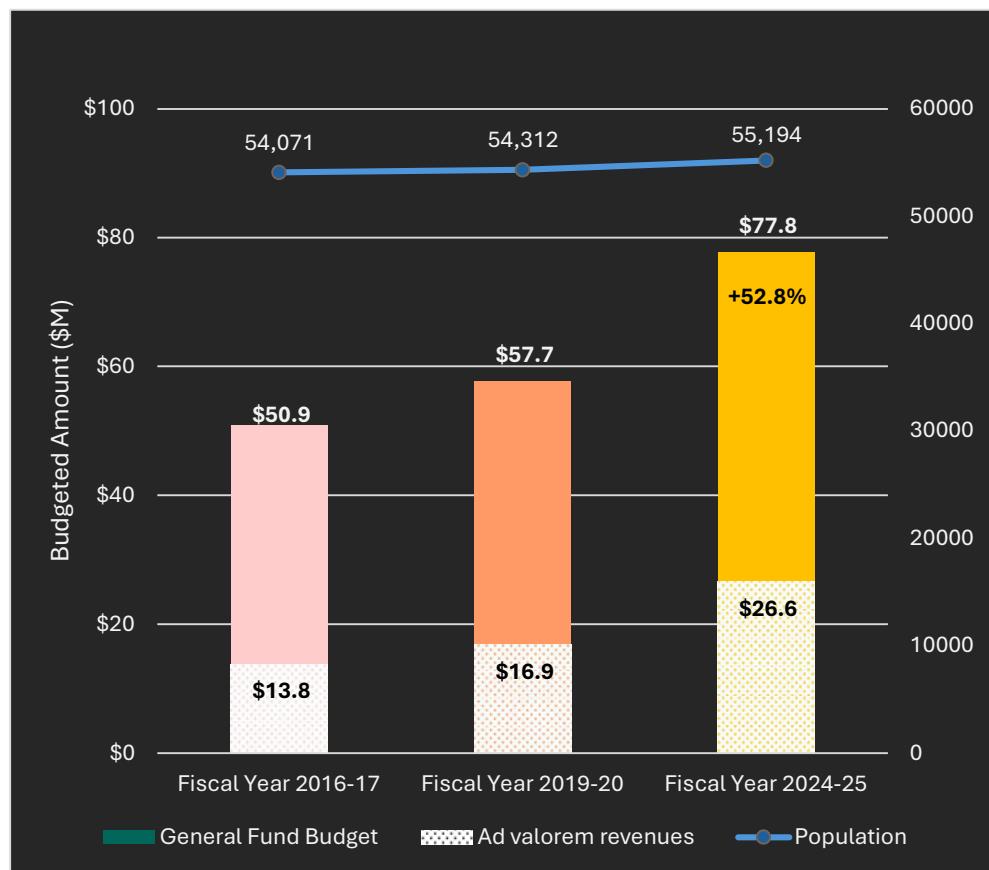


City of Pensacola

- Population (2024): 55,030
- FY 2024-25 General Fund Budget: \$77,932,400
- City Employees (FY 24-25): 867
- Millage Rate: 4.2895
- Median Household Income (FY 23-24): \$72,699
- DOGE Site Team Visit Date: August 18th, August 19th

Since Fiscal Year 2016-17, Pensacola Ad Valorem Tax Revenues Nearly Doubled and General Fund Spending Expanded 52% While Population Grew Only Modestly

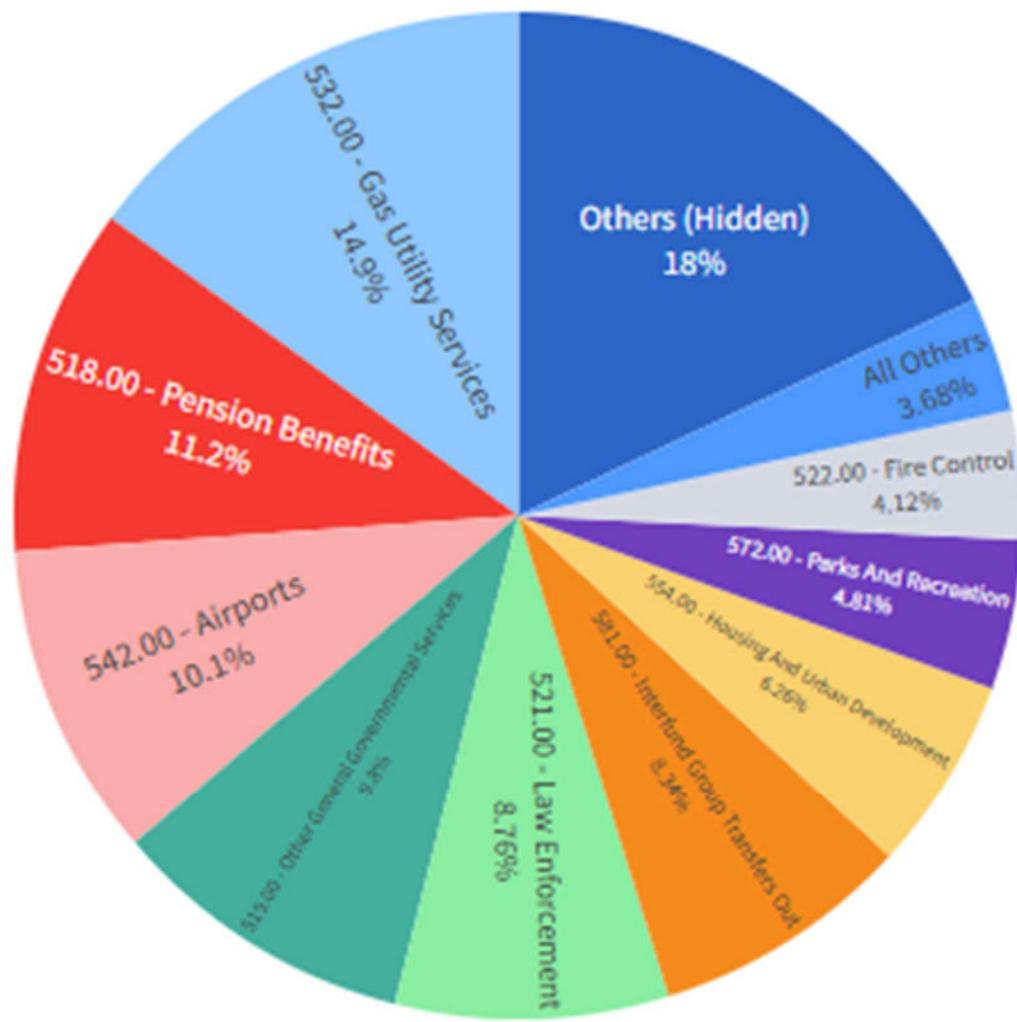


Source: Pensacola Budget Documents; Bureau of Economic and Business Research

Overview of Pensacola Spending

While Pensacola's budget is relatively modest, the pace of spending growth accelerated after Fiscal Year 2019-20, with spending in the Human Resources department leading the way. This occurred while city leadership gave significant attention to DEI initiatives, which are a major diversion from core human resources activities. In addition, the city launched a major initiative to boost the salaries of city personnel, which in the long term can be expected to increase the already-significant share of spending that is dedicated to pensions.

Pensacola's Salary Hikes Will Expand a Significant Pension Burden

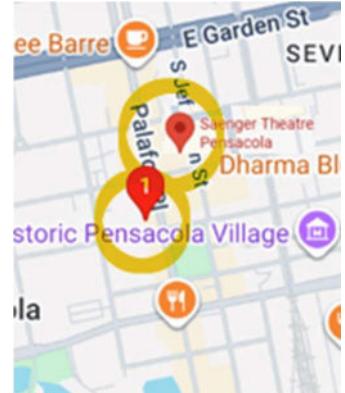


Source: DOGE analysis of LOGERx data using AI.

Pensacola's Hired Theater Manager Scheduled a Drag Show to Coincide with Christmas Events for Children



Tuesday	
23	
December	
7:15pm	Polar Express Tour
7:15pm	Grinch's Merry Match
7:16pm	Photos with Santa
7:16pm	Photos with the Grinch
7:23pm	Photos with Santa
7:23pm	Photos with the Grinch
7:25pm	Peanuts Tour
7:27pm	Photos with Santa
7:27pm	Photos with the Grinch
7:34pm	Photos with Santa
7:35pm	Scrooge Tour



Source: DOGE analysis and research.

DOGE's review of spending in the City of Pensacola was complicated by substantial turnover on the part of city officials. Previous, long-time staff – including the city administrator – left in the two years prior to the DOGE site visit, and remaining city leadership claimed a lack of knowledge about a variety of actions undertaken previously, including spending programs and the implementation of DEI initiatives. Further, the City Administrator resigned from his post just two weeks after the DOGE team's site visit, with an interim City Administrator taking over.

Pensacola Excessive Spending Examples

- Major pay increases for city staff
 - \$3.2 million (exclusive of benefits) for workers. This number excludes raises for unionized firefighters and precedes collective bargaining with the police union, potentially limiting the resources available for law enforcement pay
 - \$60,000+ for a compensation study with the intended to justify these pay raises – immediately after the lowest-paid workers received a minimum wage increase as part of state law
 - Despite Pensacola's relatively small population of 53,000, Pensacola set its City Administrator salary at approximately \$200,000, nearly four times the median annual salary

for residents of the Pensacola metropolitan area of \$55,000. By comparison, Florida DOGE found that the City Administrator salary in the City of St. Petersburg totaled approximately \$250,000, despite a higher median annual salary for residents and a population around 250,000

- As shown in the chart above, pension benefits already consume more than 10% of the city's spending. Salary increases will push those spending obligations higher
- \$1.4 million in questionable contracts, including:
 - \$38,600 for an artist in residence
 - \$618,000+ in lobbying spending in 2023 and 2024 – a sum that far exceeds other jurisdictions reviewed on a per capita basis
 - ~\$15,000 for radio advertising with Cumulus Broadcasting
 - \$20,000+ for recruiting services from LinkedIn
 - \$686,515 to update Pensacola's Community Redevelopment Agency plans
- \$2.58 million increase in "General Government" spending between FY 2019-20 and FY 2024-25, an increase of over 40%
- 88% growth in Human Resources spending between Fiscal Year 2019-20 and Fiscal Year 2024-25 – an increase of over \$600,000

Pensacola DEI Examples

- Downtown drag shows at the Saenger Theater – including "A Drag Queen Christmas," timed to coincide with "Photos with Santa," and events featuring Charlie Brown, Snoopy, and the Grinch taking place less than one block away
- City employees have been provided trainings in DEI topics such as:
 - C.A.R.E. About Implicit Bias
 - Anti-Bias Policing
 - Implicit Bias in Action
 - Understanding and Preventing Microaggressions
- In 2024, Pensacola paid a consulting firm \$130,000+ to develop a DEI-centric "city-wide strategic plan"

- While the Mayor of Pensacola claimed the DEI elements of the plan were “not mine,” and that he had ordered they “be removed” from all city activities, three City of Pensacola staff members are specifically thanked in the opening of the report and numerous other city staff dedicated time over a year-long strategic plan process
- The report lists “Prioritize racial and economic equity” as one of the top two considerations, insists on “Equitable outcomes for everyone,” and spotlights responses “from only people of color”
- In 2024, Pensacola also stated as one of its goals “develop[ing] equity within all City of Pensacola job classifications,” but the Director of Human Resources claimed that this is no one’s responsibility
- In 2024, the City undertook an “Equity Survey.” Current Pensacola staff claimed ignorance as to 1) who created the survey; 2) whether city funds were spent on the survey; 3) whether the results were used to inform future city actions; and 4) the survey’s questions and responses
- The City’s Fire Cadet Program emphasizes that it “works to promote diversity” ahead of any job functions