Constituent Services	218,000	221,900	215,349	(6,551)	208,695	96.91%
Recycling Collection	1,092,500	1,098,800	1,082,654	(16,146)	1,075,534	99.34%
Residential Garbage Collection	3,788,000	5,189,481	5,005,500	(183,981)	4,963,098	99.15%
Transfer Station	1,669,700	1,888,647	2,161,265	272,618	885,162	40.96%
Yard Trash/Bulk Waste Collection	1,832,500	2,310,248	2,345,118	34,870	1,847,519	78.78%
Sub-total	<u>10,095,700</u>	<u>12,235,947</u>	<u>12,235,947</u>	<u>-</u>	<u>10,057,498</u>	82.20%
SANITATION SERVICES - GARAGE						
Central Garage	<u>2,177,700</u>	<u>2,246,979</u>	<u>2,246,979</u>	<u>-</u>	<u>1,623,038</u>	72.23%
Sub-total	<u>2,177,700</u>	<u>2,246,979</u>	<u>2,246,979</u>	<u>-</u>	<u>1,623,038</u>	72.23%
TOTAL	<u>\$ 177,780,600</u>	<u>234,922,838</u>	<u>234,922,838</u>	<u>-</u>	<u>190,863,440</u>	81.25%

City of Pensacola, Florida
Investment Schedule
As of September 30, 2022
(Unaudited)

<u>POOLED INVESTMENTS</u>	Invest Type	Purchase Date	Maturity Date	Interest Rate	Principal Amount	Market Value
BankUnited	CD	12/16/20		0.15%	40,000,000.00	40,000,000.00
BankUnited	CD	04/22/21	04/26/22	0.75%	25,000,000.00	25,000,000.00
Synovus	CD	03/03/22	12/03/22	0.14%	10,000,000.00	10,000,000.00
Regions	CD	03/07/22	12/07/22	0.15%	10,000,000.00	10,000,000.00
ServisFirst Bank	CD	03/04/22	03/04/23	0.40%	5,000,000.00	5,000,000.00
Synovus	CD	07/08/22	07/08/23	2.10%	40,000,000.00	40,000,000.00
<u>City's- GCA (checking account)</u>						
Wells Fargo Bank		ERC 0.80% up to fees and 0.40% on excess balance			89,858,590.07	89,858,590.07
TOTAL INVESTMENTS					\$ 219,858,590.07	\$ 219,858,590.07

Wells Fargo Bank is the City's primary depository.

**CITY OF PENSACOLA
DEBT SERVICE SCHEDULE
September 30, 2022
(Unaudited)**

	BALANCE 09/30/21	ADDITION OR (RETIREMENT) OF PRINCIPAL	ESTIMATED BALANCE 09/30/22	REQUIRED RESERVES ^(a)	FUTURE INTEREST	MATURITY DATE
2008 AIRPORT TAXABLE CFC REVENUE NOTE	5,800,000.00	(5,800,000.00)	0.00	0.00	0.00	12/31/21
2011 GAS SYSTEM REVENUE NOTE	549,000.00	(549,000.00)	0.00	0.00	0.00	10/01/21
2015 AIRPORT REFUNDING REVENUE NOTE	7,715,000.00	(1,020,000.00)	6,695,000.00	1,219,797.50	524,726.25	10/01/27
2016 LOCAL OPTION GAS TAX REVENUE BOND	8,729,000.00	(1,390,000.00)	7,339,000.00	0.00	340,645.35	12/31/26
2016 GAS SYSTEM REVENUE NOTE	11,002,000.00	(1,283,000.00)	9,719,000.00	0.00	486,205.85	10/01/26
2016 EASTSIDE REDEVELOPMENT REVENUE LOAN	500,000.00	0.00	500,000.00	0.00	302,949.00	12/31/45
2017 EASTSIDE REDEVELOPMENT REVENUE BOND	1,096,000.00	(53,000.00)	1,043,000.00	0.00	299,133.90	04/01/37
2017 WESTSIDE REDEVELOPMENT REVENUE BOND	3,423,000.00	(165,000.00)	3,258,000.00	0.00	933,698.70	04/01/37
2017 AIRPORT REFUNDING REVENUE NOTE	4,630,000.00	(595,000.00)	4,035,000.00	0.00	313,812.75	10/01/27
2017 INFRASTRUCTURE SALES SURTAX REVENUE BOND	18,821,000.00	(2,181,000.00)	16,640,000.00	0.00	1,282,625.50	10/01/28
2017 URBAN CORE REDEVELOPMENT REVENUE BOND	7,465,000.00	(155,000.00)	7,310,000.00	0.00	1,788,291.00	04/01/40
2018 AIRPORT REFUNDING REVENUE NOTE	27,325,000.00	(1,074,000.00)	26,251,000.00	2,149,814.60	9,715,844.25	10/01/38
2019 URBAN CORE REDEV REFUNDING AND IMPROV REV BOND	56,668,819.00	(1,519,571.00)	55,149,248.00	0.00	24,899,724.72	12/31/43
TOTAL	<u>\$ 153,723,819.00</u>	<u>(15,784,571.00)</u>	<u>137,939,248.00</u>	<u>3,369,612.10</u>	<u>40,887,657.27</u>	

(a) Does not include required O&M and R&R reserves.

CITY OF PENSACOLA
DEBT SERVICE SCHEDULE BY ALLOCATION
September 30, 2022
(Unaudited)

	BALANCE 09/30/21	ADDITION OR (RETIREMENT) OF PRINCIPAL	ESTIMATED BALANCE 09/30/22	REQUIRED RESERVES (a)	FUTURE INTEREST	MATURITY DATE
<u>LOCAL OPTION GAS TAX FUND</u>						
2016 LOCAL OPTION GAS TAX REVENUE BOND	8,729,000.00	(1,390,000.00)	7,339,000.00	0.00	340,645.35	12/31/26
TOTAL LOCAL OPTION GAS TAX FUND	8,729,000.00	(1,390,000.00)	7,339,000.00	0.00	340,645.35	
<u>COMMUNITY REDEVELOPMENT AGENCY</u>						
2016 EASTSIDE REDEVELOPMENT REVENUE LOAN	500,000.00	0.00	500,000.00	0.00	302,949.00	12/31/45
2017 EASTSIDE REDEVELOPMENT REVENUE BOND	1,096,000.00	(53,000.00)	1,043,000.00	0.00	299,133.90	04/01/37
2017 WESTSIDE REDEVELOPMENT REVENUE BOND	3,423,000.00	(165,000.00)	3,258,000.00	0.00	933,698.70	04/01/37
2017 URBAN CORE REDEVELOPMENT REVENUE BOND	7,465,000.00	(155,000.00)	7,310,000.00	0.00	1,788,291.00	10/01/28
2019 URBAN CORE REDEV REFUNDING AND IMPROV REV BOND	56,668,819.00	(1,519,571.00)	55,149,248.00	0.00	24,899,724.72	12/31/43
TOTAL COMMUNITY REDEVELOPMENT AGENCY	69,152,819.00	(1,892,571.00)	67,260,248.00	0.00	28,223,797.32	
<u>LOCAL OPTION SALES TAX FUND</u>						
2017 INFRASTRUCTURE SALES SURTAX REVENUE BOND	18,821,000.00	(2,181,000.00)	16,640,000.00	0.00	1,282,625.50	10/01/28
TOTAL LOCAL OPTION SALES TAX FUND	18,821,000.00	(2,181,000.00)	16,640,000.00	0.00	1,282,625.50	
<u>GAS UTILITY FUND</u>						
2011 GAS SYSTEM REVENUE NOTE	549,000.00	(549,000.00)	0.00	0.00	0.00	10/01/21
2016 GAS SYSTEM REVENUE NOTE	11,002,000.00	(1,283,000.00)	9,719,000.00	0.00	486,205.85	10/01/26
TOTAL GAS UTILITY FUND	11,551,000.00	(1,832,000.00)	9,719,000.00	0.00	486,205.85	
<u>AIRPORT FUND</u>						
2008 AIRPORT TAXABLE CFC REVENUE NOTE	5,800,000.00	(5,800,000.00)	0.00	0.00	0.00	12/31/21
2015 AIRPORT REFUNDING REVENUE NOTE	7,715,000.00	(1,020,000.00)	6,695,000.00	1,219,797.50	524,726.25	10/01/27
2017 AIRPORT REFUNDING REVENUE NOTE	4,630,000.00	(595,000.00)	4,035,000.00	0.00	313,812.75	10/01/27
2018 AIRPORT REFUNDING REVENUE NOTE	27,325,000.00	(1,074,000.00)	26,251,000.00	2,149,814.60	9,715,844.25	10/01/38
TOTAL AIRPORT FUND	45,470,000.00	(8,489,000.00)	36,981,000.00	3,369,612.10	10,554,383.25	
TOTAL	\$ 153,723,819.00	(15,784,571.00)	137,939,248.00	3,369,612.10	40,887,657.27	

(a) Does not include required O&M and R&R reserves.

CITY OF PENSACOLA
SCHEDULE OF LEGAL COSTS
September 30, 2022
(Unaudited)

ATTORNEY NAME OR FIRM	AMOUNT PAID	NATURE OF SERVICES PROVIDED
RISK MANAGEMENT:		
COLLEEN CLEARY ORTIZ PA	\$ 68,122.15	Workers Compensation Claims
CLARK PARTINGTON HART LARRY	13,470.00	Claims and Litigation
QUINTAIROS PRIETO WOOD & BOYER PA	50,345.29	Workers Compensation and Liability Claims
SNIFFEN & SPELLMAN PA	71,089.73	Police Liability Claims
WILSON HARRELL & FARRINGTON PA	144,208.23	Claims and Litigation
SUBTOTAL:	347,235.40	
ST AEROSPACE:		
BEGGS & LANE	126,301.50	Airport VT Mobile Aerospace Engineering Project
SUBTOTAL:	126,301.50	
ALL OTHER LEGAL COSTS:		
ALLEN NORTON & BLUE P A	83,856.07	Administrative, Collective Bargaining and Employee Matters
BEGGS & LANE	31,056.50	Contract and Real Estate Law
BRYANT MILLER OLIVE PA	34,355.92	Bond Counsel and CRA Matters
CARLTON FIELDS JORDEN BURT	12,127.50	Superfund and Other Environmental Matters
GALLOWAY, JOHNSON, TOMPKINS, BURR AND SMITH	5,437.50	Skanska Barge Matters
GRAY ROBINSON PA	38,735.63	Fee, Tax and Pension Plan Compliance
LAW OFFICES OF GARY LEUCHTMAN	0.00	Pension Attorney
LOCKE LORD LLP	2,500.00	Bond Disclosure Counsel
MCCARTER & ENGLISH LLP	7,452.29	Natural Gas Industry
NABORS GIBLIN & NICKERSON P A	728.75	Annual Stormwater Assessment Program
PITTMAN LAW GROUP, PL	10,741.09	Council Districting
PLAUCHE MASELLI PARKERSON LLP	907.50	Utility Litigation
RAY, JR LOUIS F	39,573.00	Code Enforcement Special Magistrate
V. KEITH WELLS P.A.	8,000.00	Employee Personnel Board Attorney
SUBTOTAL:	275,471.75	
REPORT TOTAL:	\$ 749,008.65	

**TREE PLANTING TRUST FUND
FISCAL YEAR 2022
FEES COLLECTED THROUGH SEPTEMBER 30, 2022**

<u>Address</u>	<u>District</u>	<u>Amount</u>	<u>Purpose</u>
1700 Osceola Blvd.	4	3,200.00	New residential
745 N. A St.	7	2,000.00	New residential accessory
5041 Bayou Blvd.	2	1,200.00	Tree pruning
4545 Bayou Blvd.	2	36,800.00	New commercial multifamily
517 Chadwick St.	5	4,400.00	New residential
2805 E. Strong St.	4	500.00	Tree pruning
4901 Marketplace Rd.	1	2,000.00	Tree removal
4304 N. Davis Hwy.	5	8,400.00	New commercial
Total		<u>58,500.00</u>	

CITY OF PENSACOLA
Contracts/ Expenditures
Over \$25,000 Approved By Mayor
7/01/22 - 9/30/22

NAME OF COMPANY	NATURE OF SERVICES PROVIDED & DEPARTMENT	SBE	PURCHASE METHOD	AMOUNT PAID	BUDGETED
CONTRACT RENEWALS/ EXTENSIONS					
Black & Veatch Holding dba Black & Veatch Management Consulting, LLC	Natural Gas Annual Report Consulting Services - Pensacola Energy	No	Year 2 of 3 Contract	58,000	Yes
QUOTES & DIRECT NEGOTIATIONS					
Atkins North America, Inc.	Taxiway A Rehabilitations WO #30 - Pensacola Energy	No	Cont. Svc Contract, RFQ 19-023	46,637	Yes
Consolidated Pipe & Supply	Polyethylene Pipes and Couplings - Pensacola Energy	No	Cont. Svc Contract, ITB 19-031	32,105	Yes
Escambia County Board of Commissioners	NPDES Stormwater Permit Services and Fees FY 21-22 - Pensacola Energy	No	Interlocal Agreement	60,000	Yes
Icon Enterprises Inc. dba IKON	CivicSend Communication Platform Annual Renewal - Innovation & Technology	No	Single Quote	25,790	Yes
Kitchen Equipment & Supply Co.	Kitchen Equipment (Concession Stand – Magee Field) - Parks & Recreation	No	Quotations	26,262	Yes
TAW Power Systems	Security Systems Maintenance Agreement - Sanitation Services	No	Quotations	51,915	Yes



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 23-00323

City Council

4/27/2023

DISCUSSION ITEM

FROM: D.C. Reeves, Mayor

SUBJECT:

FINANCIAL UPDATE- FINANCE DIRECTOR AMY LOVOY

SUMMARY:

This financial update will bring Council up to date with the 1st Quarter and 2nd Quarter reports combined, along with additional information pertaining to ARPA Funds, as well as the Tree Trust Fund.

PRIOR ACTION:

None

STAFF CONTACT:

Kerrith Fiddler, City Administrator

ATTACHMENTS:

- 1) 25k report Dec - 1st Quarter FY23
- 2) Financial Update 042723 (2)

PRESENTATION: Yes

CITY OF PENSACOLA
Contracts/ Expenditures
Over \$25,000 Approved By Mayor
10/01/22 - 12/31/23

NAME OF COMPANY	NATURE OF SERVICES PROVIDED & DEPARTMENT	SBE	PURCHASE METHOD	AMOUNT PAID	BUDGETED
FORMAL BIDS/RFPs/RFQs					
Consolidated Pipe & Supply	Warehouse PE Pipe- Pensacola Energy	No	Year 1 Contract, ITB 22-053	\$29,890	Yes
Consolidated Pipe & Supply	Warehouse PE Pipe- Pensacola Energy	No	Year 1 Contract, ITB 22-053	71,383	Yes
General Utility Pipe & Supply	Warehouse Excess Flow Valve - Pensacola Energy	No	Year 1 Contract, ITB 22-053	43,750	Yes
The Huntington National Bank	Osceola Electric Golf Cart Lease - Parks & Recreation	No	Thirty-Six (36) Month Lease, ITB 22-035	26,723	Yes
Kone, Inc.	Elevator and Escalator Maintenance Service - Airport	No	Year 1 of 3 Contract, ITB 22-017	50,220	Yes
Olameter DPG, LLC	Natural Gas Lines Location Services - Pensacola Energy	No	Year 1 of 3 Contract, RFP 22-034	650,000	Yes
CONTRACT RENEWALS/ EXTENSIONS					
Azteca Systems Holding, LLC dba Cityworks	Software License for Work Management System - Pensacola Energy	No	Contract Maintenance	60,000	Yes
Blue Sky Landscapes, LLC	Landscape and Irrigation Services - Airport	Yes	Year 3 of 3 Contract, ITB #20-027	125,048	Yes
E W Bullock Associates	Advertising and Marketing Services - Pensacola Energy	Yes	Year 3 of 3 Contract, RFP 20-023	465,000	Yes
Enmon Enterprises, LLC dba Jani-King	Janitorial Services (City Hall) - Public Works & Facilities	No	Contract Extension- (Year 2 of 2 One-Year Extensions)	64,860	Yes
Enmon Enterprises, LLC dba Jani-King	Janitorial Services (CMP) - Public Works & Facilities	No	Contract Extension	64,860	Yes
Environmental Systems Research	ESRI ARCGIS Software Maintenance Renewal - Technology Resources	No	Annual Renewal	26,850	Yes
Escambia County Emergency	EMS Core Maintenance Software Renewal - Technology Resources	No	Annual Renewal	53,614	Yes
Florida Cleaning Systems, Inc.	FY23 Janitorial Services - Airport	No	Contract Extension- (Year 1 of 3 One- Year Extensions), Bid 19-008	574,000	Yes
Granicus, LLC	Legislative Management Suite Software Renewal - Technology Resources	No	Annual Renewal	43,388	Yes
Government Jobs.com, Inc. dba NeoGov	Neogov software Renewal - Technology Resources	No	Annual Renewal	53,006	Yes

CITY OF PENSACOLA
Contracts/ Expenditures
Over \$25,000 Approved By Mayor
10/01/22 - 12/31/23

NAME OF COMPANY	NATURE OF SERVICES PROVIDED & DEPARTMENT	SBE	PURCHASE METHOD	AMOUNT PAID	BUDGETED
<u>CONT. CONTRACT RENEWALS/ EXTENSIONS</u>					
Government Services Group, Inc.	Stormwater Assessment Program - Public Works & Facilities	No	Year 1 of 3 Contract	\$35,000	Yes
Image Development Marketing	Advertising Public Information - Airport	No	Year 3 of 3 Contract, RFP 20-023	619,846	Yes
Michael G. Moroney & Associates	FY23 General Services for Airport - Airport	No	Year 2 of 3 Contract	138,030	Yes
Motorola Solutions, Inc.	Motorola Public Safety Radio System Renewal - Technology Resources	No	Annual Renewal	383,069	Yes
Motorola Solutions, Inc.	Watchguard Cloud Elec Software Renewal - Police	No	Annual Renewal	109,890	Yes
Pensacola Bay Pilots, Inc.	Harbor Pilot Retainer FY 22-23 - Port	No	Year 2 of 3 Contract	60,000	Yes
Ray, Jr. Louis F	Special Magistrate Services for Code Enforcement - Code Enforcement	No	Year 3 of 3 Contract	35,000	Yes
SHI International, Corp	Microsoft License Renewal - Technology Resources	No	Annual Renewal	329,940	Yes
Tyler Technologies, Inc.	Tyler Maintenance and License Renewal - Technology Resources	No	Annual Renewal	141,930	Yes
UnitiFiber Holding Inc. dba Unitifiber	Dark Fiber Network Maintenance Renewal - Technology Resources	No	Annual Renewal	83,760	Yes
Warren Averett, LLC	FY23 Professional Auditing Services - Finacial Services	No	Contract Extension, RFP 18-010	101,620	Yes
<u>QUOTES & DIRECT NEGOTIATIONS</u>					
Atkins North America, Inc.	"A" St Plans SA #2022-1 Amendment #2 - CRA	No	Cont. Svc Contract, RFQ 19-023	43,634	Yes
Baskerville Donovan, Inc.	Service Authorization for Baylen & Palafox Streets Marina - Engineering	No	Quotations	74,760	Yes
Bayfront Power Washing, LLC	Power Washing and Window Cleaning - Airport	No	Quotations	78,227	Yes
Central Alabama Training Solutions	Extractor Equipment For Stations per Grant - Fire	No	Quotations	26,083	Yes
Charter Development Corp	RPIP 301 North C. St (Spivey) - CRA	No	Quotations	29,521	Yes
Devtech Sales, Inc.	Honeywell American Gas Regulators - Pensacola Energy	No	Sole Source	94,996	Yes

CITY OF PENSACOLA
Contracts/ Expenditures
Over \$25,000 Approved By Mayor
10/01/22 - 12/31/23

NAME OF COMPANY	NATURE OF SERVICES PROVIDED & DEPARTMENT	SBE	PURCHASE METHOD	AMOUNT PAID	BUDGETED
<u>CONT. QUOTES & DIRECT NEGOTIATIONS</u>					
Devtech Sales, Inc.	Steel Blue Rotary Meter Sets - Pensacola Energy	No	Sole Source	\$27,900	Yes
Devtech Sales, Inc.	Honeywell American Gas Meter Model AC-630 - Pensacola Energy	No	Sole Source	75,030	Yes
Devtech Sales, Inc.	Honeywell American Gas Meter Model AC-800 - Pensacola Energy	No	Sole Source	79,990	Yes
Devtech Sales, Inc.	Honeywell American Gas Meter Model AL-425 - Pensacola Energy	No	Sole Source	53,230	Yes
Elite Line Services, Inc.	Belt Loader Replacement (5) - Airport	No	Cont. Svc Contract, ITB 16-042	187,814	Yes
Emerald Coast Striping, LLC	Remove and Replace Parking Position Markings - Airport	No	Quotations	61,486	Yes
Enmon Enterprises, LLC dba Jani King of Pensacola	Janitorial Services for Customs and Borders Building - Airport	No	Quotations	28,077	Yes
Environmental Systems Research	ARCGIS Online Fees - Pensacola Energy	No	Sole Source	26,989	Yes
Equipment Controls, Co., Inc.	Sensus M400 Base Station B2 Replacement and Installation - Pensacola Energy	No	Sole Source	178,920	Yes
Equipment Controls, Co., Inc.	Sensus SAAS Maintenance - Pensacola Energy	No	Sole Source	81,405	Yes
Federal Eastern International	HiLite Body Armor - BII-5 - Police	No	Sole Source	26,922	Yes
Friedrichs Customs Mfg, Inc.	F2-B Heavy Duty Barricades - Public Works & Facilities	No	Quotations	38,525	Yes
HDR Engineering, Inc.	SA #22-09 Bruce Beach Phase 2 Eng & Planning Services - CRA	No	Cont. Svc Contract, RFQ 19-023	435,330	
Intelligent Marking USA, Inc	Tank GPS Paint Robot + GPS Package for RSTC Ball Crew - Parks & Recreation	No	Sole Source	56,500	
Hali-Brite, Inc.	Led Red X Closure Marker - Airport	No	Quotations	26,467	
Mott MacDonald Florida	Design of 9th Avenue Outfall at Pensacola Bay - Engineering	No	Cont. Svc Contract, RFQ 19-023	145,094	
Municipal Equipment Corp.	Bunker Coats, Pants, Boots - Fire	No	Lake County #22- 730H	69,723	
Naturchem, Inc.	Growth Regulations Insecticide Grasshopper & Weed Control - Airport	No	Sole Source	26,775	

CITY OF PENSACOLA
Contracts/ Expenditures
Over \$25,000 Approved By Mayor
10/01/22 - 12/31/23

NAME OF COMPANY	NATURE OF SERVICES PROVIDED & DEPARTMENT	SBE	PURCHASE METHOD	AMOUNT PAID	BUDGETED
CONT. QUOTES & DIRECT NEGOTIATIONS					
Precision Meter Repair, Inc.	Meter Proving - Pensacola Energy	No	Sole Source	\$31,356	Yes
Rubicon Global, LLC	Sanitation Routing Software - Sanitation	No	Quote, Year 2 of 3	66,570	Yes
Security Engineering of Pensacola	Thermal Cameras for Airfield - Airport	No	Quotations	76,483	Yes
STM Landscaping, LLC	Forestry Mulching 23.02 Acres - Airport	No	Quotations	27,634	Yes
STATE, FEDERAL OR OTHER BUYING CONTRACTS					
Alan Jay Imports Center, Inc.	2023 Toyota Highlander - Fleet Management	No	City of Tallahassee #5179	36,287	Yes
Alan Jay Import Center, Inc.	2023 Toyota Tocomo (2), 2023 Highlander (1) - Fleet Management	No	City of Tallahassee #5179	16, 289.00	Yes
Bozard Ford Company	Passenger Van - Fleet Management	No	FL Sherriffs Assoc. Contract# FSA22-VEL28.0	50,724	Yes
Bozard Ford Company	F250 (4), F350 (1), F550 (3) Trucks - Fleet Management	No	FL Sherriffs Assoc. Contract# FSA22-VEL30.0	748,570	Yes
Bozard Ford Company	One (1) White 2023 Ford F350 - Fleet Management	No	FL Sherriffs Assoc. Contract# FSA20-VEL28.0	78,390	Yes
Coro Medical, LLC	Zoll AEDs Semi-Auto WiFi - Parks & Recreation	No	NASPO #SW300, FL Addendum #4217101-18-NASPO-AC	28,202	Yes
CDW Government	FireEye – Cyber Security - Technology Resources	No	Sourcewell #081419-CDW Tech Catalog – Software (081419-CDW)	67,994	Yes
Galls, LLC	Miscellaneous Uniform Items - Police	No	Broward County Sheriff Contract #14036AG	50,460	Yes
Garber Chevrolet, Inc.	2023 Chevrolet Tahoe 4WD 4dr Commercial - Fleet Management	No	FL Sherriffs Assoc. Contract# FSA20-VEL30.0	40,974	Yes
Jerry Pate Turf & Irrigation, Inc.	31 HP Kawasaki 60" Deck My Ride Voodoo - Public Works & Facilities	No	OMNIA #2017025	36,524	Yes

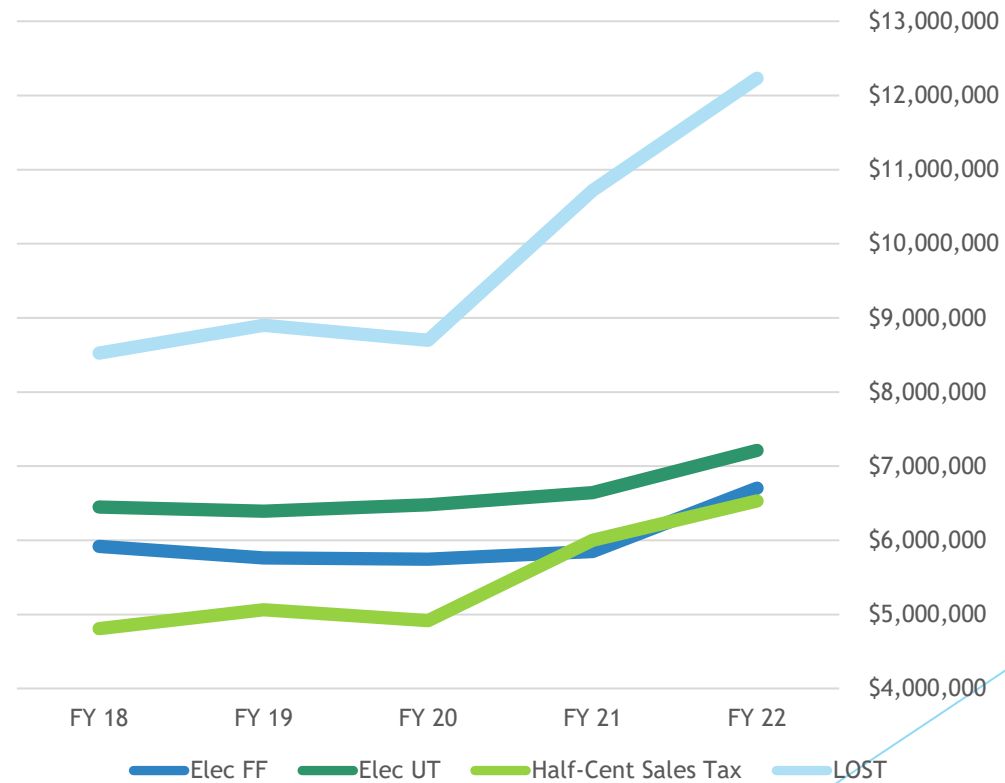
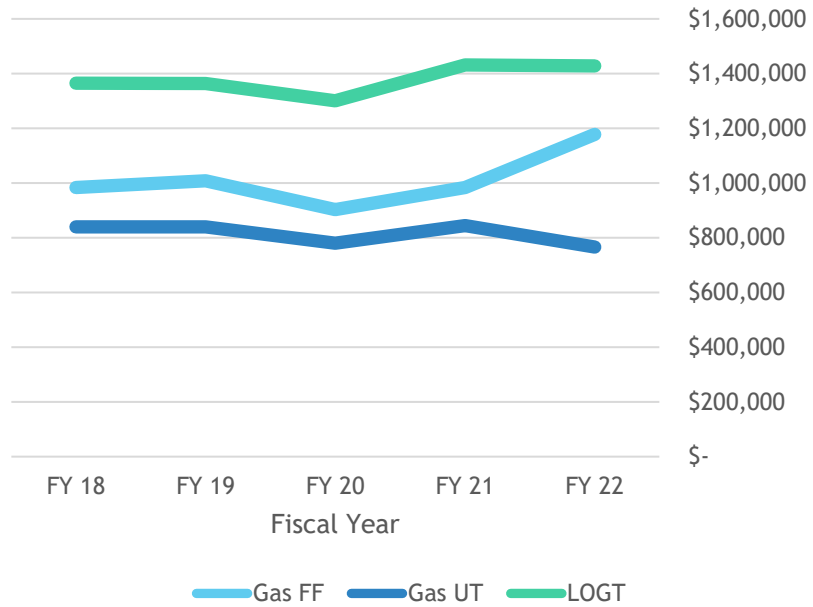
CITY OF PENSACOLA
Contracts/ Expenditures
Over \$25,000 Approved By Mayor
10/01/22 - 12/31/23

NAME OF COMPANY	NATURE OF SERVICES PROVIDED & DEPARTMENT	SBE	PURCHASE METHOD	AMOUNT PAID	BUDGETED
CONT. STATE, FEDERAL OR OTHER BUYING CONTRACTS					
Motorola Solutions, Inc.	AOC Console Replacement - Airport	No	Houston-Galveston Area Council (HGACRA05 18v.5)	\$140,701	
Playcore Wisconsin Inc. dba GameTime/Struthers Recreations, LLC	Belvedere Park Playground Equipment - Public Works & Facilities	No	OMNIA #2017001 134	78,945	
Playcore Wisconsin Inc. dba GameTime/Struthers Recreations, LLC	Fairchild Playground Equipment - Public Works & Facilities	No	OMNIA #2017001 134	155,457	
Playcore Wisconsin Inc. dba GameTime/Struthers Recreations, LLC	Pintado Park Equipment - Public Works & Facilities	No	OMNIA #2017001 134	90,048	
Southern Computer Warehouse	Panasonic Toughbooks and Charges Win 10 Pro - Pensacola Energy	No	NCPA #01-97 Synnex	58,191	
Thompson Tractor Co. Inc. dba Thompson Rents	2022 Caterpillar Cab Compact Telehandler - Port	No	Sourcewell #032119-CAT	99,727	
Transportation Control Systems	Miovision Video and Smartlinks with Cell Service - Public Works & Facilities	No	State Contract #Bid3 DOT-ITB-20-9034-GH	29,586	
Vermeer Southeast	Repair to Digitrac locating machine - Pensacola Energy	No	Sourcewell #110421-VRM	29,185	
Wesco Distribution, Inc.	Economy Lot Replacement of Lights and Poles - Airport	No	NPP #274647)	158,779	

Financial Report

City of Pensacola

Major Revenues FY2022



General Fund - FYE2022

- ▶ Income (Prior to Year End Entries) - \$2,337,800
- ▶ Change in Fund Balance - \$2,877,774

Carryforward Update - 3/31/23

- ▶ New Positions
 - ▶ Grant Writer - Hired 2/21/23
 - ▶ Grant Coordinator - Hired 2/21/23
 - ▶ Economic Development Director - Hired
- ▶ Studies
 - ▶ City-Wide Salary Study - Commenced 4/17/23
 - ▶ Strategic Plan - RFP currently on the street, closes 5/10/23
 - ▶ LDC Review - RFQ closed 3/23/23
- ▶ Equipment
 - ▶ Additional barricades - On order
 - ▶ Tactical vehicle - On order
 - ▶ Perimeter Fencing PPD - On order
- ▶ Projects
 - ▶ Roger Scott Tennis Center - Construction on-going
 - ▶ Roger Scott Pool/Bathrooms - Commenced
 - ▶ City asset maintenance - On-going
 - ▶ Palafox Road Diet - Funding commitment has been wired to FDOT

Enterprises - FY 2023

	Pensacola Energy	Sanitation	Port	Airport
Income/(Loss) - Prior to YE	(\$1,683,917)	\$29,109	\$360,838	\$3,553,999
Increase/(Decrease in Net Position	\$5,295,229	\$1,964,091	(\$374,831)	\$59,045,948
Net Change in Cash and Equivalents	\$1,338,881	\$125,190	\$422,605	\$2,915,469
Change Current Assets-Current Liabilities	(\$1,570,916)	\$339,607	\$540,367	\$12,326,907

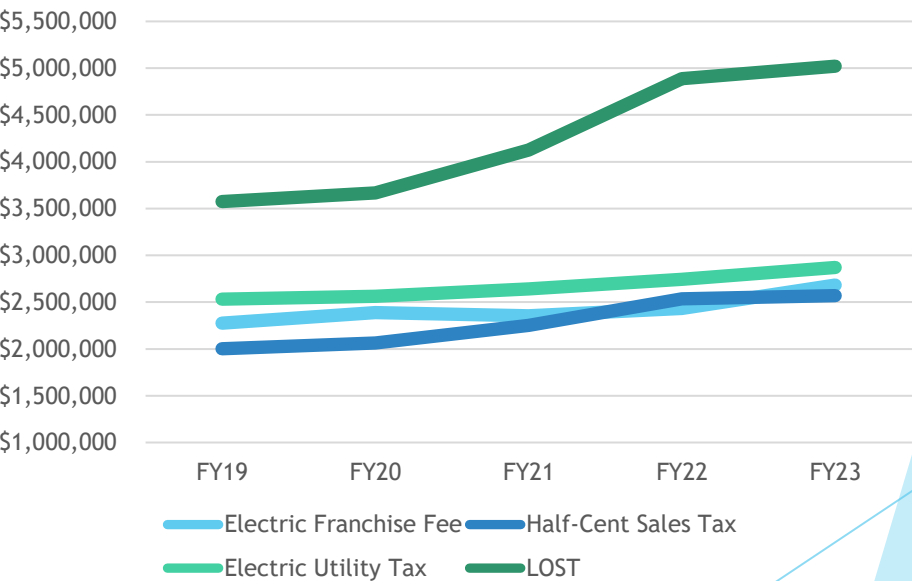
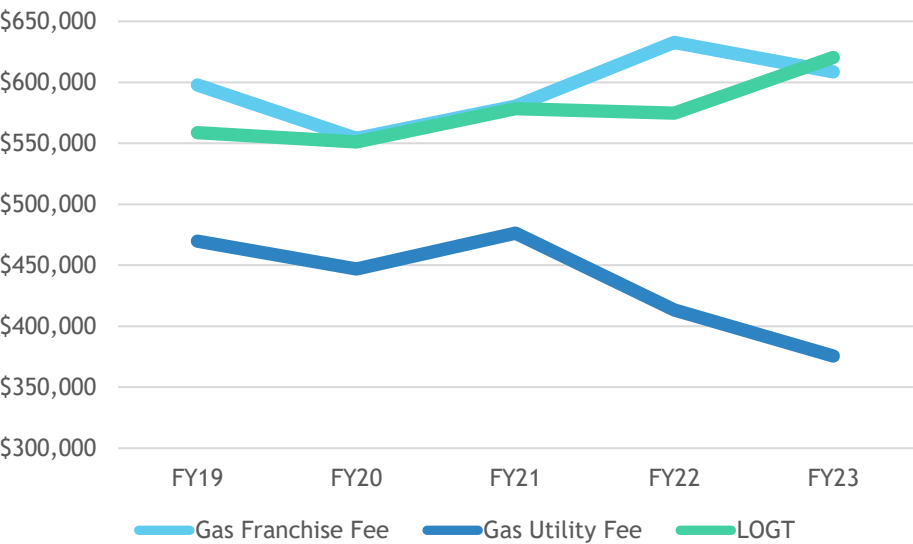
Overperforming Funds - FY23

Fund Name	FY22 Income/(Loss)	FY21 Income/(Loss)
Parking	\$344,734	\$122,436
Inspections	\$805,517	\$1,569,461

Underperforming Funds - FY23

Fund Name	FY22 Income/(Loss)	FY21 Income/(Loss)
Local Option Gas Tax	(\$104,044)	(\$98,028)
Stormwater Operating	\$130,255	(\$141,289)
Recreation Fund	(\$200,328)	(\$133,364)

Second Quarter 2023



Tree Trust Fund - 3/31/23

Revenues		
Location	Amount	District
51 S. Coyle St.	\$35,200.00	7
201 E. Wright St.	\$1,200.00	6
1029 E. LaRua St.	\$4,400.00	6
321 E. Cervantes St.	\$1,200.00	6
745 Tanglewood Dr.	\$2,000.00	4
2650 Creighton Rd.	\$1,200.00	2
917 E Lakeview Ave.	\$3,200.00	5
606 S. F St.	\$3,600.00	7
4064 Montaigne Dr.	\$1,000.00	3
371 Woodbine Dr.	\$1,000.00	4
1822 E. Moreno St.	\$3,000.00	5
Total		

Expenditures		
Location	Amount	District
Marketplace Greenway	\$112,429.04	1
Baars Park	\$1,060.10	4
Bay Bluffs	\$2,868.28	3
Bayview Park	\$935.38	4
Bryan Park	\$623.58	2
Downtown Palafox	\$124.72	6
East Gate	\$187.08	1
Belvedere	\$62.35	1
Fairchild Park	\$311.80	2
Fort George	\$249.43	6
Granada Subdivision Park	\$187.08	6
Greenwood Park	\$124.72	5
Gull Point	\$561.23	3
H.K. Matthews	\$124.72	5
Hitzman Park	\$1,746.05	1
Lavallet Park	\$685.95	3

Tree Trust Fund (Continued)- 3/31/23

Expenditures - Continued		
Location	Amount	District
Main Street	\$1,122.46	6
Malaga Square	\$374.15	5
MLK Plaza	\$62.35	6
Technology Park	\$1,621.33	6
Pineglades Park	\$124.72	2
Pintado Park	\$1,558.96	4
Plaza Ferdinand	\$62.35	6
Roger Scott	\$2,556.71	1
Roger Scott Dog Park	\$997.73	1
Semmes Park	\$374.15	2
Springdale Park	\$62.35	2
Toledo Square	\$249.43	6
Victory Park	\$124.72	6
Wooded Lot/Airport Hospital TRP	\$1,434.25	2
Zamora Square	\$62.35	5
Park Tree Replacement Plan	\$8,130.47	0
Total		

American Rescue Plan Act - Facilities

Project	Budget	Remaining Balance
Building Infrastructure	\$1,000,000	\$705,581
Audio/Video System Enhancements/Upgrade	\$250,000	\$162,527
Council Chambers	\$350,000	\$350,000
Upgrade/Improve Phone Services	\$35,991	\$35,991

American Rescue Plan Act - Stormwater

Project	Budget	Remaining Balance
Main Street	\$1,679,003	\$1,679,003
Barrancas Ave.	\$600,000	\$600,000
Cordova Square Pond Expansion	\$350,000	\$350,000
9th Ave to Pensacola Bay	\$325,000	\$252,637

American Rescue Plan - Other

Project	Budget	Remaining Balance
Bayview Erosion Rehabilitation	\$500,000	\$447,631
Palafox Bathrooms	\$225,000	\$216,629
Summit BLVD Road Diet	\$75,000	\$48,524
Arborist	\$242,662	\$148,770
Tree Canopy Study	\$145,743	\$302
Solar Feasibility Study	\$46,000	\$595
Tree Replacement Plan (Parks)	\$34,595	\$17,428
PFAS Cleanup	\$200,000	\$107,891
Covid Expenses	\$252,140	\$252,140
I110 Camp	\$122,325	\$621

American Rescue Plan Act - Other

Project	Budget	Remaining Balance
Cultural/Historical Affairs	\$128,755	\$128,755
Cultural Affairs Specialists	\$350,000	\$268,123
Journey to Juneteenth	\$20,000	(\$2,925)
Skate Park	\$950,000	\$331,195
Community Studer Institute - The Spring	\$75,000	\$75,000
Marina	\$127,000	\$127,000

ARPA - Homelessness Reduction

Agency	Allocation	Remaining
REAP/Max-Well	\$442,000	\$515
REAP/Lodges	\$200,000	\$18,024
LOTUS	\$425,000	\$384,792
Brightbridge	\$281,400	\$237,650
Children's Home Society	\$135,250	\$55,028
Lakeview	\$300,000	\$300,000
Pensacola Dream Center	\$300,000	\$181,217
Hotel	\$180,000	0
Unallocated	\$736,346	\$736,346
Total Remaining Available	\$3,000,000	\$1,913,572

Pension Funds

- ▶ For FY2022 pension fund returns were as follows:
 - ▶ General Pension - (17.51%)
 - ▶ Fire Pension - (18.0%)
 - ▶ Police Pension - (15.51%)
- ▶ Net Impact for City for the FY24 Budget:

	FY23	FY24	Difference
General	\$5,594,922	\$5,599,270	\$4,348
Fire	\$727,572	\$1,231,860	\$504,288
Police	\$3,201,237	\$3,407,553	\$206,316
Total	\$9,523,731	\$10,238,683	\$714,952

Interest Earnings

- ▶ Total Interest Earnings at the End of FY22 - \$1,633,342
- ▶ Total Interest Earnings at 3/31/23 - \$978,488