

**CITY OF PALM BAY, FLORIDA  
MONTHLY FINANCIAL REPORT (UNAUDITED)  
MARCH 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 March 2017. March is the sixth month of the fiscal year and represents 50% of the annual budget.

**Financial Report Summary**

- Citywide revenues of \$83.1 million are at 48.1% of the annual budget. Citywide expenditures of \$71.6 million are at 41.5% 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 \$9.3 million, or 13.5%, 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	
3/31/2017	\$ 77,728,513.57	3/31/2017	\$ 83,094,219.44	3/31/2017	\$ 71,648,245.53
3/31/2016	68,464,181.04	3/31/2016	92,402,647.82	3/31/2016	88,762,894.61
Increase	13.5% \$ 9,264,332.53	Decrease	-10.1% \$ (9,308,428.38)	Decrease	-19.3% \$ (17,114,649.08)

- General Fund revenues of \$37.3 million are at 55% of the annual budget. This is an increase of \$2.36 million, or 6.7%, in comparison to the prior year.
- General Fund expenditures of \$31.3 million are at 46% of the annual budget. This is an increase of \$1.71 million, or 5.8%, in comparison to the prior year.
- General Fund cash and investments increased by \$2.36 million, or 16.7%, in comparison to the prior year. Of this increased General Fund cash, \$800,000 is reserved.

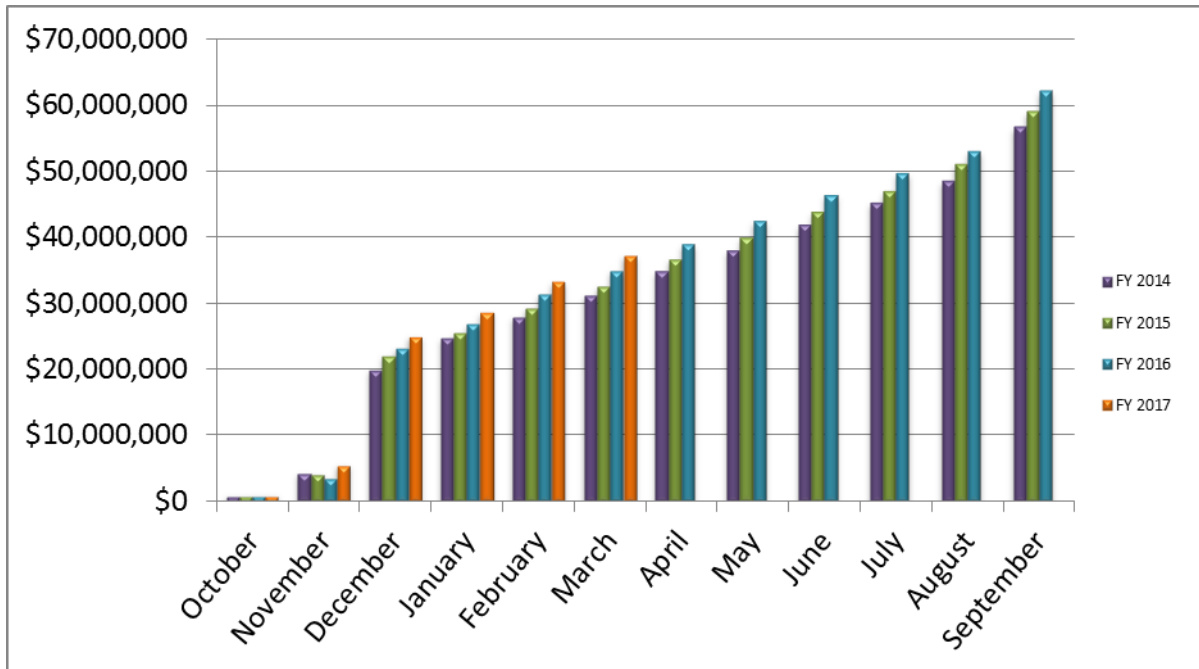
General Fund - Cash & Investments		General Fund - Revenues		General Fund - Expenditures	
3/31/2017	\$ 16,507,876.53	3/31/2017	\$ 37,328,703.95	3/31/2017	\$ 31,305,918.13
3/31/2016	14,150,586.58	3/31/2016	34,973,395.26	3/31/2016	29,600,815.67
Increase	16.7% \$ 2,357,289.95	Increase	6.7% \$ 2,355,308.69	Increase	5.8% \$ 1,705,102.46

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 March 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	\$ 21,560,481	\$ 23,492,160	9.0%	\$ 26,426,410
Local Option Fuel Tax (1)	1,132,876	1,282,949	13.2%	3,822,462
Utility Service Taxes	2,830,770	2,838,728	0.3%	8,305,000
Communication Service Tax (2)	972,984	862,799	-11.3%	2,683,536
Franchise Fees	1,662,499	1,560,692	-6.1%	5,399,000
State Shared Revenues	1,269,881	1,295,283	2.0%	4,327,372
Half Cent Sales Tax	1,935,728	2,116,422	9.3%	6,107,351
Licenses and Permits	539,288	533,561	-1.1%	607,500
Grants and Other Entitlements (3)	143,272	530,461	270.2%	1,007,796
Charges for Services	1,322,131	1,387,095	4.9%	3,159,561
Fines and Forfeitures (4)	214,193	165,869	-22.6%	414,500
Interest, Rents & Other Revenues (5)	334,560	296,028	-11.5%	541,534
Interfund Transfers & Capital Leases	1,054,731	966,659	-8.4%	1,835,914
Fund Balance	-	-	0.0%	2,942,034
	<b>\$ 34,973,395</b>	<b>\$ 37,328,704</b>	<b>6.7%</b>	<b>\$ 67,579,970</b>

(1) Increase primarily due to higher year-to-date collection of Local Option Fuel Tax in FY17.

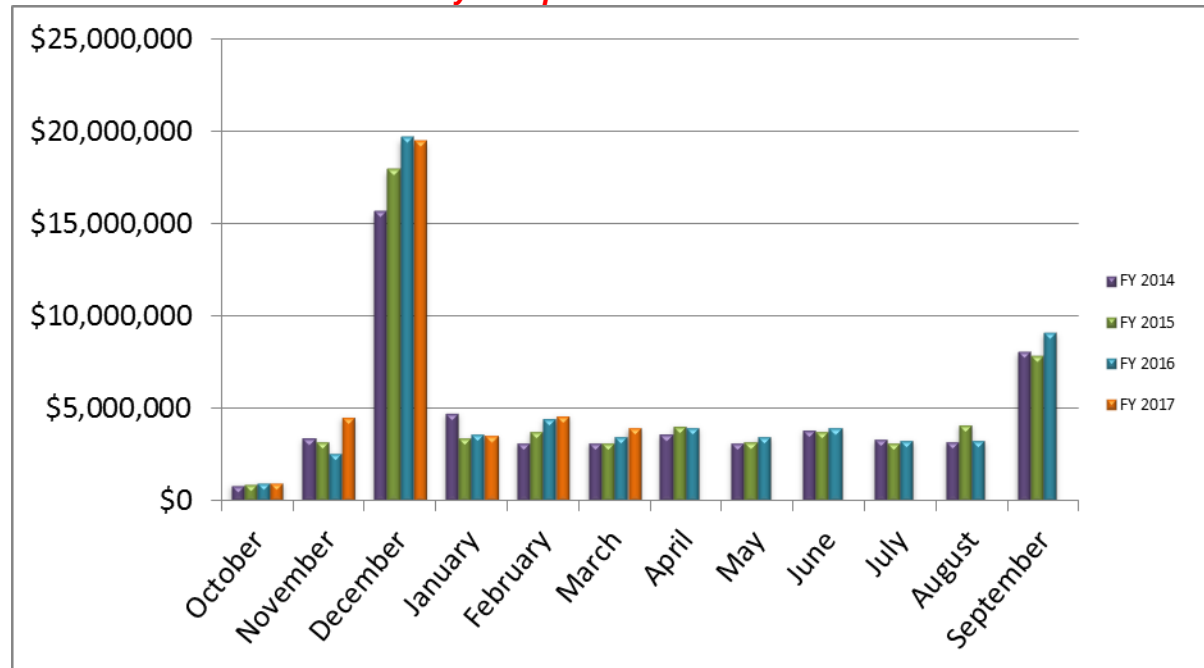
(2) Decrease primarily due to lower year-to-date collection of Communications Service Tax in FY17.

(3) Increase due to multi-year agreement with County for partial reimbursement of expenses related to Regional Park, Sr. Ctr., and Aquatic Ctr.

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

(5) Decrease primarily due to lower year-to-date collections of proceeds from property sales and lease payments.

**General Fund Revenues-Monthly Comparison**



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

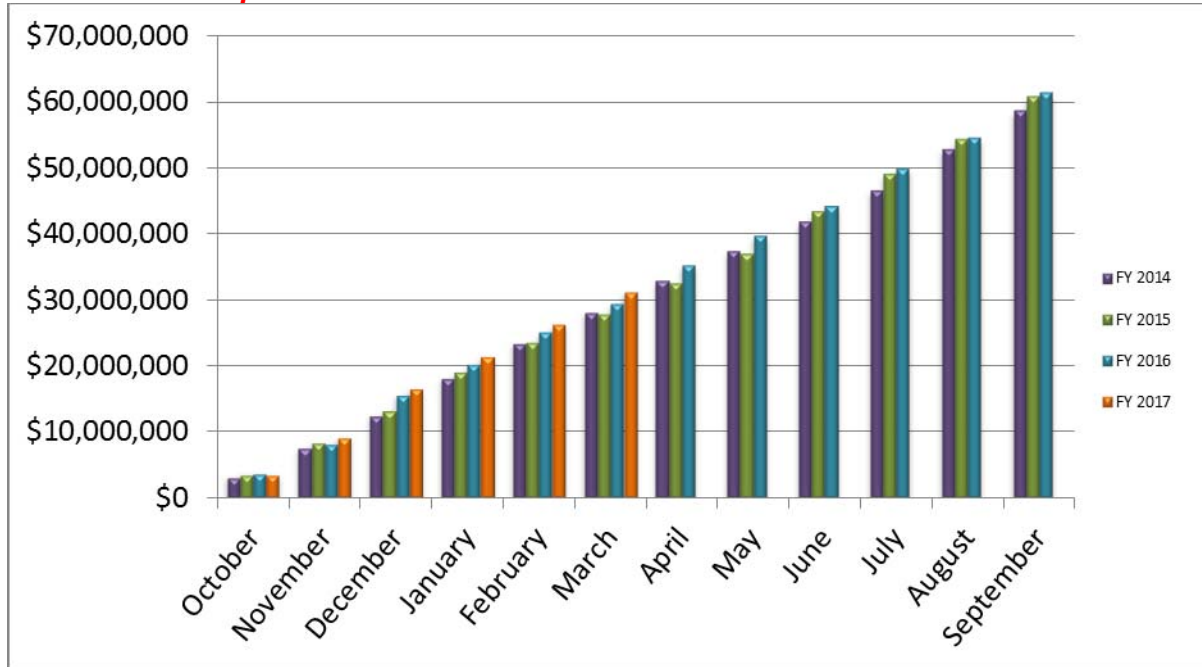
	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
October	\$ 911,630	\$ 953,761	\$ 1,012,271	\$ 1,005,090
November	3,425,400	3,246,502	2,619,131	4,580,252
December	15,683,359	17,977,402	19,689,226	19,511,218
January	4,802,728	3,458,799	3,639,261	3,585,305
February	3,200,574	3,782,243	4,490,812	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	-
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	-
	<b>\$ 56,703,597</b>	<b>\$ 59,055,101</b>	<b>\$ 62,285,475</b>	<b>\$ 37,328,704</b>

Overall General Fund revenues for the month of March 2017 have increased \$467,773 (13.28%) when compared to March 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 March 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	\$ 347,137	\$ 325,475	-6.2%	\$ 678,030
City Manager	331,089	340,872	3.0%	731,727
City Attorney (1)	672,270	272,674	-59.4%	613,919
Procurement (2)	-	185,569	0.0%	402,536
Finance (3)	794,188	629,961	-20.7%	1,359,967
Information Technology (4)	1,226,523	1,101,844	-10.2%	2,583,474
Human Resources	249,723	232,506	-6.9%	643,258
Growth Management (5)	259,320	574,143	121.4%	1,366,051
Economic Development (6)	294,532	403,286	36.9%	777,070
Parks and Recreation	1,288,932	1,382,452	7.3%	4,560,266
Facilities (7)	894,087	1,036,885	16.0%	2,468,081
Police	8,786,874	8,835,809	0.6%	19,601,350
Fire	6,490,151	6,619,763	2.0%	14,059,856
Public Works (8)	2,227,022	3,283,330	47.4%	6,381,933
Non-Departmental	1,845,315	1,898,290	2.9%	3,787,546
Transfers	3,893,651	4,183,056	7.4%	7,564,906
	<b>\$ 29,600,816</b>	<b>\$ 31,305,918</b>	<b>5.8%</b>	<b>\$ 67,579,970</b>

(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.

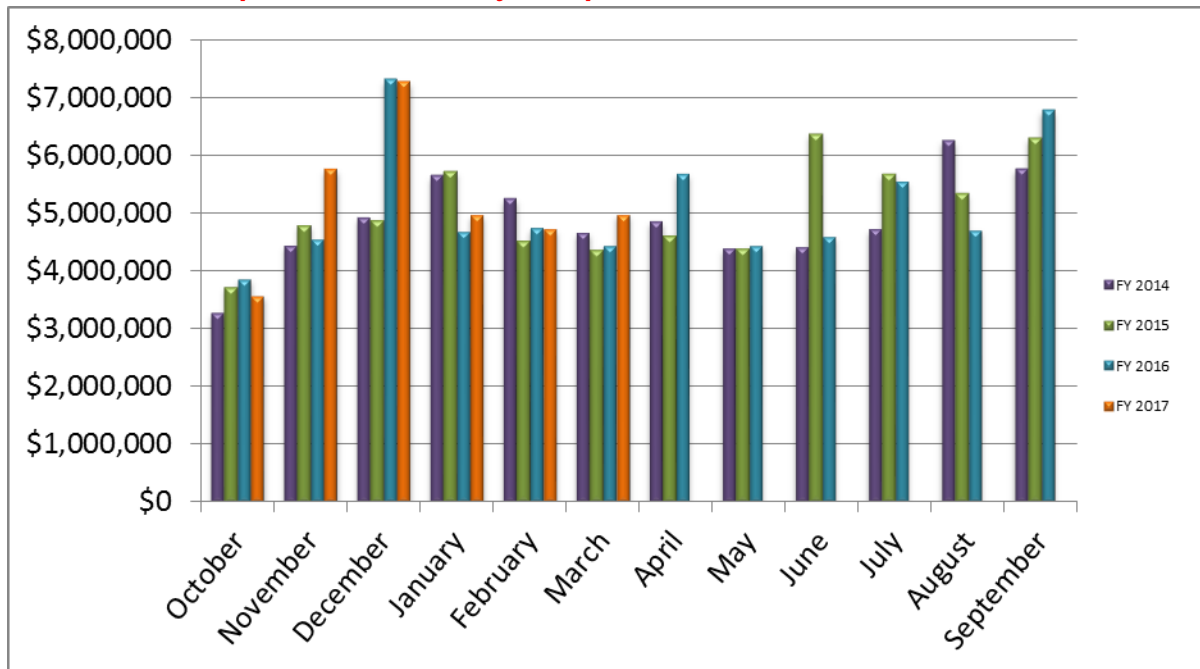
(5) Increase primarily due to FY17 budget of Code Compliance Division in Growth Management instead of in Police Department.

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

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

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

**General Fund Expenditures-Monthly Comparison**



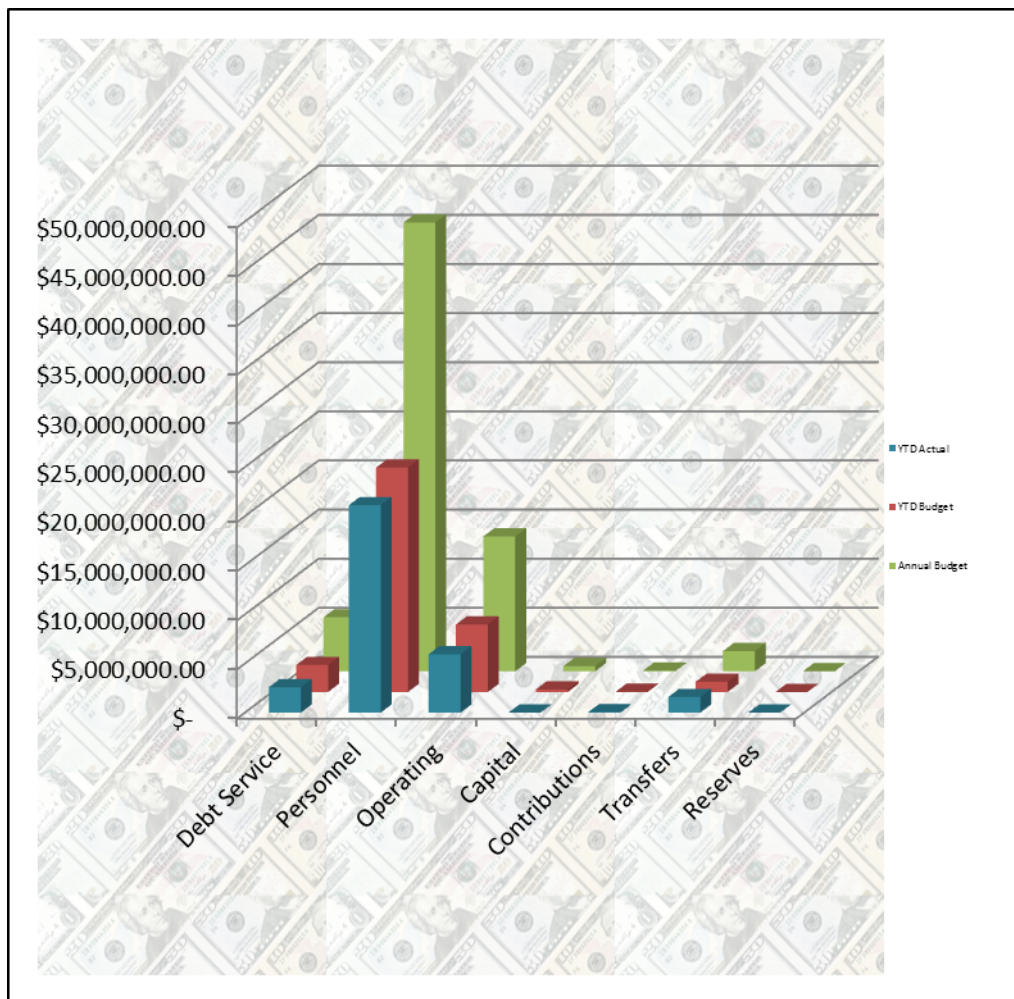
**Monthly GF Expenditures as Compared to Prior Years**

	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
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	-
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	-
	<b>\$ 58,669,085</b>	<b>\$ 60,803,379</b>	<b>\$ 61,393,243</b>	<b>\$ 31,305,918</b>

March General Fund expenditures were \$540,399 (12.16%) more when comparing March 2017 to March 2016. Year-to-date expenditures are \$1,705,102 more.

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

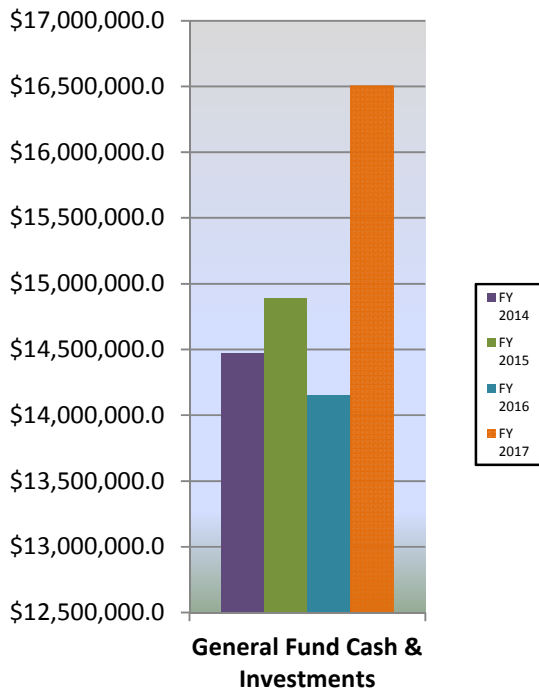
	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Annual Budget</u>	<u>% Spent</u>
Debt Service	\$ 2,592,621.64	\$ 2,751,309	\$ 5,502,617	47.12%
Personnel	21,118,098.58	22,844,321	45,688,641	46.22%
Operating	5,937,930.32	6,866,744	13,733,488	43.24%
Capital	7,539.00	260,468	520,935	1.45%
Contributions	59,294.21	36,000	72,000	82.35%
Transfers	1,590,434.38	1,031,145	2,062,289	77.12%
Reserves	-	-	-	0.00%
<b>Total</b>	<b>\$ 31,305,918.13</b>	<b>\$ 33,789,985</b>	<b>\$ 67,579,970</b>	<b>46.32%</b>



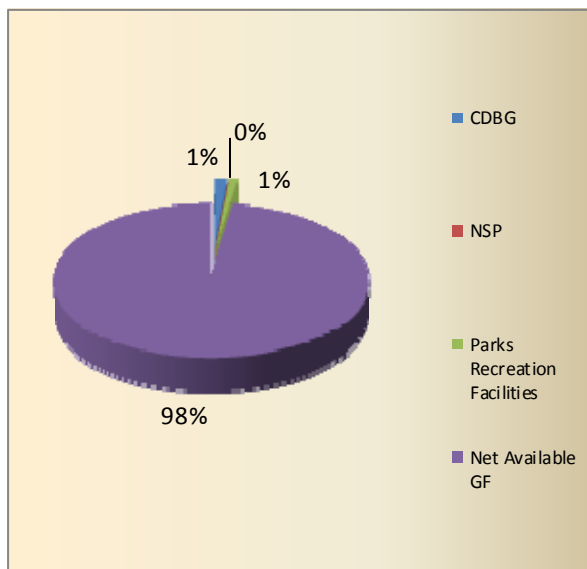
The total budgeted expenditures for 2017 are \$67,579,970 (includes encumbrances from prior year and 2017 budget amendments). Of this amount, \$45,688,641, or 67.6%, is related to personnel costs.

## General Fund Cash & Investments – At a Glance March 2017

### General Fund Cash & Investments-YTD



General Fund Cash & Investments	
Prior Month Ending Balance	\$ 17,427,903.89
Cash Increase (Decrease)	<u>(920,027.36)</u>
Ending Balance 3/31/17	<u><u>\$ 16,507,876.53</u></u>



General Fund Cash & Investments	
March 2017 Ending Balance	\$ 16,507,876.53
Cash Advanced to Other Funds:	
CDBG	(239,072.90)
NSP	(1,508.80)
Parks Recreation Facilities	<u>\$ (153,792.71)</u>
<b>Total Available Cash &amp; Investments</b>	<u><u>\$ 16,113,502.12</u></u>

## General Fund Balance – At a Glance March 2017

	PRIOR YTD	CURRENT YTD
<b>REVENUES</b>		
Ad Valorem Taxes	\$ 21,560,481	\$ 23,492,160
Local Option Fuel Tax	1,132,876	1,282,949
Utility Service Taxes	2,830,770	2,838,728
Communication Service Tax	972,984	862,799
Franchise Fees	1,662,499	1,560,692
State Shared Revenues	1,269,881	1,295,283
Half Cent Sales Tax	1,935,728	2,116,422
Licenses and Permits	539,288	533,561
Grants and Other Entitlements	143,272	530,461
Charges for Services	1,322,131	1,387,095
Fines and Forfeitures	214,193	165,869
Interest, Rents and Other Revenues	334,560	296,028
Interfund Transfers and Other Sources	1,054,731	966,659
<b>Total Revenues</b>	<b>34,973,395</b>	<b>37,328,704</b>
<b>EXPENDITURES</b>		
Legislative	347,137	325,475
City Manager	331,089	340,872
City Attorney	672,270	272,674
Procurement	-	185,569
Finance	794,188	629,961
Information Technology	1,226,523	1,101,844
Human Resources	249,723	232,506
Growth Management	259,320	574,143
Economic Development	294,532	403,286
Parks and Recreation	1,288,932	1,382,452
Facilities	894,087	1,036,885
Police	8,786,874	8,835,809
Fire	6,490,151	6,619,763
Public Works	2,227,022	3,283,330
Non-Departmental	1,845,315	1,898,290
Transfers	3,893,651	4,183,056
<b>Total Expenditures</b>	<b>29,600,816</b>	<b>31,305,918</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>5,372,580</b>	<b>6,022,786</b>
<b>Fund Balance - Beginning</b>	<b>8,282,350</b>	<b>8,136,697</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - Beginning as Restated</b>	<b>8,282,350</b>	<b>8,136,697</b>
<b>Fund Balance - Ending</b>	<b>\$ 13,654,929</b>	<b>14,159,482</b>

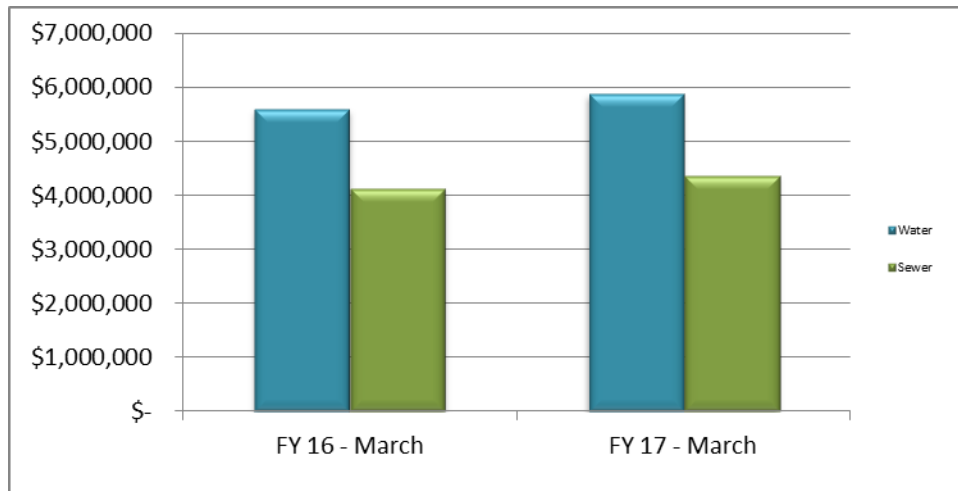
The minimum General Fund balance, as established by Resolution 2011-34, is ten percent (10%) of the subsequent fiscal year's budgeted expenditures less capital outlay and transfers out as originally adopted by ordinance in September. The following is a history of the City's General Fund balance.

General Fund Balance - History			
	Minimum Required	Actual Fund Balance	Fund Balance Percentage
FY 2016	\$ 5,594,175	\$ 8,136,697	14.54%
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 March 2017

### Water & Sewer Revenues-YTD



Overall year-to-date Water revenue in March 2017 has increased \$279,901 (5.00%) when compared to March 2016.

Overall year-to-date Sewer revenue in March 2017 has increased \$237,312 (5.75%) when compared to March 2016.

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

Meter Installation Fees are recorded at 71% of the budgeted amount. The Utility Lien Costs are recorded at 118% of the budgeted amount.

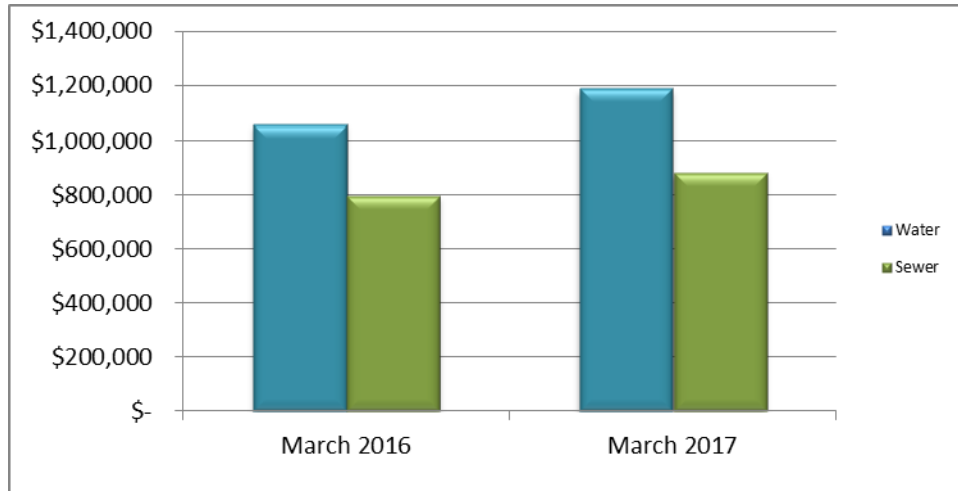
Operating Interest Income is recorded at 41% at this time. The interest for the Palm Bay Estates Loan (\$21,067) will be recorded in June, and the interest on the Fleet Services Loan will be recorded in March (\$25,866.14) and September (\$14,785.53).

Excluding Fund Balance, the total FY17 Operating Revenue is recorded at 43.26% of the budgeted amount compared to FY16 which was at 42.63%.

Water Connection Fees are recorded at 65% of the budgeted amount, and Sewer Connection Fees are recorded at 45% of the budgeted amount.

Water MLEs are recorded at 79% of the budgeted amount, and Sewer MLEs are recorded at 112% of the budgeted amount.

*Water & Sewer Revenues-Monthly Comparison*



Overall Water revenue for the month of March 2017 has increased by \$131,121 (12.41%) when compared to March 2016.

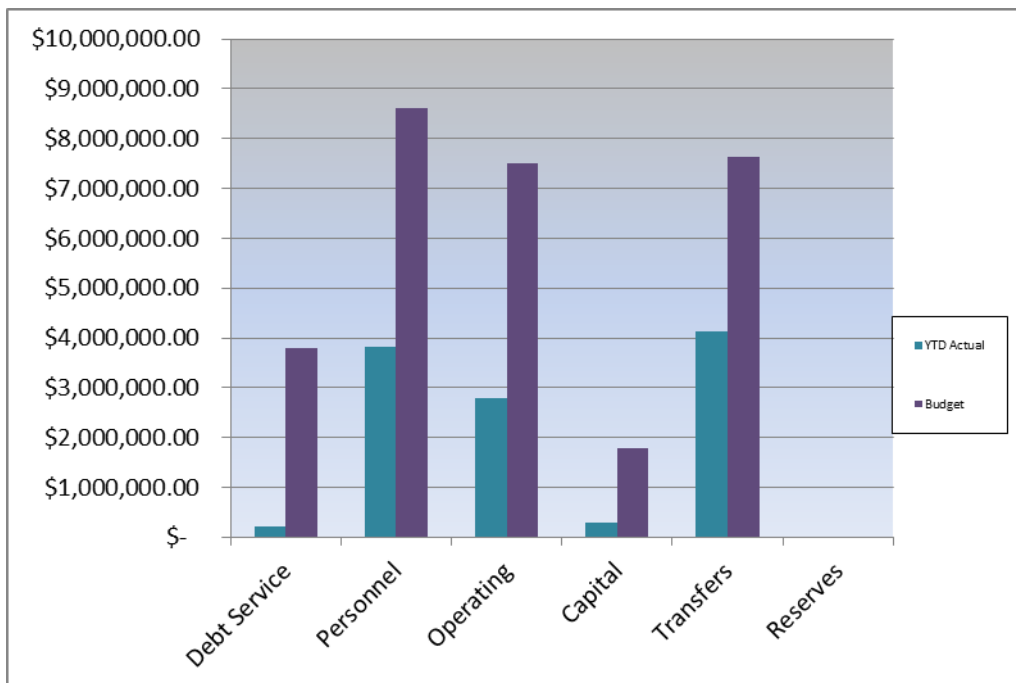
Overall Sewer revenue for the month of March 2017 has increased by \$86,587 (10.88%) when compared to March 2016.

## Utilities Expenses – At a Glance March 2017

### Water & Sewer Expenditures-YTD

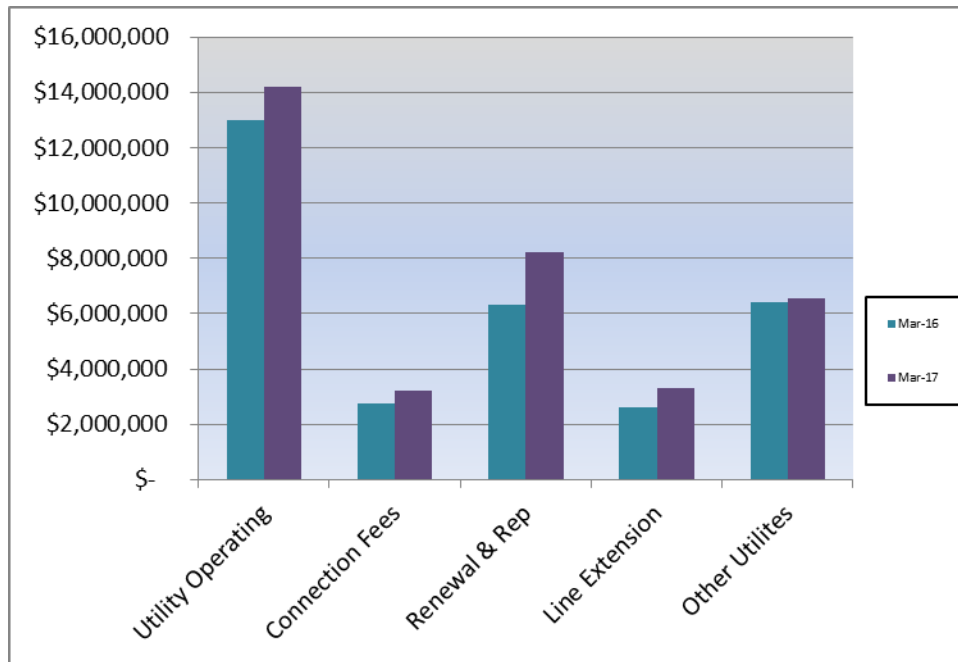
Overall expenditures (excluding encumbrances) are as follows:

	<i>Actual</i>	<i>Budget</i>	<i>% Spent</i>
Debt Service	\$ 219,545.67	\$ 3,798,162	5.78%
Personnel	3,819,995.99	8,618,660	44.32%
Operating	2,796,304.66	7,504,156	37.26%
Capital	298,295.33	1,797,359	16.60%
Transfers	4,131,705.70	7,624,971	54.19%
Reserves	-	-	-
<b>Total</b>	<b>\$ 11,265,847.35</b>	<b>\$ 29,343,308</b>	<b>38.39%</b>



## Utilities Cash & Investments – At a Glance March 2017

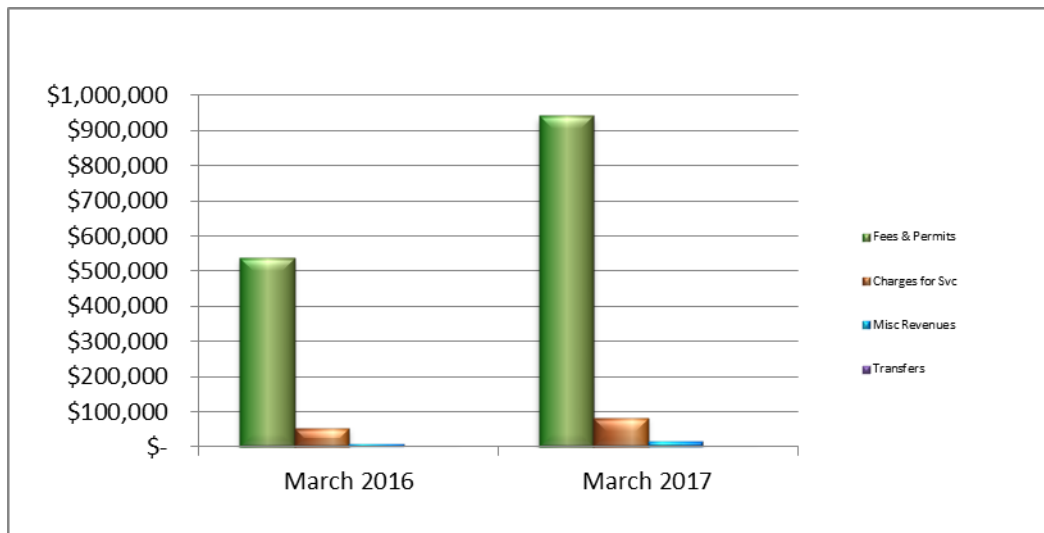
### Water & Sewer Cash & Investments-YTD



Overall the Water & Sewer Funds cash and investments were \$4.39 million (14.1%) more as of March 2017 as compared to March 2016.

## Building Revenues – At a Glance March 2017

### Building Revenues-YTD



Fees and Permits revenue in March 2017 is up \$402,568 (74.71%) from March 2016.

Charges for Services revenue in March 2017 is up \$28,654 (52.74%) from March 2016.

Overall, Building revenues in FY 17 (at March) have increased by \$439,249 (73.11%) when compared to FY 16 (at March).

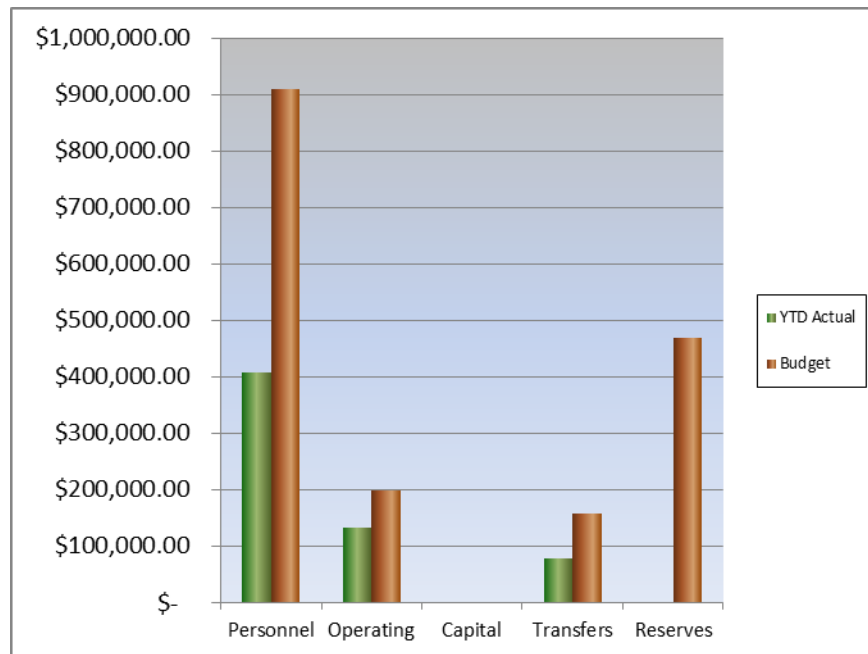
The total FY 17 Building revenues are recorded at 59.94% of the budgeted amount compared to FY 16 which was 53.24%.

## Building Expenses – At a Glance March 2017

### *Building Expenditures-YTD*

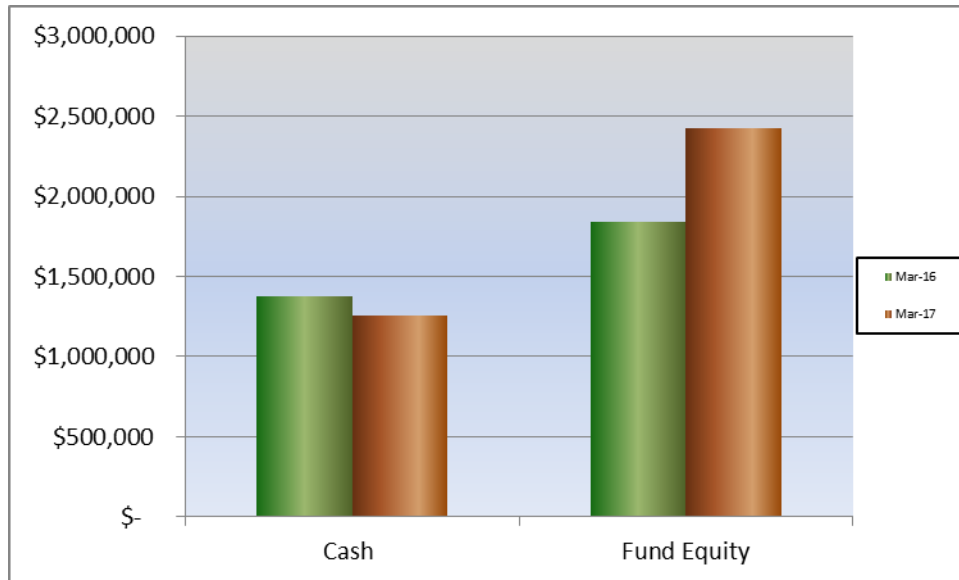
Overall expenditures (excluding encumbrances) are as follows:

	<i>Actual</i>	<i>Budget</i>	<i>% Spent</i>
Personnel	\$ 406,983.98	\$ 908,574	44.79%
Operating	132,145.05	199,234	66.33%
Capital	-	-	0.00%
Transfers	79,141.02	158,282	50.00%
Reserves	-	469,020	0.00%
<b>Total</b>	<b>\$ 618,270.05</b>	<b>\$ 1,735,110</b>	<b>35.63%</b>



## Building Cash & Fund Equity – At a Glance March 2017

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



Overall the Building cash and investments were \$113,016 (8.2%) less as of March 2017 as compared to March 2016.

Overall the Building fund equity was \$589,857 (32.1%) more as of March 2017 as compared to March 2016.