



MONTHLY FINANCIAL REPORT (UNAUDITED)

JUNE 2018

City of Palm Bay, Florida



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MONTHLY FINANCIAL REPORT (UNAUDITED)

JUNE 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 June 2018. June is the ninth month of the fiscal year and represents 75% of the annual budget.

Financial Report Summary

- Citywide revenues of \$141.4 million are at 66.5% of the annual budget. Citywide expenditures of \$109.8 million are at 51.7% 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 \$25.9 million, or 34.6%, in comparison to the prior year.
- Most of the increased citywide revenues are a result of the new Stormwater Assessment and note proceeds for the I-95 connector road. Most of the increased citywide expenditures are due to needs in Stormwater, Utility renewal & replacement, and disaster preparedness.

Citywide - Cash & Investments		Citywide - Revenues		Citywide - Expenditures	
6/30/2018	\$ 100,721,332.06	6/30/2018	\$ 141,379,014.48	6/30/2018	\$ 109,770,392.81
6/30/2017	74,824,951.03	6/30/2017	116,589,307.42	6/30/2017	108,792,951.77
Increase	34.6%	\$ 25,896,381.03	Increase	21.3%	\$ 24,789,707.06
			Increase	0.9%	\$ 977,441.04

- General Fund revenues of \$55.1 million are at 77.5% of the annual budget. This is an increase of \$5.2 million, or 10.5%, in comparison to the prior year.
- General Fund expenditures of \$49.2 million are at 69.1% of the annual budget. This is an increase of \$0.5 million, or 1.1%, in comparison to the prior year.
- General Fund cash and investments increased by \$4.0 million, or 31.7%, in comparison to the prior year. Of this increased General Fund cash, \$800,000 is reserved.

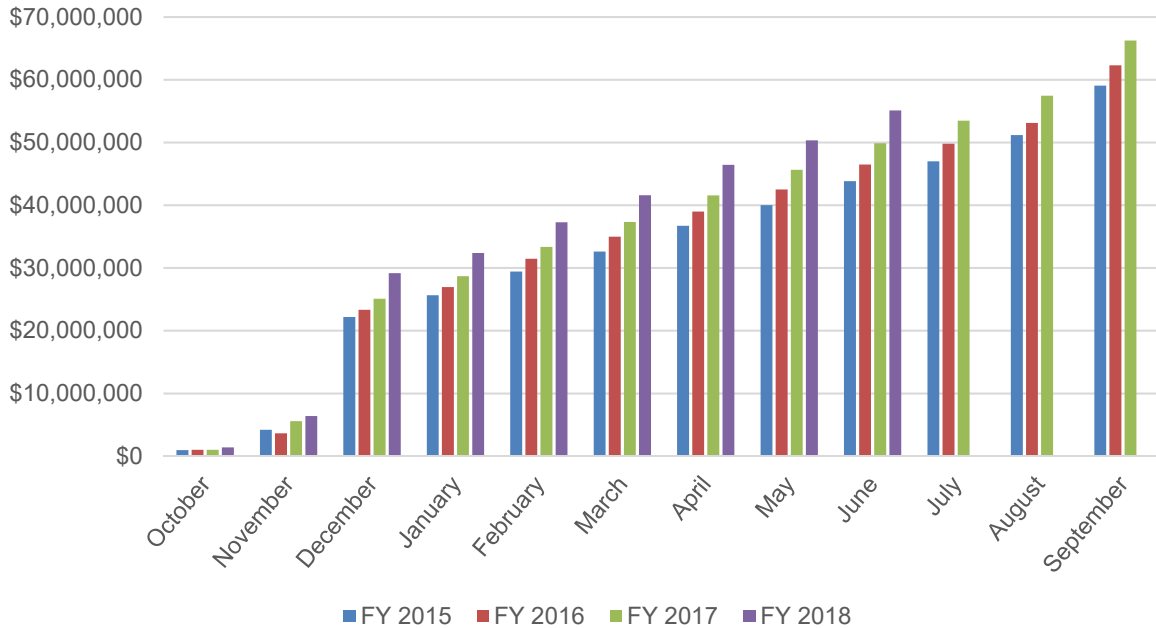
General Fund - Cash & Investments		General Fund - Revenues		General Fund - Expenditures	
6/30/2018	\$ 16,599,817.92	6/30/2018	\$ 55,104,867.80	6/30/2018	\$ 49,152,344.82
6/30/2017	12,601,053.37	6/30/2017	49,884,920.43	6/30/2017	48,639,386.53
Increase	31.7%	\$ 3,998,764.55	Increase	10.5%	\$ 5,219,947.37
			Increase	1.1%	\$ 512,958.29

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



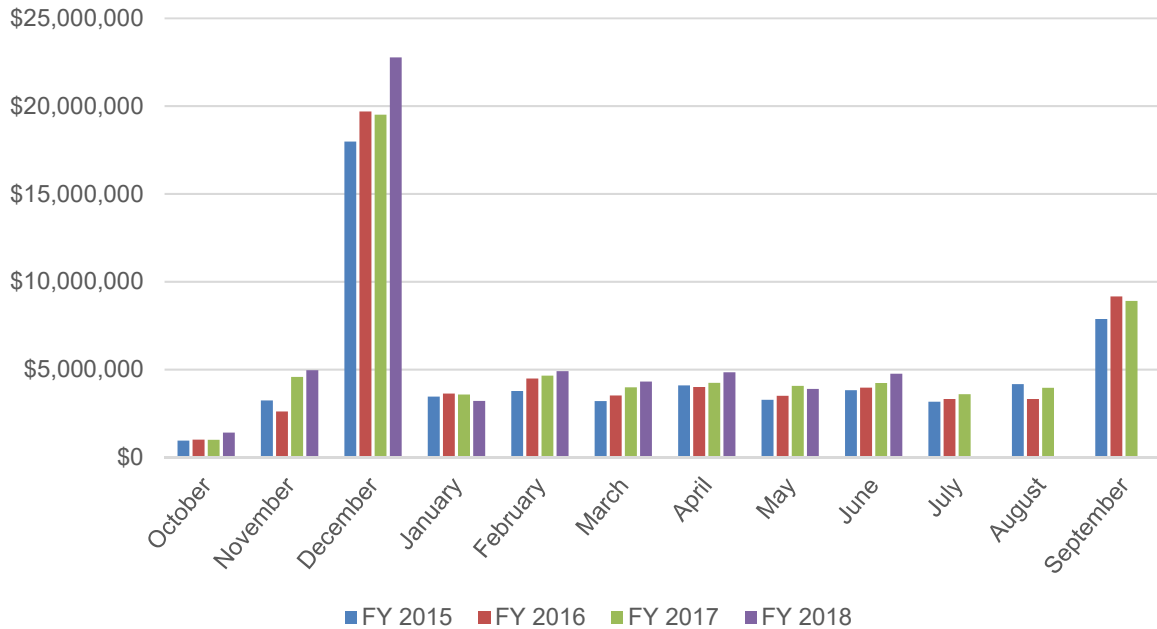
➤ FY 2018 YTD Revenue Variance
 As Compared to Prior Year

	Prior YTD	Current YTD	% Variance	Annual Budget
Ad Valorem Taxes	\$ 26,201,718	\$ 28,564,267	9.0%	\$ 28,467,595
Local Option Fuel Tax (1)	2,652,381	2,341,601	-11.7%	4,208,406
Utility Service Taxes	4,744,794	5,147,530	8.5%	8,402,000
Communication Service Tax	1,505,116	1,536,279	2.1%	2,779,457
Franchise Fees (2)	2,711,919	2,985,300	10.1%	5,240,000
State Shared Revenues (3)	2,266,744	2,511,030	10.8%	4,515,736
Half Cent Sales Tax	3,748,956	4,062,015	8.4%	6,686,792
Licenses and Permits	571,806	592,980	3.7%	602,000
Grants and Other Entitlements	933,555	859,151	-8.0%	1,283,468
Charges for Services (4)	2,417,198	3,036,825	25.6%	3,431,469
Fines and Forfeitures (5)	275,464	344,763	25.2%	346,300
Interest, Rents & Other Revenues (6)	449,207	1,098,079	144.4%	496,900
Interfund Transfers & Capital Leases (7)	1,406,062	2,025,047	44.0%	2,573,766
Fund Balance	-	-	0.0%	2,106,878
	\$ 49,884,920	\$ 55,104,868	10.5%	\$ 71,140,767

(1) Decrease primarily due to decreased year-to-date collections of Local Option Fuel Tax in FY 18.
 (2) Increase primarily due to increased year-to-date collections of Franchise Fees associated with FPL in FY 18.
 (3) Increase primarily due to increased year-to-date collections from State Shared Revenues in FY 18.
 (4) Increase primarily due to increased year-to-date collections for Engineering Plan Fees, Recreation Programs, and Utilities Allocation in FY 18
 (5) Increase primarily due to increased year-to-date collections from Code Compliance Fines and Investigative Cost Recoveries in FY 18.
 (6) Increase primarily due to increased year-to-date collections associated with Property Sales and interest earned in FY 18.
 (7) Increase primarily due to higher budgeted transfer from Utility Operating Fund and BCRA in FY 18.

General Fund (GF) Revenues - Summary

➤ Monthly Revenue Comparisons



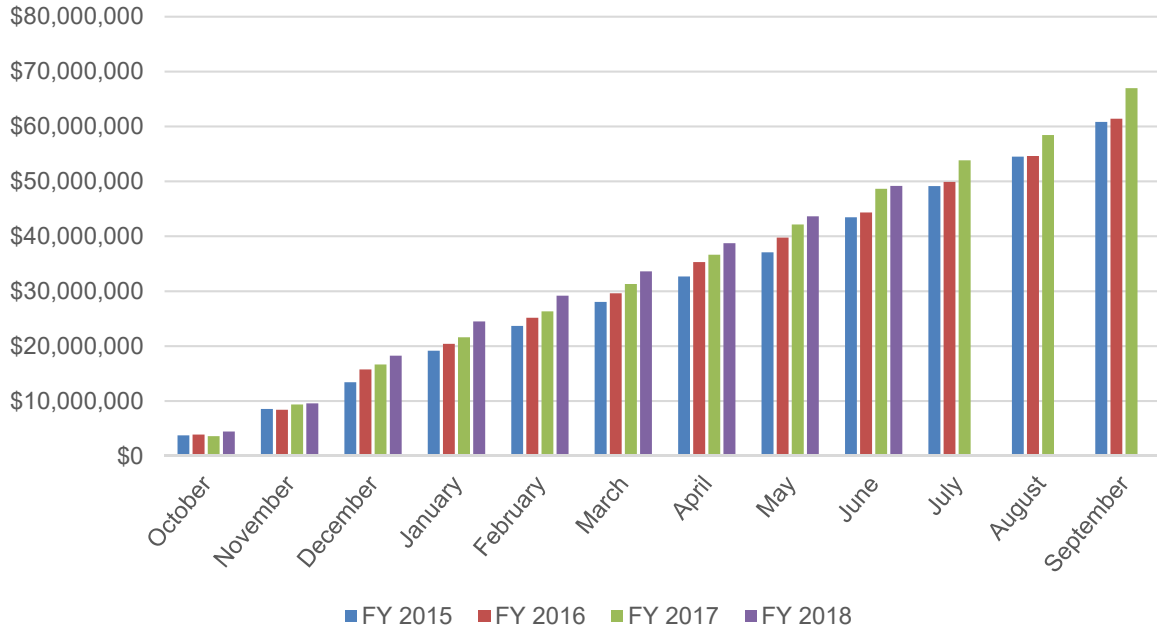
➤ FY 2018 Monthly Revenue Variance
 As Compared to Prior Years

	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	
August	4,168,296	3,323,716	3,960,272	
September	7,881,278	9,167,028	8,913,454	
	\$ 59,055,101	\$ 62,285,475	\$ 66,356,517	\$ 55,104,868

Overall General Fund revenues for the month of June 2018 have increased \$529,980, or 12.5%, when compared to June 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	\$ 486,080	\$ 500,803	3.0%	\$ 712,660
City Manager	526,620	567,674	7.8%	835,123
City Attorney (1)	501,071	422,656	-15.6%	530,365
Procurement (2)	294,082	262,098	-10.9%	452,024
Finance	998,755	988,166	-1.1%	1,404,782
Information Technology (3)	1,575,089	1,891,911	20.1%	3,439,921
Human Resources (4)	444,446	383,607	-13.7%	703,807
Growth Management	898,937	952,527	6.0%	1,461,306
Economic Development (5)	599,513	408,109	-31.9%	688,632
Parks and Recreation	3,185,239	2,942,919	-7.6%	4,329,125
Facilities	1,811,268	1,718,559	-5.1%	2,774,213
Police	13,425,560	13,788,035	2.7%	19,761,396
Fire	10,194,203	10,317,521	1.2%	14,505,129
Public Works (6)	4,573,811	5,339,586	16.7%	6,800,620
Non-Departmental	2,839,630	2,932,649	3.3%	5,594,168
Transfers	6,285,082	5,735,524	-8.7%	7,147,496
	\$ 48,639,387	\$ 49,152,345	1.1%	\$ 71,140,767

(1) Increase primarily due to increased year-to-date costs for Other Attorneys in FY 18. Most in-house Attorney cost is charged to the Risk Fund.

(2) Decrease primarily due to personnel vacancies in Procurement in FY 18.

(3) Increase primarily due to higher year-to-date costs for Network Equipment, IS Related Projects, PC Replacements, and Repair and Maintenance in FY18.

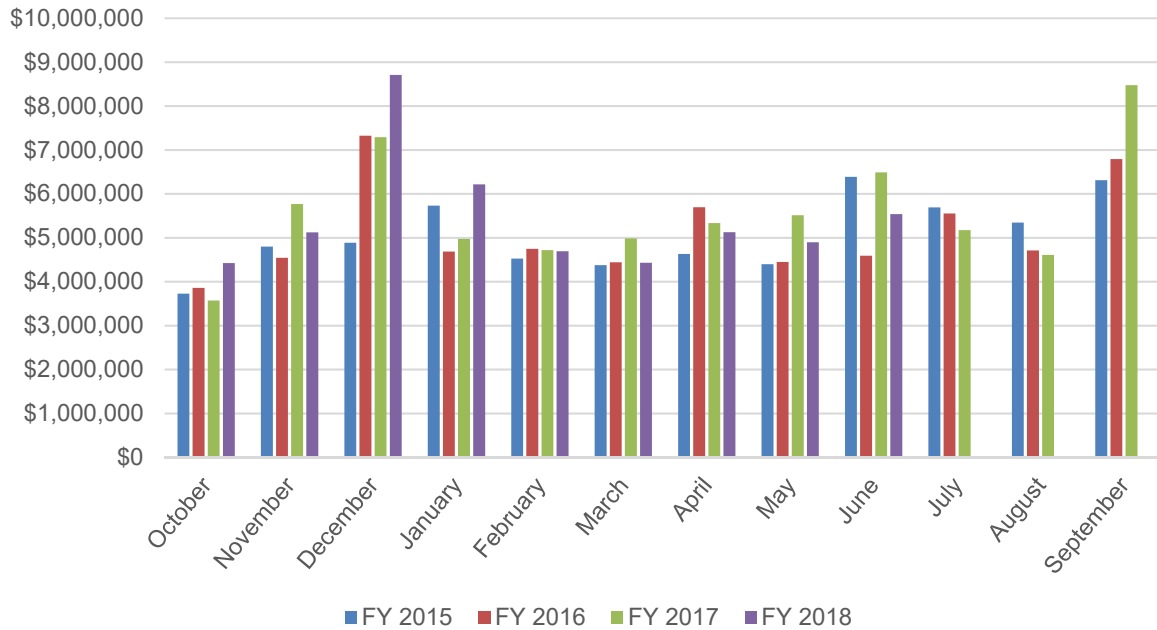
(4) Decrease primarily due to lower year-to-date costs for physicals/drug screens.

(5) Decrease primarily due to lower year-to-date costs for Other Professional Services and Promotional Activities in FY 18.

(6) 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

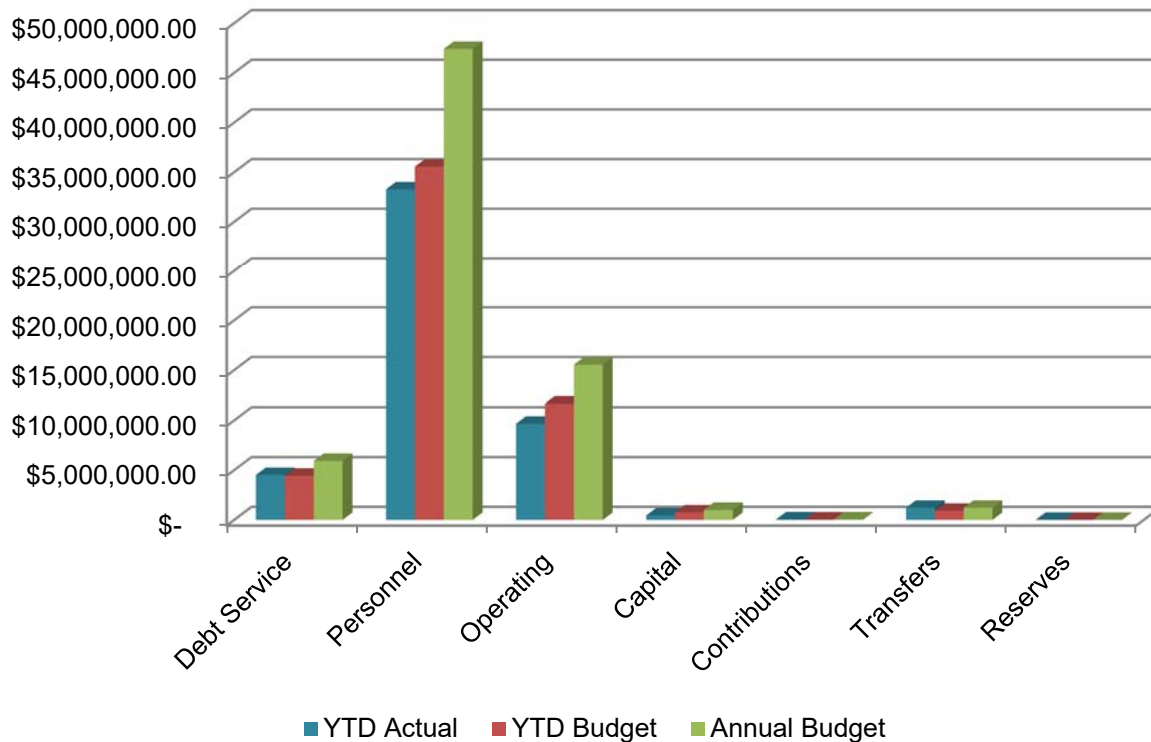
	FY 2015	FY 2016	FY 2017	FY 2018
October	\$ 3,726,416	\$ 3,859,572	\$ 3,572,123	\$ 4,424,711
November	4,799,117	4,542,401	5,766,532	5,122,997
December	4,886,462	7,323,753	7,290,910	8,706,391
January	5,729,780	4,685,466	4,972,873	6,214,289
February	4,526,492	4,746,328	4,719,784	4,693,931
March	4,375,170	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	
August	5,346,802	4,712,630	4,609,040	
September	6,310,426	6,791,578	8,479,474	
	\$ 60,803,379	\$ 61,393,243	\$ 66,903,312	\$ 49,152,345

General Fund expenditures were \$949,747, or 14.6%, less when comparing June 2018 to June 2017. Year-to-date expenditures are \$512,958, or 1.1%, higher.

General Fund (GF) Expenditures - Summary

➤ Expenditures – Budgetary Comparison by Category

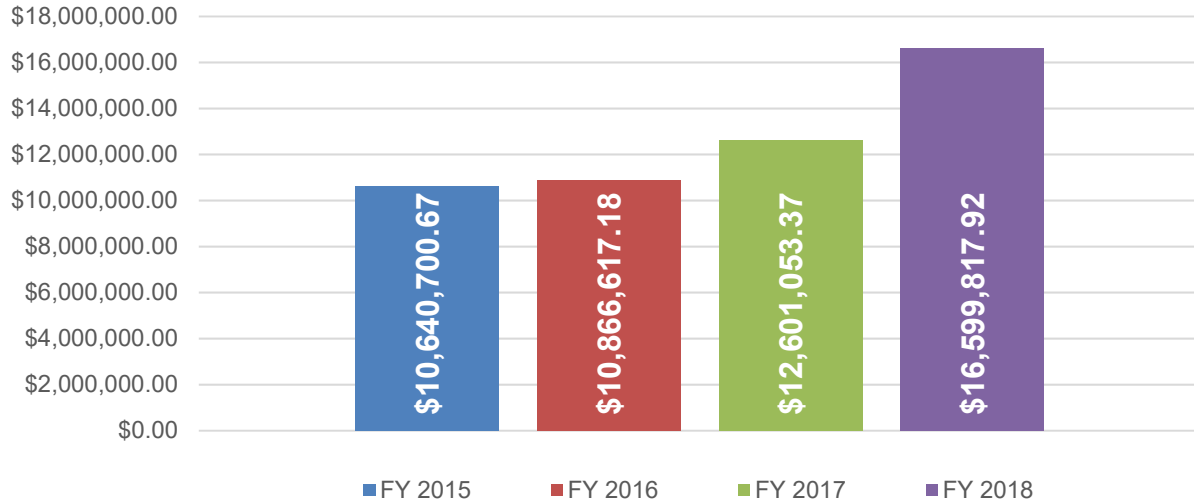
	YTD Actual	YTD Budget	Annual Budget	% Spent
Debt Service	\$ 4,513,666.45	\$ 4,444,229	\$ 5,925,638	76.2%
Personnel	33,265,519.52	35,553,158	47,404,210	70.2%
Operating	9,657,866.08	11,650,976	15,534,635	62.2%
Capital	438,609.77	753,320	1,004,426	43.7%
Contributions	54,825.00	37,500	50,000	109.7%
Transfers	1,221,858.00	916,394	1,221,858	100.0%
Reserves	-	-	-	0.0%
	\$ 49,152,344.82	\$ 53,355,575	\$ 71,140,767	69.1%



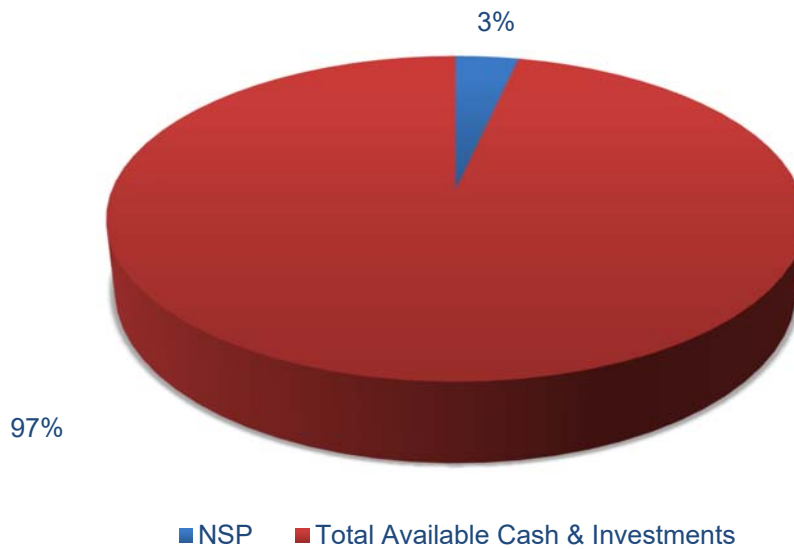
The total budgeted expenditures for 2018 are \$71,140,767 (including encumbrances from prior year and 2018 budget amendments). Of this amount, \$47,404,210, or 66.6%, is related to personnel costs.

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	\$ 16,925,613.57	June 2018 Ending Balance	\$ 16,599,817.92
Cash Increase (Decrease)	(325,795.65)	Cash Advanced to Other Funds:	
		NSP	(573,838.30)
Ending Balance 6/30/2018	\$ 16,599,817.92	Total Available Cash & Investments	\$ 16,025,979.62





General Fund (GF) Balance - Summary

	Prior YTD	Current YTD
<u>REVENUES</u>		
Ad Valorem Taxes	\$ 26,201,718	\$ 28,564,267
Local Option Fuel Tax	2,652,381	2,341,601
Utility Service Taxes	4,744,794	5,147,530
Communication Service Tax	1,505,116	1,536,279
Franchise Fees	2,711,919	2,985,300
State Shared Revenues	2,266,744	2,511,030
Half Cent Sales Tax	3,748,956	4,062,015
Licenses and Permits	571,806	592,980
Grants and Other Entitlements	933,555	859,151
Charges for Services	2,417,198	3,036,825
Fines and Forfeitures	275,464	344,763
Interest, Rents and Other Revenues	449,207	1,098,079
Interfund Transfers and Other Sources	1,406,062	2,025,047
Total Revenues	49,884,920	55,104,868
<u>EXPENDITURES</u>		
Legislative	486,080	500,803
City Manager	526,620	567,674
City Attorney	501,071	422,656
Procurement	294,082	262,098
Finance	998,755	988,166
Information Technology	1,575,089	1,891,911
Human Resources	444,446	383,607
Growth Management	898,937	952,527
Economic Development	599,513	408,109
Parks and Recreation	3,185,239	2,942,919
Facilities	1,811,268	1,718,559
Police	13,425,560	13,788,035
Fire	10,194,203	10,317,521
Public Works	4,573,811	5,339,586
Non-Departmental	2,839,630	2,932,649
Transfers	6,285,082	5,735,524
Total Expenditures	48,639,387	49,152,345
Excess (Deficiency) of Revenues Over Expenditures	1,245,534	5,952,523
Fund Balance - Beginning	9,174,582	8,631,987
Fund Balance - Ending	\$ 10,420,116	14,584,510



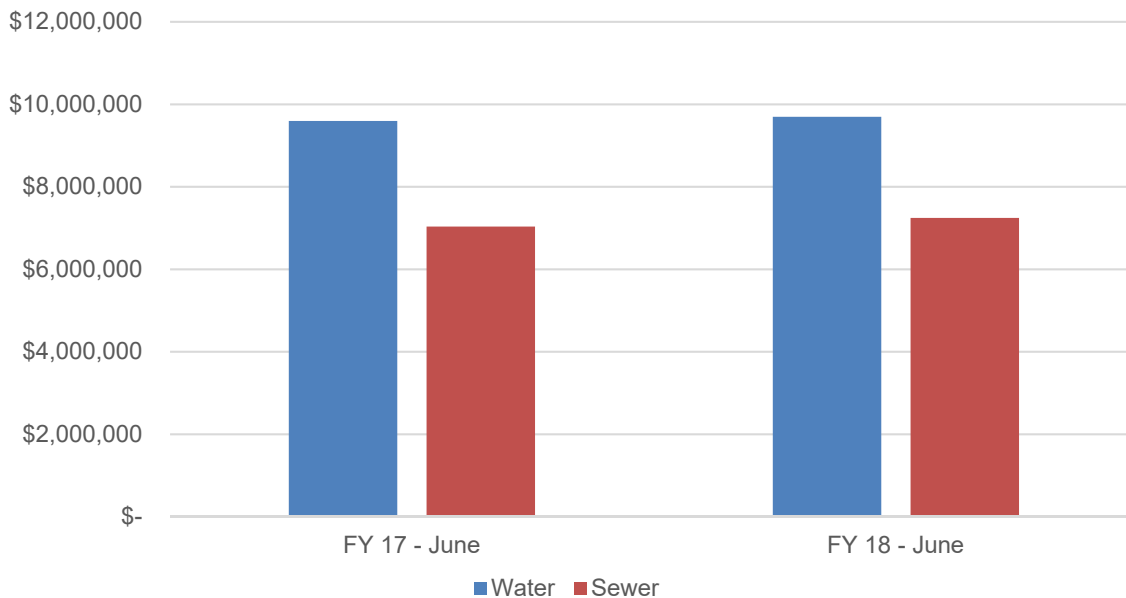
General Fund (GF) Balance - Summary

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.

General Fund Balance - History			
	Minimum Required	Actual Fund Balance	Fund Balance Percentage
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 June 2018 has increased \$101,136, or 1.05%, when compared to June 2017.

Overall year-to-date Sewer revenue in June 2018 has increased \$206,609, or 2.94% when compared to June 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 104%, Plan Review & Inspection Fees are recorded at 53%, and Utility Lien Costs are recorded at 114%.

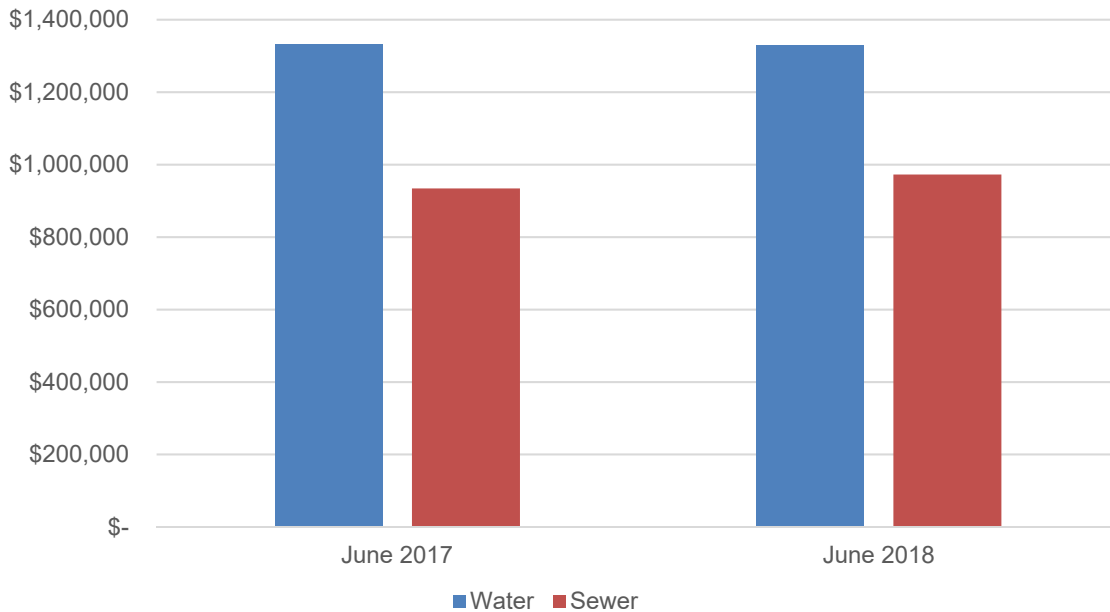
Operating Interest Income is recorded at 91%.

Excluding Fund Balance, the total FY 18 Operating Revenue is recorded at 64.80% of the budgeted amount compared to FY 17 which was at 69.84%.

Water Connection Fees are recorded at 127% of the budgeted amount, and Sewer Connection Fees are recorded at 102% of the budgeted amount.

Water MLEs are recorded at 112% of the budgeted amount, and Sewer MLEs are recorded at 84% of the budgeted amount.

➤ **Monthly Comparison: Water & Sewer**



Overall Water revenue for the month of June 2018 has decreased by \$2,291, or 0.2%, when compared to June 2017.

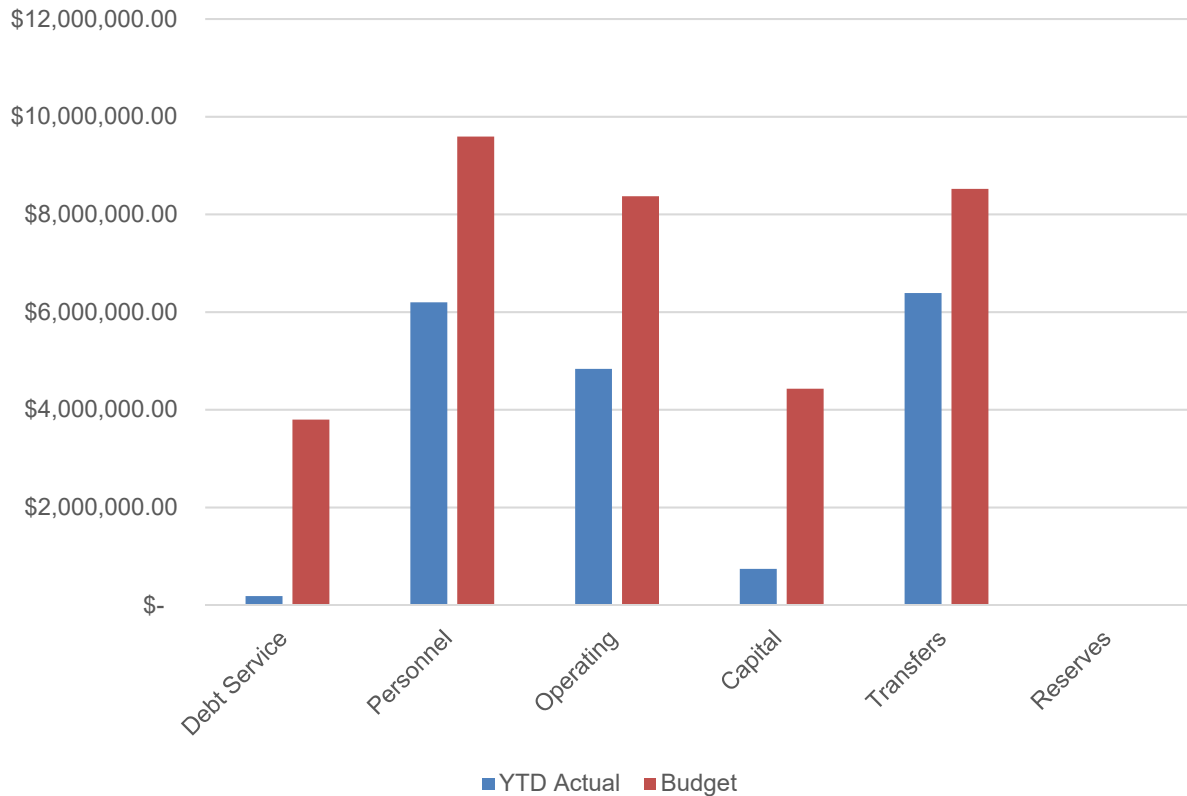
Overall Sewer revenue for the month of June 2018 has increased by \$38,679, or 4.1%, when compared to June 2017.

Utilities Fund Expenditures - Summary

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

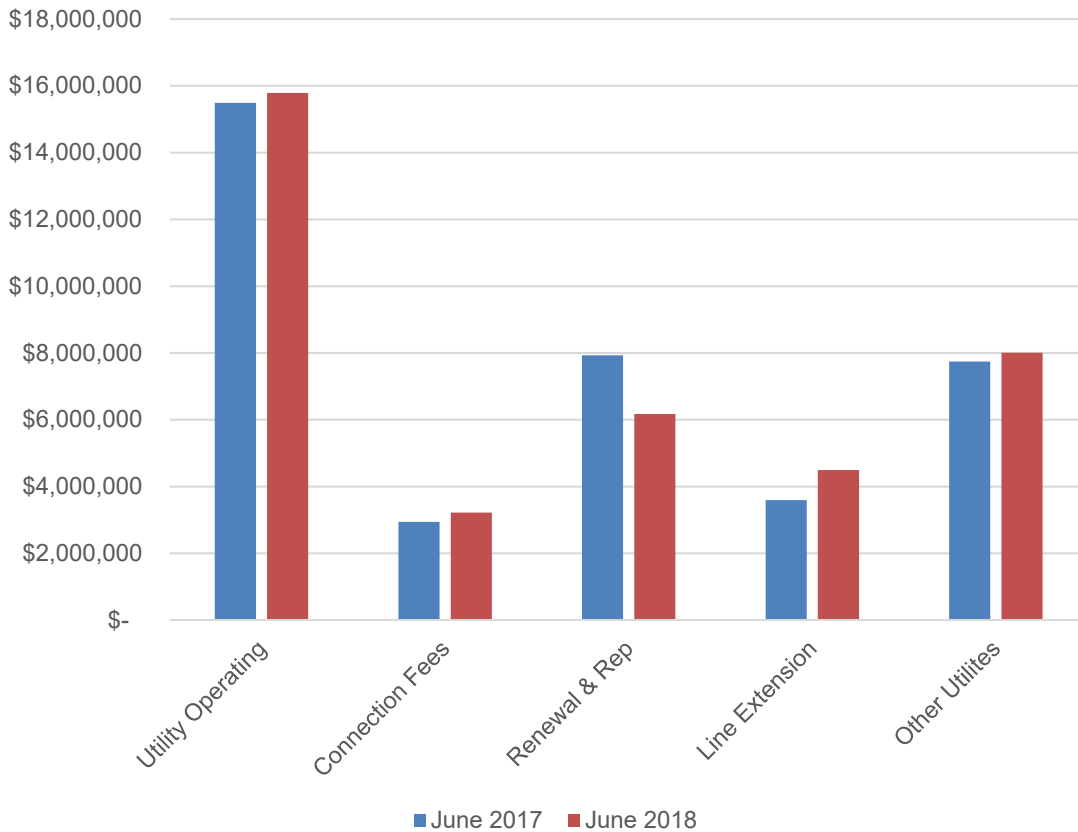
Overall expenditures (excluding encumbrances) are as follows:

	YTD Actual	Annual Budget	% Spent
Debt Service	\$ 184,937.67	\$ 3,799,411	4.9%
Personnel	6,198,650.93	9,592,257	64.6%
Operating	4,837,241.03	8,369,785	57.8%
Capital	741,781.04	4,429,992	16.7%
Transfers	6,388,633.18	8,520,949	75.0%
Reserves	-	-	-
	\$ 18,351,243.85	\$ 34,712,394	52.9%



Utilities Fund Cash & Investments - Summary

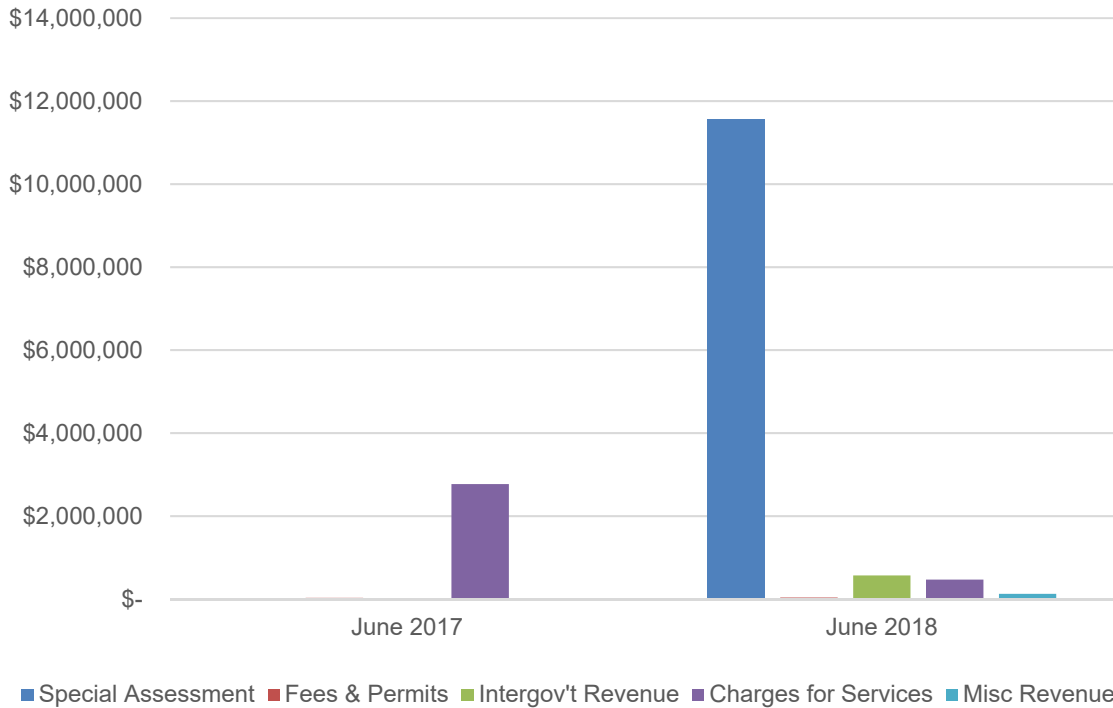
➤ Year-to-Date (YTD) Comparison: Water & Sewer



Overall the Water & Sewer Funds cash and investments were \$0.01 million, or 0.04%, less as of June 2018 as compared to June 2017.

Stormwater Fund Revenues - Summary

➤ Year-to-Date (YTD) Revenue Comparisons



Special Assessment revenue in FY 18 (at June) is \$11,557,547. A comparison to FY 17, is not available as associated revenues were not recorded until FY 18.

Charges for Services revenue in June 2018 is down \$2,300,309, or 83.1%, from June 2017.

Overall, Stormwater revenues in FY 18 (at June) have increased by \$9,938,496, or 353.3%, when compared to FY 17 (at June).

The total FY 18 Stormwater revenues are recorded at 89.3% of the budgeted amount compared to FY 17 which was 43.4%.

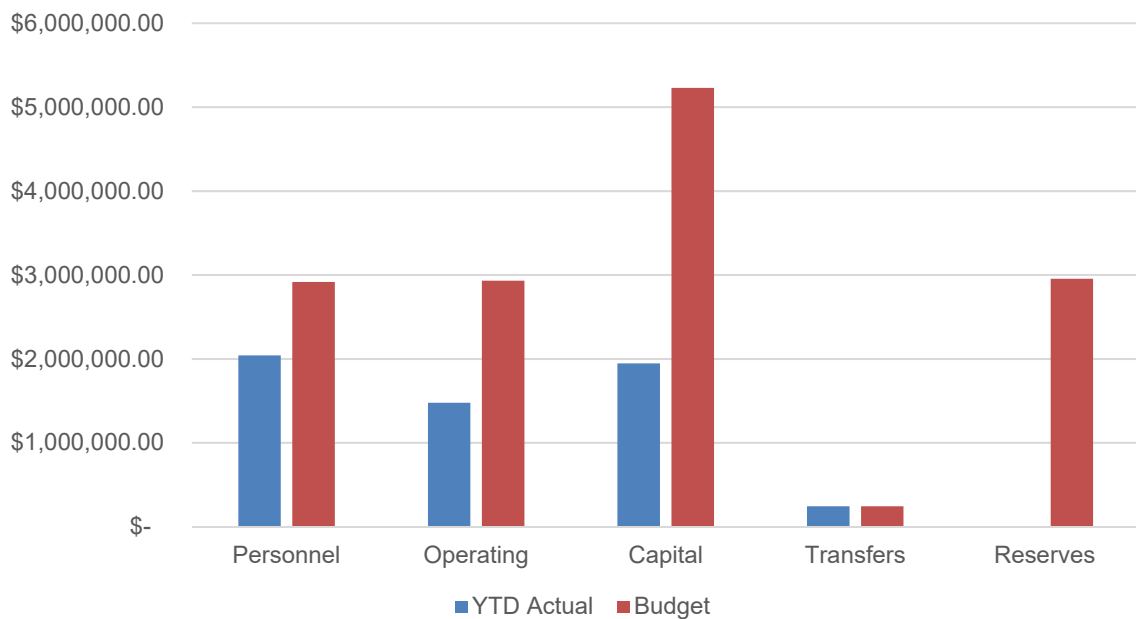


Stormwater Fund Expenditures - Summary

➤ Year-to-Date (YTD) Expenditure Comparisons

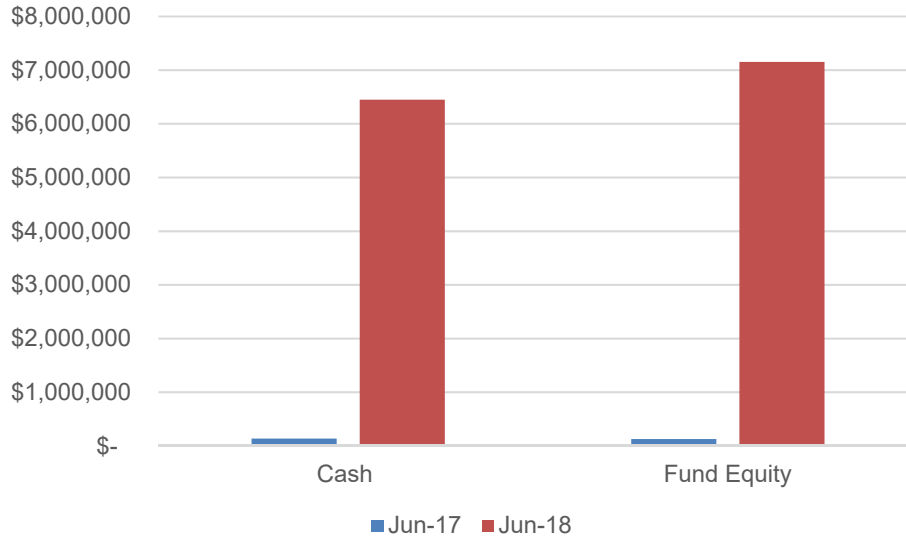
Overall expenditures (excluding encumbrances) are as follows:

	<i>YTD Actual</i>	<i>Annual Budget</i>	<i>% Spent</i>
Personnel	\$ 2,041,507.75	\$ 2,917,297	70.0%
Operating	1,476,632.11	2,931,945	50.4%
Capital	1,946,821.66	5,228,419	0.0%
Transfers	243,881.00	243,881	100.0%
Reserves	-	2,953,948	0.0%
	\$ 5,708,842.52	\$ 14,275,490	40.0%



Stormwater Fund Cash & Equity - Summary

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

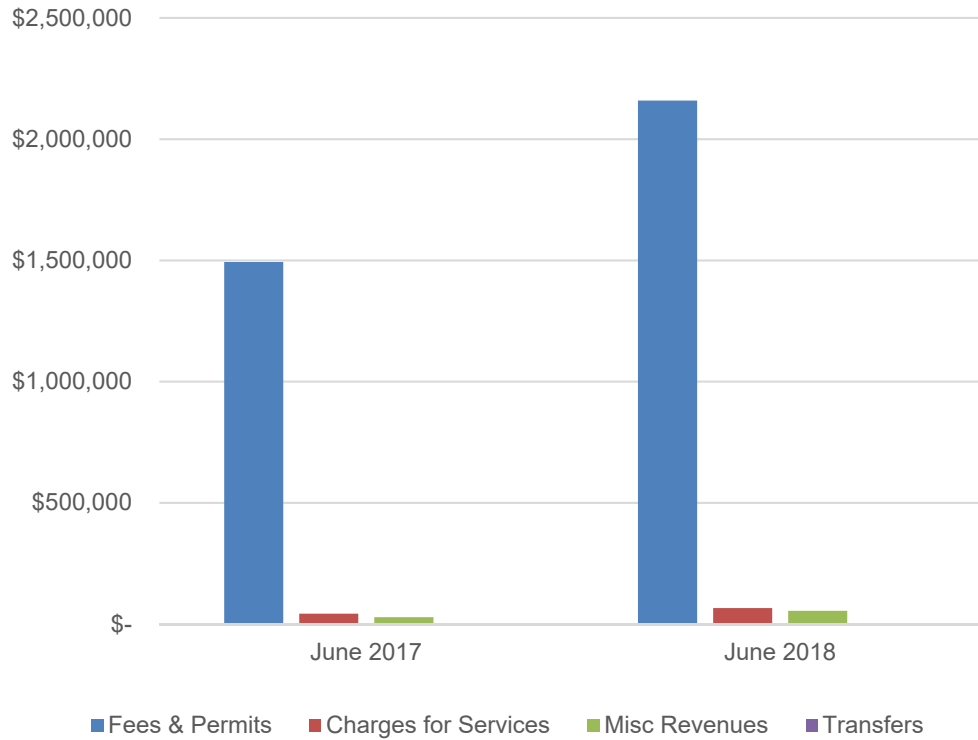


Overall the Stormwater cash and investments were \$6,311,418, or 4,595.2%, more as of June 2018 as compared to June 2017.

Overall the Stormwater fund equity was \$7,025,416, or 5,506.2%, more as of June 2018 as compared to June 2017.

Building Fund Revenues - Summary

➤ Year-to-Date (YTD) Revenue Comparisons



Fees and Permits revenue in June 2018 is up \$665,334, or 44.55%, from June 2017.

Charges for Services revenue in June 2018 is up \$23,197, or 53.85%, from June 2017.

Overall, Building revenues in FY 18 (at June) have increased by \$715,598, or 45.72%, when compared to FY 17 (at June).

The total FY 18 Building revenues are recorded at 89.7% of the budgeted amount compared to FY 17 which was 80.9%.

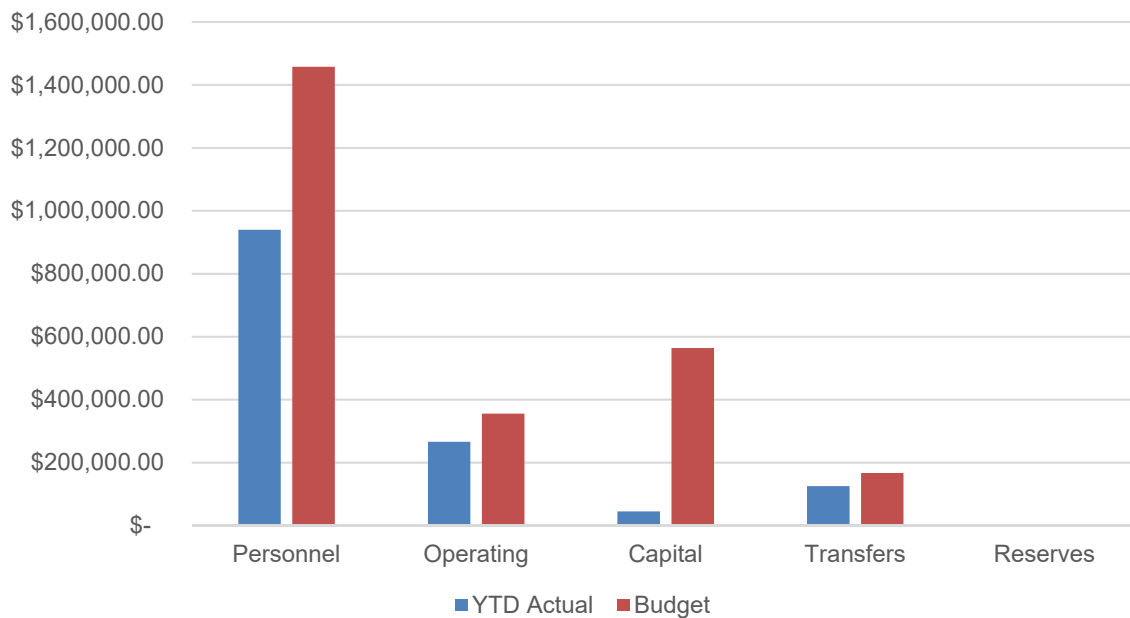


Building Fund Expenditures - Summary

➤ Year-to-Date (YTD) Building Expenditures

Overall expenditures (excluding encumbrances) are as follows:

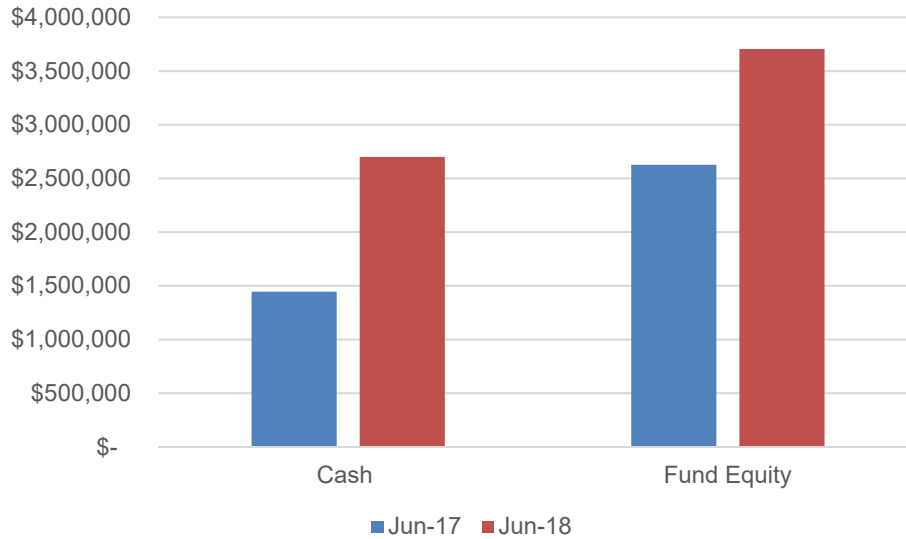
	<i>YTD Actual</i>	<i>Annual Budget</i>	<i>% Spent</i>
Personnel	\$ 939,374.68	\$ 1,457,861	64.4%
Operating	265,895.46	355,211	74.9%
Capital	44,914.00	563,874	0.0%
Transfers	124,986.78	166,649	75.0%
Reserves	-	-	0.0%
	\$ 1,375,170.92	\$ 2,543,595	54.1%



➤

Building Fund Cash & Equity - Summary

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



Overall the Building cash and investments were \$1,255,370, or 86.9%, more as of June 2018 as compared to June 2017.

Overall the Building fund equity was \$1,078,371, or 41.1%, more as of June 2018 as compared to June 2017.