



# MONTHLY FINANCIAL REPORT (UNAUDITED)

## MARCH 2018

City of Palm Bay, Florida



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**MONTHLY FINANCIAL REPORT (UNAUDITED)**

**MARCH 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 March 2018. March is the sixth month of the fiscal year and represents 50% of the annual budget.

**Financial Report Summary**

- Citywide revenues of \$105.0 million are at 52.0% of the annual budget. Citywide expenditures of \$72.6 million are at 36.0% 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 \$23.7 million, or 30.4%, 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	
3/31/2018	\$ 101,391,108.43	3/31/2018	\$ 105,004,122.40	3/31/2018	\$ 72,561,989.60
3/31/2017	77,728,513.57	3/31/2017	83,094,219.44	3/31/2017	71,648,245.53
<b>Increase</b>	<b>30.4%</b>	<b>Increase</b>	<b>26.4%</b>	<b>Increase</b>	<b>1.3%</b>
	<b>\$ 23,662,594.86</b>		<b>\$ 21,909,902.96</b>		<b>\$ 913,744.07</b>

- General Fund revenues of \$41.6 million are at 58.6% of the annual budget. This is an increase of \$4.3 million, or 11.4%, in comparison to the prior year.
- General Fund expenditures of \$33.6 million are at 47.3% of the annual budget. This is an increase of \$2.3 million, or 7.3%, in comparison to the prior year.
- General Fund cash and investments increased by \$2.3 million, or 13.2%, 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	
3/31/2018	\$ 19,720,870.27	3/31/2018	\$ 41,595,209.01	3/31/2018	\$ 33,592,050.58
3/31/2017	17,427,903.89	3/31/2017	37,328,703.95	3/31/2017	31,305,918.13
<b>Increase</b>	<b>13.2%</b>	<b>Increase</b>	<b>11.4%</b>	<b>Increase</b>	<b>7.3%</b>
	<b>\$ 2,292,966.38</b>		<b>\$ 4,266,505.06</b>		<b>\$ 2,286,132.45</b>

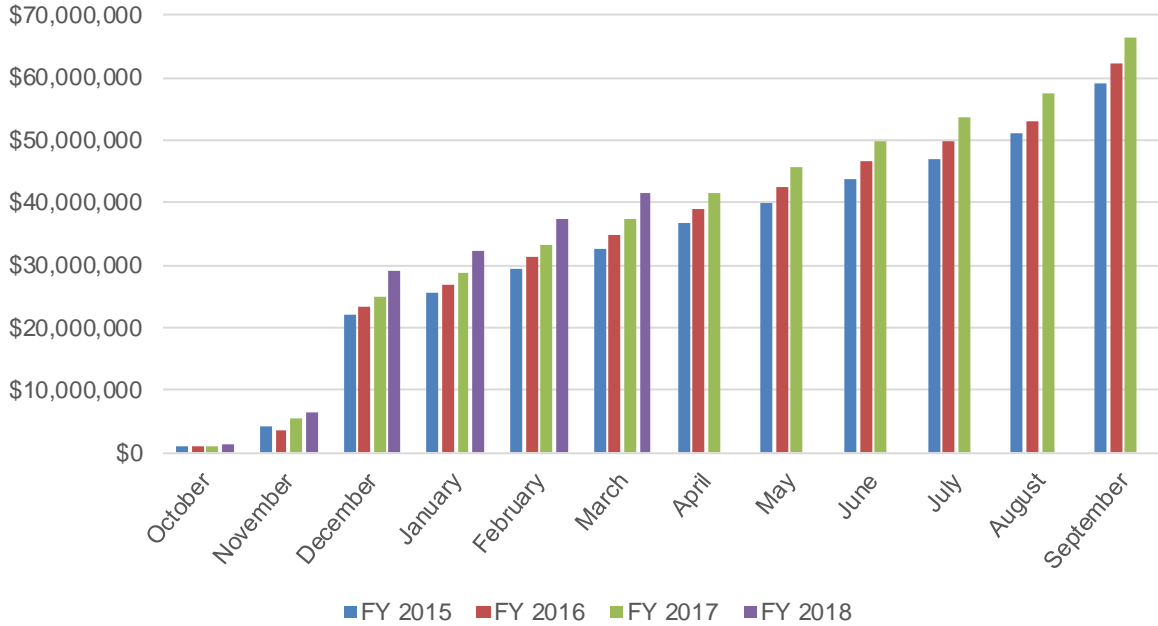
The General Fund is the City's primary operating fund and is used to account for all resources except those that are required to be accounted for in another fund. The following information depicts the history of the revenues and expenditures for the General Fund from fiscal years 2015 to 2018.

*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



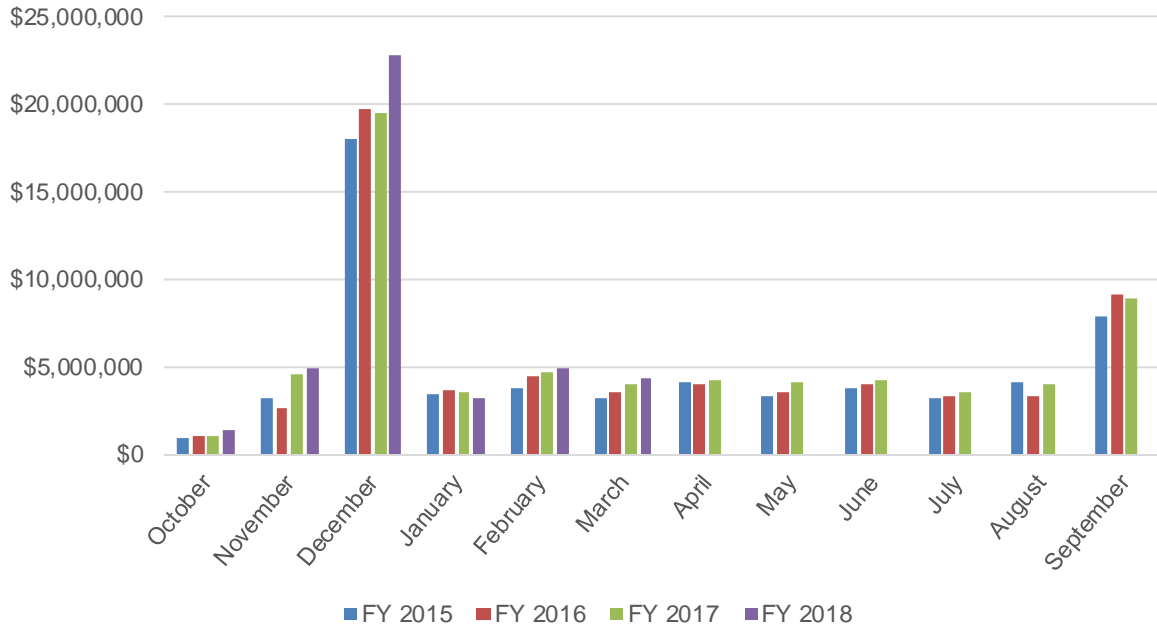
➤ FY 2018 YTD Revenue Variance  
As Compared to Prior Year

	Prior YTD	Current YTD	% Variance	Annual Budget
Ad Valorem Taxes	\$ 23,492,160	\$ 25,708,915	9.4%	\$ 28,467,595
Local Option Fuel Tax (1)	1,282,949	1,005,501	-21.6%	4,208,406
Utility Service Taxes (2)	2,838,728	3,136,958	10.5%	8,402,000
Communication Service Tax	862,799	882,090	2.2%	2,779,457
Franchise Fees (3)	1,560,692	1,819,328	16.6%	5,240,000
State Shared Revenues (4)	1,295,283	1,434,939	10.8%	4,515,736
Half Cent Sales Tax	2,116,422	2,272,028	7.4%	6,686,792
Licenses and Permits	533,561	554,515	3.9%	602,000
Grants and Other Entitlements (5)	530,461	786,964	48.4%	1,283,468
Charges for Services (6)	1,387,095	1,856,328	33.8%	3,431,469
Fines and Forfeitures (7)	165,869	189,944	14.5%	346,300
Interest, Rents & Other Revenues (8)	296,028	636,791	115.1%	496,900
Interfund Transfers & Capital Leases (9)	966,659	1,310,907	35.6%	2,426,766
Fund Balance	-	-	0.0%	2,143,942
	<b>\$ 37,328,704</b>	<b>\$ 41,595,209</b>	<b>11.4%</b>	<b>\$ 71,030,831</b>

(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 Utility Service Taxes associated with FPL and Palm Bay Water in FY 18.  
(3) Increase primarily due to increased year-to-date collections of Franchise Fees associated with FPL in FY 18.  
(4) Increase primarily due to increased year-to-date collections from State Shared Revenues in FY 18.  
(5) Increase primarily due to increased year-to-date collections for Homeland Security/FEMA Grants in FY 18.  
(6) Increase primarily due to increased year-to-date collections for Engineering Plans, Recreation Programs, and Utilities Allocation in FY 18.  
(7) Increase primarily due to increased year-to-date collections from Code Compliance Fines and Investigative Cost Recoveries in FY 18.  
(8) Increase primarily due to increased year-to-date collections associated with Property Sales in FY 18.  
(9) Increase primarily due to higher budgeted transfer from Utility Operating Fund and higher year-to-date transfer from Stormwater in FY 18.

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

➤ Monthly Revenue Comparisons



➤ FY 2018 Monthly Revenue Variance  
As Compared to Prior Years

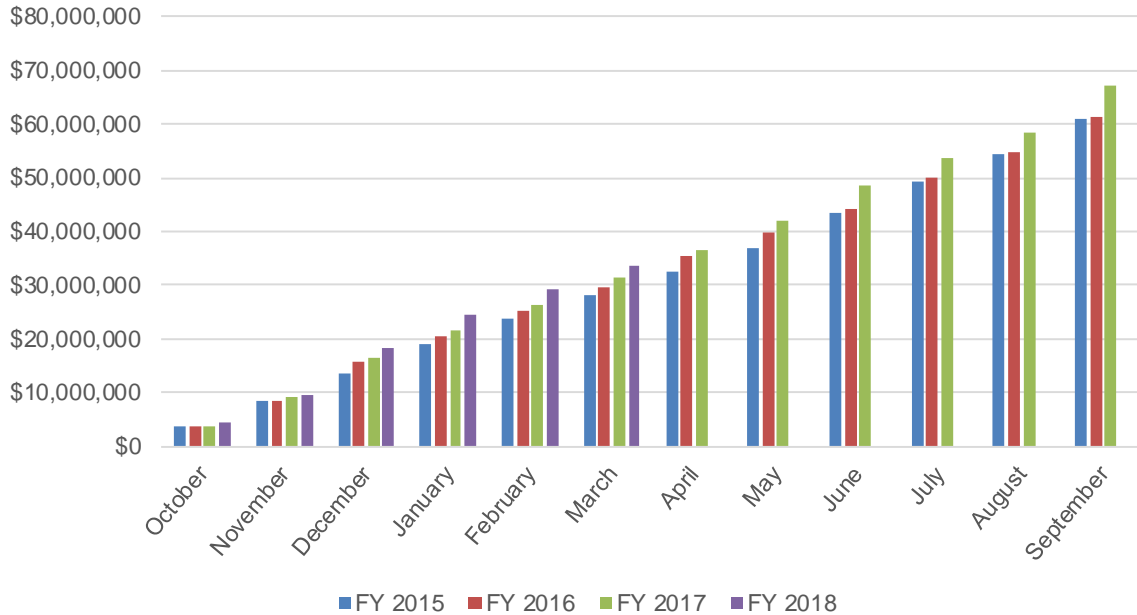
	FY 2015	FY 2016	FY 2017	FY 2018
October	\$ 953,761	\$ 1,012,271	\$ 1,005,090	\$ 1,416,001
November	3,246,502	2,619,131	4,580,252	4,969,155
December	17,977,402	19,689,226	19,511,218	22,774,626
January	3,458,799	3,639,261	3,585,305	3,212,134
February	3,782,243	4,490,812	4,656,371	4,906,952
March	3,203,645	3,522,695	3,990,468	4,316,341
April	4,103,728	4,009,369	4,245,071	
May	3,278,699	3,511,664	4,073,453	
June	3,830,369	3,976,789	4,237,693	
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	
	<b>\$ 59,055,101</b>	<b>\$ 62,285,475</b>	<b>\$ 66,356,517</b>	<b>\$ 41,595,209</b>

Overall General Fund revenues for the month of March 2018 have increased \$325,873, or 8.2%, when compared to March 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



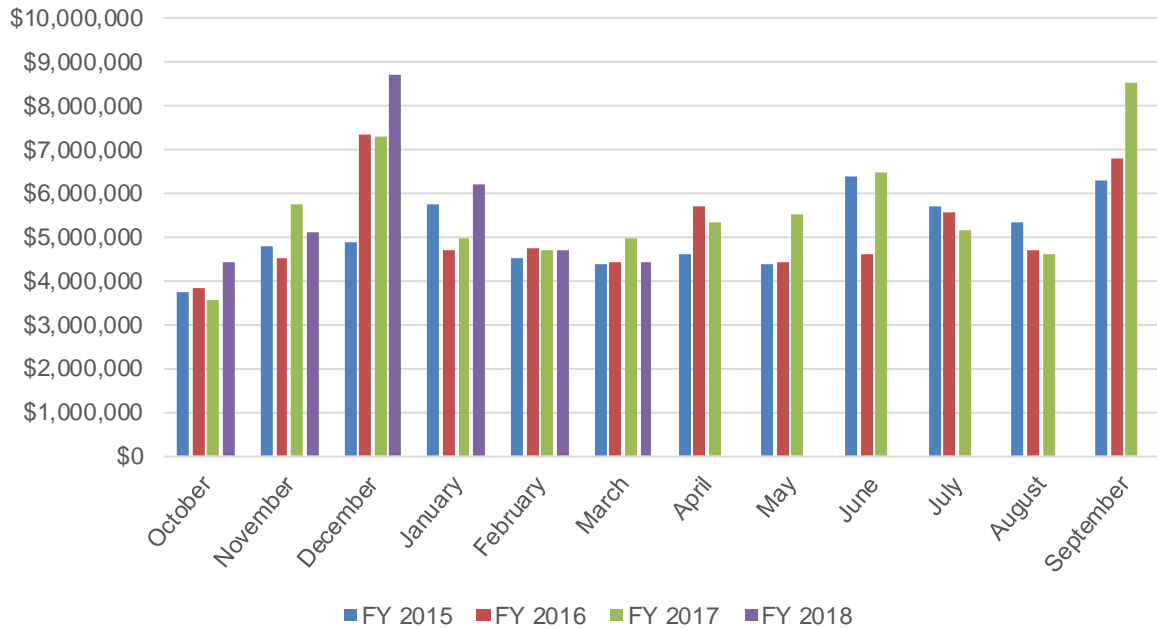
➤ FY 2018 YTD Expenditure Variance  
As Compared to Prior Year

	Prior YTD	Current YTD	% Variance	Annual Budget
Legislative	\$ 325,475	\$ 340,702	4.7%	\$ 712,660
City Manager	340,872	354,699	4.1%	835,123
City Attorney (1)	272,674	301,240	10.5%	581,105
Procurement	185,569	170,456	-8.1%	452,024
Finance	629,961	663,915	5.4%	1,404,782
Information Technology (2)	1,101,844	1,330,158	20.7%	3,439,730
Human Resources	232,506	244,023	5.0%	703,807
Growth Management	574,143	629,514	9.6%	1,425,300
Economic Development (3)	403,286	295,627	-26.7%	688,632
Parks and Recreation (4)	1,382,452	1,862,074	34.7%	4,329,390
Facilities	1,036,885	1,132,280	9.2%	2,674,264
Police	8,835,809	8,971,566	1.5%	19,775,307
Fire	6,619,763	6,905,652	4.3%	14,449,818
Public Works (5)	3,283,330	4,136,989	26.0%	6,817,225
Non-Departmental	1,898,290	2,056,918	8.4%	5,594,168
Transfers	4,183,056	4,196,239	0.3%	7,147,496
	<b>\$ 31,305,918</b>	<b>\$ 33,592,051</b>	<b>7.3%</b>	<b>\$ 71,030,831</b>

(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) Increase primarily due to higher year-to-date costs for Network Equipment in FY 18.  
(3) Decrease primarily due to staffing adjustments/eliminations within Veterans Affairs from FY 17 to FY 18.  
(4) Increase primarily due to inclusion of expenses of the Regional Park, Aquatic Center, and Whitlock Center and increased year-to-date costs of Recreation Programs in FY 18.  
(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

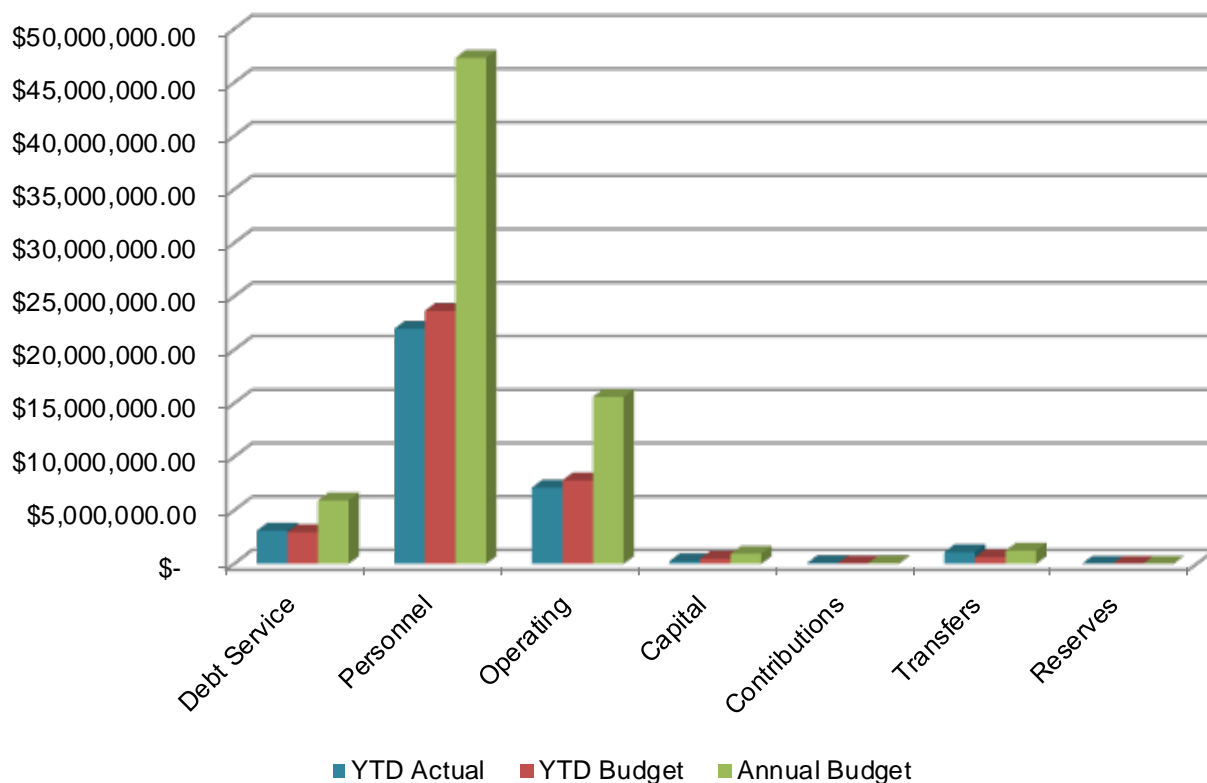
	FY 2015	FY 2016	FY 2017	FY 2018
October	\$ 3,726,416	\$ 3,859,572	\$ 3,572,123	\$ 4,424,711
November	4,799,117	4,542,401	5,766,532	5,122,997
December	4,886,462	7,323,753	7,290,910	8,706,391
January	5,729,780	4,685,466	4,972,873	6,214,289
February	4,526,492	4,746,328	4,719,784	4,693,931
March	4,375,170	4,443,296	4,983,695	4,429,733
April	4,630,094	5,693,822	5,332,488	
May	4,397,032	4,450,696	5,512,146	
June	6,385,679	4,592,489	6,488,834	
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	8,475,273	
	<b>\$ 60,803,379</b>	<b>\$ 61,393,243</b>	<b>\$ 66,899,111</b>	<b>\$ 33,592,051</b>

General Fund expenditures were \$553,963, or 11.1%, less when comparing March 2018 to March 2017. Year-to-date expenditures are \$2,286,132, or 7.3%, higher.

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

➤ Expenditures – Budgetary Comparison by Category

	YTD Actual	YTD Budget	Annual Budget	% Spent
Debt Service	\$ 3,101,087.71	\$ 2,962,819	\$ 5,925,638	52.3%
Personnel	21,974,152.88	23,650,798	47,301,595	46.5%
Operating	7,124,868.29	7,799,080	15,598,159	45.7%
Capital	241,965.70	466,791	933,581	25.9%
Contributions	54,825.00	25,000	50,000	109.7%
Transfers	1,095,151.00	610,929	1,221,858	89.6%
Reserves	-	-	-	0.0%
	<b>\$ 33,592,050.58</b>	<b>\$ 35,515,416</b>	<b>\$ 71,030,831</b>	<b>47.3%</b>

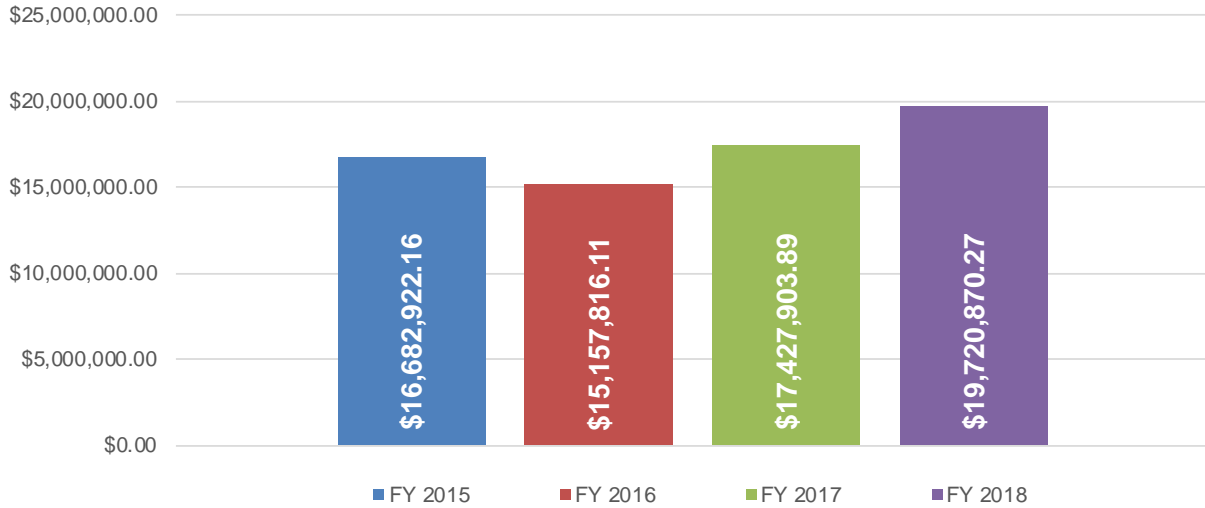


The *total budgeted expenditures* for 2018 are \$71,030,831 (including encumbrances from prior year and 2018 budget amendments). Of this amount, \$47,301,595, or 46.5%, is related to personnel costs.

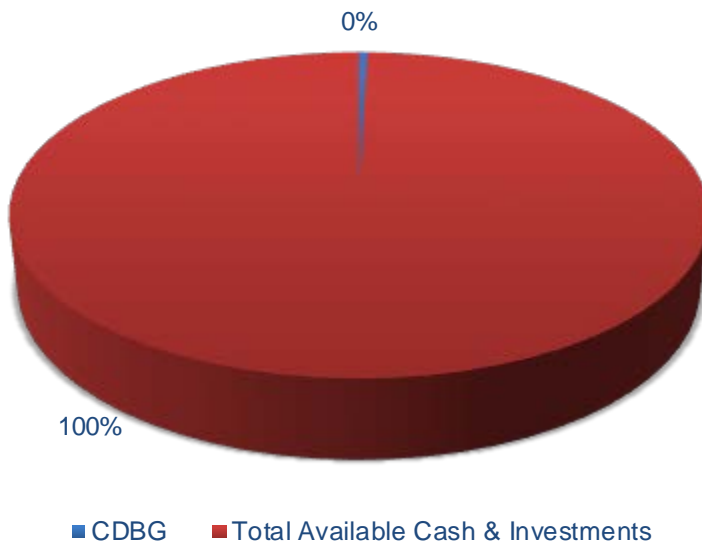


**General Fund (GF) Cash & Investments - Summary**

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



General Fund Cash & Investments		General Fund Cash & Investments	
Prior Month Ending Balance	\$ 20,108,701.83	<b>March 2018 Ending Balance</b>	<b>\$ 19,720,870.27</b>
Cash Increase (Decrease)	<u>(387,831.56)</u>	Cash Advanced to Other Funds:	
<b>Ending Balance 3/31/2018</b>	<b>\$ 19,720,870.27</b>	CDBG	<u>(90,419.29)</u>
		<b>Total Available Cash &amp; Investments</b>	<b>\$ 19,630,450.98</b>







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

	Prior YTD	Current YTD
<b>REVENUES</b>		
Ad Valorem Taxes	\$ 23,492,160	\$ 25,708,915
Local Option Fuel Tax	1,282,949	1,005,501
Utility Service Taxes	2,838,728	3,136,958
Communication Service Tax	862,799	882,090
Franchise Fees	1,560,692	1,819,328
State Shared Revenues	1,295,283	1,434,939
Half Cent Sales Tax	2,116,422	2,272,028
Licenses and Permits	533,561	554,515
Grants and Other Entitlements	530,461	786,964
Charges for Services	1,387,095	1,856,328
Fines and Forfeitures	165,869	189,944
Interest, Rents and Other Revenues	296,028	636,791
Interfund Transfers and Other Sources	966,659	1,310,907
<b>Total Revenues</b>	<b>37,328,704</b>	<b>41,595,209</b>
<b>EXPENDITURES</b>		
Legislative	325,475	340,702
City Manager	340,872	354,699
City Attorney	272,674	301,240
Procurement	185,569	170,456
Finance	629,961	663,915
Information Technology	1,101,844	1,330,158
Human Resources	232,506	244,023
Growth Management	574,143	629,514
Economic Development	403,286	295,627
Parks and Recreation	1,382,452	1,862,074
Facilities	1,036,885	1,132,280
Police	8,835,809	8,971,566
Fire	6,619,763	6,905,652
Public Works	3,283,330	4,136,989
Non-Departmental	1,898,290	2,056,918
Transfers	4,183,056	4,196,239
<b>Total Expenditures</b>	<b>31,305,918</b>	<b>33,592,051</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>6,022,786</b>	<b>8,003,158</b>
<b>Fund Balance - Beginning</b>	<b>9,174,582</b>	<b>8,389,436</b>
<b>Fund Balance - Ending</b>	<b>\$ 15,197,368</b>	<b>16,392,594</b>



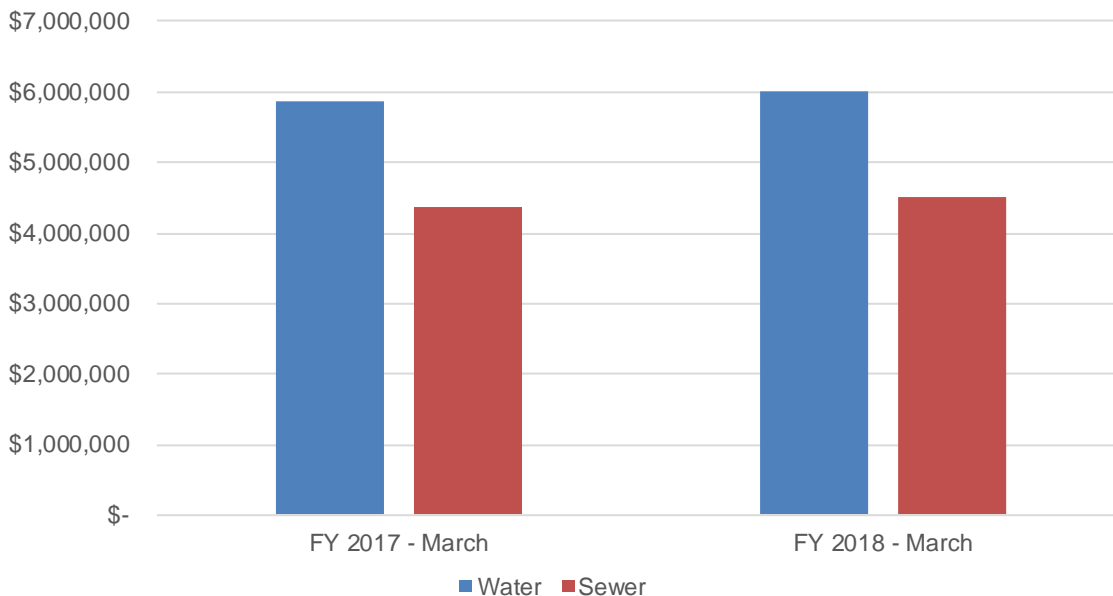
**General Fund (GF) Balance - Summary**

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	\$ 8,389,436	13.7%
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 March 2018 has increased \$140,764, or 2.4%, when compared to March 2017.

Overall year-to-date Sewer revenue in March 2018 has increased \$137,103, or 3.1% when compared to March 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 56%, Plan Review & Inspection Fees are recorded at 36%, and Utility Lien Costs are recorded at 81%.

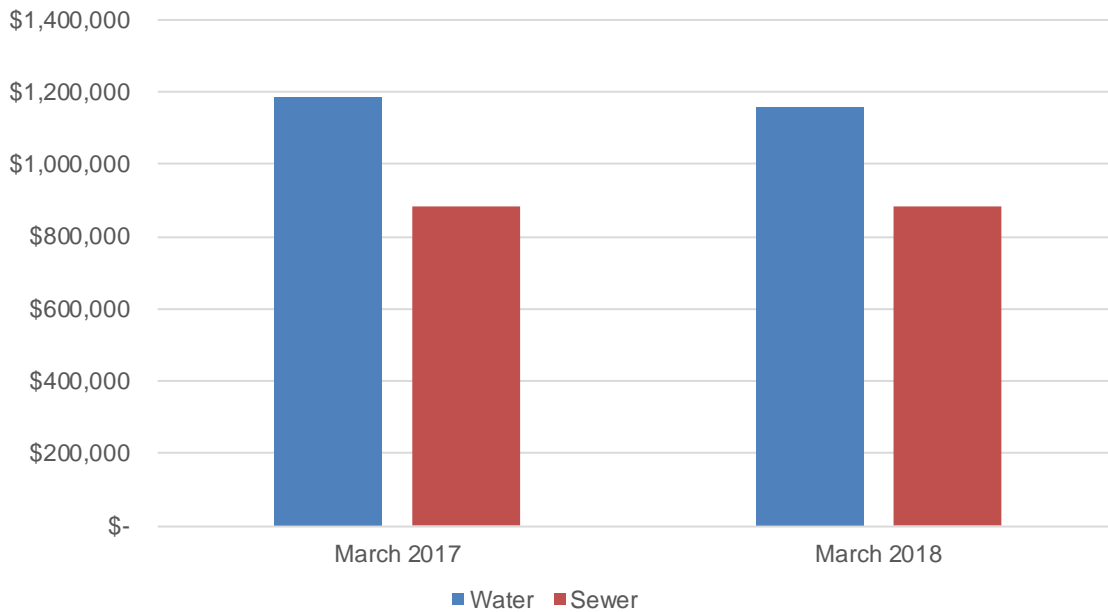
Operating Interest Income is recorded at 50%.

Excluding Fund Balance, the total FY 18 Operating Revenue is recorded at 40.30% of the budgeted amount compared to FY 17 which was at 43.26%.

Water Connection Fees are recorded at 69% of the budgeted amount, and Sewer Connection Fees are recorded at 65% of the budgeted amount.

Water MLEs are recorded at 60% of the budgeted amount, and Sewer MLEs are recorded at 53% of the budgeted amount.

➤ **Monthly Comparison: Water & Sewer**



Overall Water revenue for the month of March 2018 has decreased by \$28,403, or 2.4%, when compared to March 2017.

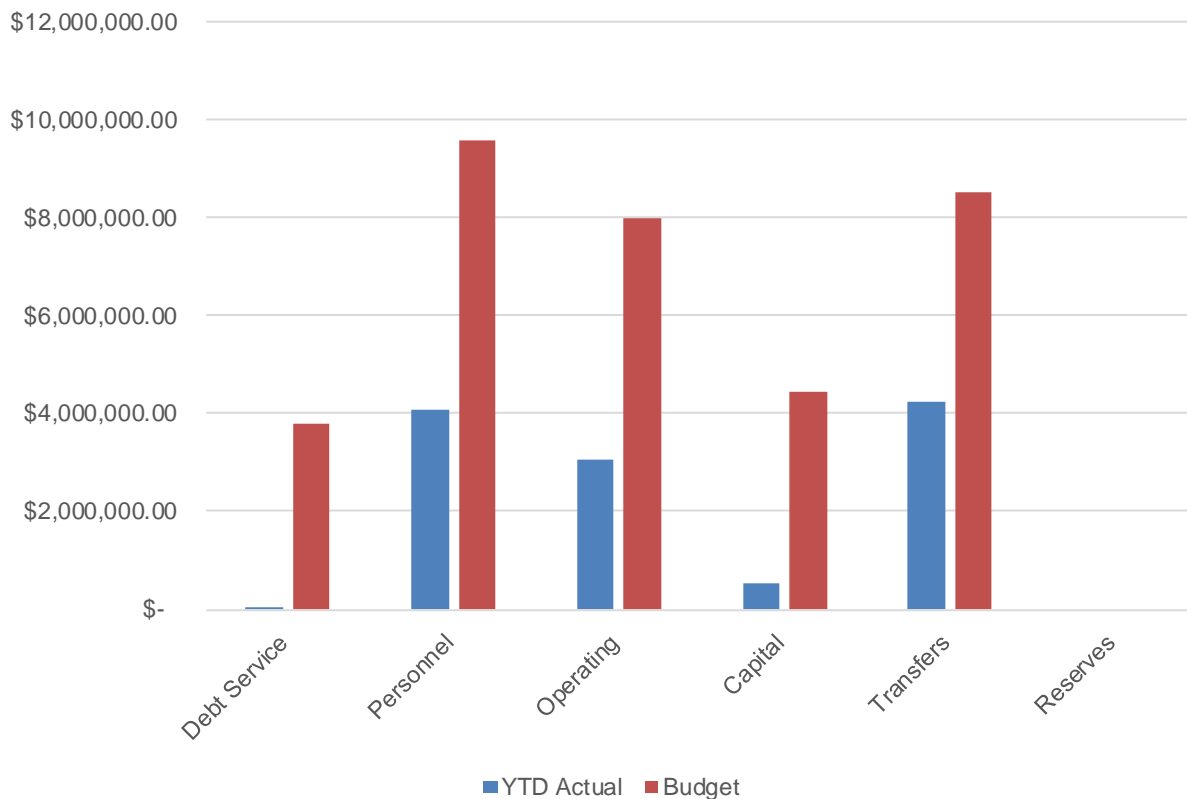
Overall Sewer revenue for the month of March 2018 has increased by \$371, or 0.04%, when compared to March 2017.

**Utilities Fund Expenditures - Summary**

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

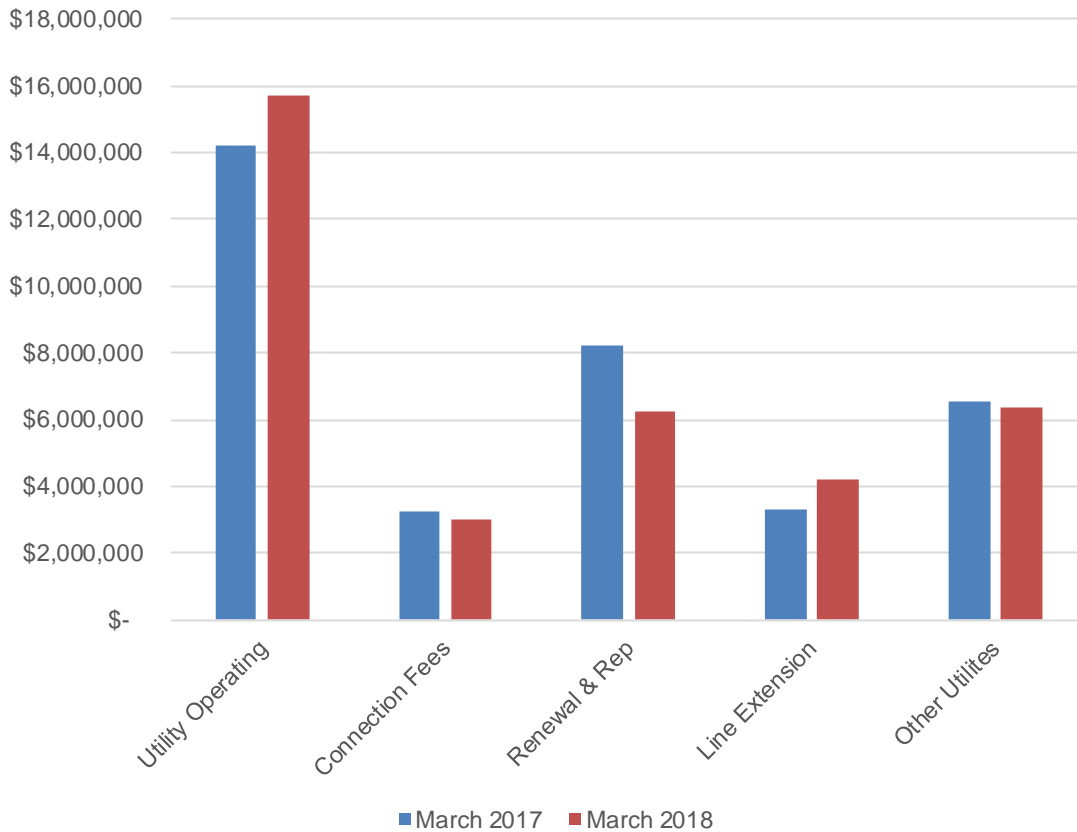
Overall expenditures (excluding encumbrances) are as follows:

	YTD Actual	Annual Budget	% Spent
Debt Service	\$ 464.67	\$ 3,799,411	0.0%
Personnel	4,058,535.33	9,573,972	42.4%
Operating	3,069,608.05	8,004,331	38.3%
Capital	518,199.53	4,436,320	11.7%
Transfers	4,258,398.34	8,520,949	50.0%
Reserves	-	-	-
	<b>\$ 11,905,205.92</b>	<b>\$ 34,334,983</b>	<b>34.7%</b>



**Utilities Fund Cash & Investments - Summary**

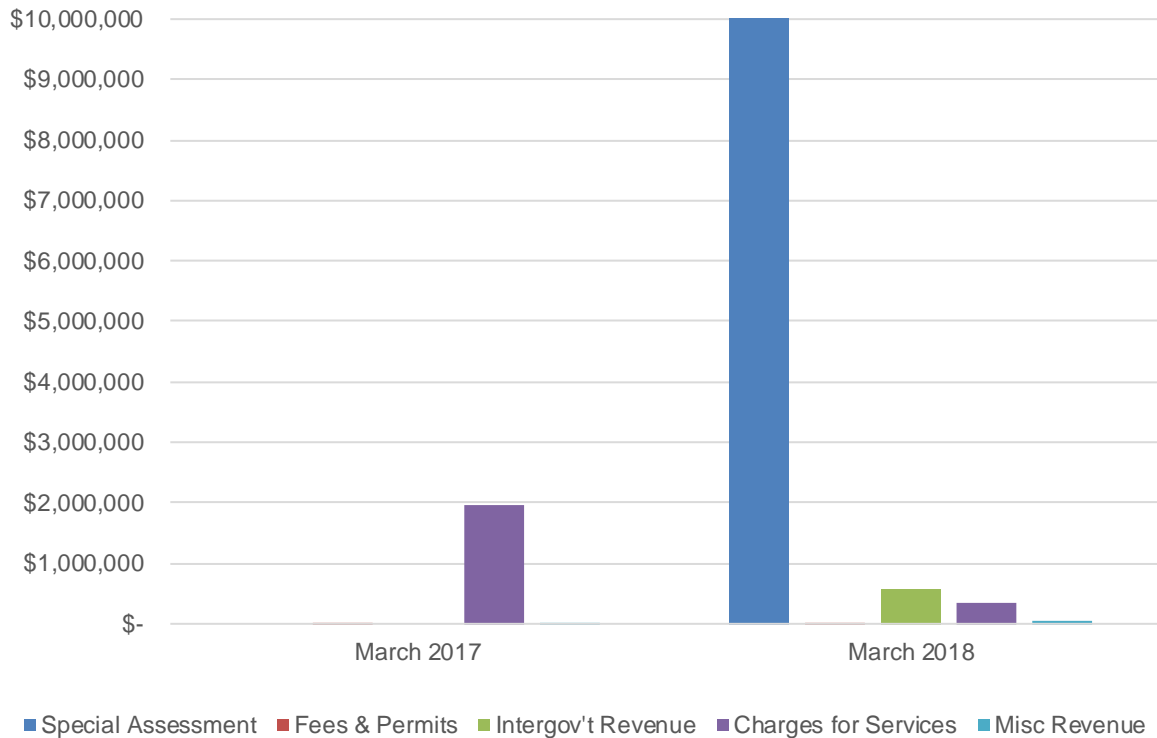
➤ Year-to-Date (YTD) Comparison: Water & Sewer



Overall the Water & Sewer Funds cash and investments were \$0.05 million, or 0.1%, more as of March 2018 as compared to March 2017.

**Stormwater Fund Revenues - Summary**

➤ Year-to-Date (YTD) Revenue Comparisons



Special Assessment revenue in FY 18 (at March) is \$10,030,738. A comparison, to FY 17, is not available as associated revenues were not recorded until FY 18.

Charges for Services revenue in March 2018 is down \$1,627,350, or 82.7%, from March 2017.

Overall, Stormwater revenues in FY 18 (at March) have increased by \$9,014,651, or 453.9%, when compared to FY 17 (at March).

The total FY 18 Stormwater revenues are recorded at 77.1% of the budgeted amount compared to FY 17 which was 30.7%.

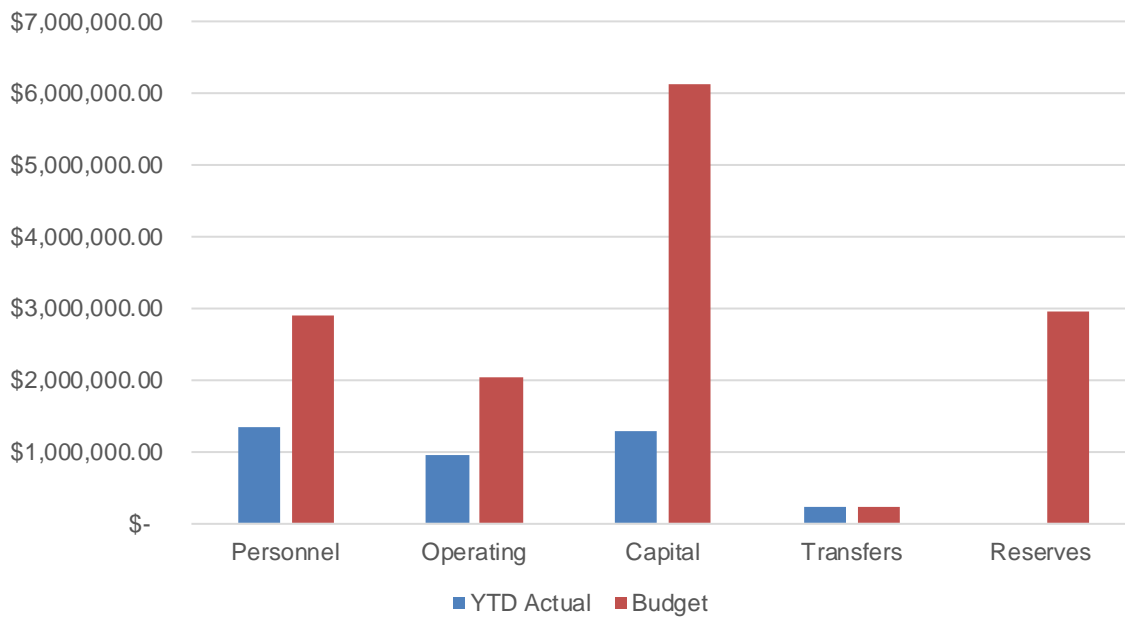


**Stormwater Fund Expenditures - Summary**

➤ Year-to-Date (YTD) Expenditure Comparisons

Overall expenditures (excluding encumbrances) are as follows:

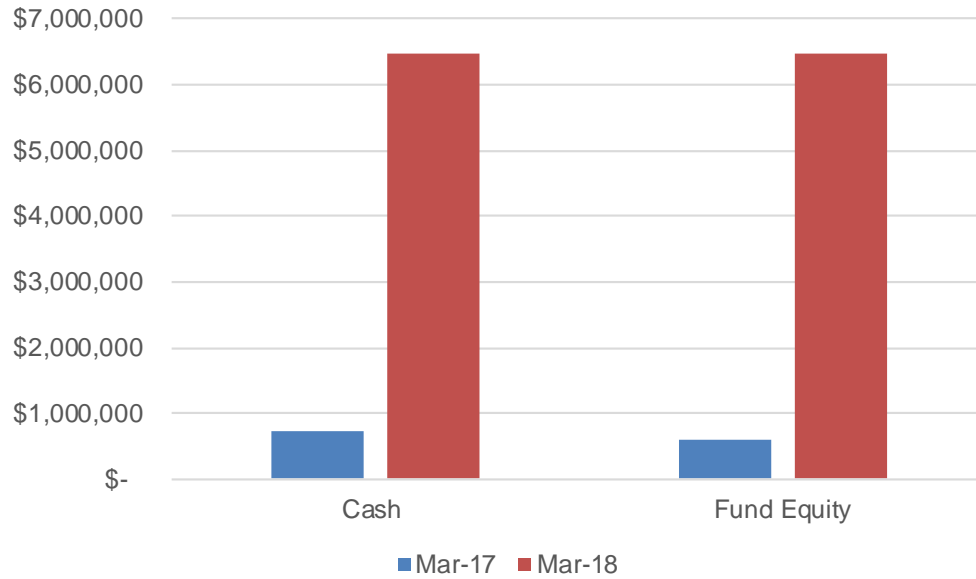
	<i>YTD Actual</i>	<i>Annual Budget</i>	<i>% Spent</i>
Personnel	\$ 1,335,124.70	\$ 2,917,297	45.8%
Operating	956,263.67	2,033,682	47.0%
Capital	1,294,344.69	6,126,682	0.0%
Transfers	243,881.00	243,881	100.0%
Reserves	-	2,953,948	0.0%
	<b>\$ 3,829,614.06</b>	<b>\$ 14,275,490</b>	<b>26.8%</b>





### Stormwater Fund Cash & Equity - Summary

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

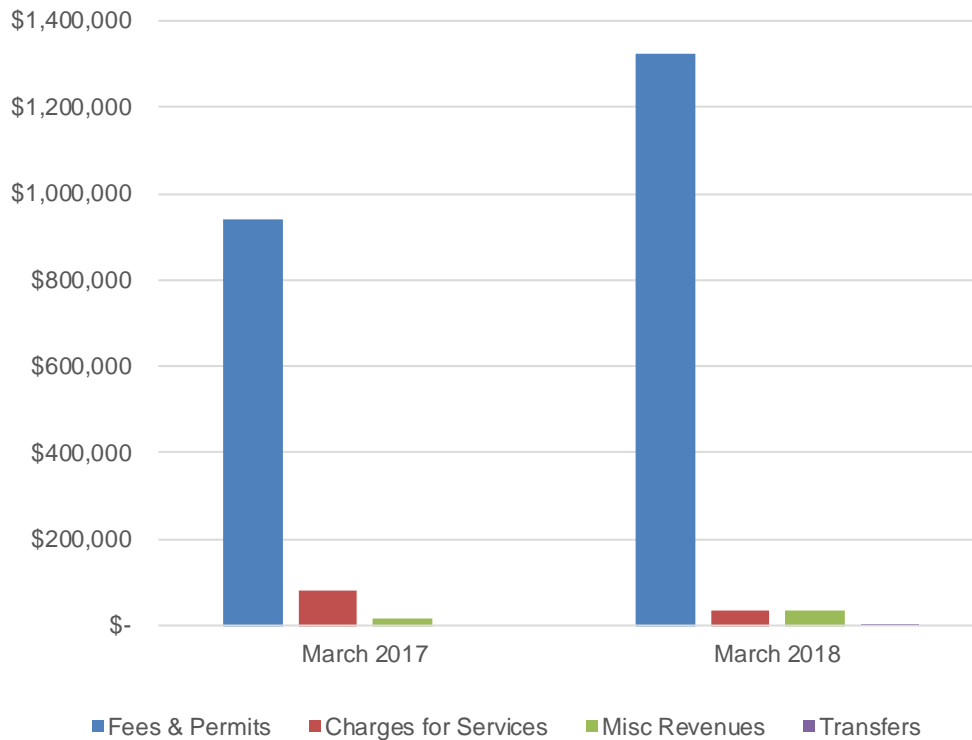


Overall the Stormwater cash and investments were \$5,740,022, or 776.9%, more as of March 2018 as compared to March 2017.

Overall the Stormwater fund equity was \$5,841,461, or 957.6%, more as of March 2018 as compared to March 2017.

**Building Fund Revenues - Summary**

➤ Year-to-Date (YTD) Revenue Comparisons



Fees and Permits revenue in March 2018 is up \$382,621, or 40.64%, from March 2017.

Charges for Services revenue in March 2018 is down \$47,416, or 57.14%, from March 2017.

Overall, Building revenues in FY 18 (at March) have increased by \$354,098, or 34.05%, when compared to FY 17 (at March).

The total FY 18 Building revenues are recorded at 55.3% of the budgeted amount compared to FY 17 which was 59.9%.

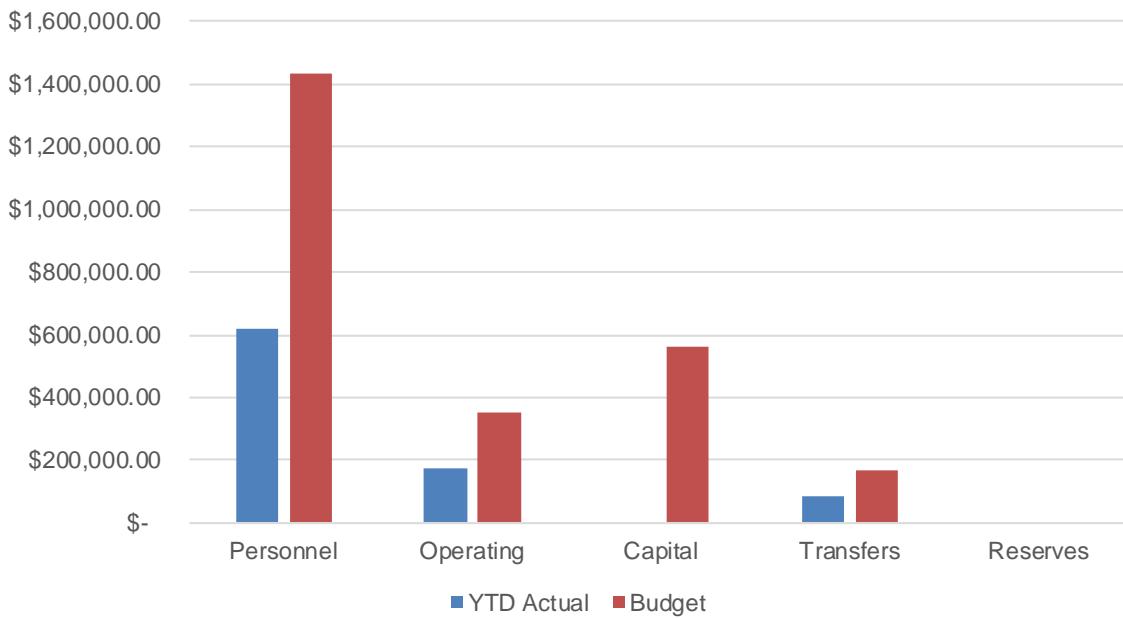


**Building Fund Expenditures - Summary**

➤ Year-to-Date (YTD) Building Expenditures

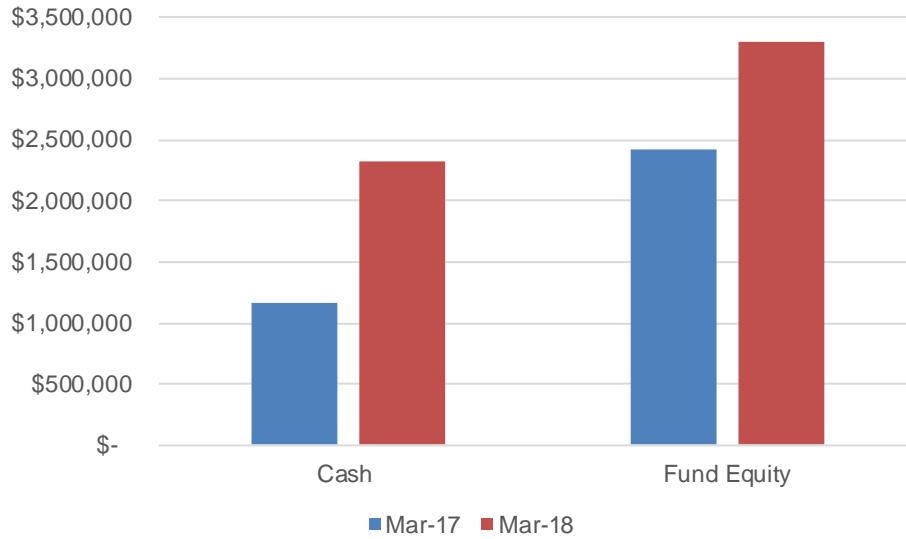
Overall expenditures (excluding encumbrances) are as follows:

	<i>YTD Actual</i>	<i>Annual Budget</i>	<i>% Spent</i>
Personnel	\$ 617,130.63	\$ 1,434,844	43.0%
Operating	172,242.28	355,211	48.5%
Capital	-	563,874	0.0%
Transfers	83,324.52	166,649	50.0%
Reserves	-	-	0.0%
	<b>\$ 872,697.43</b>	<b>\$ 2,520,578</b>	<b>34.6%</b>



**Building Fund Cash & Equity - Summary**

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



Overall the Building cash and investments were \$1,154,182, or 99.6%, more as of March 2018 as compared to March 2017.

Overall the Building fund equity was \$866,550, or 35.7%, more as of March 2018 as compared to March 2017.