

**CITY OF PALM BAY, FLORIDA  
MONTHLY FINANCIAL REPORT (UNAUDITED)  
DECEMBER 2015**



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 December 2015. December is the third month of the fiscal year and represents 25% of the annual budget.

**Financial Report Summary**

- Citywide revenues of \$60.3 million are at 37% of the annual budget. Citywide expenditures of \$52.7 million are at 32% 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 \$6.3 million, or 9.4%, 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 FY15 citywide revenues and expenditures in the chart below.

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Citywide - Cash & Investments		Citywide - Revenues		Citywide - Expenditures	
12/31/2015	\$ 73,003,820.90	12/31/2015	\$ 60,329,319.00	12/31/2015	\$ 52,687,302.36
12/31/2014	66,725,349.36	12/31/2014	39,055,762.11	12/31/2014	30,839,972.77
Increase	9.4% \$ 6,278,471.54	Increase	54.5% \$ 21,273,556.89	Increase	70.8% \$ 21,847,329.59

- General Fund revenues of \$23.3 million are at 38% of the annual budget. This is an increase of \$1.14 million, or 5.2%, in comparison to the prior year.
- General Fund expenditures of \$15.7 million are at 26% of the annual budget. This is an increase of \$2.31 million, or 17.3%, in comparison to the prior year.
- General Fund cash and investments decreased by \$2.21 million, or 11.6%, in comparison to the prior year.

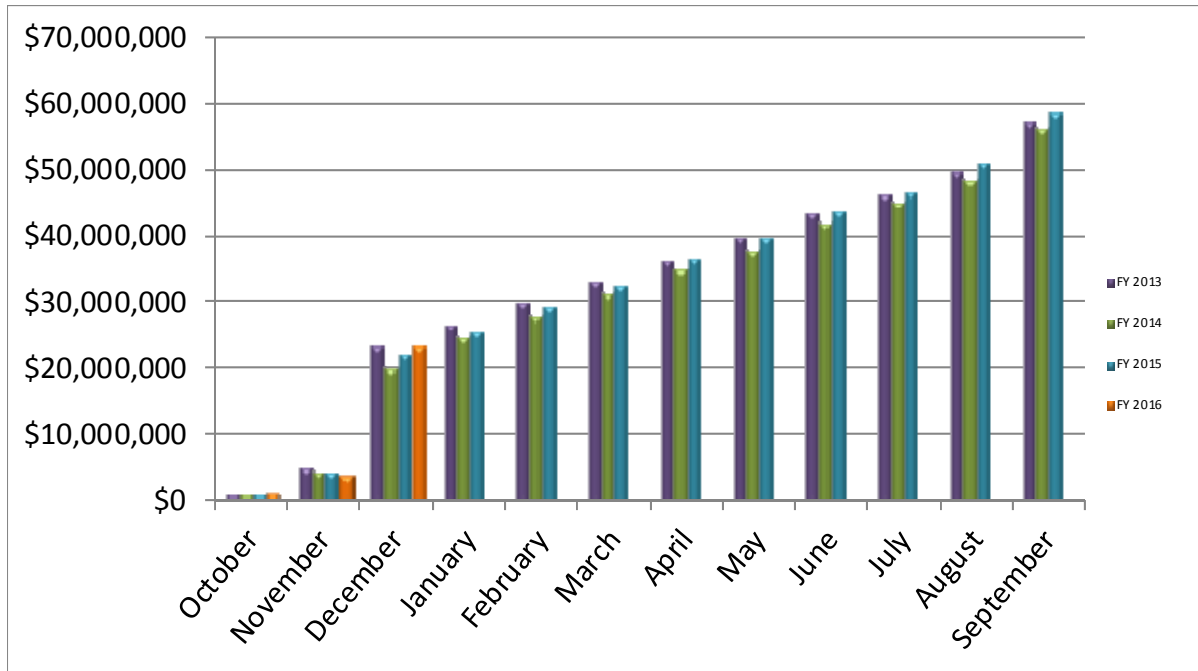
General Fund - Cash & Investments		General Fund - Revenues		General Fund - Expenditures	
12/31/2015	\$ 16,838,464.92	12/31/2015	\$ 23,320,626.84	12/31/2015	\$ 15,725,725.65
12/31/2014	19,049,534.17	12/31/2014	22,177,665.69	12/31/2014	13,411,995.02
Decrease	-11.6% \$ (2,211,069.25)	Decrease	5.2% \$ 1,142,961.15	Decrease	17.3% \$ 2,313,730.63

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 2013 to 2016.

*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 December 2015

### General Fund Revenues-YTD

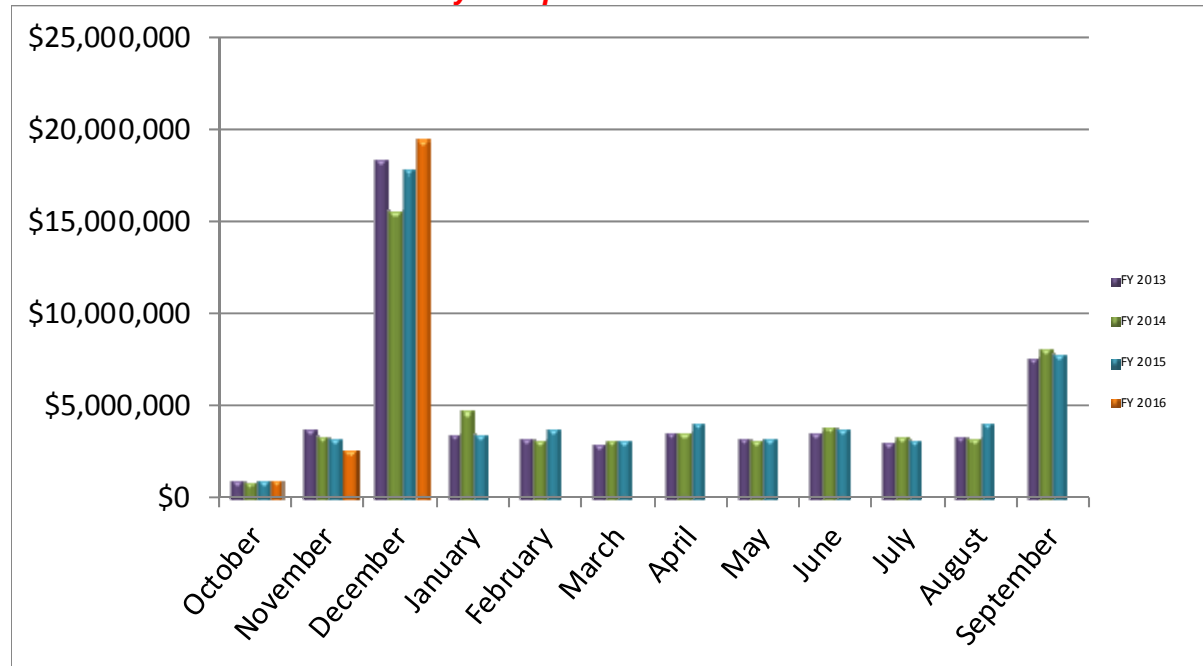


### FY2016 YTD Change in GF Revenues as Compared to Prior Year

	Prior YTD	Current YTD	Percent Change	Annual Budget
Ad Valorem Taxes	\$ 17,949,515	\$ 18,800,305	4.7%	\$ 24,471,077
Local Option Fuel Tax	216,432	227,022	4.9%	3,560,238
Utility Service Taxes	879,647	926,765	5.4%	8,222,000
Communication Service Tax	258,619	258,588	0.0%	2,953,575
Franchise Fees	500,997	454,187	-9.3%	5,390,000
State Shared Revenues (1)	280,878	317,470	13.0%	3,963,798
Half Cent Sales Tax	430,384	455,117	5.7%	5,801,620
Licenses and Permits	477,350	486,168	1.8%	580,520
Grants and Other Entitlements (2)	10,225	12,841	25.6%	246,975
Charges for Services	579,688	609,069	5.1%	2,714,153
Fines and Forfeitures (3)	113,897	80,219	-29.6%	536,200
Interest, Rents & Other Revenues (4)	99,457	177,499	78.5%	447,860
Interfund Transfers & Capital Leases (5)	380,577	515,378	35.4%	2,061,511
Fund Balance	-	-	0.0%	432,532
	<b>\$ 22,177,666</b>	<b>\$ 23,320,627</b>	<b>5.2%</b>	<b>\$ 61,382,059</b>

- (1) Increase primarily due to higher year-to-date collection of State Shared Revenues.  
 (2) Increase primarily due to higher year-to-date collection of Department of Justice grant.  
 (3) Decrease primarily due to lower year-to-date collection of Code Compliance Fines.  
 (4) Increase primarily due to property sale and higher year-to-date collection of property lease revenue.  
 (5) Increase primarily due to increased budgeted transfer from Employee Benefits Fund in FY16.

**General Fund Revenues-Monthly Comparison**



**Monthly GF Revenues as Compared to Prior Years**

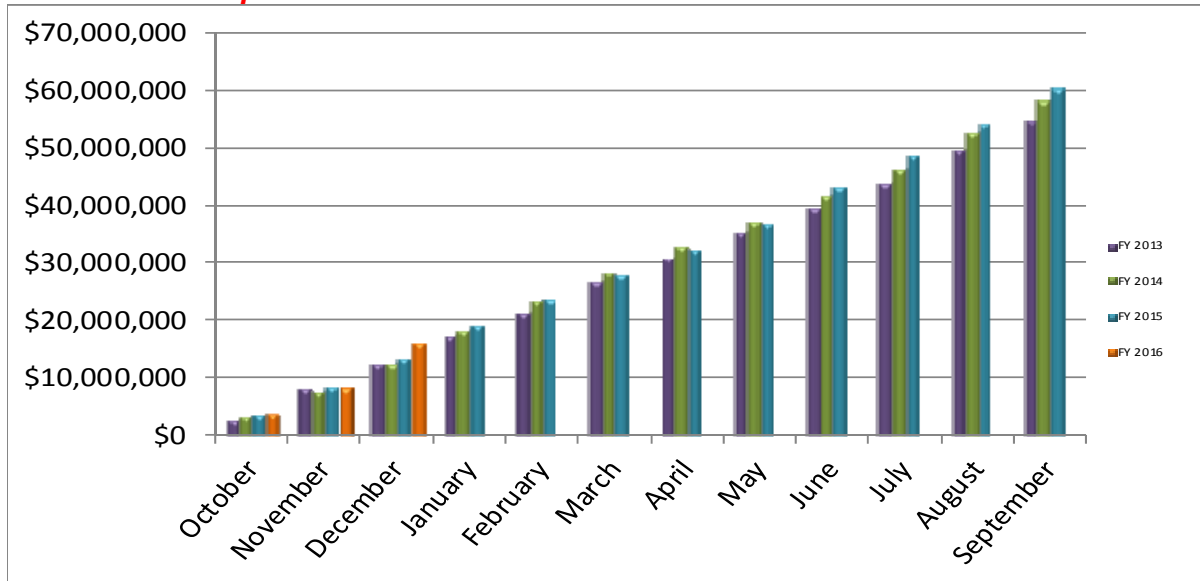
	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
October	\$ 1,048,437	\$ 911,630	\$ 953,761	\$ 1,012,271
November	3,846,416	3,425,400	3,246,502	2,619,131
December	18,439,244	15,683,359	17,977,402	19,689,226
January	3,531,439	4,802,728	3,458,799	
February	3,279,875	3,200,574	3,782,243	
March	2,917,572	3,208,482	3,203,645	
April	3,616,551	3,651,785	4,103,728	
May	3,276,506	3,198,408	3,278,699	
June	3,611,729	3,880,153	3,830,369	
July	3,046,753	3,363,584	3,170,380	
August	3,393,534	3,262,185	4,168,296	
September	7,579,482	8,115,309	7,868,800	
	<b>\$ 57,587,537</b>	<b>\$ 56,703,597</b>	<b>\$ 59,042,624</b>	<b>\$ 23,320,627</b>

Overall General Fund revenues for the month of December 2015 have increased \$1,711,823 (9.52%) when compared to December 2014.

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 December 2015

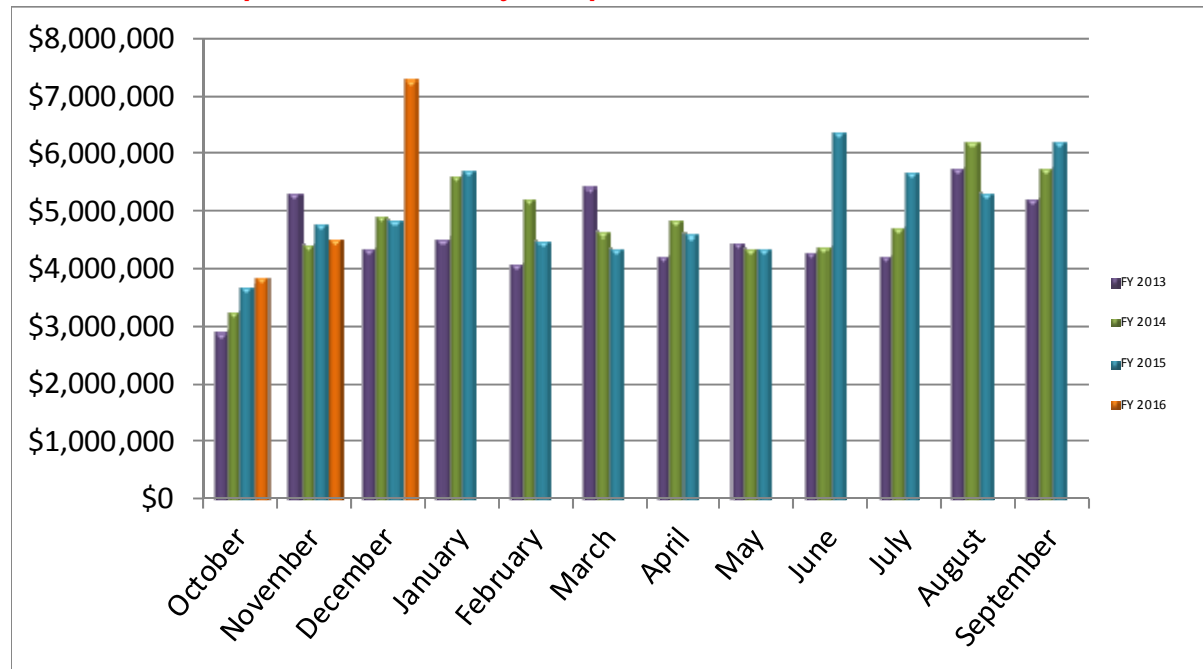
### General Fund Expenditures-YTD



	Prior YTD	Current YTD	Percent Change	Annual Budget
Legislative (1)	\$ 152,407	\$ 190,012	24.7%	\$ 676,674
City Manager (2)	179,031	217,682	21.6%	1,019,423
City Attorney (3)	253,206	528,616	108.8%	622,903
Finance (4)	328,844	381,762	16.1%	1,730,406
Information Technology (5)	614,412	729,135	18.7%	2,407,799
Human Resources (6)	84,951	120,382	41.7%	582,129
Economic Development (7)	-	113,082	0.0%	-
Growth Management	121,674	126,269	3.8%	547,561
Parks and Recreation (8)	850,515	673,041	-20.9%	2,612,590
Facilities (9)	-	508,075	0.0%	2,047,554
Police	4,231,218	4,519,534	6.8%	19,588,392
Fire (10)	2,843,675	3,286,579	15.6%	13,233,577
Public Works (11)	969,415	1,126,919	16.2%	4,940,574
Non-Departmental	1,015,831	923,258	-9.1%	4,138,053
Transfers (12)	1,766,816	2,281,380	29.1%	7,234,424
	<b>\$ 13,411,995</b>	<b>\$ 15,725,726</b>	<b>17.3%</b>	<b>\$ 61,382,059</b>

- (1) Increase primarily due to increased year-to-date costs for equipment and for dues and memberships.
- (2) Increase primarily due to increased year-to-date costs for consultant services, travel, and memberships.
- (3) Increase primarily due to increased year-to-date Other Attorney Cost.
- (4) Increase primarily due to absorption of position from Police Dept. and from filling vacancy that existed in early FY15.
- (5) Increase primarily due to increased year-to-date costs for salaries/wages, insurance, computers, computer supplies, and air cards.
- (6) Increase primarily due to vacancy of H.R. Director position during early FY15.
- (7) Increase due to Economic Development Department's first year of existence in FY16. Previously was in City Manager's Office.
- (8) Decrease primarily due to Facilities Division transferred to Facilities Department in FY16.
- (9) Increase due to Facilities Department's first year of existence in FY16. Previously was in Recreation Department.
- (10) Increase primarily due to increased year-to-date costs for salaries/wages and benefits.
- (11) Increase primarily due to increased year-to-date costs for Operations & Maintenance, Row Beautification, and Surveying Divisions.
- (12) Increase primarily due to increased budgeted transfers to Road Maintenance Fund in FY16.

**General Fund Expenditures-Monthly Comparison**



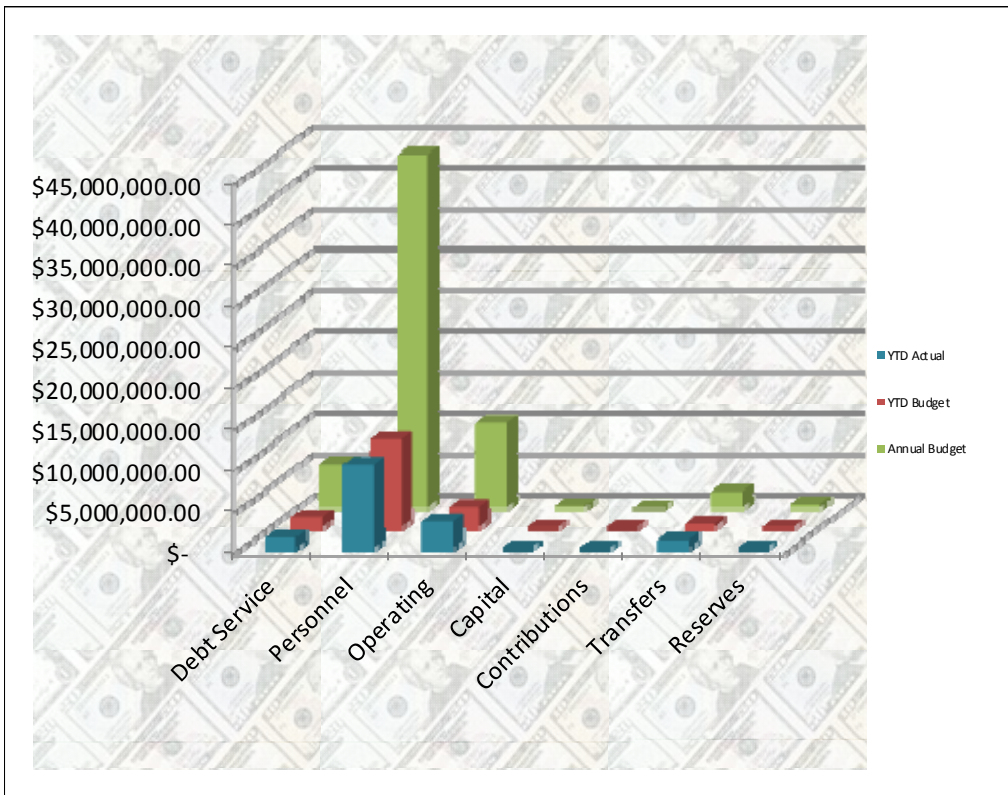
**Monthly GF Expenditures as Compared to Prior Years**

	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
October	\$ 2,928,572	\$ 3,279,274	\$ 3,726,416	\$ 3,859,572
November	5,357,915	4,445,312	4,799,117	4,542,401
December	4,385,251	4,931,871	4,886,462	7,323,753
January	4,576,388	5,653,811	5,729,780	
February	4,095,023	5,259,394	4,526,492	
March	5,452,911	4,666,428	4,375,170	
April	4,230,477	4,859,644	4,630,094	
May	4,504,552	4,386,401	4,397,032	
June	4,321,706	4,412,580	6,385,679	
July	4,248,739	4,721,680	5,689,908	
August	5,769,101	6,272,362	5,346,802	
September	5,245,884	5,780,329	6,264,048	
	<b>\$ 55,116,519</b>	<b>\$ 58,669,085</b>	<b>\$ 60,757,000</b>	<b>\$ 15,725,726</b>

December General Fund expenditures were \$2,437,291 (49.88%) more when comparing December 2015 to December 2014. Year-to-date expenditures are \$2,313,731 more.

**General Fund Expenditures-Budgetary Comparison by Category**

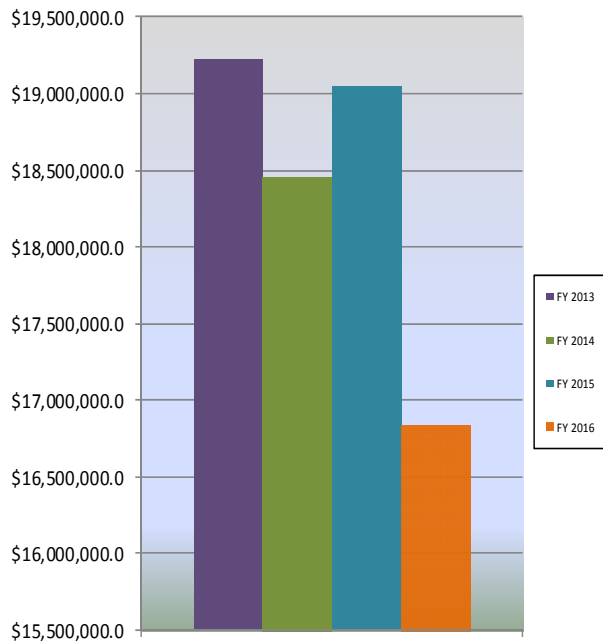
	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Annual Budget</u>	<u>% Spent</u>
Debt Service	\$ 1,267,736.28	\$ 1,316,456	\$ 5,265,825	24.07%
Personnel	10,189,822.14	10,775,795	43,103,180	23.64%
Operating	3,242,930.86	2,585,419	10,341,675	31.36%
Capital	9,742.56	57,090	228,358	4.27%
Contributions	1,850.00	7,800	31,200	5.93%
Transfers	1,013,643.81	492,150	1,968,599	51.49%
Reserves	-	110,806	443,222	0.00%
<b>Total</b>	<b>\$ 15,725,725.65</b>	<b>\$ 15,345,515</b>	<b>\$ 61,382,059</b>	<b>25.62%</b>



The *total budgeted expenditures* for 2016 are \$61,382,059 (includes encumbrances from prior year and 2016 budget amendments). Of this amount, \$43,103,180, or 70.2%, is related to personnel costs.

## General Fund Cash & Investments – At a Glance December 2015

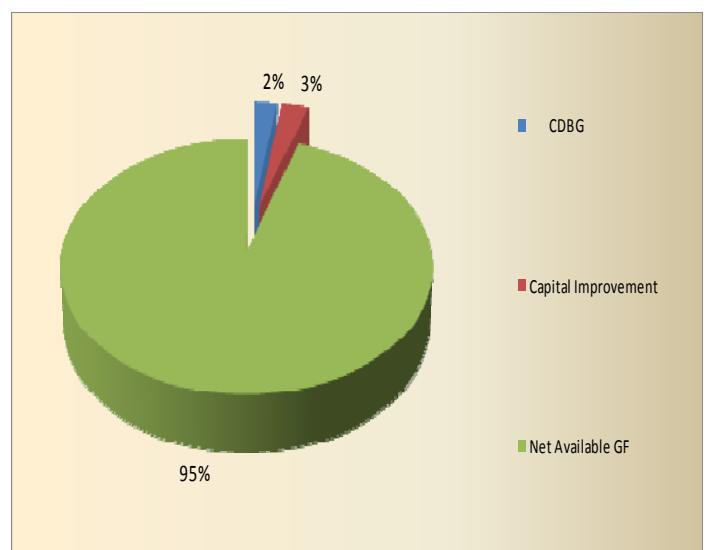
### General Fund Cash & Investments-YTD



General Fund Cash & Investments

General Fund Unrestricted Cash & Investments	
Prior Month Ending Balance	\$ 3,912,967.82
Cash Increase (Decrease)	<u>12,925,497.10</u>
Ending Balance 12/31/15	<u><u>\$ 16,838,464.92</u></u>

General Fund Available Cash & Investments	
<b>December 2015 Ending Balance</b>	<b>\$ 16,838,464.92</b>
Cash Advanced to Other Funds:	
CDBG	(395,388.13)
Capital Improvement	<u>\$ (447,208.50)</u>
<b>Total Available Cash &amp; Investments</b>	<b><u><u>\$ 15,995,868.29</u></u></b>



## General Fund Balance – At a Glance December 2015

	PRIOR YTD	CURRENT YTD
<b>REVENUES</b>		
Ad Valorem Taxes	\$ 17,949,515	\$ 18,800,305
Local Option Fuel Tax	216,432	227,022
Utility Service Taxes	879,647	926,765
Communication Service Tax	258,619	258,588
Franchise Fees	500,997	454,187
State Shared Revenues	280,878	317,470
Half Cent Sales Tax	430,384	455,117
Licenses and Permits	477,350	486,168
Grants and Other Entitlements	10,225	12,841
Charges for Services	579,688	609,069
Fines and Forfeitures	113,897	80,219
Interest, Rents and Other Revenues	99,457	177,499
Interfund Transfers and Other Sources	380,577	515,378
<b>Total Revenues</b>	<b>22,177,666</b>	<b>23,320,627</b>
<b>EXPENDITURES</b>		
Legislative	152,407	190,012
City Manager	179,031	217,682
City Attorney	253,206	528,616
Finance	328,844	381,762
Information Technology	614,412	729,135
Human Resources	84,951	120,382
Economic Development	-	113,082
Growth Management	121,674	126,269
Parks and Recreation	850,515	673,041
Facilities	-	508,075
Police	4,231,218	4,519,534
Fire	2,843,675	3,286,579
Public Works	969,415	1,126,919
Non-Departmental	1,015,831	923,258
Transfers	1,766,816	2,281,380
<b>Total Expenditures</b>	<b>13,411,995</b>	<b>15,725,726</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>8,765,671</b>	<b>7,594,901</b>
<b>Fund Balance - Beginning</b>	<b>10,040,314</b>	<b>8,325,937</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - Beginning as Restated</b>	<b>10,040,314</b>	<b>8,325,937</b>
<b>Fund Balance - Ending</b>	<b>\$ 18,805,985</b>	<b>15,920,838</b>

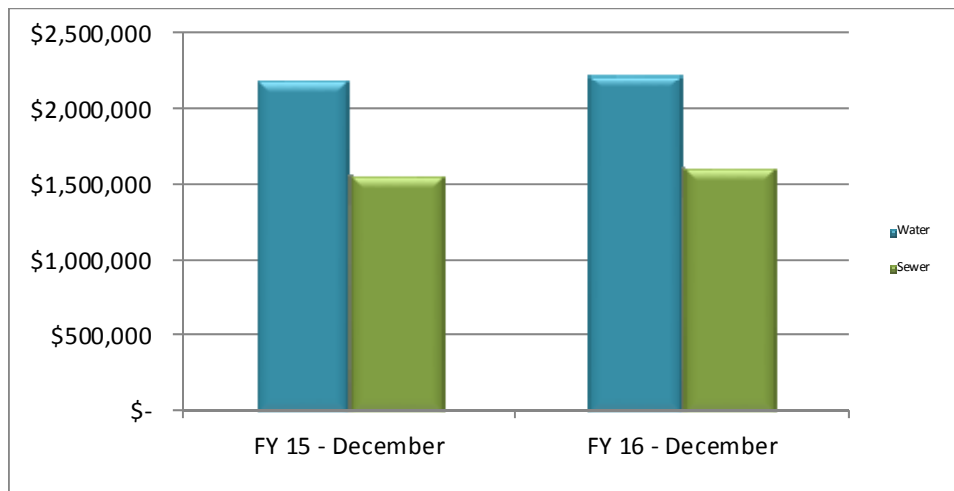
The minimum General Fund balance, as established by Resolution 2011-34, is ten percent (10%) of the subsequent fiscal year's budgeted expenditures less capital outlay and transfers out as originally adopted by ordinance in September. The following is a history of the City's General Fund balance.

General Fund Balance - History			
	Minimum Required	Actual Fund Balance	Fund Balance Percentage
FY 2015	\$ 5,319,916	\$ 8,325,937	15.65%
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%
FY 2010	5,223,284	5,790,912	11.09%



## Utilities Revenues – At a Glance December 2015

### Water & Sewer Revenues-YTD



Overall year-to-date Water revenue in December 2015 has increased \$46,856 (2.14%) when compared to December 2014.

Overall year-to-date Sewer revenue in December 2015 has increased \$49,411 (3.15%) when compared to December 2014.

Fire Protection for FY16 was billed at 100% of the budgeted amount. The majority of the Fire Protection Service Charges were billed in October 2015 (annual billing).

Meter Installation Fees are recorded at 25% of the budgeted amount. The Utility Lien Costs are recorded at 38% of the budgeted amount.

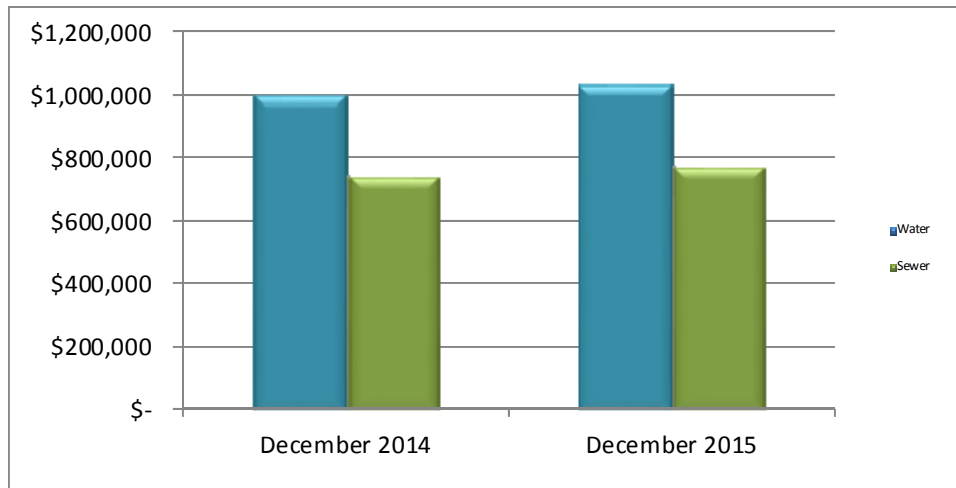
Operating Interest Income is recorded at negative 5% at this time. The interest for Palm Bay Estates Loan (\$22,491.75) will be recorded in June 2016. The interest on the Fleet Services Loan will be recorded in March (\$27,876.61) and September 2016 (\$17,053.38).

Excluding Fund Balance, the total FY16 Operating Revenue is recorded at 17.24% of the budgeted amount compared to FY15 which was at 17.47%.

Water Connection Fees are recorded at 24% of the budgeted amount, and Sewer Connection Fees are recorded at 19% of the budgeted amount.

Water MLEs are recorded at 31% of the budgeted amount, and Sewer MLEs are recorded at 35% of the budgeted amount.

*Water & Sewer Revenues-Monthly Comparison*



Overall Water revenue for the month of December 2015 has increased by \$38,323 (3.80%) when compared to December 2014.

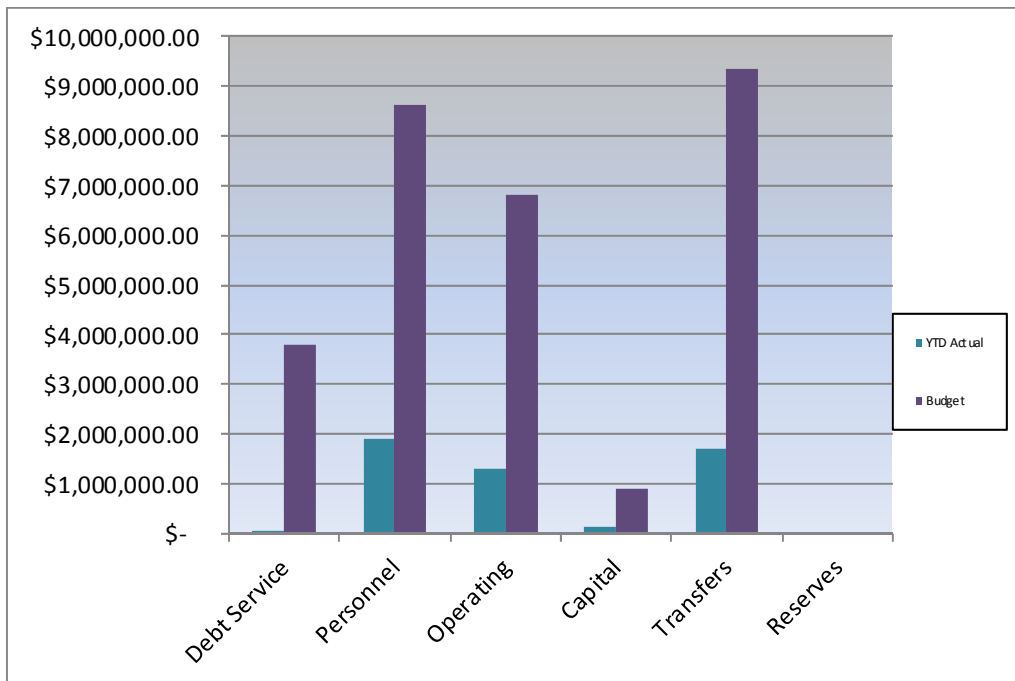
Overall Sewer revenue for the month of December 2015 has increased by \$31,805 (4.25%) when compared to December 2014.

## Utilities Expenses – At a Glance December 2015

### Water & Sewer Expenditures-YTD

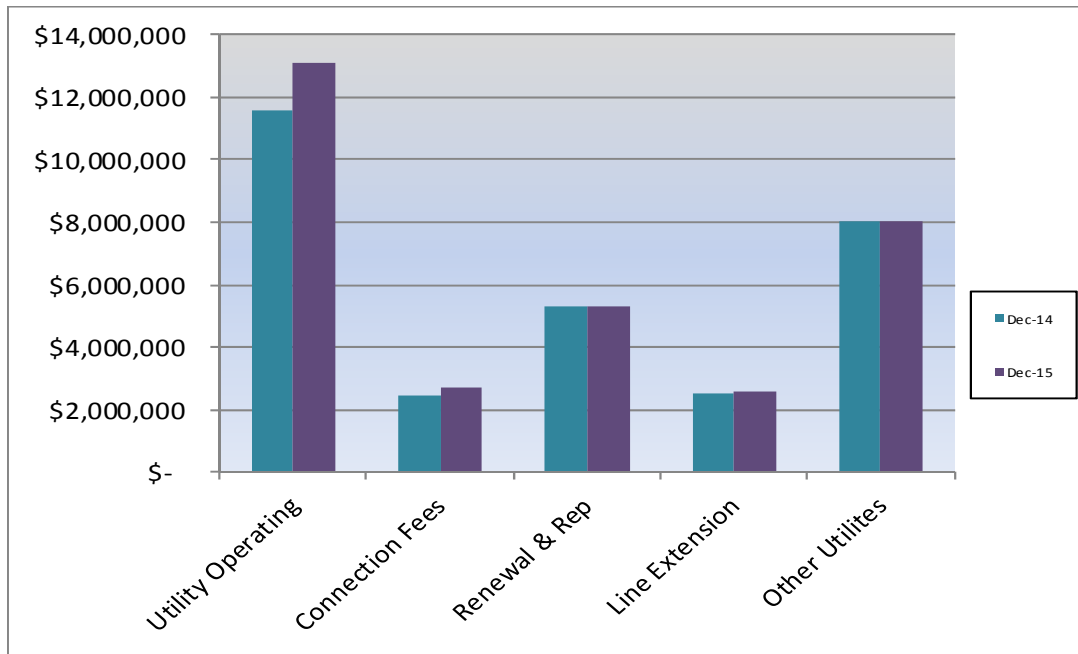
Overall expenditures (excluding encumbrances) are as follows:

	<i>Actual</i>	<i>Budget</i>	<i>% Spent</i>
Debt Service	\$ 464.67	\$ 3,801,039	0.01%
Personnel	1,920,056.76	8,617,000	22.28%
Operating	1,277,883.28	6,813,876	18.75%
Capital	112,330.68	893,886	12.57%
Transfers	1,706,170.77	9,362,982	18.22%
Reserves	-	-	-
<b>Total</b>	<b>\$ 5,016,906.16</b>	<b>\$ 29,488,783</b>	<b>17.01%</b>



## Utilities Cash & Investments – At a Glance December 2015

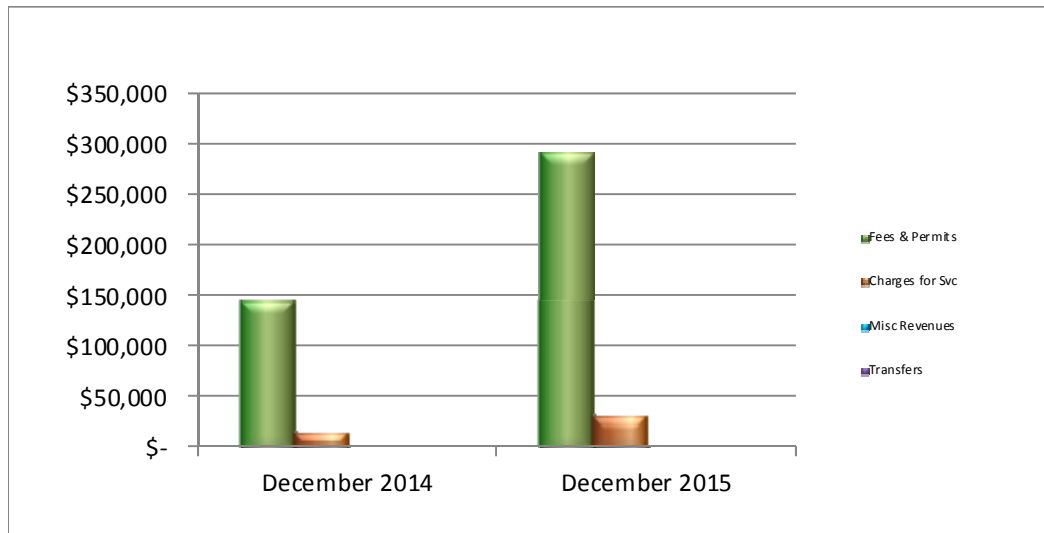
### Water & Sewer Cash & Investments-YTD



Overall the Water & Sewer Funds cash and investments were \$1.82 million (6.1%) more as of December 2015 as compared to December 2014.

## Building Revenues – At a Glance December 2015

### *Building Revenues-YTD*



Fees and Permits revenue in December 2015 is up \$144,634 (97.36%) from December 2014.

Charges for Services revenue in December 2015 is up \$15,158 (89.78%) from December 2014.

Overall, Building revenues in FY 16 (at December) have increased by \$160,330 (95.12%) when compared to FY 15 (at December).

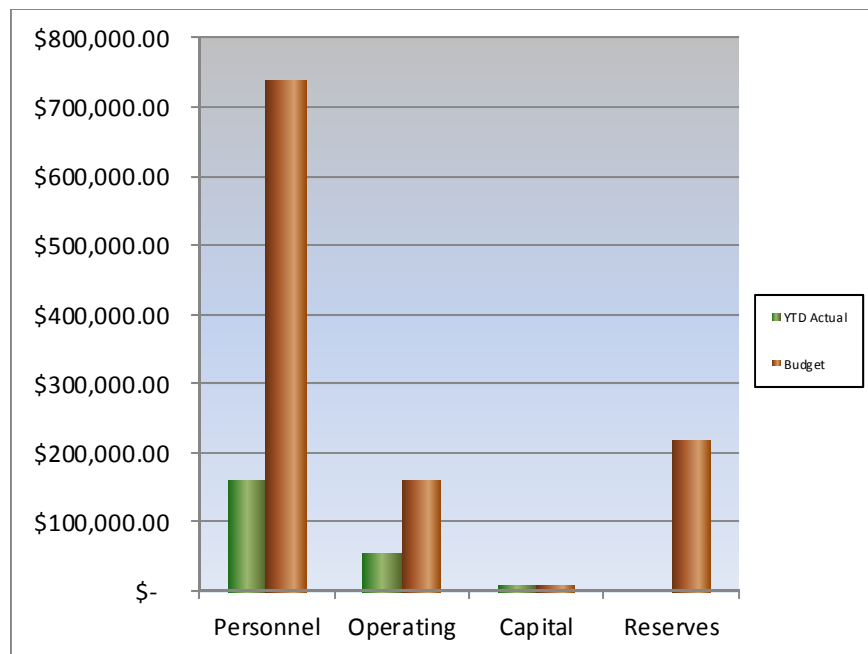
The total FY 16 Building revenues are recorded at 29.2% of the budgeted amount compared to FY 15 which was 15.9%.

## Building Expenses – At a Glance December 2015

### *Building Expenditures-YTD*

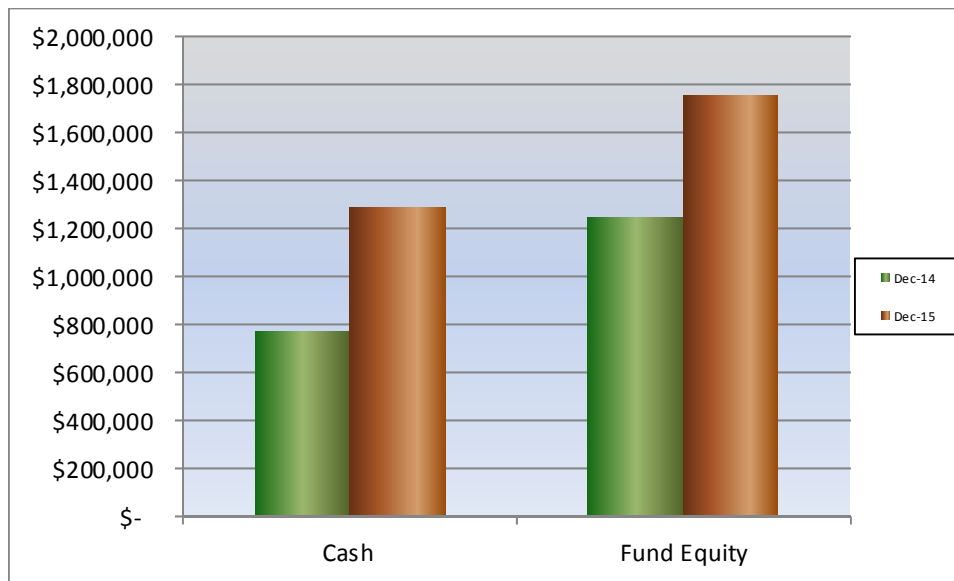
Overall expenditures (excluding encumbrances) are as follows:

	<i>Actual</i>	<i>Budget</i>	<i>% Spent</i>
Personnel	\$ 162,105.26	\$ 739,399	21.92%
Operating	53,627.19	161,941	33.12%
Capital	8,659.66	7,500	115.46%
Reserves	-	219,535	0.00%
Total	\$ 224,392.11	\$ 1,128,375	19.89%



## Building Cash & Fund Equity – At a Glance December 2015

### *Building Cash & Fund Equity-YTD*



Overall the Building cash and cash equivalents were \$520,019 (67.6%) more as of December 2015 as compared to December 2014.

Overall the Building fund equity was \$506,160 (40.6%) more as of December 2015 as compared to December 2014.