



MONTHLY FINANCIAL REPORT (UNAUDITED)

JANUARY 2019

City of Palm Bay, Florida



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MONTHLY FINANCIAL REPORT (UNAUDITED)

JANUARY 2019

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 January 2019. January is the fourth month of the fiscal year and represents 33% of the annual budget.

Financial Report Summary

- Citywide revenues of \$78.2 million are at 35.7% of the annual budget. Citywide expenditures of \$58.7 million are at 26.8% 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 \$27.3 million, or 30.6%, in comparison to the prior year.
- Most of the increased citywide revenues are due to increased year-to-date collections of Ad Valorem Taxes and Utility Connection Fees, and higher allocation to the Utility Renewal and Replacement Fund. Most of the increased citywide expenditures are a result of increased year-to-date costs of the I-95 Connector Road project, the Energy Savings project, and the Employee Health Insurance Fund.

Citywide - Cash & Investments		Citywide - Revenues		Citywide - Expenditures	
1/31/2019	\$ 116,439,799.80	1/31/2019	\$ 78,190,267.04	1/31/2019	\$ 58,666,057.41
1/31/2018	89,184,261.03	1/31/2018	72,237,353.32	1/31/2018	52,980,572.02
Increase	30.6% \$ 27,255,538.77	Increase	8.2% \$ 5,952,913.72	Increase	10.7% \$ 5,685,485.39

- General Fund revenues of \$35.6 million are at 46.5% of the annual budget. This is an increase of \$3.2 million, or 9.9%, in comparison to the prior year.
- General Fund expenditures of \$25.0 million are at 32.7% of the annual budget. This is an increase of \$0.6 million, or 2.4%, in comparison to the prior year.
- General Fund cash and investments increased by \$6.1 million, or 31.9%, in comparison to the prior year. Of this increased General Fund cash, \$800,000 is reserved.

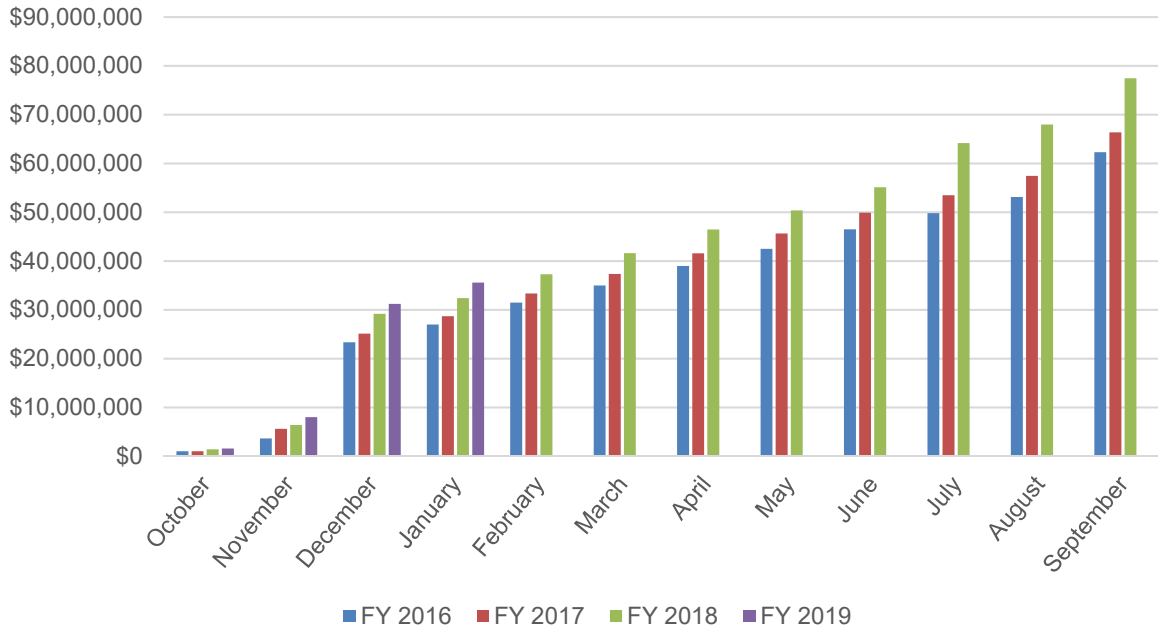
General Fund - Cash & Investments		General Fund - Revenues		General Fund - Expenditures	
1/31/2019	\$ 25,317,015.76	1/31/2019	\$ 35,570,776.22	1/31/2019	\$ 25,048,812.86
1/31/2018	19,191,487.58	1/31/2018	32,371,915.92	1/31/2018	24,468,387.24
Increase	31.9% \$ 6,125,528.18	Increase	9.9% \$ 3,198,860.30	Increase	2.4% \$ 580,425.62

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 2016 to 2019.

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



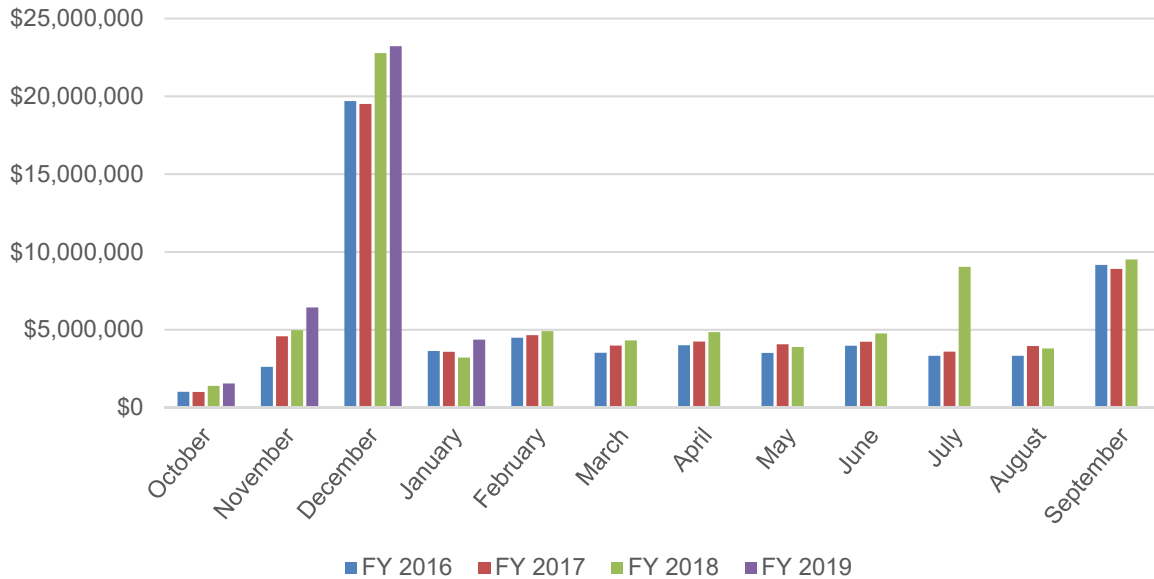
➤ FY 2019 YTD Revenue Variance
 As Compared to Prior Year

	Prior YTD	Current YTD	% Variance	Annual Budget
Ad Valorem Taxes (1)	\$ 23,604,404	\$ 26,247,103	11.2%	\$ 31,445,752
Local Option Fuel Tax	475,316	488,135	2.7%	3,848,419
Utility Service Taxes	1,700,890	1,769,216	4.0%	8,923,000
Communication Service Tax	446,928	448,067	0.3%	2,600,449
Franchise Fees	955,674	1,013,156	6.0%	5,645,000
State Shared Revenues	717,443	762,842	6.3%	4,827,781
Half Cent Sales Tax	1,108,115	1,078,080	-2.7%	6,934,085
Licenses and Permits	515,744	512,996	-0.5%	614,800
Grants and Other Entitlements (2)	249,943	332,009	32.8%	716,004
Charges for Services	1,228,040	1,309,766	6.7%	4,103,312
Fines and Forfeitures	110,699	118,654	7.2%	391,500
Interest, Rents & Other Revenues	313,626	313,863	0.1%	380,200
Interfund Transfers & Other Sources (3)	945,094	1,176,889	24.5%	2,175,334
Fund Balance	-	-	0.0%	3,919,318
	\$ 32,371,916	\$ 35,570,776	9.9%	\$ 76,524,954

(1) Increase primarily due to budgeted increase of Ad Valorem Taxes in FY19.
 (2) Increase primarily due to increased year-to-date collections for Department of Justice Grant in FY 19.
 (3) Increase primarily due to increased year-to-date sales proceeds from General Capital Assets in FY19.

General Fund (GF) Revenues - Summary

➤ Monthly Revenue Comparisons



➤ FY 2019 Monthly Revenue Variance
 As Compared to Prior Years

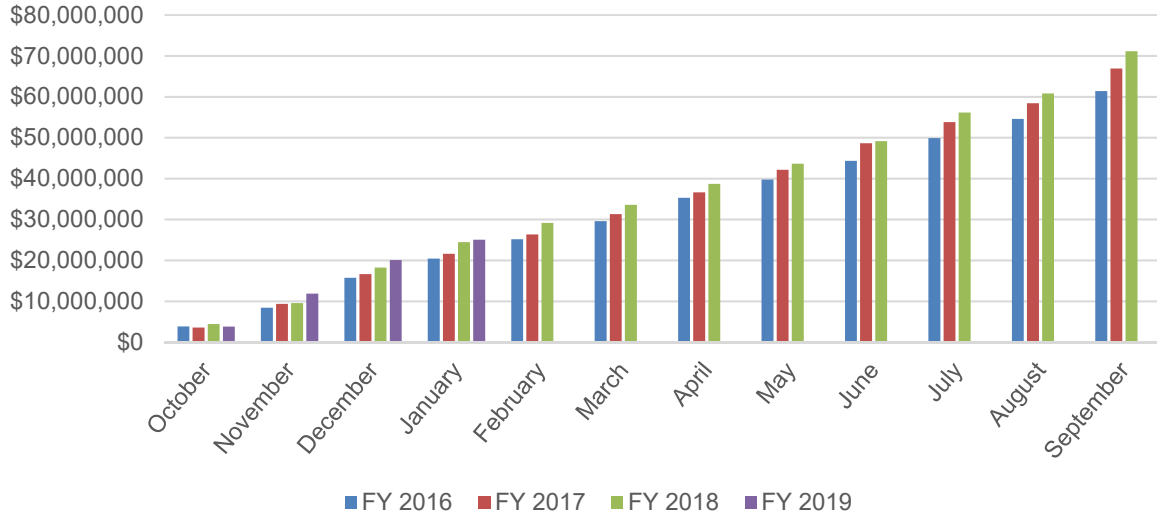
	FY 2016	FY 2017	FY 2018	FY 2019
October	\$ 1,012,271	\$ 1,005,090	\$ 1,394,672	\$ 1,552,445
November	2,619,131	4,580,252	4,969,155	6,436,715
December	19,689,226	19,511,218	22,774,626	23,217,694
January	3,639,261	3,585,305	3,212,134	4,363,923
February	4,490,812	4,656,371	4,906,952	-
March	3,522,695	3,990,468	4,316,341	-
April	4,009,369	4,245,071	4,844,708	-
May	3,511,664	4,073,453	3,897,277	-
June	3,976,789	4,237,693	4,767,673	-
July	3,323,512	3,597,870	9,045,183	-
August	3,323,716	3,960,272	3,799,864	-
September	9,167,028	8,913,453	9,510,993	-
	\$ 62,285,475	\$ 66,356,516	\$ 77,439,579	\$ 35,570,776

Overall General Fund revenues for the month of January 2019 have increased \$1,151,788, or 35.9%, when compared to January 2018. 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



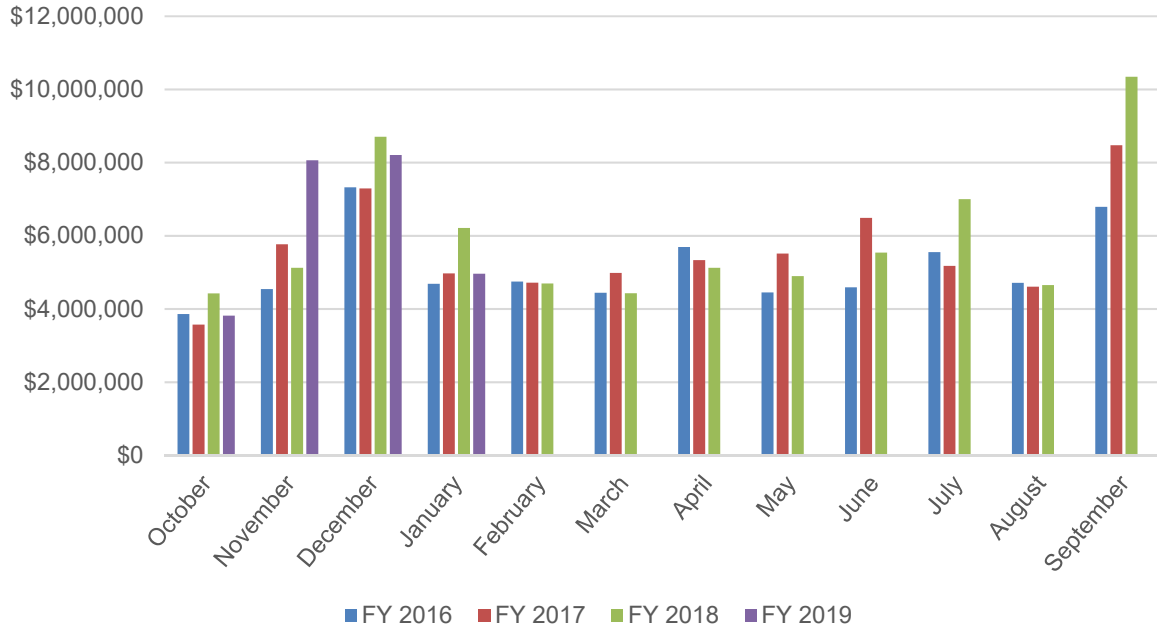
➤ FY 2019 YTD Expenditure Variance
 As Compared to Prior Year

	Prior YTD	Current YTD	% Variance	Annual Budget
Legislative (1)	\$ 240,896	\$ 216,529	-10.1%	\$ 770,089
City Manager (2)	219,375	288,403	31.5%	827,548
City Attorney (3)	193,170	92,463	-52.1%	575,522
Procurement (4)	117,488	172,908	47.2%	557,818
Finance	430,668	437,784	1.7%	1,456,781
Information Technology (5)	871,195	1,553,016	78.3%	4,341,795
Human Resources (6)	174,842	248,327	42.0%	913,103
Growth Management (7)	402,630	492,338	22.3%	2,034,299
Economic Development (8)	211,875	367,885	73.6%	924,382
Parks and Recreation	1,213,353	1,256,277	3.5%	4,407,278
Facilities (9)	758,467	2,105,297	177.6%	5,636,905
Police	6,079,601	6,382,222	5.0%	21,346,562
Fire	4,638,457	4,772,464	2.9%	15,226,483
Public Works (10)	3,344,871	1,570,545	-53.0%	5,482,995
Non-Departmental (11)	1,375,261	1,512,100	10.0%	4,670,204
Transfers (12)	4,196,239	3,580,254	-14.7%	7,353,190
Total	\$ 24,468,387	\$ 25,048,813	2.4%	\$ 76,524,954

- (1) Decrease primarily due to lower year-to-date costs for dues and memberships in FY19.
- (2) Increase primarily due to City Manager contract termination payout in FY19.
- (3) Decrease primarily due to decreased year-to-date costs for Attorney Emeritus and outside Counsel in General Fund so far in FY19. Most attorney cost is in the Risk Fund.
- (4) Increase primarily due to increased staffing level in Procurement since last year.
- (5) Increase primarily due to increased year-to-date costs for Computer Software and Network Equipment in FY19.
- (6) Increase primarily due to H.R. Director's salary now charged to H.R and additional position filled since same time last year.
- (7) Increase primarily due to higher year-to-date costs in Land Development and Code Compliance in FY19.
- (8) Increase primarily due to higher year-to-date costs for Aid to Private Organizations in FY 19 (\$200,000 Florida Institute of Technology Grant).
- (9) Increase primarily due to higher year-to-date costs for Capital Outlay re Energy Savings Project and new Special Projects Manager position.
- (10) Decrease primarily due to lower year-to-date costs for Disaster Preparedness in FY19.
- (11) Increase primarily due to higher budgeted allocation to Fleet Operating Charges in FY19.
- (12) Decrease primarily due to lower year-to-date transfers to Debt Service Funds in FY19.

General Fund (GF) Expenditures - Summary

➤ Monthly Expenditure Comparisons



➤ FY 2019 Monthly Expenditure Variance
 As Compared to Prior Years

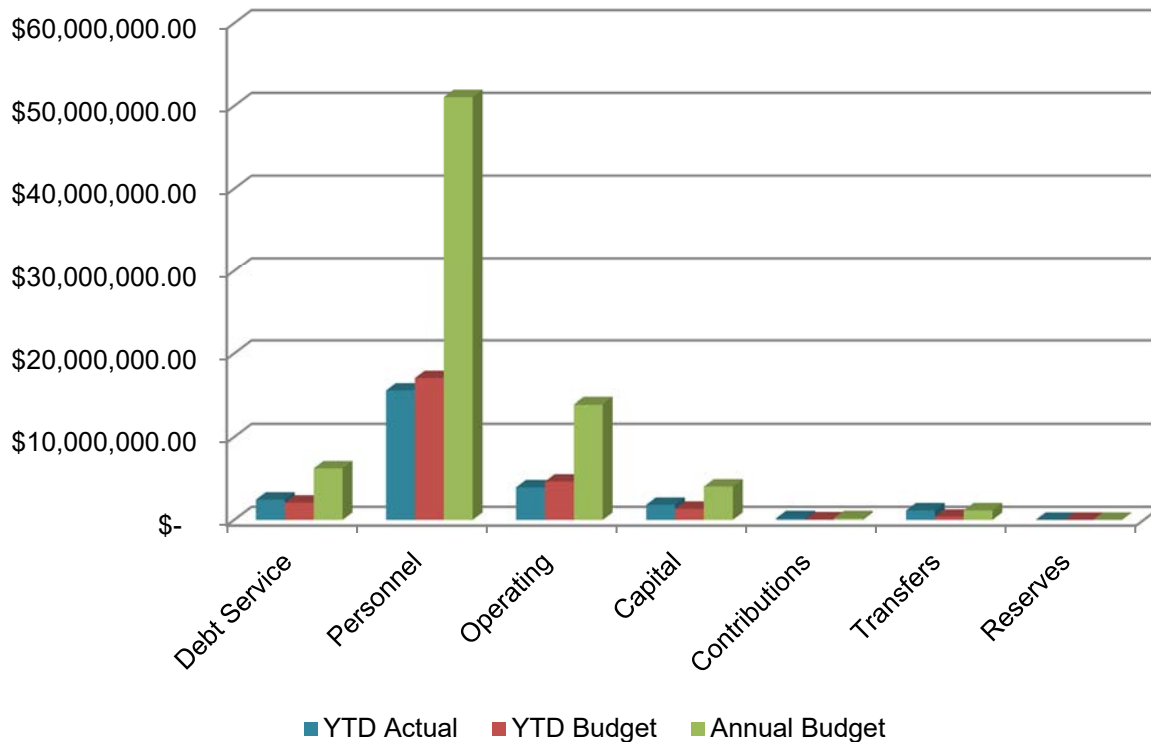
	FY 2016	FY 2017	FY 2018	FY 2019
October	\$ 3,859,572	\$ 3,572,123	\$ 4,424,711	\$ 3,816,324
November	4,542,401	5,766,532	5,122,997	8,063,218
December	7,323,753	7,290,910	8,706,391	8,205,759
January	4,685,466	4,972,873	6,214,289	4,963,511
February	4,746,328	4,719,784	4,693,931	
March	4,443,296	4,983,695	4,429,733	
April	5,693,822	5,332,488	5,125,639	
May	4,450,696	5,512,146	4,895,568	
June	4,592,489	6,488,834	5,539,088	
July	5,551,214	5,175,411	7,001,868	
August	4,712,630	4,609,040	4,650,216	
September	6,791,578	8,475,273	10,348,642	
	\$ 61,393,243	\$ 66,899,111	\$ 71,153,070	\$ 25,048,813

General Fund expenditures were \$1,250,777 or 20.1%, less when comparing January 2019 to January 2018. Year-to-date expenditures are \$580,426, or 2.4%, more.

General Fund (GF) Expenditures - Summary

➤ Expenditures – Budgetary Comparison by Category

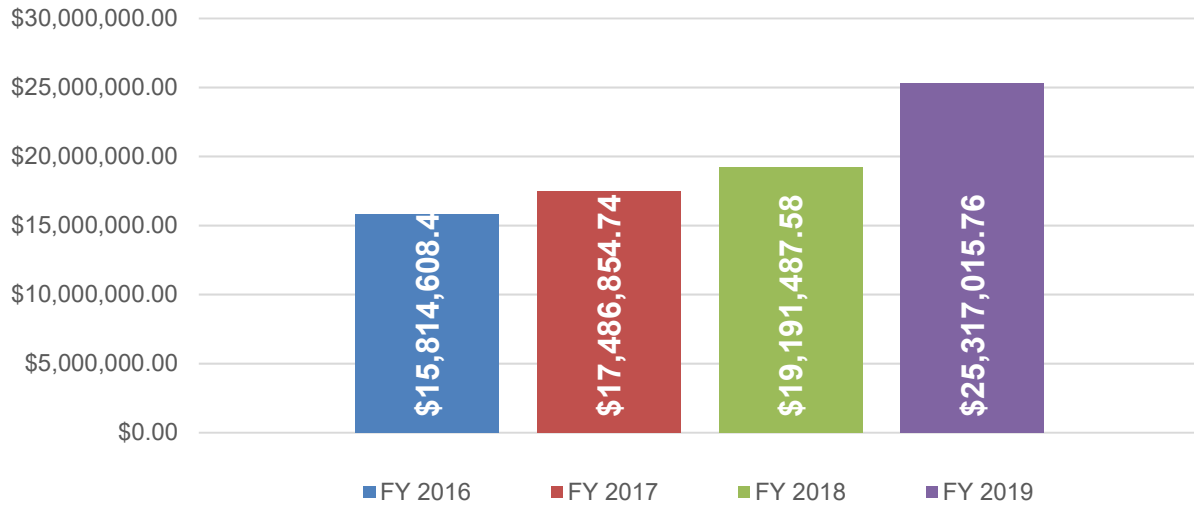
	YTD Actual	YTD Budget	Annual Budget	% Spent
Debt Service	\$ 2,439,453.00	\$ 2,070,796	\$ 6,212,389	39.3%
Personnel	15,528,282.36	17,022,779	51,068,337	30.4%
Operating	3,921,543.77	4,626,527	13,879,581	28.3%
Capital	1,817,382.73	1,340,782	4,022,346	45.2%
Contributions	201,350.00	67,167	201,500	99.9%
Transfers	1,140,801.00	380,267	1,140,801	100.0%
Reserves	-	-	-	0.0%
	\$ 25,048,812.86	\$ 25,508,318	\$ 76,524,954	32.7%



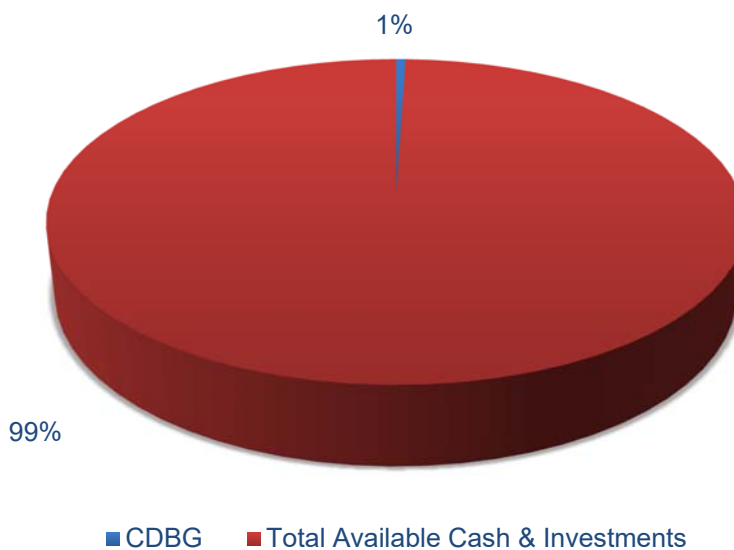
The total budgeted expenditures for 2019 are \$76,524,954 (including encumbrances from prior year and 2019 budget amendments). Of this amount, \$51,068,337, or 66.7%, is related to personnel costs.

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	\$ 26,378,407.89	January 2019 Ending Balance	\$ 25,317,015.76
Cash Increase (Decrease)	(1,061,392.13)	Cash Advanced to Other Funds:	
		CDBG	(133,041.85)
Ending Balance 1/31/2019	\$ 25,317,015.76	Total Available Cash & Investments	\$ 25,183,973.91





General Fund (GF) Balance - Summary

CITY OF PALM BAY, FLORIDA
 OPERATING STATEMENT AND CHANGES IN FUND BALANCES
 GENERAL FUND
 For the Month Ended January 31, 2019

	Prior YTD	Current YTD
<u>REVENUES</u>		
Ad Valorem Taxes	\$ 23,604,404	\$ 26,247,103
Local Option Fuel Tax	475,316	488,135
Utility Service Taxes	1,700,890	1,769,216
Communication Service Tax	446,928	448,067
Franchise Fees	955,674	1,013,156
State Shared Revenues	717,443	762,842
Half Cent Sales Tax	1,108,115	1,078,080
Licenses and Permits	515,744	512,996
Grants and Other Entitlements	249,943	332,009
Charges for Services	1,228,040	1,309,766
Fines and Forfeitures	110,699	118,654
Interest, Rents and Other Revenues	313,626	313,863
Interfund Transfers and Other Sources	945,094	1,176,889
Total Revenues	32,371,916	35,570,776
<u>EXPENDITURES</u>		
Legislative	240,896	216,529
City Manager	219,375	288,403
City Attorney	193,170	92,463
Procurement	117,488	172,908
Finance	430,668	437,784
Information Technology	871,195	1,553,016
Human Resources	174,842	248,327
Growth Management	402,630	492,338
Economic Development	211,875	367,885
Parks and Recreation	1,213,353	1,256,277
Facilities	758,467	2,105,297
Police	6,079,601	6,382,222
Fire	4,638,457	4,772,464
Public Works	3,344,871	1,570,545
Non-Departmental	1,375,261	1,512,100
Transfers	4,196,239	3,580,254
Total Expenditures	24,468,387	25,048,813
Excess (Deficiency) of Revenues Over Expenditures	7,903,529	10,521,963
Fund Balance - Beginning	8,631,987	14,912,355
Fund Balance - Ending	\$ 16,535,516	25,434,319



General Fund (GF) Balance - Summary

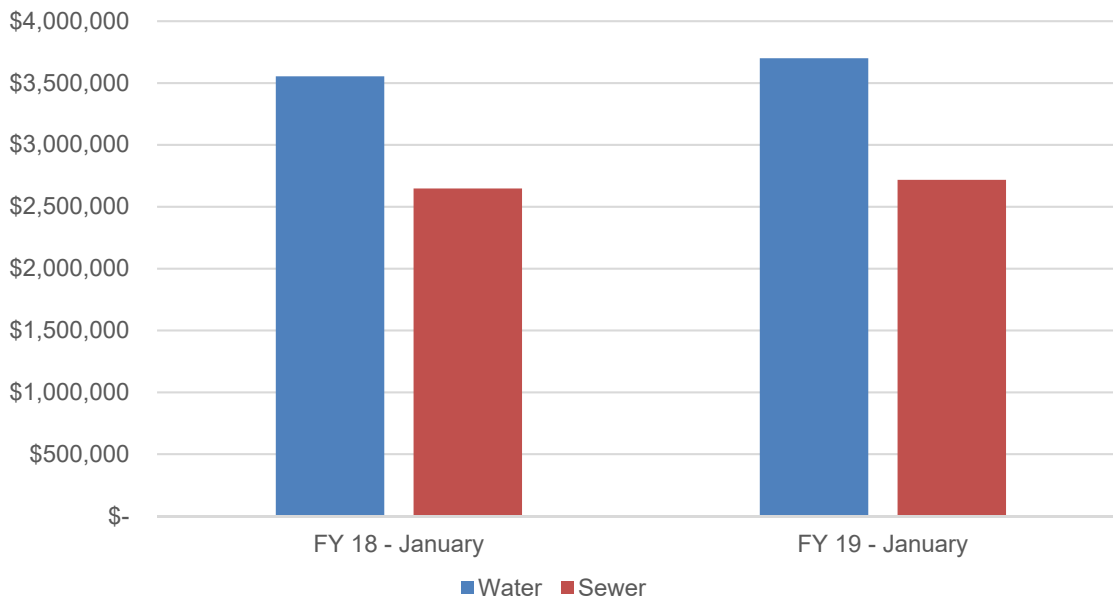
The minimum General Fund balance, as established by Resolution 2011-34, is ten percent (10%) of the subsequent fiscal year's budgeted expenditures less capital outlay and transfers out as originally adopted by ordinance in September. The following is a history of the City's total General Fund balance.

General Fund Balance - History			
	Minimum Required	Actual Fund Balance	Fund Balance Percentage
FY 2018	\$ 6,478,266	\$ 14,912,355	23.0% *
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%

*Unaudited as of publication date

Utilities Fund Revenues - Summary

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



Overall fiscal year-to-date Water revenue through January 2019 has increased \$146,207, or 4.11%, when compared to FY18 at January 2018.

Overall fiscal year-to-date Sewer revenue through January 2019 has increased \$69,935, or 2.64% when compared to FY18 at January 2018.

Fire Protection for FY 19 is billed at 95% of the budgeted amount. The majority of the Fire Protection Service Charges were billed in November 2018 (annual billing).

Utilities Fund Revenues - Summary

Of the budgeted amount, Meter Installation Fees are recorded at 38%, Plan Review & Inspection Fees are recorded at 210%, and Utility Lien Costs are recorded at 2%.

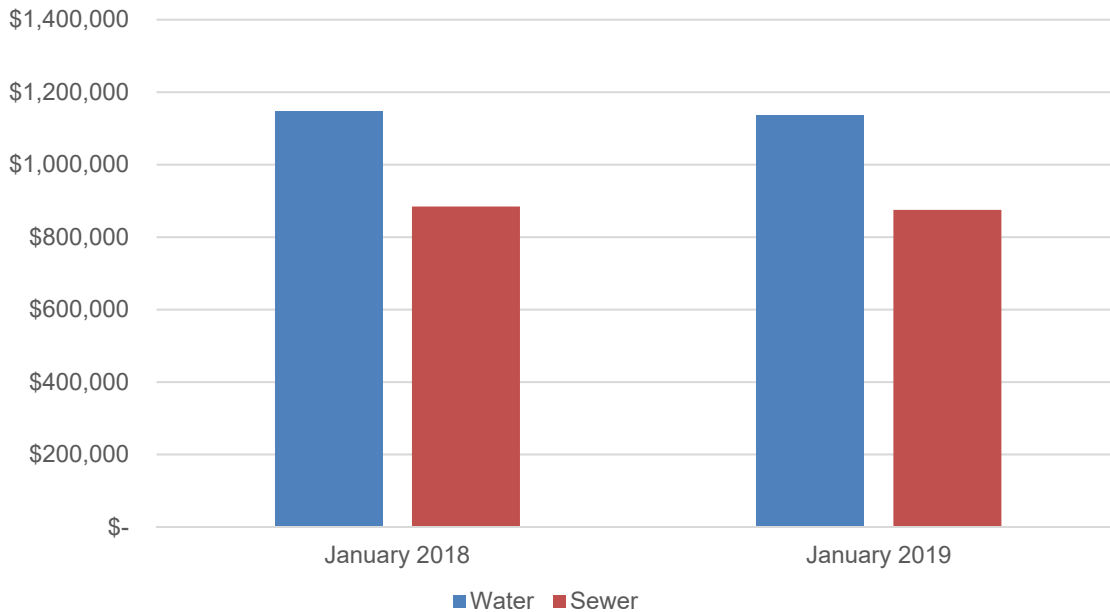
Operating Interest Income is recorded at 72%.

Excluding Fund Balance, the total FY 19 Operating Revenue is recorded at 25.69% of the budgeted amount compared to FY 18 which was at 24.41%.

Water Connection Fees are recorded at 63% of the budgeted amount, and Sewer Connection Fees are recorded at 131% of the budgeted amount.

Water MLEs are recorded at 38% of the budgeted amount, and Sewer MLEs are recorded at 36% of the budgeted amount.

➤ **Monthly Comparison: Water & Sewer**



Overall Water revenue for the month of January 2019 has decreased by \$9,257, or 0.8%, when compared to January 2018.

Overall Sewer revenue for the month of January 2019 has decreased by \$9,401, or 1.1%, when compared to January 2018.

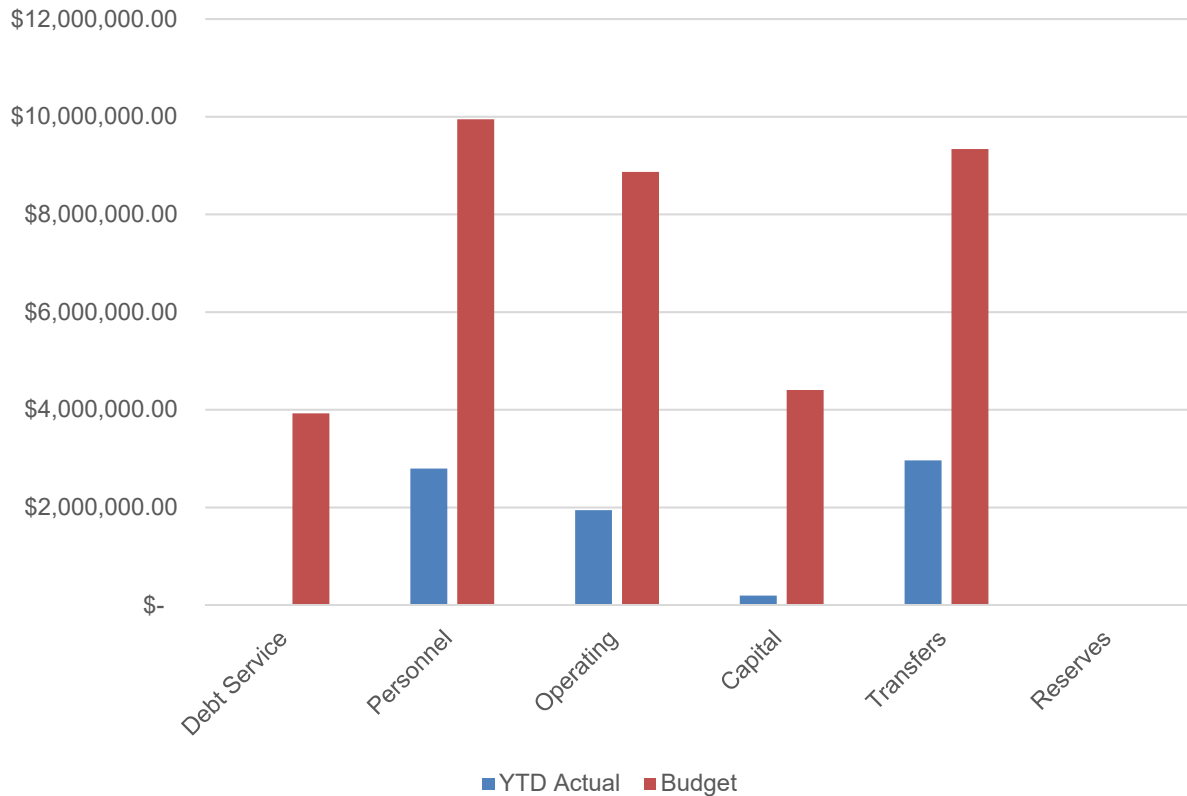


Utilities Fund Expenditures - Summary

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

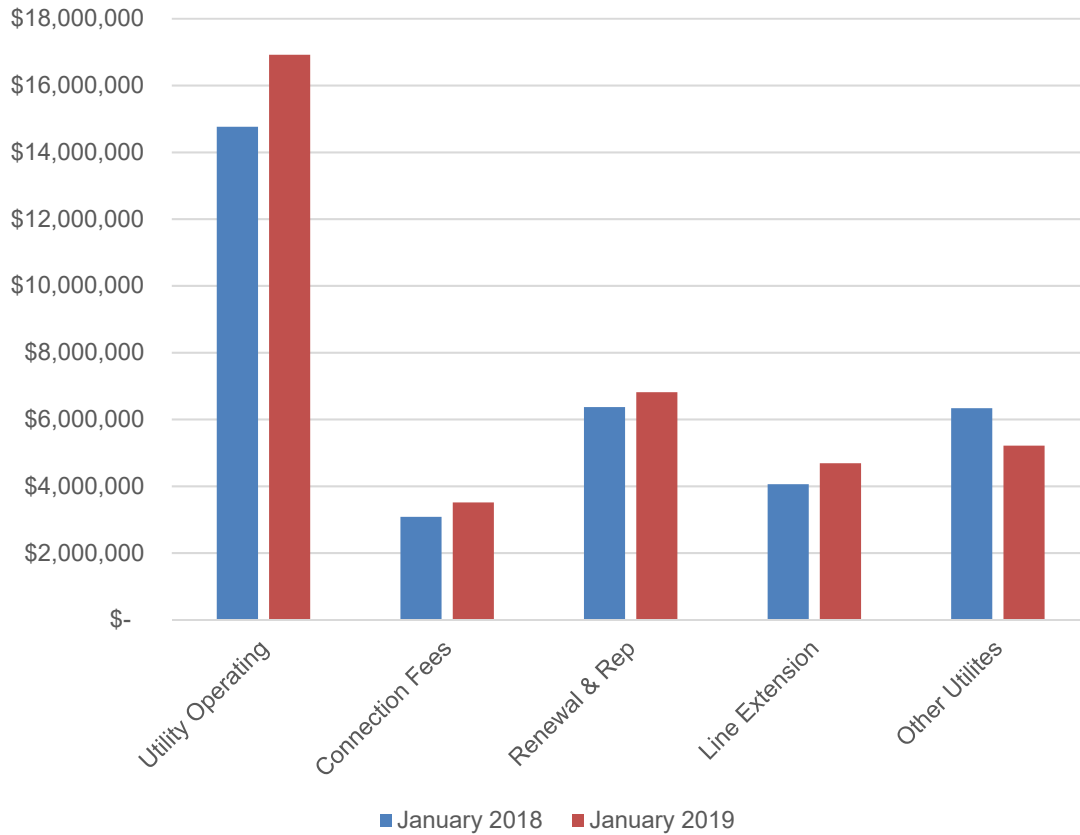
Overall expenditures (excluding encumbrances) are as follows:

	YTD Actual	Annual Budget	% Spent
Debt Service	\$ -	\$ 3,926,989	0.0%
Personnel	2,795,861.95	9,947,073	14.1%
Operating	1,944,590.89	8,867,624	9.2%
Capital	194,028.93	4,404,771	1.7%
Transfers	2,962,181.57	9,338,137	16.7%
Reserves	-	-	-
	\$ 7,896,663.34	\$ 36,484,594	21.6%



Utilities Fund Cash & Investments - Summary

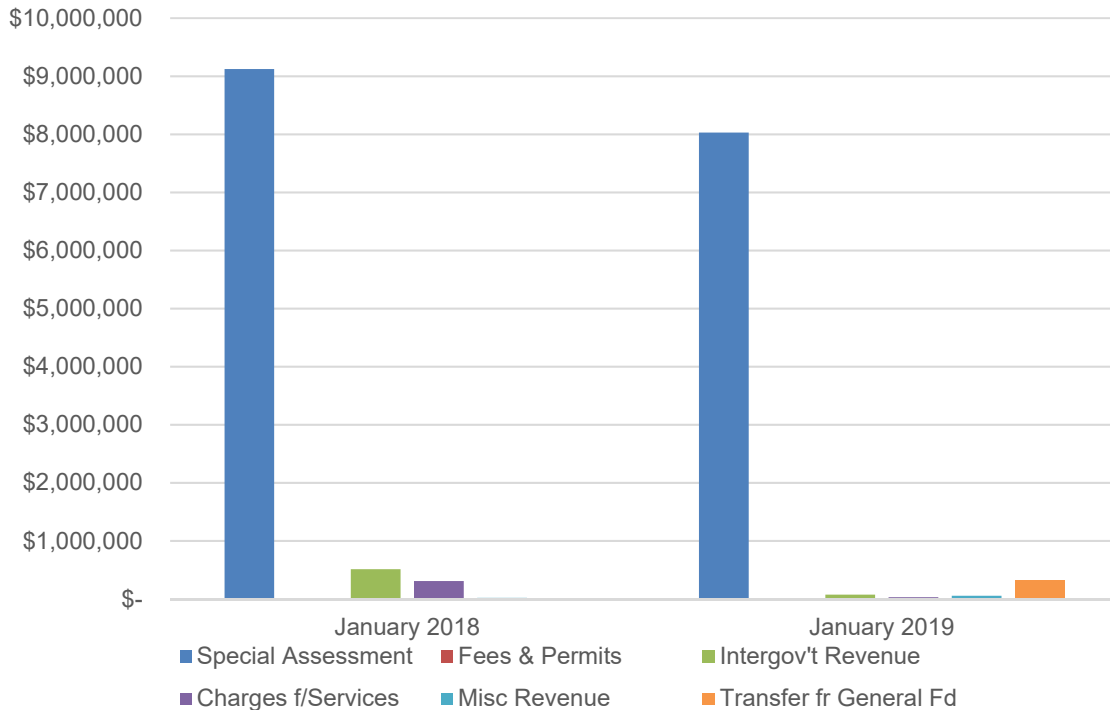
➤ Year-to-Date (YTD) Comparison: Water & Sewer



Overall the Water & Sewer Funds cash and investments were \$2.54 million, or 7.3%, more as of January 2019 as compared to January 2018.

Stormwater Fund Revenues - Summary

➤ Year-to-Date (YTD) Revenue Comparisons



Stormwater Special Assessment revenue in FY 19 (at January) is \$8,030,843. This is \$1,092,411 less than it was in FY18 (at January), a 12.0% decrease.

Charges for Services revenue in January 2019 is down \$278,538, or 90.2%, from January 2018.

Overall, Stormwater revenues in FY 19 (at January) have decreased by \$1,462,046, or 14.7%, when compared to FY 18 (at January).

The total FY 19 Stormwater revenues are recorded at 62.2% of the budgeted amount compared to FY 18 which was 70.1%.

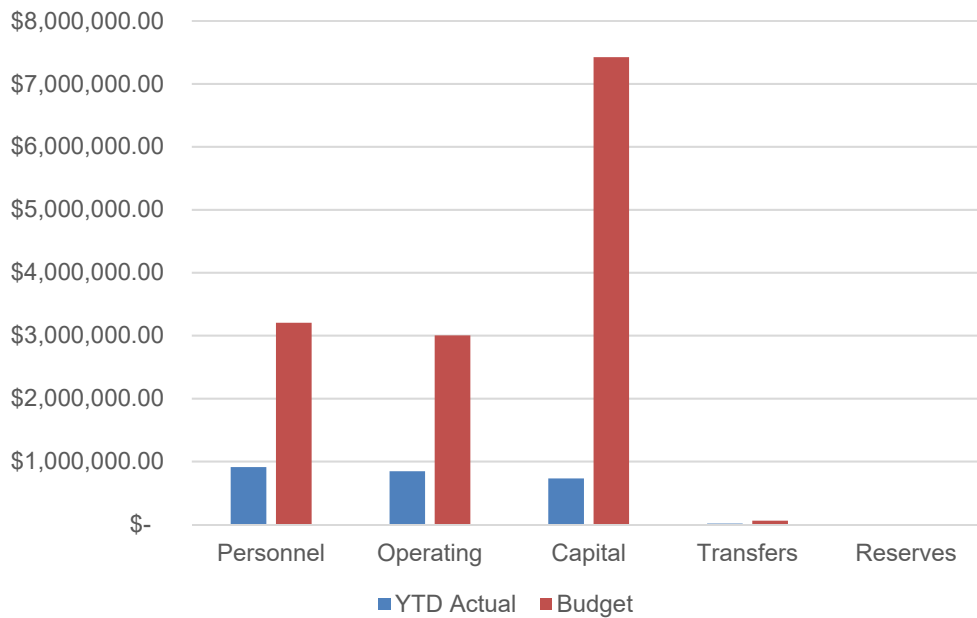


Stormwater Fund Expenditures - Summary

➤ Year-to-Date (YTD) Expenditure Comparisons

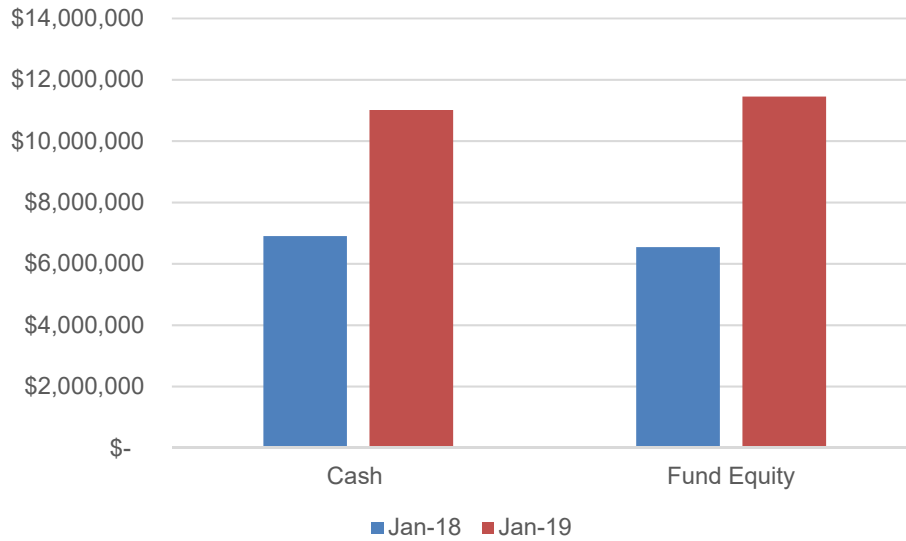
Overall expenditures (excluding encumbrances) are as follows:

	<i>YTD Actual</i>	<i>Annual Budget</i>	<i>% Spent</i>
Personnel	\$ 910,772.83	\$ 3,203,709	28.4%
Operating	846,018.63	3,004,140	28.2%
Capital	732,091.59	7,423,282	0.0%
Transfers	14,791.74	59,167	25.0%
Reserves	-	814	0.0%
	\$ 2,503,674.79	\$ 13,691,112	18.3%



Stormwater Fund Cash & Equity - Summary

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

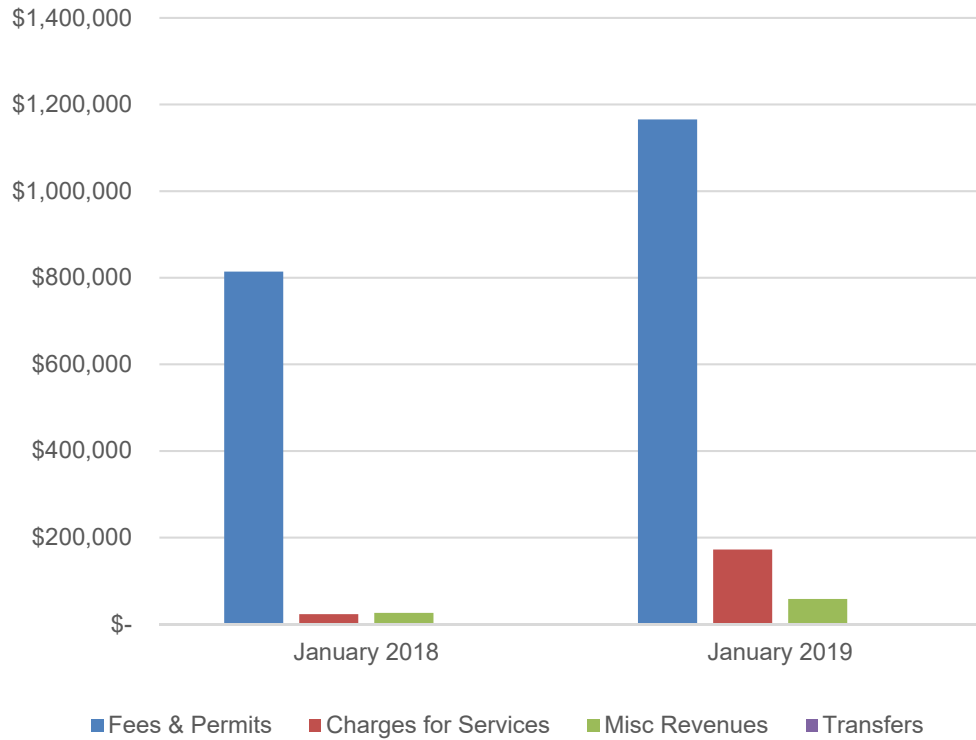


Overall the Stormwater cash and investments were \$4,108,151, or 59.5%, more as of January 2019 as compared to January 2018.

Overall the Stormwater fund equity was \$4,909,961, or 75.1%, more as of January 2019 as compared to January 2018.

Building Fund Revenues - Summary

➤ Year-to-Date (YTD) Revenue Comparisons



Fees and Permits revenue in January 2019 is up \$351,177, or 43.14%, from January 2018.

Charges for Services revenue in January 2019 is up \$149,223, or 648.18%, from January 2018.

Overall, Building revenues in FY 19 (at January) have increased by \$532,031, or 61.60%, when compared to FY 18 (at January).

The total FY 19 Building revenues are recorded at 43.3% of the budgeted amount compared to FY 18 which was 48.0%.

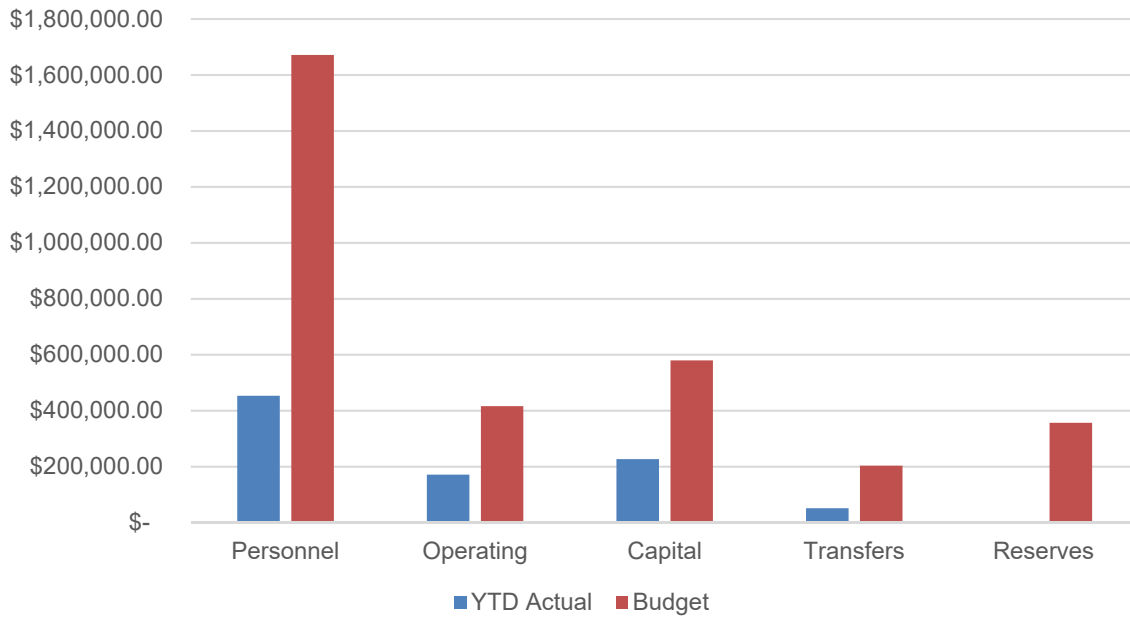


Building Fund Expenditures - Summary

➤ Year-to-Date (YTD) Building Expenditures

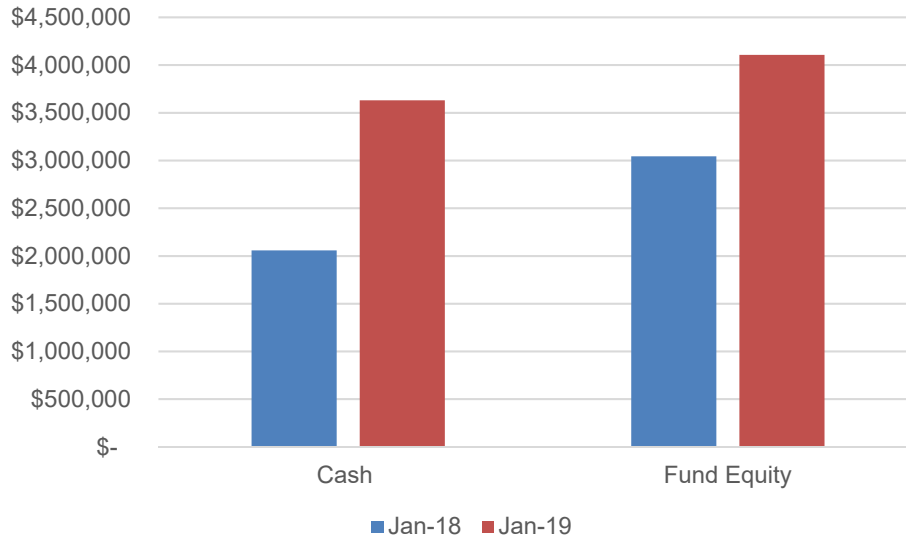
Overall expenditures (excluding encumbrances) are as follows:

	<i>YTD Actual</i>	<i>Annual Budget</i>	<i>% Spent</i>
Personnel	\$ 452,930.45	\$ 1,671,282	27.1%
Operating	171,396.21	416,084	41.2%
Capital	226,820.00	579,460	39.1%
Transfers	50,759.01	203,036	25.0%
Reserves	-	356,399	0.0%
	\$ 901,905.67	\$ 3,226,261	28.0%



Building Fund Cash & Equity - Summary

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



Overall the Building cash and investments were \$1,571,750, or 76.4%, more as of January 2019 as compared to January 2018.

Overall the Building fund equity was \$1,062,772, or 34.9%, more as of January 2019 as compared to January 2018.