

**CITY OF PALM BAY, FLORIDA
MONTHLY FINANCIAL REPORT (UNAUDITED)
APRIL 2017**



The City of Palm Bay, Florida's (the "City") monthly financial report presents an overview and analysis of the City's financial activities during the month of April 2017. April is the seventh month of the fiscal year and represents 58% of the annual budget.

Financial Report Summary

- Citywide revenues of \$94.4 million are at 54.6% of the annual budget. Citywide expenditures of \$84.3 million are at 48.8% of the annual budget. Traditionally revenue collections are two months in arrears. For this reason, certain revenues for grants and other governmental resources are accrued at year end to reflect the period in which it represents.
- Citywide cash and investments increased by \$8.2 million, or 12.0%, in comparison to the prior year.
- In October 2015, the City refunded the 2006 Sales Tax Bonds. The 2015 Sales Tax Bond proceeds and its use in the defeasance of the 2006 Bonds are included in FY16 citywide revenues and expenditures in the chart below.

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Citywide - Cash & Investments		Citywide - Revenues		Citywide - Expenditures	
4/30/2017	\$ 76,075,340.39	4/30/2017	\$ 94,363,722.63	4/30/2017	\$ 84,296,009.89
4/30/2016	67,921,806.56	4/30/2016	105,034,761.69	4/30/2016	101,331,273.77
Increase	12.0% \$ 8,153,533.83	Decrease	-10.2% \$ (10,671,039.06)	Decrease	-16.8% \$ (17,035,263.88)

- General Fund revenues of \$41.6 million are at 62% of the annual budget. This is an increase of \$2.59 million, or 6.6%, in comparison to the prior year.
- General Fund expenditures of \$36.6 million are at 54% of the annual budget. This is an increase of \$1.34 million, or 3.8%, in comparison to the prior year.
- General Fund cash and investments increased by \$3.02 million, or 24.5%, in comparison to the prior year. Of this increased General Fund cash, \$800,000 is reserved.

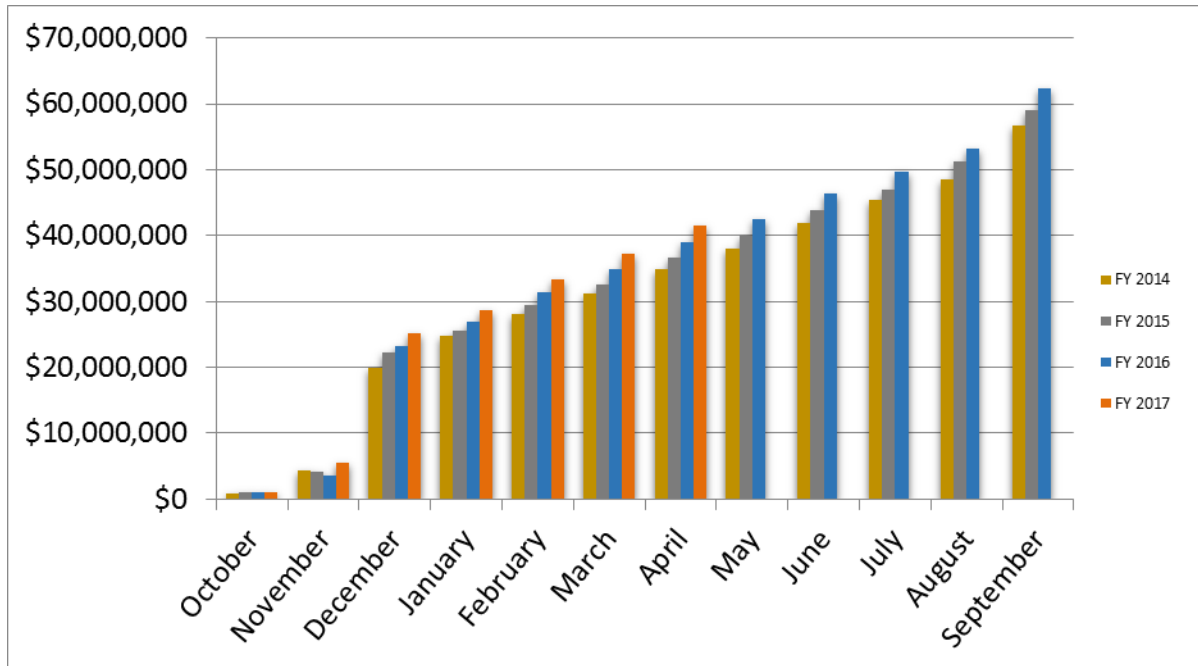
General Fund - Cash & Investments		General Fund - Revenues		General Fund - Expenditures	
4/30/2017	\$ 15,364,300.68	4/30/2017	\$ 41,573,774.66	4/30/2017	\$ 36,638,406.35
4/30/2016	12,340,761.89	4/30/2016	38,982,764.32	4/30/2016	35,294,637.49
Increase	24.5% \$ 3,023,538.79	Increase	6.6% \$ 2,591,010.34	Increase	3.8% \$ 1,343,768.86

The General Fund is the City's primary operating fund and is used to account for all resources except those that are required to be accounted for in another fund. The following information depicts the history of the revenues and expenditures for the General Fund from fiscal years 2014 to 2017.

This report contains unaudited information. If you have any questions or comments on the financial reports, please contact Yvonne McDonald, Finance Director or Ruth Chapman, Assistant Finance Director.

General Fund Revenues – At a Glance April 2017

General Fund Revenues-YTD



FY2017 YTD Change in GF Revenues as Compared to Prior Year

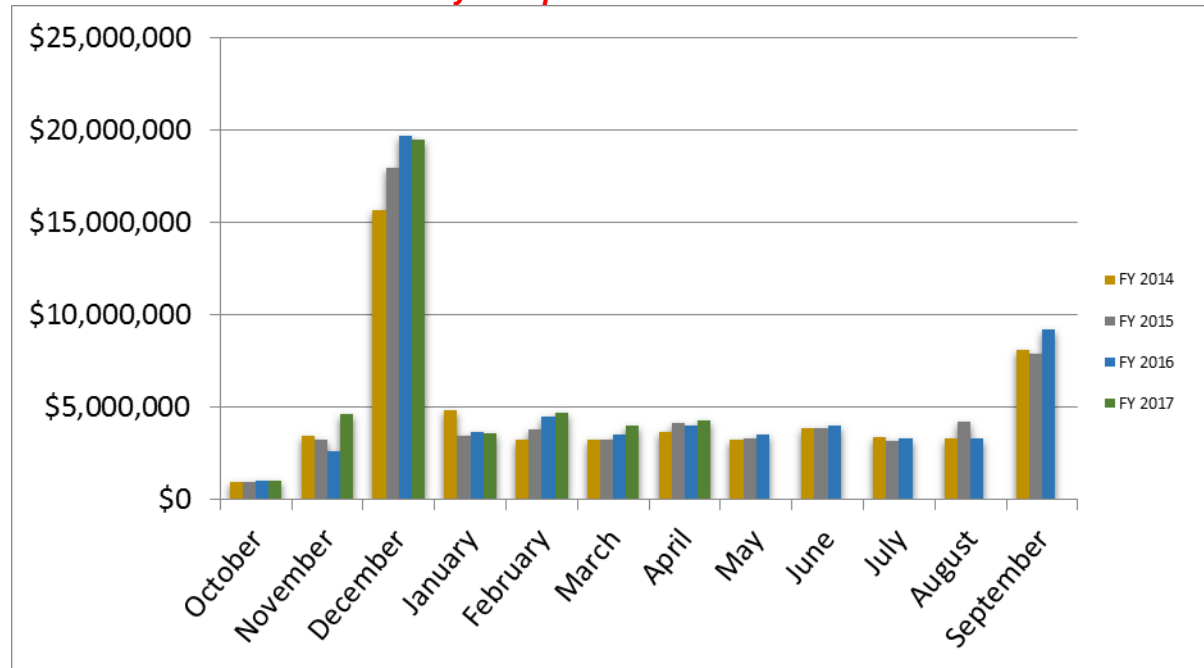
	Prior YTD	Current YTD	Percent Change	Annual Budget
Ad Valorem Taxes	\$ 22,634,155	\$ 24,768,409	9.4%	\$ 26,426,410
Local Option Fuel Tax	1,545,148	1,696,317	9.8%	3,822,462
Utility Service Taxes	3,447,817	3,453,666	0.2%	8,305,000
Communication Service Tax (1)	1,206,798	1,075,568	-10.9%	2,683,536
Franchise Fees	2,015,190	1,904,523	-5.5%	5,399,000
State Shared Revenues	1,586,785	1,619,103	2.0%	4,327,372
Half Cent Sales Tax	2,421,987	2,632,406	8.7%	6,107,351
Licenses and Permits	552,144	549,074	-0.6%	607,500
Grants and Other Entitlements (2)	164,138	533,788	225.2%	1,007,796
Charges for Services	1,557,890	1,667,619	7.0%	3,159,561
Fines and Forfeitures (3)	246,998	194,721	-21.2%	414,500
Interest, Rents & Other Revenues	371,977	365,455	-1.8%	541,534
Interfund Transfers & Capital Leases	1,231,738	1,113,127	-9.6%	1,835,914
Fund Balance	-	-	0.0%	2,942,034
	\$ 38,982,764	\$ 41,573,775	6.6%	\$ 67,579,970

(1) Decrease primarily due to lower year-to-date collection of Communications Service Tax in FY17.

(2) Increase primarily due to multi-year agreement with County for partial reimbursement of expenses related to Regional Park, Senior Center, and Aquatic Center in FY17.

(3) Decrease primarily due to lower year-to-date collection of Code Compliance Fines in FY17.

General Fund Revenues-Monthly Comparison



Monthly GF Revenues as Compared to Prior Years

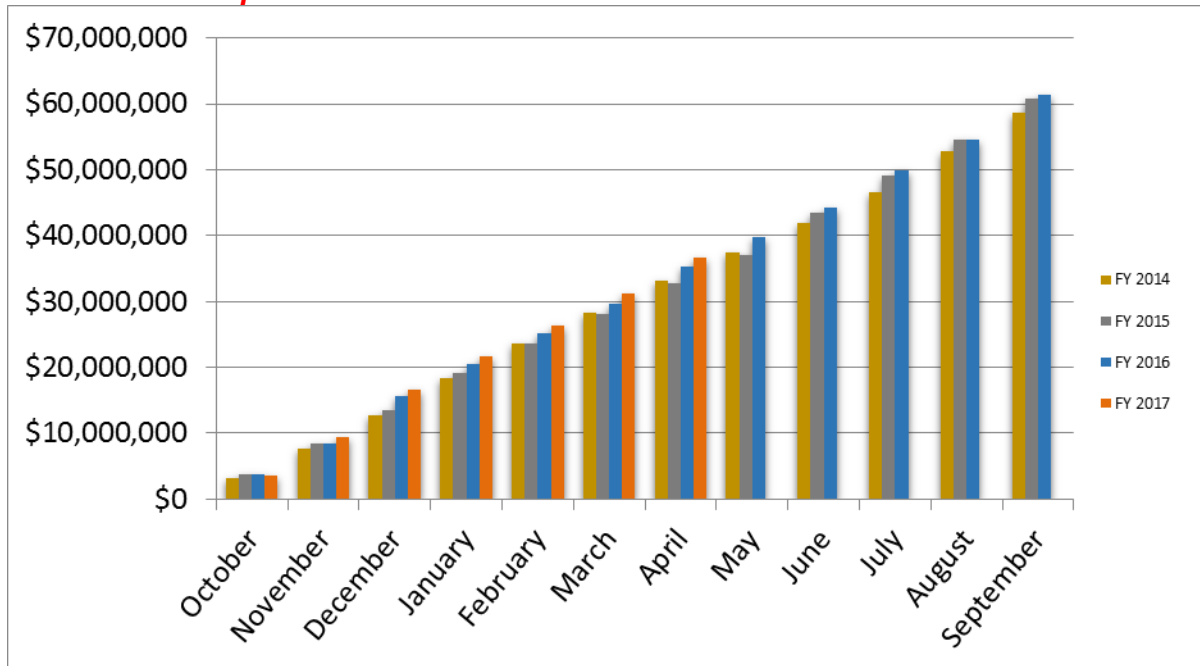
	FY 2014	FY 2015	FY 2016	FY 2017
October	\$ 911,630	\$ 953,761	\$ 1,012,271	\$ 1,005,090
November	3,425,400	3,246,502	2,619,131	4,580,252
December	15,683,359	17,977,402	19,689,226	19,511,218
January	4,802,728	3,458,799	3,639,261	3,585,305
February	3,200,574	3,782,243	4,490,812	4,656,371
March	3,208,482	3,203,645	3,522,695	3,990,468
April	3,651,785	4,103,728	4,009,369	4,245,071
May	3,198,408	3,278,699	3,511,664	-
June	3,880,153	3,830,369	3,976,789	-
July	3,363,584	3,170,380	3,323,512	-
August	3,262,185	4,168,296	3,323,716	-
September	8,115,309	7,881,278	9,167,028	-
	\$ 56,703,597	\$ 59,055,101	\$ 62,285,475	\$ 41,573,775

Overall General Fund revenues for the month of April 2017 have increased \$235,702 (5.88%) when compared to April 2016.

The major sources of revenues for the General Fund are taxes, franchise fees, intergovernmental revenues, licenses, permits, fines, forfeitures and charges for services. With a recovering economy and most of the City's revenues derived from ad valorem taxes, the revenue budget is essential for existing and critical City services. The City is conservative in budgeting revenues to account for the current economic condition.

General Fund Expenditures – At a Glance April 2017

General Fund Expenditures-YTD



2017 YTD Change in GF Expenditures as Compared to Prior Year

	Prior YTD	Current YTD	Percent Change	Annual Budget
Legislative	\$ 392,550	\$ 373,241	-4.9%	\$ 678,030
City Manager	375,804	394,289	4.9%	731,727
City Attorney (1)	693,754	305,972	-55.9%	613,919
Procurement (2)	-	217,780	0.0%	402,536
Finance (3)	938,570	750,687	-20.0%	1,359,967
Information Technology (4)	1,401,742	1,212,595	-13.5%	2,583,474
Human Resources	284,221	275,103	-3.2%	643,258
Growth Management (5)	297,199	670,452	125.6%	1,366,051
Economic Development (6)	356,080	472,481	32.7%	777,070
Parks and Recreation (7)	1,478,053	1,681,953	13.8%	4,560,266
Facilities (8)	1,108,590	1,226,658	10.7%	2,468,081
Police	10,143,177	10,227,313	0.8%	19,601,350
Fire	7,497,428	7,688,996	2.6%	14,059,856
Public Works (9)	2,563,178	3,580,176	39.7%	6,381,933
Non-Departmental	2,151,568	2,213,737	2.9%	3,787,546
Transfers	5,612,722	5,346,972	-4.7%	7,564,906
	\$ 35,294,637	\$ 36,638,406	3.8%	\$ 67,579,970

(1) Decrease primarily due to decreased year-to-date costs for Other Attorneys.

(2) Increase due to Procurement Department's first year of existence in FY17. Previously was in Finance Department.

(3) Decrease primarily due to Purchasing Division transferred to Procurement Department in FY17.

(4) Decrease primarily due to capital network equipment purchased in FY16.

(5) Increase primarily due to FY17 budget of Code Compliance Division in Growth Management instead of in Police Department.

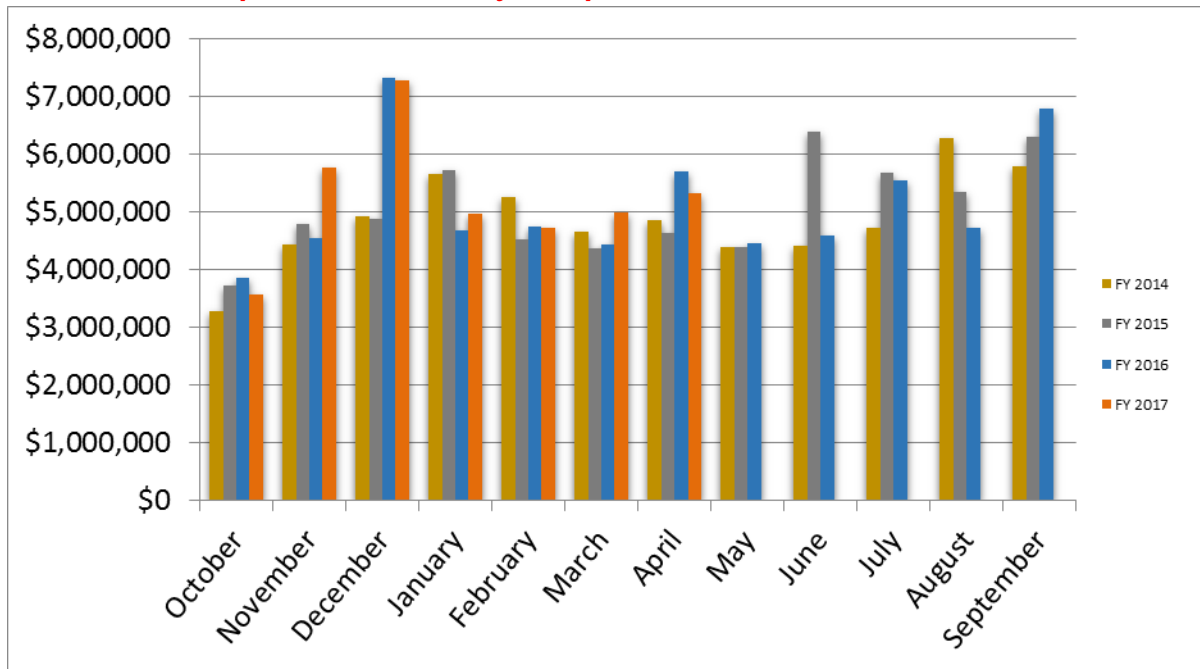
(6) Increase primarily due to expansion of Economic Development Department compared to same time last year.

(7) Increase primarily due to FY17 Budget Amendment to include expenses of Regional Park, Aquatic Center, and Senior Center in General Fund.

(8) Increase primarily due to higher year-to-date costs for personnel and operating supplies.

(9) Increase primarily due to increased year-to-date costs for disaster preparedness.

General Fund Expenditures-Monthly Comparison



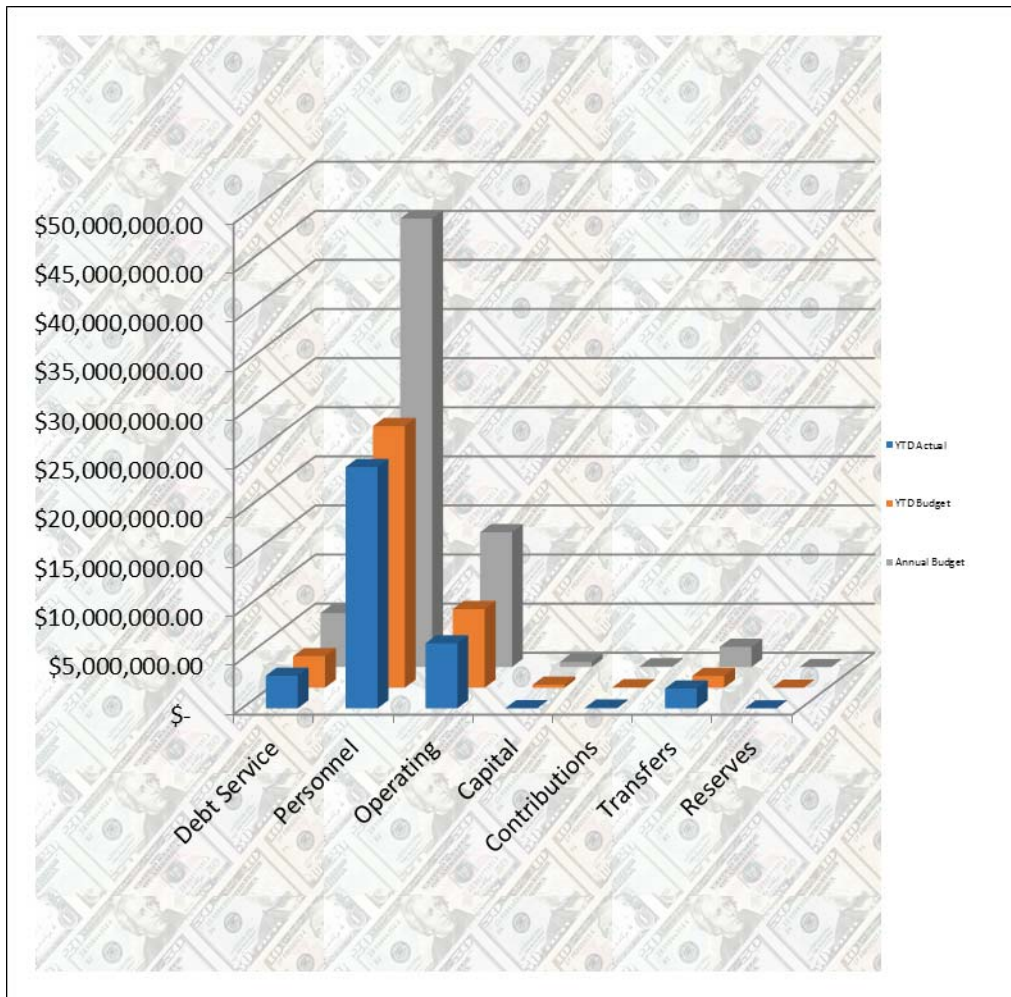
Monthly GF Expenditures as Compared to Prior Years

	FY 2014	FY 2015	FY 2016	FY 2017
October	\$ 3,279,274	\$ 3,726,416	\$ 3,859,572	\$ 3,572,123
November	4,445,312	4,799,117	4,542,401	5,766,532
December	4,931,871	4,886,462	7,323,753	7,290,910
January	5,653,811	5,729,780	4,685,466	4,972,873
February	5,259,394	4,526,492	4,746,328	4,719,784
March	4,666,428	4,375,170	4,443,296	4,983,695
April	4,859,644	4,630,094	5,693,822	5,332,488
May	4,386,401	4,397,032	4,450,696	-
June	4,412,580	6,385,679	4,592,489	-
July	4,721,680	5,689,908	5,551,214	-
August	6,272,362	5,346,802	4,712,630	-
September	5,780,329	6,310,426	6,791,578	-
	\$ 58,669,085	\$ 60,803,379	\$ 61,393,243	\$ 36,638,406

April General Fund expenditures were \$361,334 (6.35%) less when comparing April 2017 to April 2016. Year-to-date expenditures are \$1,343,769 more.

General Fund Expenditures-Budgetary Comparison by Category

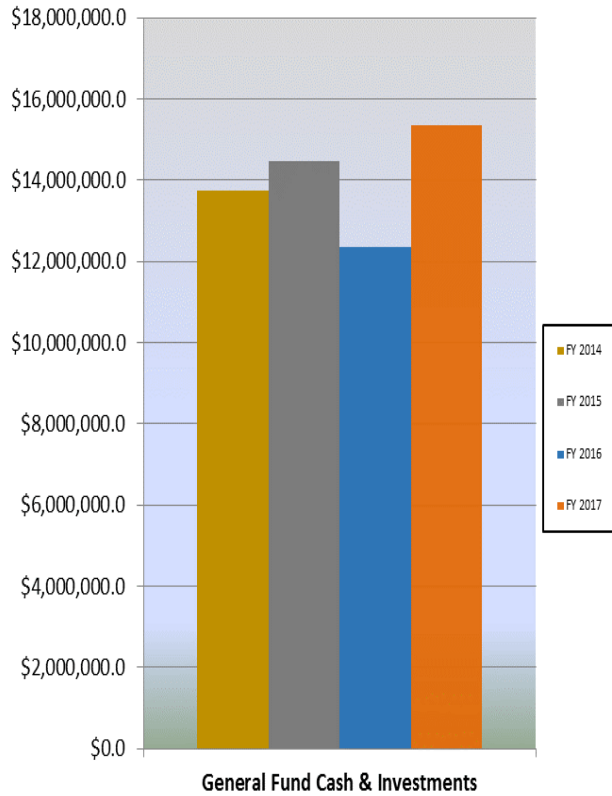
	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Annual Budget</u>	<u>% Spent</u>
Debt Service	\$ 3,328,875.37	\$ 3,209,860	\$ 5,502,617	60.50%
Personnel	24,577,785.23	26,651,707	45,688,641	53.79%
Operating	6,621,432.03	8,011,201	13,733,488	48.21%
Capital	8,520.09	303,879	520,935	1.64%
Contributions	83,697.40	42,000	72,000	116.25%
Transfers	2,018,096.23	1,203,002	2,062,289	97.86%
Reserves	-	-	-	0.00%
Total	\$ 36,638,406.35	\$ 39,421,649	\$ 67,579,970	54.21%



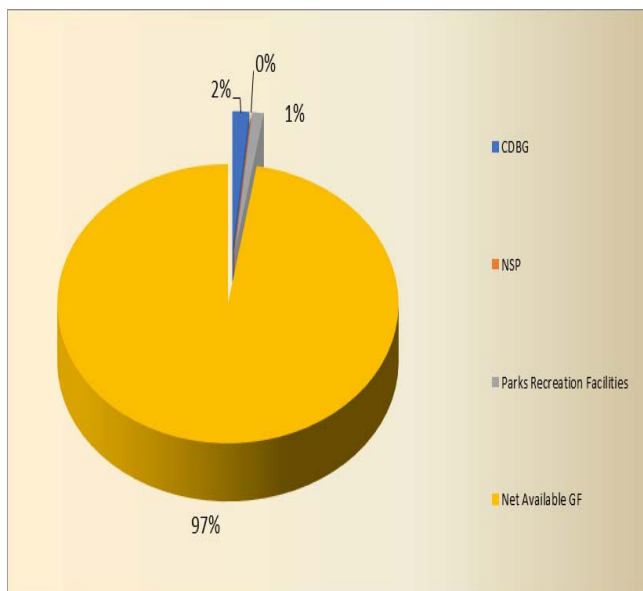
The total budgeted expenditures for 2017 are \$67,579,970 (includes encumbrances from prior year and 2017 budget amendments). Of this amount, \$45,688,641, or 67.6%, is related to personnel costs.

General Fund Cash & Investments – At a Glance April 2017

General Fund Cash & Investments-YTD



General Fund Cash & Investments	
Prior Month Ending Balance	\$ 16,507,876.53
Cash Increase (Decrease)	<u>(1,143,575.85)</u>
Ending Balance 4/30/17	<u><u>\$ 15,364,300.68</u></u>



General Fund Cash & Investments	
April 2017 Ending Balance	\$ 15,364,300.68
Cash Advanced to Other Funds:	
CDBG	(244,790.11)
NSP	(112.56)
Parks Recreation Facilities	<u>\$ (170,363.50)</u>
Total Available Cash & Investments	<u><u>\$ 14,949,034.51</u></u>

General Fund Balance – At a Glance April 2017

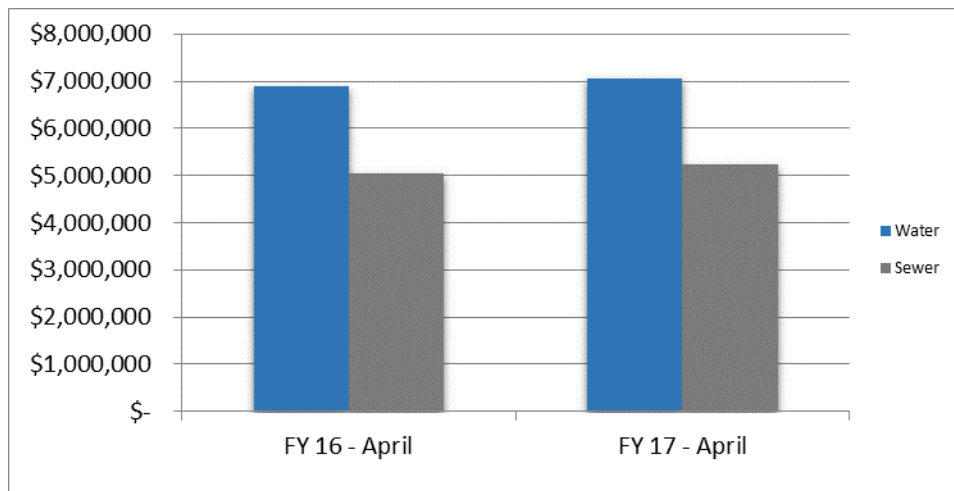
	PRIOR YTD	CURRENT YTD
REVENUES		
Ad Valorem Taxes	\$ 22,634,155	\$ 24,768,409
Local Option Fuel Tax	1,545,148	1,696,317
Utility Service Taxes	3,447,817	3,453,666
Communication Service Tax	1,206,798	1,075,568
Franchise Fees	2,015,190	1,904,523
State Shared Revenues	1,586,785	1,619,103
Half Cent Sales Tax	2,421,987	2,632,406
Licenses and Permits	552,144	549,074
Grants and Other Entitlements	164,138	533,788
Charges for Services	1,557,890	1,667,619
Fines and Forfeitures	246,998	194,721
Interest, Rents and Other Revenues	371,977	365,455
Interfund Transfers and Other Sources	1,231,738	1,113,127
Total Revenues	38,982,764	41,573,775
EXPENDITURES		
Legislative	392,550	373,241
City Manager	375,804	394,289
City Attorney	693,754	305,972
Procurement	-	217,780
Finance	938,570	750,687
Information Technology	1,401,742	1,212,595
Human Resources	284,221	275,103
Growth Management	297,199	670,452
Economic Development	356,080	472,481
Parks and Recreation	1,478,053	1,681,953
Facilities	1,108,590	1,226,658
Police	10,143,177	10,227,313
Fire	7,497,428	7,688,996
Public Works	2,563,178	3,580,176
Non-Departmental	2,151,568	2,213,737
Transfers	5,612,722	5,346,972
Total Expenditures	35,294,637	36,638,406
Excess (Deficiency) of Revenues Over Expenditures	3,688,127	4,935,368
Fund Balance - Beginning	8,282,350	9,174,581
Prior Period Adjustment	-	-
Fund Balance - Beginning as Restated	8,282,350	9,174,581
Fund Balance - Ending	\$ 11,970,477	14,109,949

The minimum General Fund balance, as established by Resolution 2011-34, is ten percent (10%) of the subsequent fiscal year's budgeted expenditures less capital outlay and transfers out as originally adopted by ordinance in September. The following is a history of the City's General Fund balance.

General Fund Balance - History			
	Minimum Required	Actual Fund Balance	Fund Balance Percentage
FY 2016	\$ 5,594,175	\$ 9,174,581	16.40%
FY 2015	5,311,438	8,282,350	15.59%
FY 2014	5,321,416	10,040,314	18.87%
FY 2013	5,059,293	12,005,802	23.73%
FY 2012	4,941,647	9,534,785	19.29%
FY 2011	5,046,518	6,077,849	12.04%

Utilities Revenues – At a Glance April 2017

Water & Sewer Revenues-YTD



Overall year-to-date Water revenue in April 2017 has increased \$174,807 (2.54%) when compared to April 2016.

Overall year-to-date Sewer revenue in April 2017 has increased \$182,959 (3.62%) when compared to April 2016.

Fire Protection for FY17 was billed at 101% of the budgeted amount. Most the Fire Protection Service Charges were billed in October 2016 (annual billing).

Meter Installation Fees are recorded at 83% of the budgeted amount. The Utility Lien Costs are recorded at 168% of the budgeted amount.

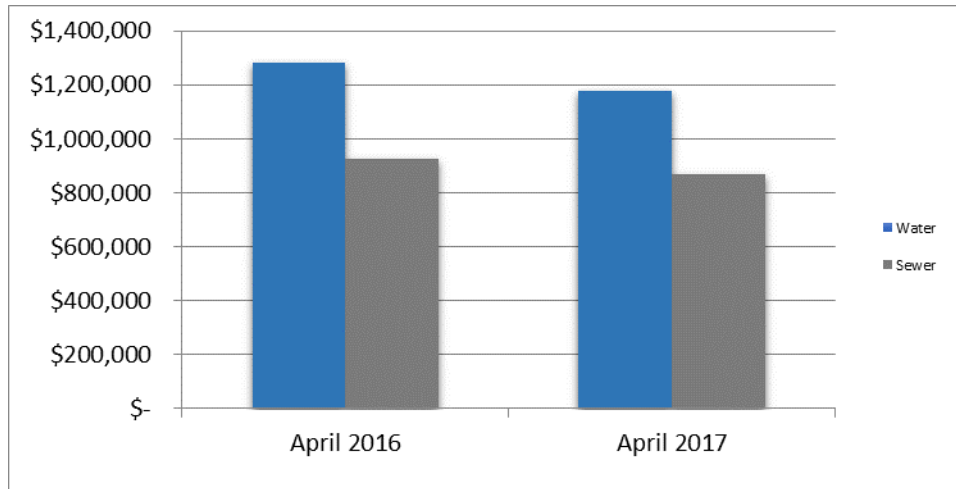
Operating Interest Income is recorded at 50% at this time. The interest for the Palm Bay Estates Loan (\$21,067) will be recorded in June, and the second interest payment on the Fleet Services Loan will be recorded in September (\$14,785.53).

Excluding Fund Balance, the total FY17 Operating Revenue is recorded at 51.66% of the budgeted amount compared to FY16 which was at 51.87%.

Water Connection Fees are recorded at 80% of the budgeted amount, and Sewer Connection Fees are recorded at 56% of the budgeted amount.

Water MLEs are recorded at 96% of the budgeted amount, and Sewer MLEs are recorded at 128% of the budgeted amount.

Water & Sewer Revenues-Monthly Comparison



Overall Water revenue for the month of April 2017 has decreased by \$105,095 (8.19%) when compared to April 2016.

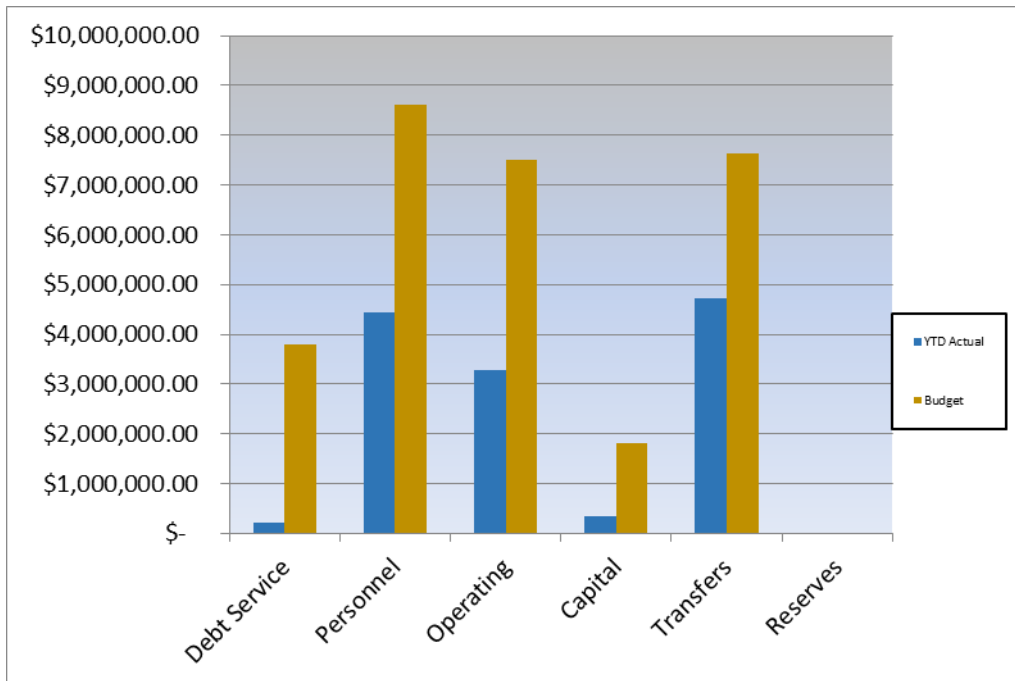
Overall Sewer revenue for the month of April 2017 has decreased by \$54,353 (5.88%) when compared to April 2016.

Utilities Expenses – At a Glance April 2017

Water & Sewer Expenditures-YTD

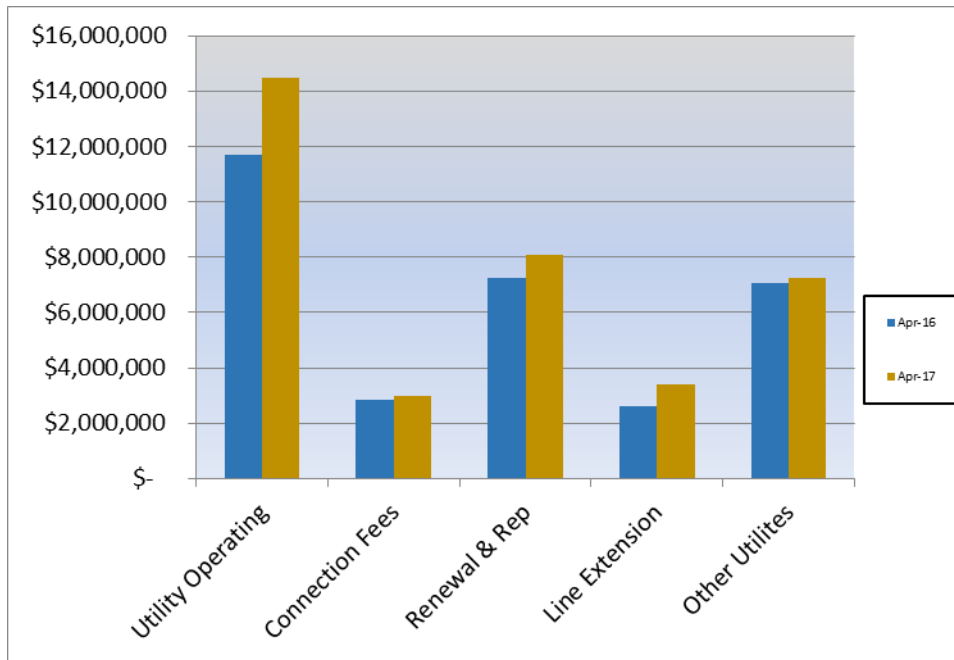
Overall expenditures (excluding encumbrances) are as follows:

	<i>Actual</i>	<i>Budget</i>	<i>% Spent</i>
Debt Service	\$ 219,545.67	\$ 3,798,162	5.78%
Personnel	4,425,768.21	8,618,660	51.35%
Operating	3,277,121.95	7,492,856	43.74%
Capital	337,917.81	1,808,659	18.68%
Transfers	4,713,916.65	7,624,971	61.82%
Reserves	-	-	-
Total	\$ 12,974,270.29	\$ 29,343,308	44.22%



Utilities Cash & Investments – At a Glance April 2017

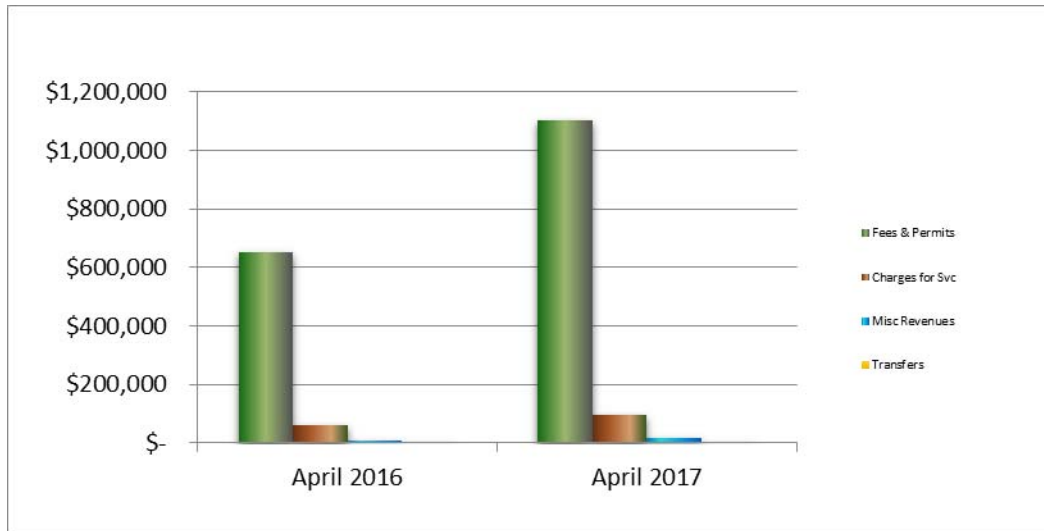
Water & Sewer Cash & Investments-YTD



Overall the Water & Sewer Funds cash and investments were \$4.70 million (14.9%) more as of April 2017 as compared to April 2016.

Building Revenues – At a Glance April 2017

Building Revenues-YTD



Fees and Permits revenue in April 2017 is up \$449,826 (69.09%) from April 2016.

Charges for Services revenue in April 2017 is up \$34,767 (56.06%) from April 2016.

Overall, Building revenues in FY 17 (at April) have increased by \$493,811 (68.34%) when compared to FY 16 (at April).

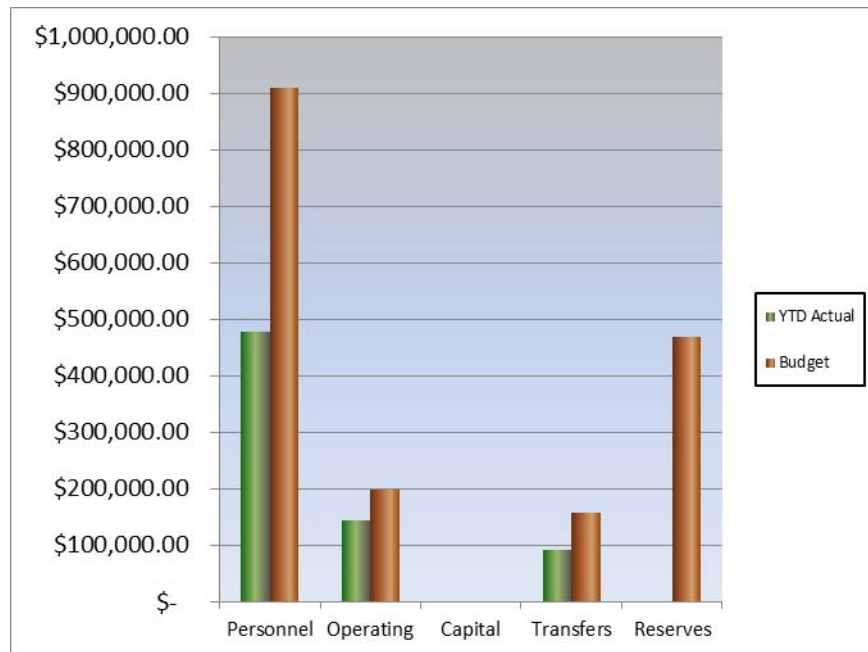
The total FY 17 Building revenues are recorded at 70.10% of the budgeted amount compared to FY 16 which was 64.95%.

Building Expenses – At a Glance April 2017

Building Expenditures-YTD

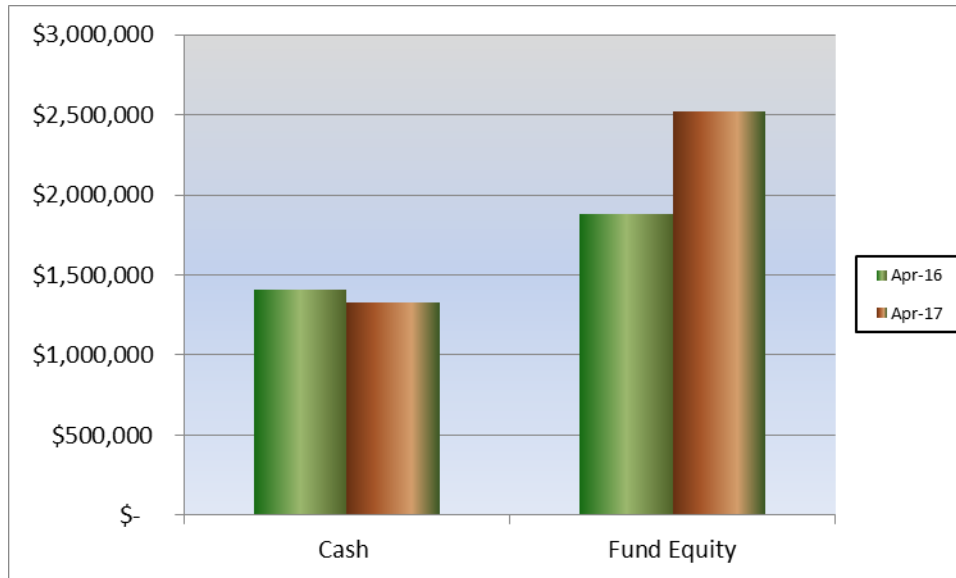
Overall expenditures (excluding encumbrances) are as follows:

	<u>Actual</u>	<u>Budget</u>	<u>% Spent</u>
Personnel	\$ 477,934.36	\$ 908,574	52.60%
Operating	144,899.81	199,234	72.73%
Capital	-	-	0.00%
Transfers	92,331.19	158,282	58.33%
Reserves	-	469,020	0.00%
Total	\$ 715,165.36	\$ 1,735,110	41.22%



Building Cash & Fund Equity – At a Glance April 2017

Building Cash & Fund Equity-YTD



Overall the Building cash and investments were \$80,075 (5.7%) less as of April 2017 as compared to April 2016.

Overall the Building fund equity was \$644,631 (34.3%) more as of April 2017 as compared to April 2016.