



MEMORANDUM

TO: Mayor and City Commissioners

FROM: Janette Smith, CPA, CMC, City Clerk-Treasurer

DATE: February 10, 2026

RE: Monthly Financial Statement Report

Background: Pursuant to the Panama City Code of Ordinances Subpart A – General Ordinances; Chapter 2 – Administration; Article IV. – Financial Affairs; Division 1. – Generally; Sec. 2-83. – Monthly financial statement; On or before the 20th of each month the city commission (sic) shall submit a detailed report of the receipts and disbursements for the preceding month, which report shall be rendered through the city clerk-treasurer (sic) and bear the certificate of the latter as to its correctness.

Process: This presentation has been prepared on a cash basis and has not been subject to any auditing procedures. A budget performance report was created for each operating fund with an annually adopted budget. The debt service funds have been combined into a single presentation. Encumbrances are not included in the analysis.

The line item near the bottom of the presentation titled 'Budgetary changes in reserves' represents the amount of reserves being used to balance the fund. In the 'Budget-YTD Transactions' column, an amount in parenthesis represents a negative variance (less than expected revenues or more than expected expenses). Positive numbers represent more than expected revenues and less than expected expenses, a positive variance. The bottom line reflects the current position of each fund. The 'Amended Budget' column will always be \$0 reflecting the adoption of a balanced budget. The 'YTD Transactions' column will reflect a positive number if revenues exceed expenses.

Analysis: Please be advised that as of January 31, 2026, the fiscal year is 33% complete. The variances and percentages used/received should be viewed with this in mind.

Results: Most of the funds are performing as expected. City-wide, transfers and interest earnings have yet to be recorded.

General Fund: The bulk of the Ad valorem taxes and Fire Service Assessments have been collected. Expenses appear to be within expectations.

The Infrastructure Surtax Fund has very little activity. The transfers are grant matches.

The CRAs have received the City and County's TIF contributions. The Millville CRA received a grant reimbursement in October. Expenses are lower than expected in the St. Andrews CRA and the Downtown CRA because of less capital outlay costs.

The Housing & Community Services and City SHIP Funds have yet to receive allocations from CDBG or SHIP. Expenses in the Housing & Community Services Fund are higher than expected because of a contribution to a new the paving crew that will benefit low to moderate income areas of the City.

Most of the debt service principal payments are due in October and have been made. Interest payments are made quarterly.

Excess personnel costs in the Marina Fund are the result of an unexpected employee payout.

Any deficit remaining at fiscal year end in the Equipment Maintenance Fund will be allocated among the user departments.

