



# MONTHLY FINANCIAL REPORT (UNAUDITED)

## AUGUST 2018

City of Palm Bay, Florida



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**MONTHLY FINANCIAL REPORT (UNAUDITED)**

**AUGUST 2018**

CITY OF PALM BAY, FLORIDA



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 August 2018. August is the eleventh month of the fiscal year and represents 92% of the annual budget.

**Financial Report Summary**

- Citywide revenues of \$167.5 million are at 78.8% of the annual budget. Citywide expenditures of \$133.3 million are at 62.8% 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 \$25.0 million, or 33.4%, in comparison to the prior year.
- Most of the increased citywide revenues are a result of the new Stormwater Assessment and proceeds for the I-95 connector road and energy savings contract. Most of the increased citywide expenditures are due to needs in Stormwater, energy savings enhancements, Utility renewal & replacement, and the payment of Ranger Construction attorney fees.

Citywide - Cash & Investments		Citywide - Revenues		Citywide - Expenditures	
8/31/2018	\$ 99,634,285.91	8/31/2018	\$ 167,504,203.48	8/31/2018	\$ 133,321,493.58
8/31/2017	74,672,342.09	8/31/2017	138,489,632.61	8/31/2017	131,240,939.58
<b>Increase</b>	<b>33.4% \$ 24,961,943.82</b>	<b>Increase</b>	<b>21.0% \$ 29,014,570.87</b>	<b>Increase</b>	<b>1.6% \$ 2,080,554.00</b>

- General Fund revenues of \$67.9 million are at 95.5% of the annual budget. This is an increase of \$10.5 million, or 18.3%, in comparison to the prior year.
- General Fund expenditures of \$60.8 million are at 85.5% of the annual budget. This is an increase of \$2.4 million, or 4.1%, in comparison to the prior year.
- General Fund cash and investments increased by \$4.4 million, or 43.6%, 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	
8/31/2018	\$ 14,440,752.11	8/31/2018	\$ 67,949,914.80	8/31/2018	\$ 60,804,428.33
8/31/2017	10,055,437.19	8/31/2017	57,443,062.31	8/31/2017	58,423,837.65
<b>Increase</b>	<b>43.6% \$ 4,385,314.92</b>	<b>Increase</b>	<b>18.3% \$ 10,506,852.49</b>	<b>Increase</b>	<b>4.1% \$ 2,380,590.68</b>

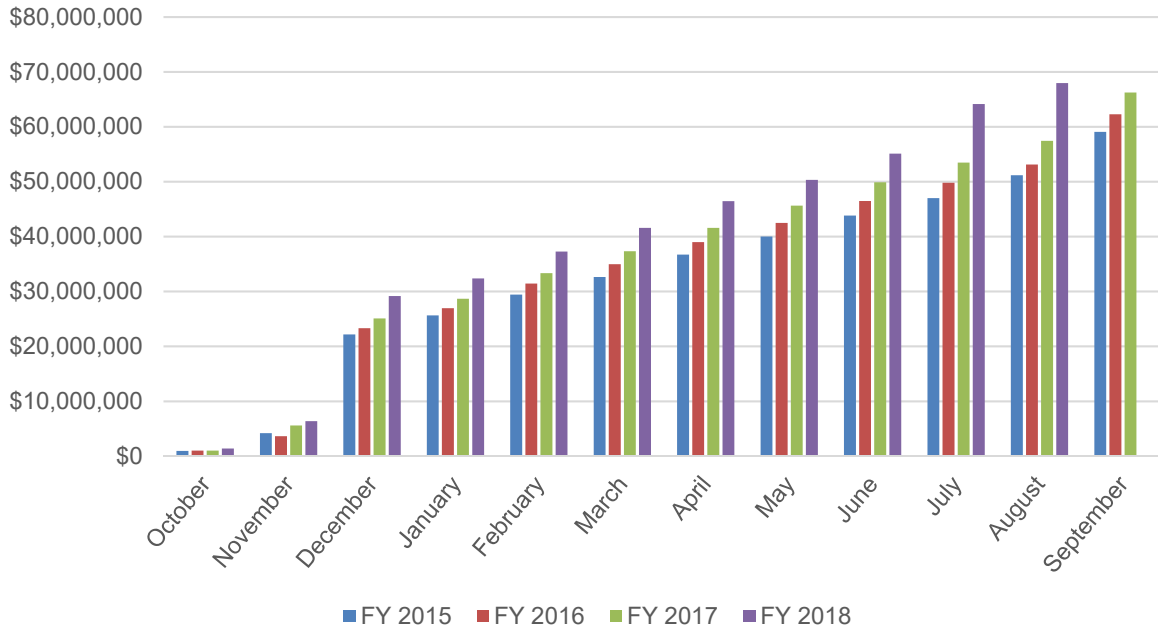
The General Fund is the City's primary operating fund and is used to account for all resources except those that are required to be accounted for in another fund. The following information depicts the history of the revenues and expenditures for the General Fund from fiscal years 2015 to 2018.

*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 (GF) Revenues - Summary**

➤ Year-to-Date (YTD) Revenue Comparisons



➤ FY 2018 YTD Revenue Variance  
 As Compared to Prior Year

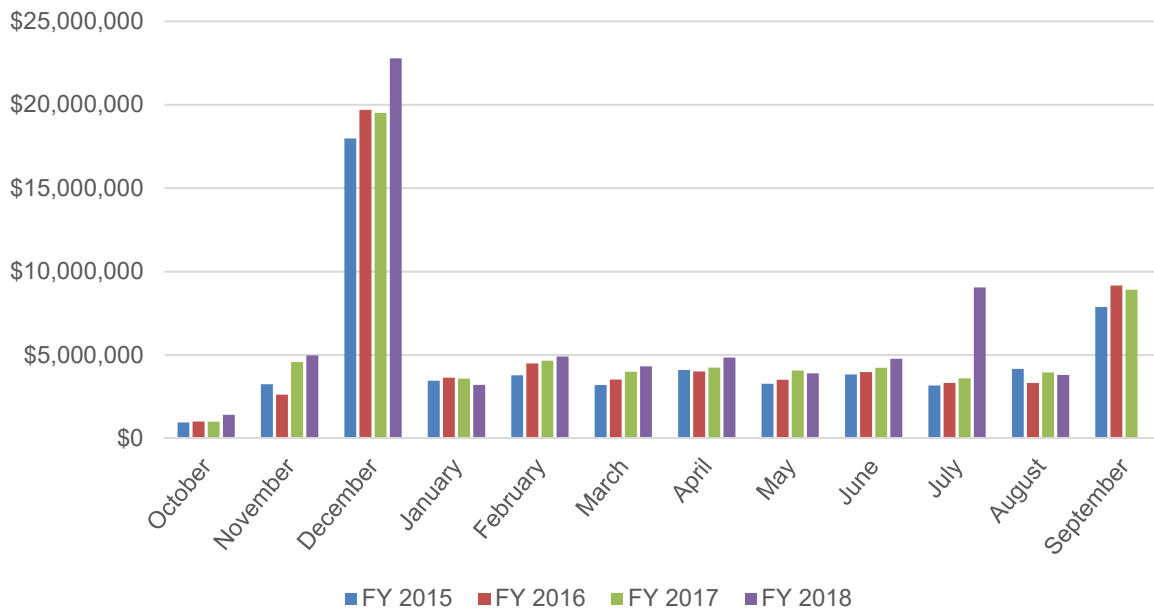
	Prior YTD	Current YTD	% Variance	Annual Budget
Ad Valorem Taxes	\$ 26,241,695	\$ 28,646,146	9.2%	\$ 28,467,595
Local Option Fuel Tax (1)	3,366,231	3,030,732	-10.0%	4,208,406
Utility Service Taxes	6,285,811	6,655,523	5.9%	8,402,000
Communication Service Tax	1,923,517	1,987,026	3.3%	2,779,457
Franchise Fees	3,755,537	3,950,222	5.2%	5,240,000
State Shared Revenues	3,449,676	3,546,614	2.8%	4,515,736
Half Cent Sales Tax	4,817,445	5,181,238	7.6%	6,686,792
Licenses and Permits	583,956	609,484	4.4%	602,000
Grants and Other Entitlements (2)	981,246	2,065,116	110.5%	1,283,468
Charges for Services (3)	3,112,217	3,783,335	21.6%	3,431,469
Fines and Forfeitures	443,908	483,122	8.8%	346,300
Interest, Rents & Other Revenues (4)	784,953	1,257,147	60.2%	496,900
Interfund Transfers & Capital Leases (5)	1,696,869	6,754,210	298.0%	2,573,766
Fund Balance	-	-	0.0%	2,106,878
	<b>\$ 57,443,062</b>	<b>\$ 67,949,915</b>	<b>18.3%</b>	<b>\$ 71,140,767</b>

(1) Decrease primarily due to decreased year-to-date collections of Local Option Fuel Tax in FY 18.  
 (2) Increase primarily due to FEMA reimbursement for Hurricane Matthew received in FY18.  
 (3) Increase primarily due to increased year-to-date collections for Engineering Plan Fees, Collection & Disposal Fees, and Utilities Allocation in FY 18  
 (4) Increase primarily due to increased year-to-date collections associated with Property Sales and interest earned in FY 18.  
 (5) Increase primarily due to Honeywell Lease proceeds and higher budgeted transfer from Utility Operating Fund and BCRA in FY 18.



**General Fund (GF) Revenues - Summary**

➤ Monthly Revenue Comparisons



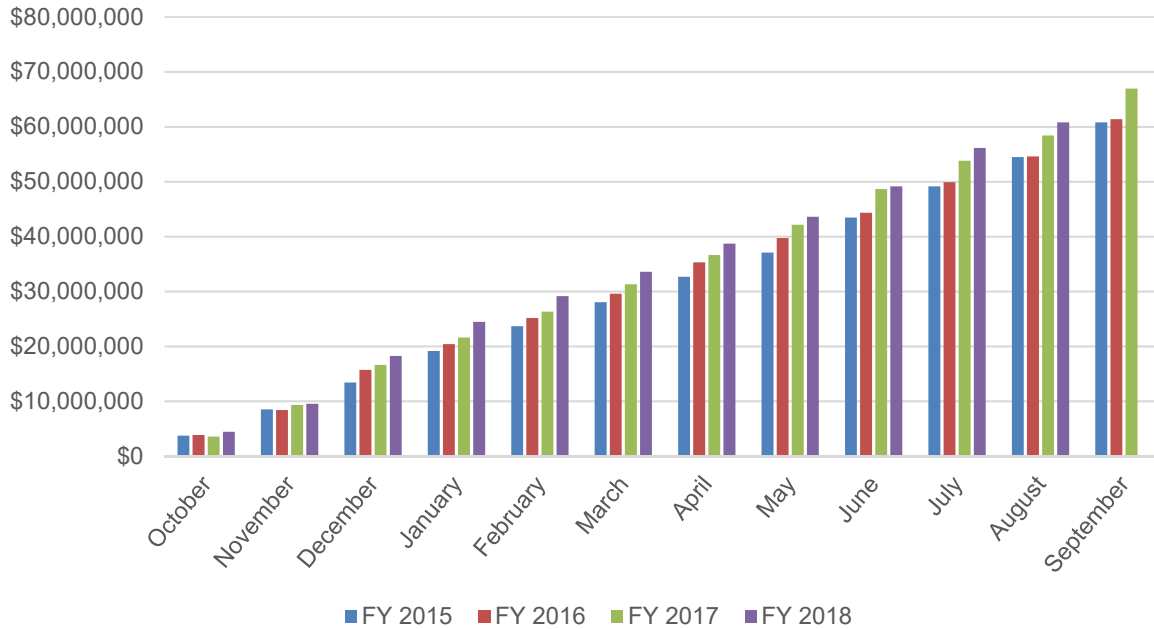
➤ FY 2018 Monthly Revenue Variance  
 As Compared to Prior Years

	FY 2015	FY 2016	FY 2017	FY 2018
October	\$ 953,761	\$ 1,012,271	\$ 1,005,090	\$ 1,416,001
November	3,246,502	2,619,131	4,580,252	4,969,155
December	17,977,402	19,689,226	19,511,218	22,774,626
January	3,458,799	3,639,261	3,585,305	3,212,134
February	3,782,243	4,490,812	4,656,371	4,906,952
March	3,203,645	3,522,695	3,990,468	4,316,341
April	4,103,728	4,009,369	4,245,071	4,844,708
May	3,278,699	3,511,664	4,073,453	3,897,277
June	3,830,369	3,976,789	4,237,693	4,767,673
July	3,170,380	3,323,512	3,597,870	9,045,183
August	4,168,296	3,323,716	3,960,272	3,799,864
September	7,881,278	9,167,028	8,913,454	
	<b>\$ 59,055,101</b>	<b>\$ 62,285,475</b>	<b>\$ 66,356,517</b>	<b>\$ 67,949,915</b>

Overall General Fund revenues for the month of August 2018 have decreased \$160,408, or 4.1%, when compared to August 2017. 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 (GF) Expenditures - Summary**

➤ Year-to-Date (YTD) Expenditure Comparisons



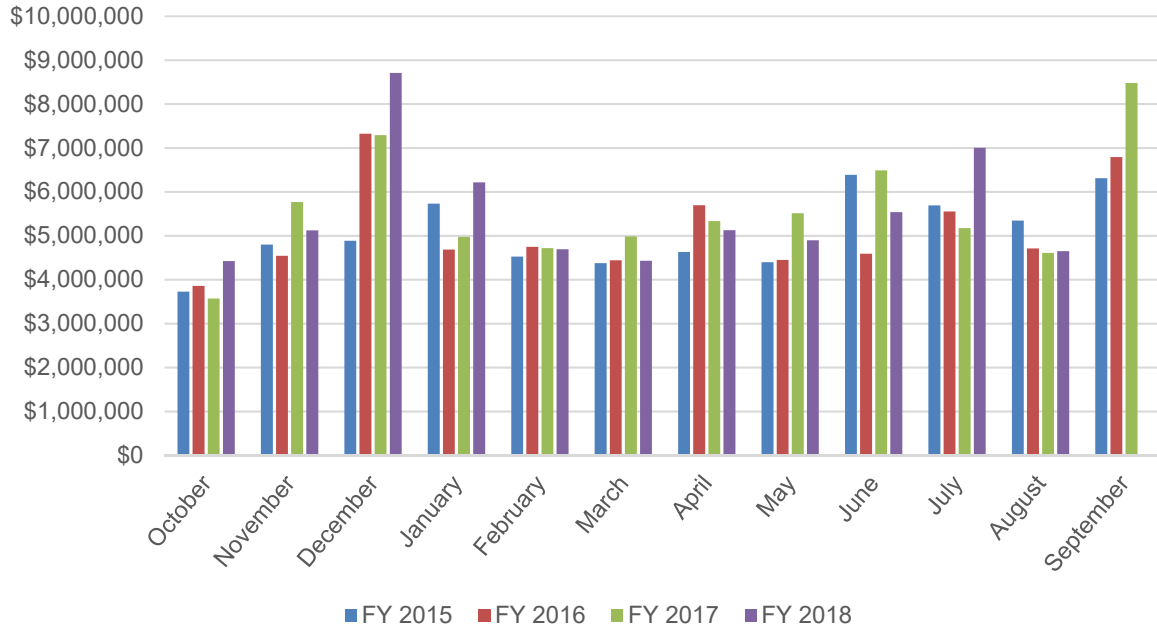
➤ FY 2018 YTD Expenditure Variance  
 As Compared to Prior Year

	Prior YTD	Current YTD	% Variance	Annual Budget
Legislative	\$ 591,860	\$ 593,979	0.4%	\$ 712,660
City Manager	634,017	662,242	4.5%	835,123
City Attorney (1)	637,622	1,301,745	104.2%	530,365
Procurement	352,984	332,704	-5.7%	452,024
Finance	1,195,234	1,179,661	-1.3%	1,404,782
Information Technology (2)	2,224,253	2,553,820	14.8%	3,439,921
Human Resources	539,414	528,039	-2.1%	703,807
Growth Management	1,133,280	1,152,184	1.7%	1,461,306
Economic Development (3)	678,651	503,907	-25.7%	688,632
Parks and Recreation	3,942,229	3,710,666	-5.9%	4,329,125
Facilities (4)	2,199,354	3,376,399	53.5%	2,774,213
Police	16,107,779	16,440,945	2.1%	19,761,396
Fire	12,242,740	12,257,160	0.1%	14,505,129
Public Works (5)	5,342,915	6,078,182	13.8%	6,800,620
Non-Departmental	3,473,024	3,459,551	-0.4%	5,594,168
Transfers	7,128,480	6,673,244	-6.4%	7,147,496
<b>Total</b>	<b>\$ 58,423,838</b>	<b>\$ 60,804,428</b>	<b>4.1%</b>	<b>\$ 71,140,767</b>

(1) Increase primarily due to \$800,000 settlement for other attorney fees in the Ranger Construction case in FY18. Most in-house attorney cost is charged to the Risk Fund.  
 (2) Increase primarily due to increased year-to-date costs for Network Equipment and IS-related projects.  
 (3) Decrease primarily due to lower year-to-date costs for Other Professional Services and Promotional Activities in FY 18.  
 (4) Increase primarily due to new costs for energy savings improvements as per Honeywell contract in FY18.  
 (5) Increase primarily due to higher year-to-date costs for Disaster Preparedness, Railroad Crossing Maintenance, and School Flashers in FY 18.

**General Fund (GF) Expenditures - Summary**

➤ Monthly Expenditure Comparisons



➤ FY 2018 Monthly Expenditure Variance  
 As Compared to Prior Years

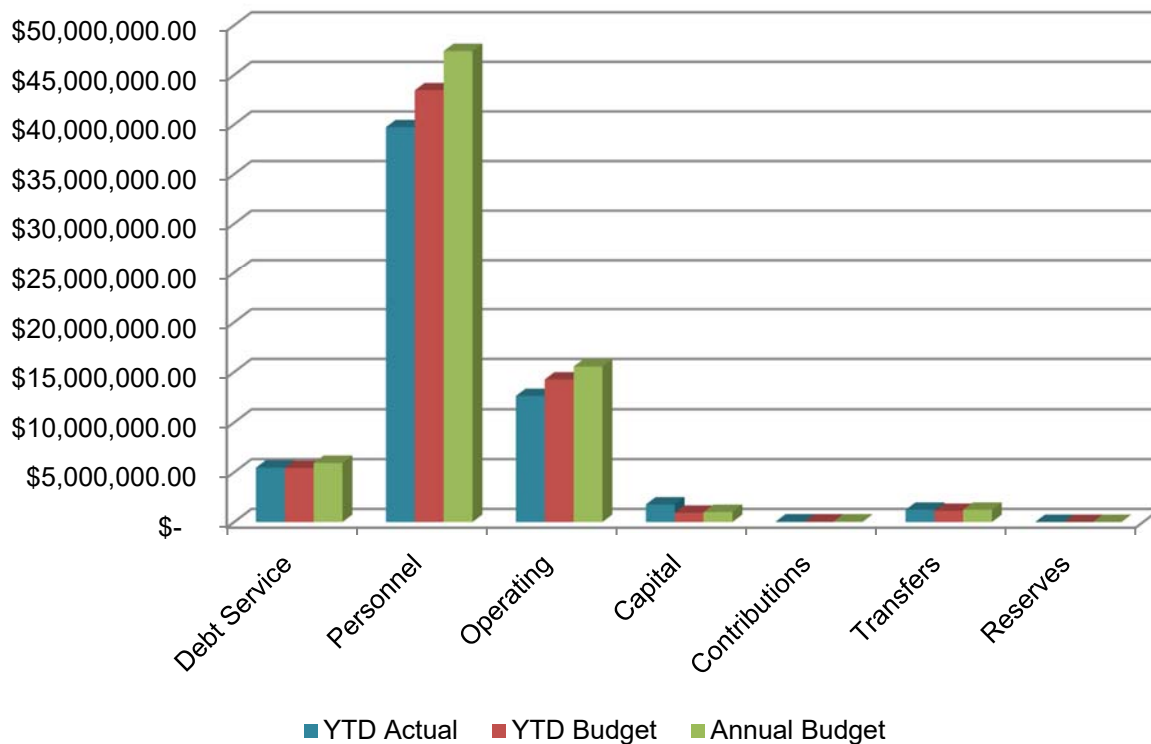
	FY 2015	FY 2016	FY 2017	FY 2018
October	\$ 3,726,416	\$ 3,859,572	\$ 3,572,123	\$ 4,424,711
November	4,799,117	4,542,401	5,766,532	5,122,997
December	4,886,462	7,323,753	7,290,910	8,706,391
January	5,729,780	4,685,466	4,972,873	6,214,289
February	4,526,492	4,746,328	4,719,784	4,693,931
March	4,375,170	4,443,296	4,983,695	4,429,733
April	4,630,094	5,693,822	5,332,488	5,125,639
May	4,397,032	4,450,696	5,512,146	4,895,568
June	6,385,679	4,592,489	6,488,834	5,539,088
July	5,689,908	5,551,214	5,175,411	7,001,868
August	5,346,802	4,712,630	4,609,040	4,650,216
September	6,310,426	6,791,578	8,479,474	8,479,474
<b>Total</b>	<b>\$ 60,803,379</b>	<b>\$ 61,393,243</b>	<b>\$ 66,903,312</b>	<b>\$ 60,804,428</b>

General Fund expenditures were \$41,176, or 0.9%, more when comparing August 2018 to August 2017. Year-to-date expenditures are \$2,380,591, or 4.1%, higher.

**General Fund (GF) Expenditures - Summary**

➤ Expenditures – Budgetary Comparison by Category

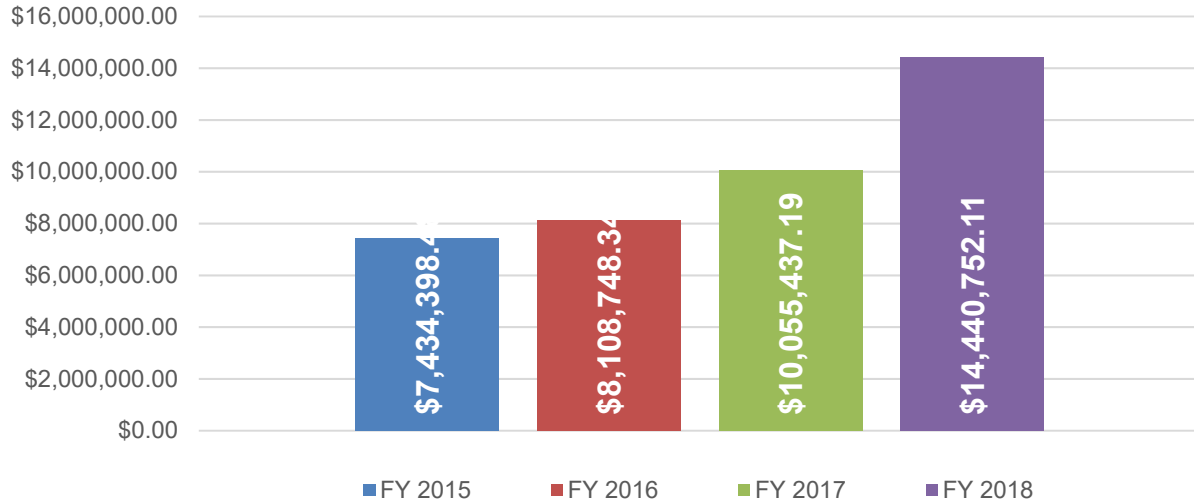
	YTD Actual	YTD Budget	Annual Budget	% Spent
Debt Service	\$ 5,451,385.61	\$ 5,431,835	\$ 5,925,638	92.0%
Personnel	39,727,474.69	43,447,259	47,397,010	83.8%
Operating	12,588,036.42	14,246,682	15,541,835	81.0%
Capital	1,759,848.61	920,724	1,004,426	175.2%
Contributions	55,825.00	45,833	50,000	111.7%
Transfers	1,221,858.00	1,120,037	1,221,858	100.0%
Reserves	-	-	-	0.0%
	<b>\$ 60,804,428.33</b>	<b>\$ 65,212,370</b>	<b>\$ 71,140,767</b>	<b>85.5%</b>



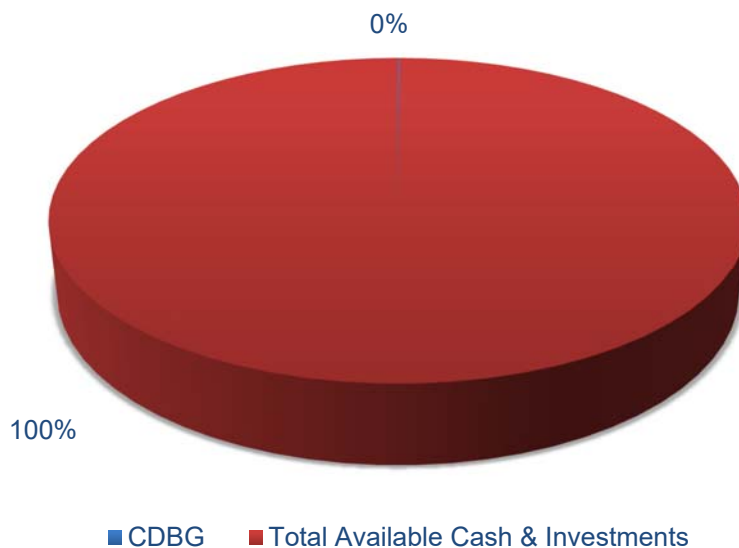
The *total budgeted expenditures* for 2018 are \$71,140,767 (including encumbrances from prior year and 2018 budget amendments). Of this amount, \$47,397,010, or 66.6%, is related to personnel costs.

**General Fund (GF) Cash & Investments - Summary**

➤ Year-to-Date (YTD) Cash & Investments Comparisons



General Fund Cash & Investments		General Fund Cash & Investments	
Prior Month Ending Balance	\$ 15,221,827.40	<b>August 2018 Ending Balance</b>	<b>\$ 14,440,752.11</b>
Cash Increase (Decrease)	(781,075.29)	Cash Advanced to Other Funds:	
<b>Ending Balance 8/31/2018</b>	<b>\$ 14,440,752.11</b>	CDBG	(9,956.20)
		<b>Total Available Cash &amp; Investments</b>	<b>\$ 14,430,795.91</b>







**General Fund (GF) Balance - Summary**

**CITY OF PALM BAY, FLORIDA**  
 OPERATING STATEMENT AND CHANGES IN FUND BALANCES  
 GENERAL FUND  
 For the Month Ended August 31, 2018

	Prior YTD	Current YTD
<b><u>REVENUES</u></b>		
Ad Valorem Taxes	\$ 26,241,695	\$ 28,646,146
Local Option Fuel Tax	3,366,231	3,030,732
Utility Service Taxes	6,285,811	6,655,523
Communication Service Tax	1,923,517	1,987,026
Franchise Fees	3,755,537	3,950,222
State Shared Revenues	3,449,676	3,546,614
Half Cent Sales Tax	4,817,445	5,181,238
Licenses and Permits	583,956	609,484
Grants and Other Entitlements	981,246	2,065,116
Charges for Services	3,112,217	3,783,335
Fines and Forfeitures	443,908	483,122
Interest, Rents and Other Revenues	784,953	1,257,147
Interfund Transfers and Other Sources	1,696,869	6,754,210
<b>Total Revenues</b>	<b>57,443,062</b>	<b>67,949,915</b>
<b><u>EXPENDITURES</u></b>		
Legislative	591,860	593,979
City Manager	634,017	662,242
City Attorney	637,622	1,301,745
Procurement	352,984	332,704
Finance	1,195,234	1,179,661
Information Technology	2,224,253	2,553,820
Human Resources	539,414	528,039
Growth Management	1,133,280	1,152,184
Economic Development	678,651	503,907
Parks and Recreation	3,942,229	3,710,666
Facilities	2,199,354	3,376,399
Police	16,107,779	16,440,945
Fire	12,242,740	12,257,160
Public Works	5,342,915	6,078,182
Non-Departmental	3,473,024	3,459,551
Transfers	7,128,480	6,673,244
<b>Total Expenditures</b>	<b>58,423,838</b>	<b>60,804,428</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(980,775)</b>	<b>7,145,486</b>
<b>Fund Balance - Beginning</b>	<b>9,174,582</b>	<b>8,631,987</b>
<b>Fund Balance - Ending</b>	<b>\$ 8,193,807</b>	<b>15,777,474</b>



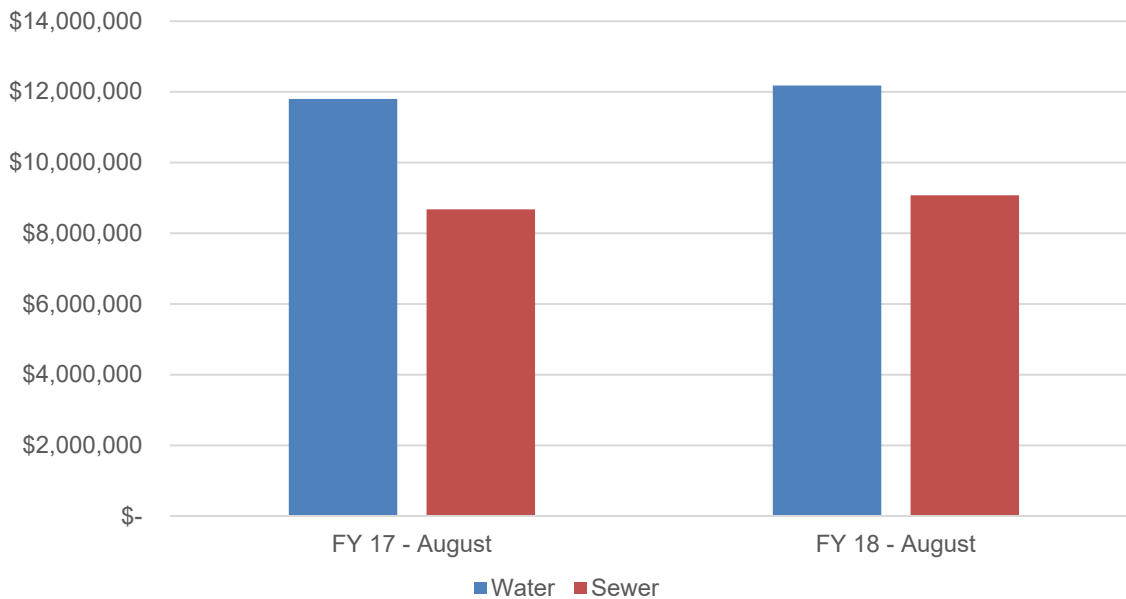
**General Fund (GF) Balance - Summary**

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.

<b>General Fund Balance - History</b>			
	<b>Minimum Required</b>	<b>Actual Fund Balance</b>	<b>Fund Balance Percentage</b>
FY 2017	\$ 6,107,113	\$ 8,631,987	14.1%
FY 2016	5,594,175	9,174,581	16.4%
FY 2015	5,311,438	8,282,350	15.6%
FY 2014	5,321,416	10,040,314	18.9%
FY 2013	5,059,293	12,005,802	23.7%
FY 2012	4,941,647	9,534,785	19.3%

**Utilities Fund Revenues - Summary**

➤ Year-to-Date (YTD) Comparison: Water & Sewer



Overall year-to-date Water revenue in August 2018 has increased \$382,108, or 3.24%, when compared to August 2017.

Overall year-to-date Sewer revenue in August 2018 has increased \$397,194, or 4.58% when compared to August 2017.

Fire Protection for FY 18 was billed at 101% of the budgeted amount. The Fire Protection Service Charges were billed in November (annual billing).



**Utilities Fund Revenues - Summary**

Of the budgeted amount, Meter Installation Fees are recorded at 123%, Plan Review & Inspection Fees are recorded at 65%, and Utility Lien Costs are recorded at 122%.

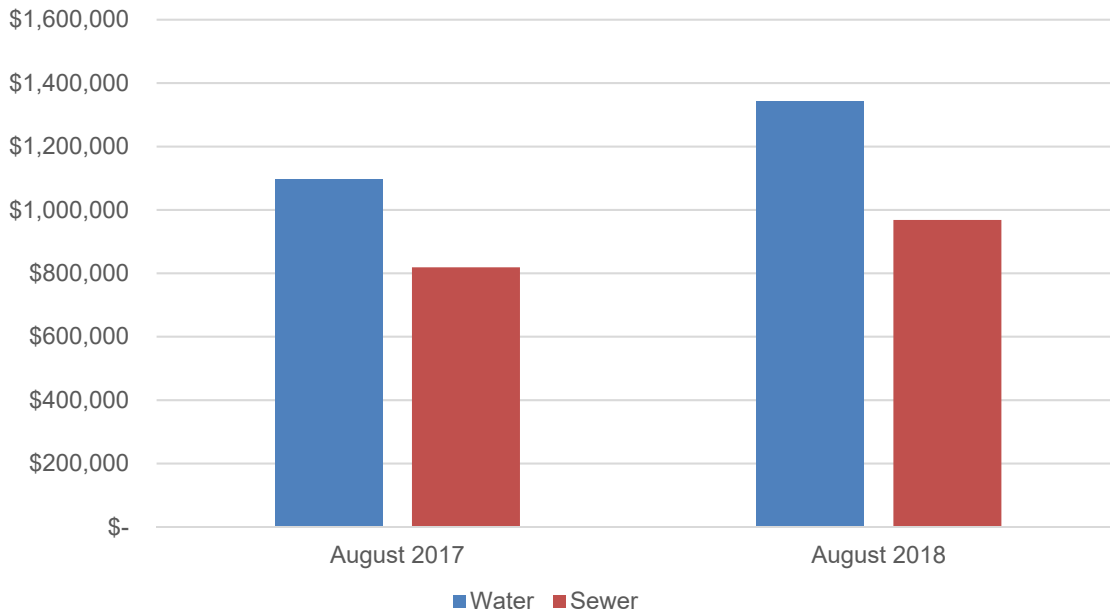
Operating Interest Income is recorded at 140%.

Excluding Fund Balance, the total FY 18 Operating Revenue is recorded at 80.8% of the budgeted amount compared to FY 17 which was at 87.7%.

Water Connection Fees are recorded at 153% of the budgeted amount, and Sewer Connection Fees are recorded at 116% of the budgeted amount.

Water MLEs are recorded at 136% of the budgeted amount, and Sewer MLEs are recorded at 98% of the budgeted amount.

➤ **Monthly Comparison: Water & Sewer**



Overall Water revenue for the month of August 2018 has increased by \$248,702, or 22.7%, when compared to August 2017.

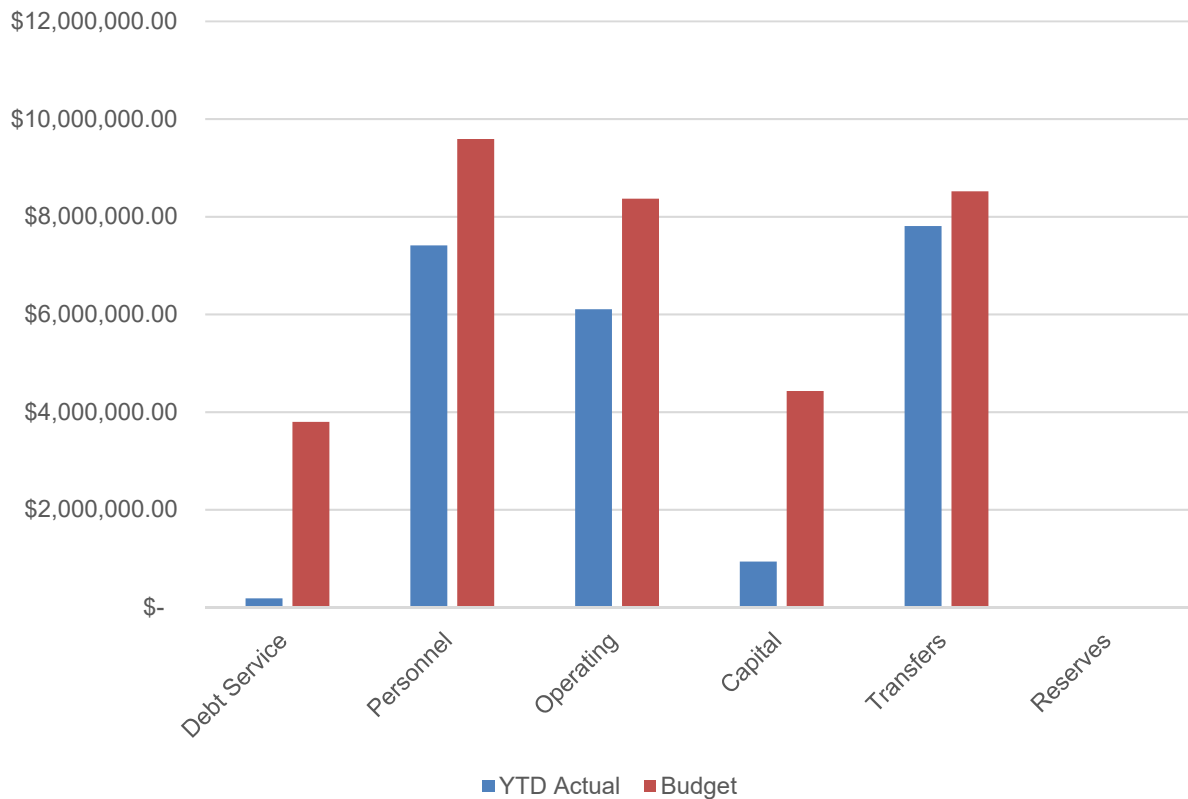
Overall Sewer revenue for the month of August 2018 has increased by \$149,546, or 18.3%, when compared to August 2017.

**Utilities Fund Expenditures - Summary**

➤ Year-to-Date (YTD) Comparison: Water & Sewer

Overall expenditures (excluding encumbrances) are as follows:

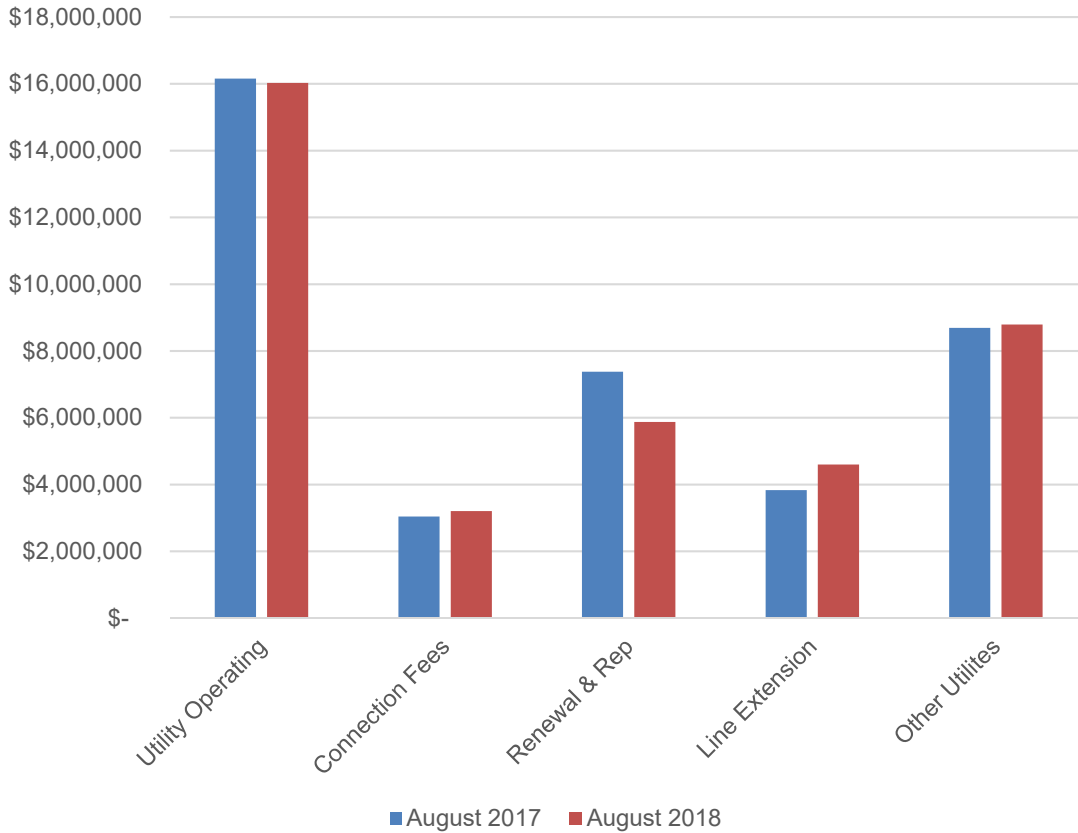
	<b>YTD Actual</b>	<b>Annual Budget</b>	<b>% Spent</b>
Debt Service	\$ 184,937.67	\$ 3,799,411	4.9%
Personnel	7,412,140.40	9,592,257	77.3%
Operating	6,105,621.35	8,369,785	72.9%
Capital	938,212.48	4,429,992	21.2%
Transfers	7,808,789.74	8,520,949	91.6%
Reserves	-	-	-
	<b>\$ 22,449,701.64</b>	<b>\$ 34,712,394</b>	<b>64.7%</b>



➤

**Utilities Fund Cash & Investments - Summary**

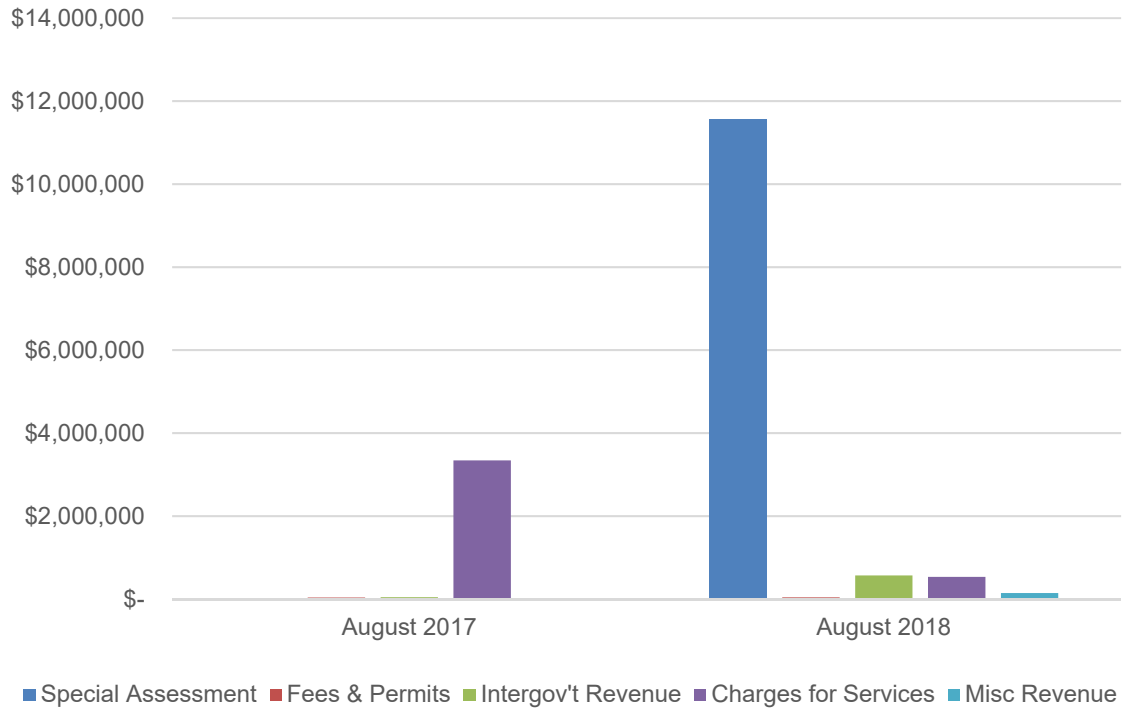
Year-to-Date (YTD) Comparison: Water & Sewer



Overall the Water & Sewer Funds cash and investments were \$0.6 million, or 1.5%, less as of August 2018 as compared to August 2017.

**Stormwater Fund Revenues - Summary**

➤ Year-to-Date (YTD) Revenue Comparisons



Special Assessment revenue in FY 18 (at August) is \$11,566,353. A comparison to FY 17, is not available as associated revenues were not recorded until FY 18.

Charges for Services revenue in August 2018 is down \$2,806,017, or 84.0%, from August 2017.

Overall, Stormwater revenues in FY 18 (at August) have increased by \$9,425,556, or 275.0%, when compared to FY 17 (at August).

The total FY 18 Stormwater revenues are recorded at 90.0% of the budgeted amount compared to FY 17 which was 52.9%.

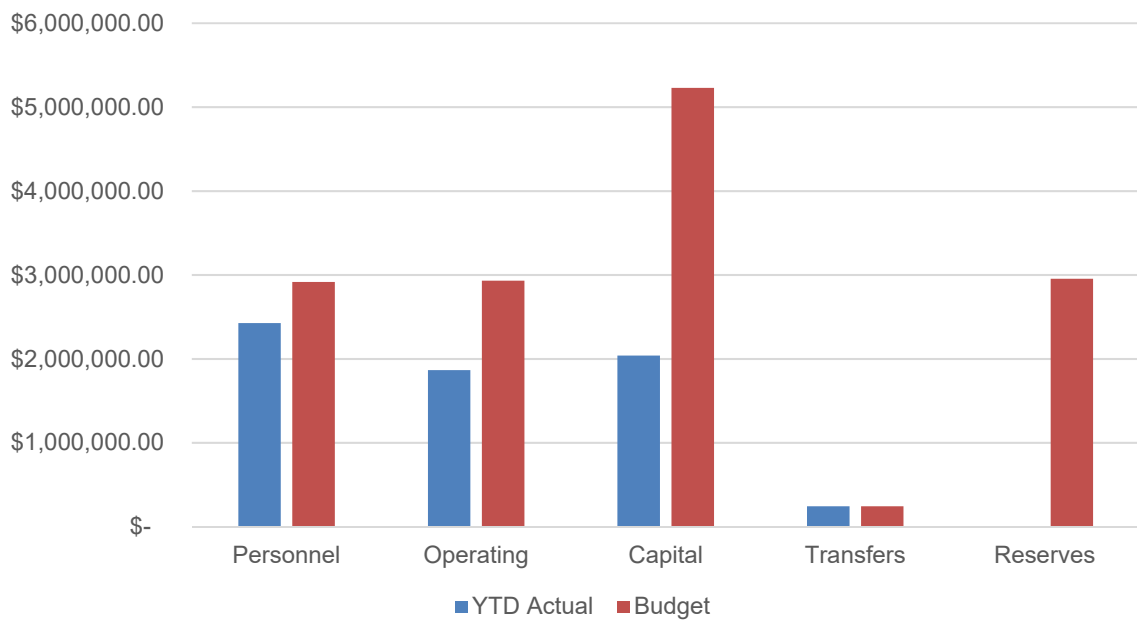


**Stormwater Fund Expenditures - Summary**

➤ Year-to-Date (YTD) Expenditure Comparisons

Overall expenditures (excluding encumbrances) are as follows:

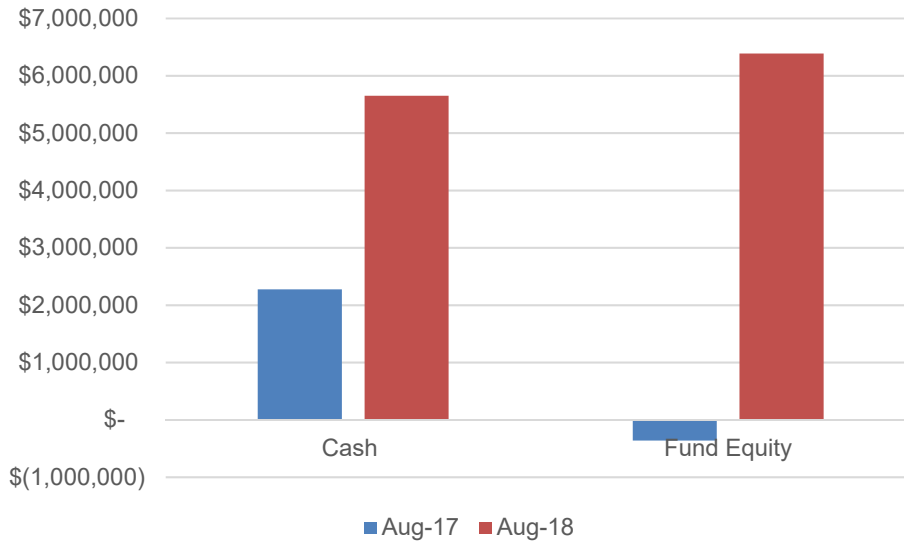
	<i>YTD Actual</i>	<i>Annual Budget</i>	<i>% Spent</i>
Personnel	\$ 2,426,080.65	\$ 2,917,297	83.2%
Operating	1,865,796.58	2,931,945	63.6%
Capital	2,038,840.66	5,228,419	0.0%
Transfers	243,881.00	243,881	100.0%
Reserves	-	2,953,948	0.0%
	<b>\$ 6,574,598.89</b>	<b>\$ 14,275,490</b>	<b>46.1%</b>



➤

**Stormwater Fund Cash & Equity - Summary**

Year-to-Date (YTD) Cash & Fund Equity



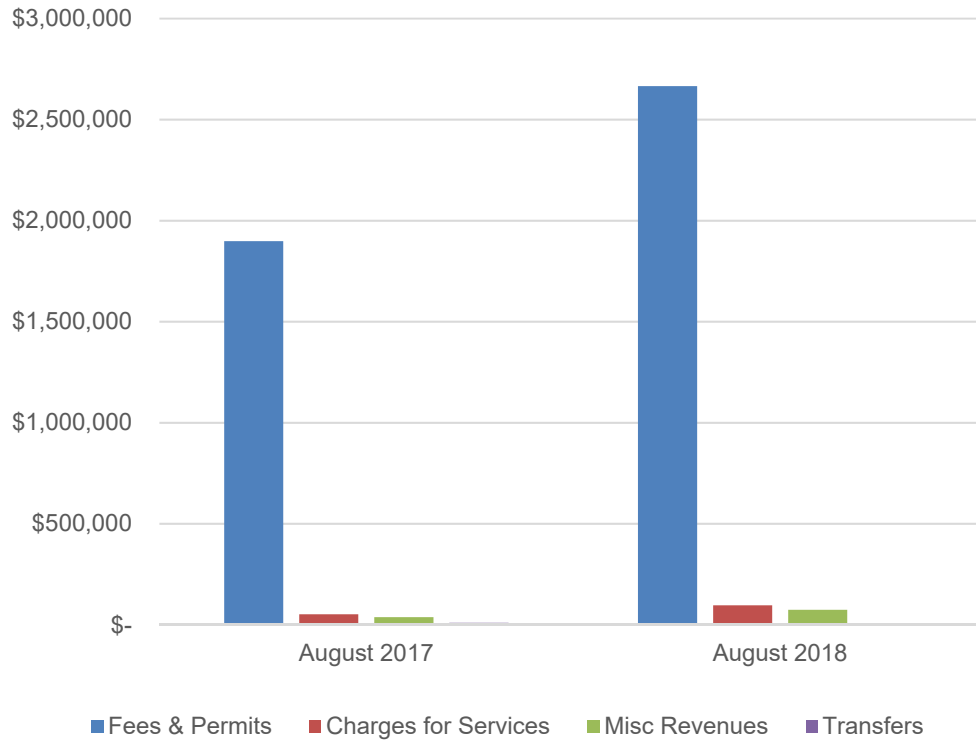
Overall the Stormwater cash and investments were \$3,376,075, or 148.4%, more as of August 2018 as compared to August 2017.

Overall the Stormwater fund equity was \$6,750,610, or 1,864.3%, more as of August 2018 as compared to August 2017.



**Building Fund Revenues - Summary**

➤ Year-to-Date (YTD) Revenue Comparisons



Fees and Permits revenue in August 2018 is up \$767,106, or 40.41%, from August 2017.

Charges for Services revenue in August 2018 is up \$43,932, or 83.85%, from August 2017.

Overall, Building revenues in FY 18 (at August) have increased by \$838,419, or 41.94%, when compared to FY 17 (at August).

The total FY 18 Building revenues are recorded at 111.5% of the budgeted amount compared to FY 17 which was 103.3%.

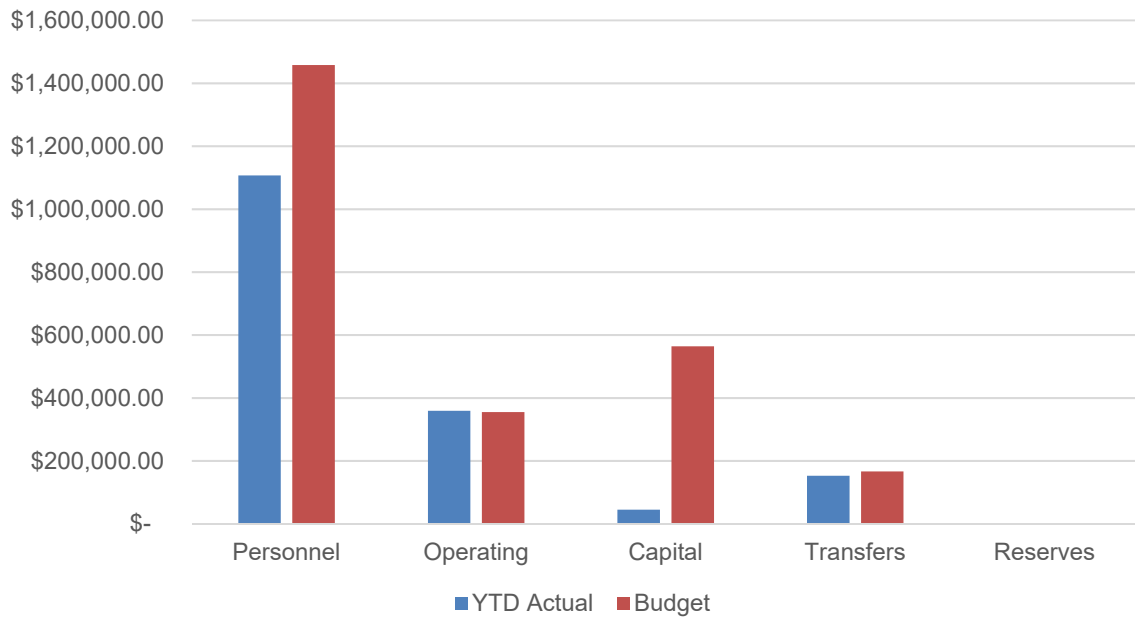


**Building Fund Expenditures - Summary**

➤ Year-to-Date (YTD) Building Expenditures

Overall expenditures (excluding encumbrances) are as follows:

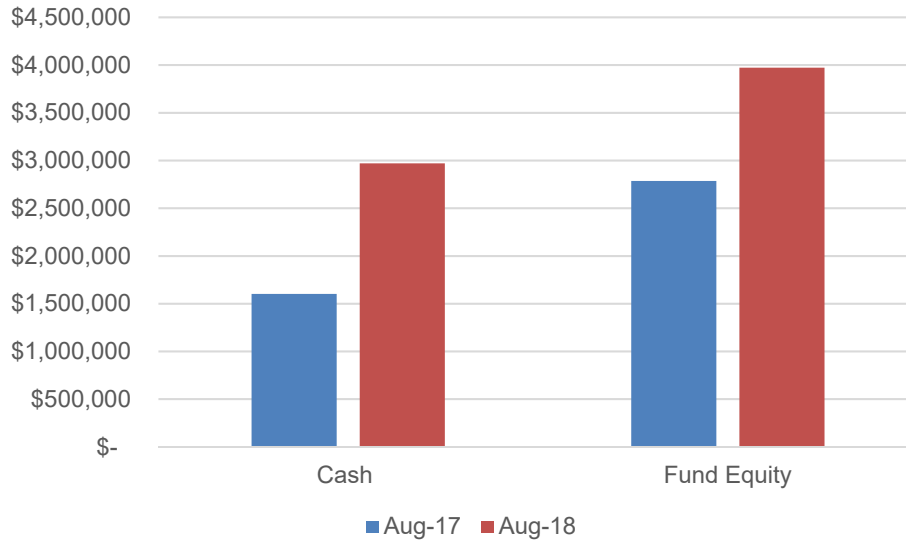
	<i>YTD Actual</i>	<i>Annual Budget</i>	<i>% Spent</i>
Personnel	\$ 1,106,893.19	\$ 1,457,861	75.9%
Operating	359,286.22	355,211	101.1%
Capital	44,914.00	563,874	0.0%
Transfers	152,761.62	166,649	91.7%
Reserves	-	-	0.0%
	<b>\$ 1,663,855.03</b>	<b>\$ 2,543,595</b>	<b>65.4%</b>



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### Building Fund Cash & Equity - Summary

#### Year-to-Date (YTD) Cash & Fund Equity



Overall the Building cash and investments were \$1,367,967, or 85.4%, more as of August 2018 as compared to August 2017.

Overall the Building fund equity was \$1,186,601, or 42.6%, more as of August 2018 as compared to August 2017.