

**CITY OF PALM BAY, FLORIDA
MONTHLY FINANCIAL REPORT (UNAUDITED)
NOVEMBER 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 November 2015. November is the second month of the fiscal year and represents 17% of the annual budget.

Financial Report Summary

- Citywide revenues of \$30.5 million are at 19% of the annual budget. Citywide expenditures of \$39.3 million are at 24% 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 \$5.5 million, or 10.8%, 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		
11/30/2015	\$	56,629,732.26	11/30/2015	\$	30,511,472.13	11/30/2015	\$	39,277,813.03
11/30/2014		51,122,918.23	11/30/2014		14,536,274.20	11/30/2014		20,585,580.19
Increase	10.8%	\$ 5,506,814.03	Increase	109.9%	\$ 15,975,197.93	Increase	90.8%	\$ 18,692,232.84

- General Fund revenues of \$3.6 million are at 6% of the annual budget. This is a decrease of \$0.57 million, or 13.5%, in comparison to the prior year.
- General Fund expenditures of \$8.4 million are at 14% of the annual budget. This is a decrease of \$0.12 million, or 1.4%, in comparison to the prior year.
- General Fund cash and investments decreased by \$1.54 million, or 28.3%, in comparison to the prior year.

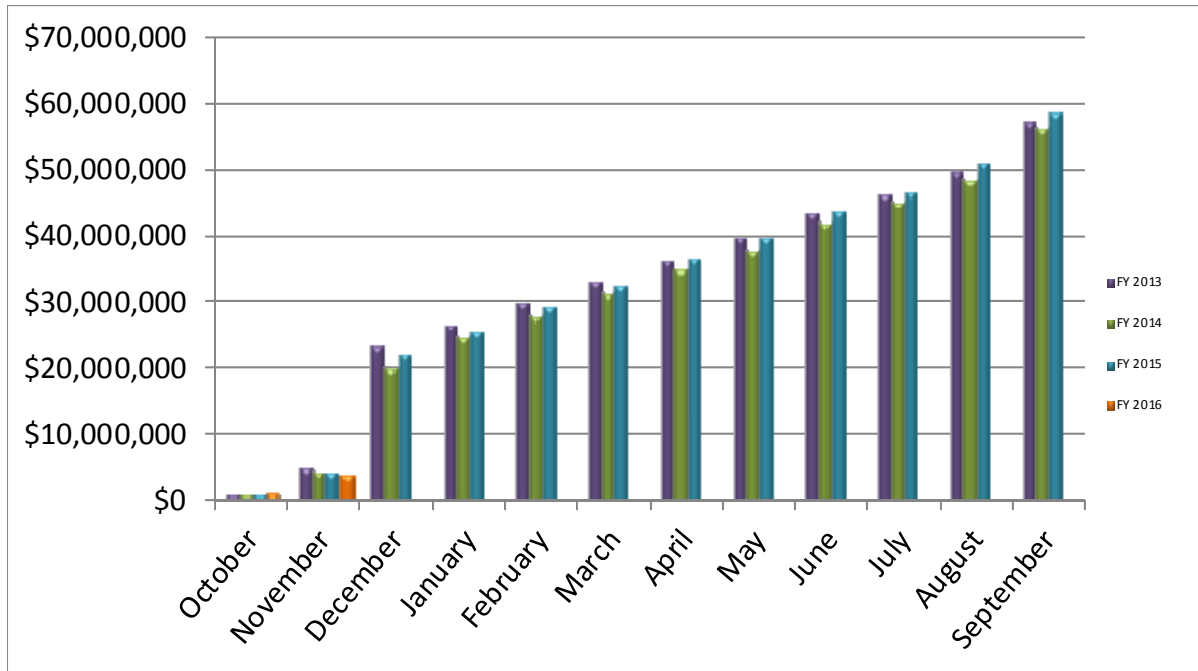
General Fund - Cash & Investments			General Fund - Revenues			General Fund - Expenditures		
11/30/2015	\$	3,912,967.82	11/30/2015	\$	3,631,401.09	11/30/2015	\$	8,401,973.06
11/30/2014		5,456,641.83	11/30/2014		4,200,263.32	11/30/2014		8,525,533.03
Decrease	-28.3%	\$ (1,543,674.01)	Decrease	-13.5%	\$ (568,862.23)	Decrease	-1.4%	\$ (123,559.97)

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 November 2015

General Fund Revenues-YTD

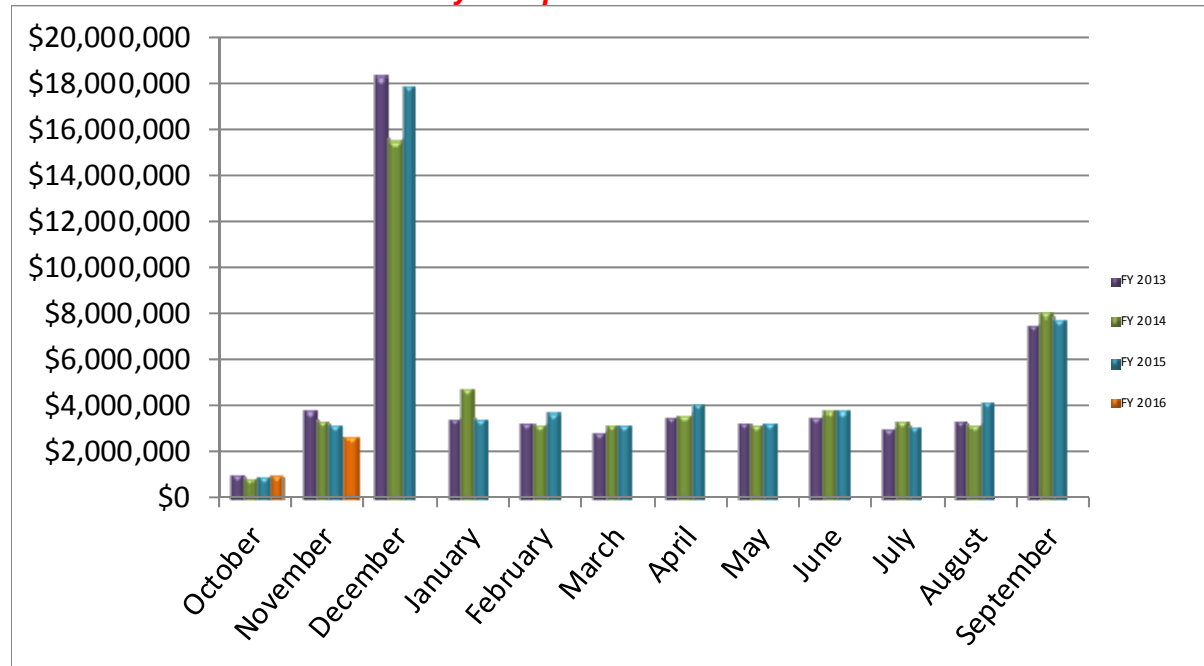


FY2016 YTD Change in GF Revenues as Compared to Prior Year

	Prior YTD	Current YTD	Percent Change	Annual Budget
Ad Valorem Taxes	\$ 2,682,988	\$ 2,014,976	0.0%	\$ 24,471,077
Local Option Fuel Tax	-	-	0.0%	3,560,238
Utility Service Taxes	233,842	233,144	-0.3%	8,222,000
Communication Service Tax	-	-	0.0%	2,953,575
Franchise Fees	40,988	36,437	0.0%	5,390,000
State Shared Revenues	-	-	0.0%	3,963,798
Half Cent Sales Tax	-	-	0.0%	5,801,620
Licenses and Permits	457,678	460,471	0.6%	580,520
Grants and Other Entitlements	9,351	10,241	9.5%	246,975
Charges for Services (1)	350,020	407,809	16.5%	2,714,153
Fines and Forfeitures (2)	94,402	55,291	-41.4%	536,200
Interest, Rents & Other Revenues (3)	77,276	69,447	-10.1%	447,860
Interfund Transfers & Capital Leases (4)	253,718	343,585	35.4%	2,061,511
Fund Balance	-	-	0.0%	408,532
Total	\$ 4,200,263	\$ 3,631,401	-13.5%	\$ 61,358,059

(1) Increase primarily due to higher year-to-date collection of Lien Research Fees and higher budgeted allocation of Other Charges for Services.
 (2) Decrease primarily due to lower year-to-date collection of Code Compliance Fines.
 (3) Decrease primarily due to lower year-to-date interest/other earnings revenue.
 (4) Increase primarily due to higher year-to-date transfer from Employee Benefits Fund in FY16.

General Fund Revenues-Monthly Comparison



Monthly GF Revenues as Compared to Prior Years

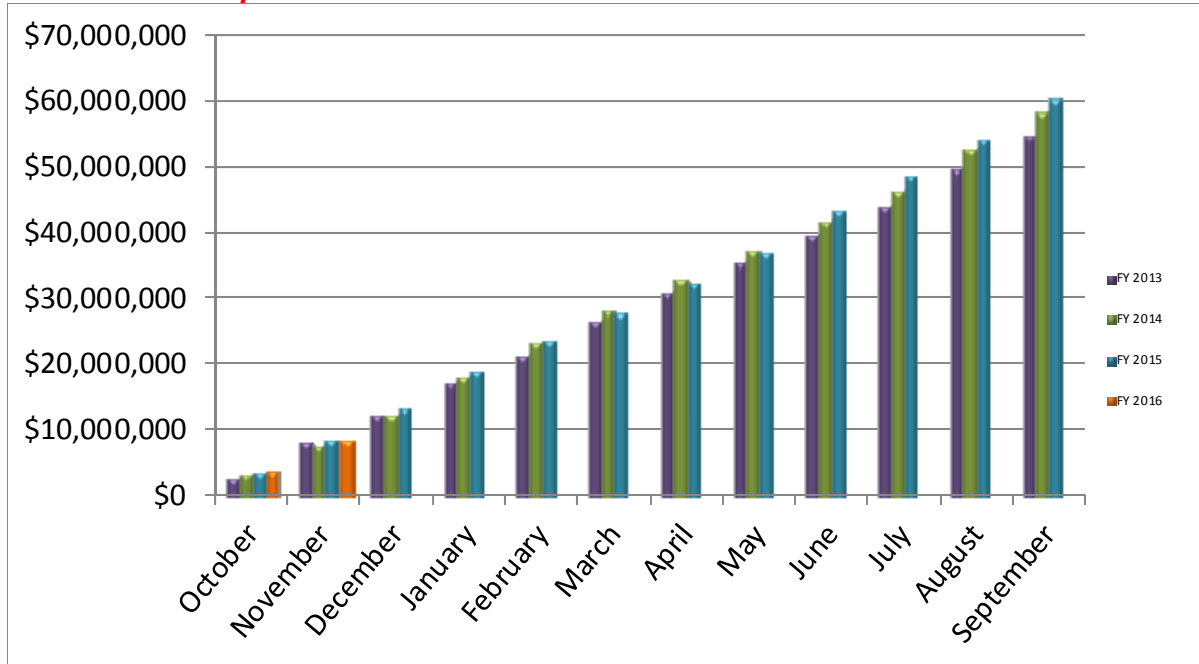
	FY 2013	FY 2014	FY 2015	FY 2016
October	\$ 1,048,437	\$ 911,630	\$ 953,761	\$ 1,012,271
November	3,846,416	3,425,400	3,246,502	2,619,131
December	18,439,244	15,683,359	17,977,402	
January	3,531,439	4,802,728	3,458,799	
February	3,279,875	3,200,574	3,782,243	
March	2,917,572	3,208,482	3,203,645	
April	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	
	\$ 57,587,537	\$ 56,703,597	\$ 59,042,624	\$ 3,631,401

Overall General Fund revenues for the month of November 2015 have decreased \$627,372 (19.32%) when compared to November 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 November 2015

General Fund Expenditures-YTD



	Prior YTD	Current YTD	Percent Change	Annual Budget
Legislative (1)	\$ 110,142	\$ 134,875	22.5%	\$ 676,674
City Manager	110,903	117,784	6.2%	1,019,423
City Attorney (2)	198,003	367,699	85.7%	622,903
Finance	211,394	209,003	-1.1%	1,730,406
Information Technology	463,823	502,740	8.4%	2,407,799
Human Resources (3)	55,516	67,963	22.4%	582,129
Economic Development (4)	-	34,220	0.0%	-
Growth Management (5)	77,146	61,557	-20.2%	547,561
Parks and Recreation (6)	531,151	386,324	-27.3%	2,612,590
Facilities (7)	-	231,736	0.0%	2,047,554
Police	2,626,114	2,491,286	-5.1%	19,588,392
Fire	1,791,229	1,782,218	-0.5%	13,233,577
Public Works	557,806	557,231	-0.1%	4,916,574
Non-Departmental (8)	711,022	612,505	-13.9%	4,138,053
Transfers (9)	1,081,284	844,833	-21.9%	7,234,424
	\$ 8,525,533	\$ 8,401,973	-1.4%	\$ 61,358,059

(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 Other Attorney Cost.

(3) Increase primarily due to vacancy of H.R. Director position during early FY15.

(4) Increase due to Economic Development Department's first year of existence in FY16. Previously was in City Manager's Office.

(5) Decrease primarily due to allocation of portion of Growth Management Director and Administrative Assistant salaries to other funds.

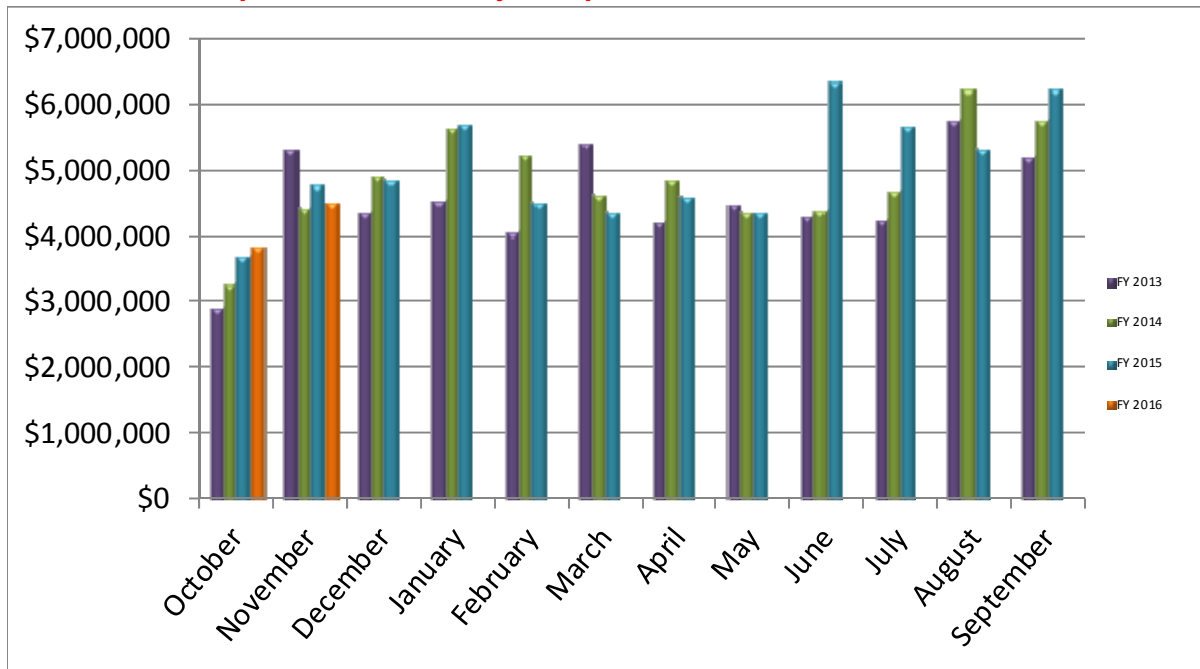
(6) Decrease primarily due to Facilities Division transferred to Facilities Department in FY16.

(7) Increase due to Facilities Department's first year of existence in FY16. Previously was in Recreation Department.

(8) Decrease primarily due to decreased year-to-date costs for GIS Administrative Services and lower budgeted Fleet costs in FY16.

(9) Decrease primarily due to decreased year-to-date transfers to Debt Service Fund.

General Fund Expenditures-Monthly Comparison



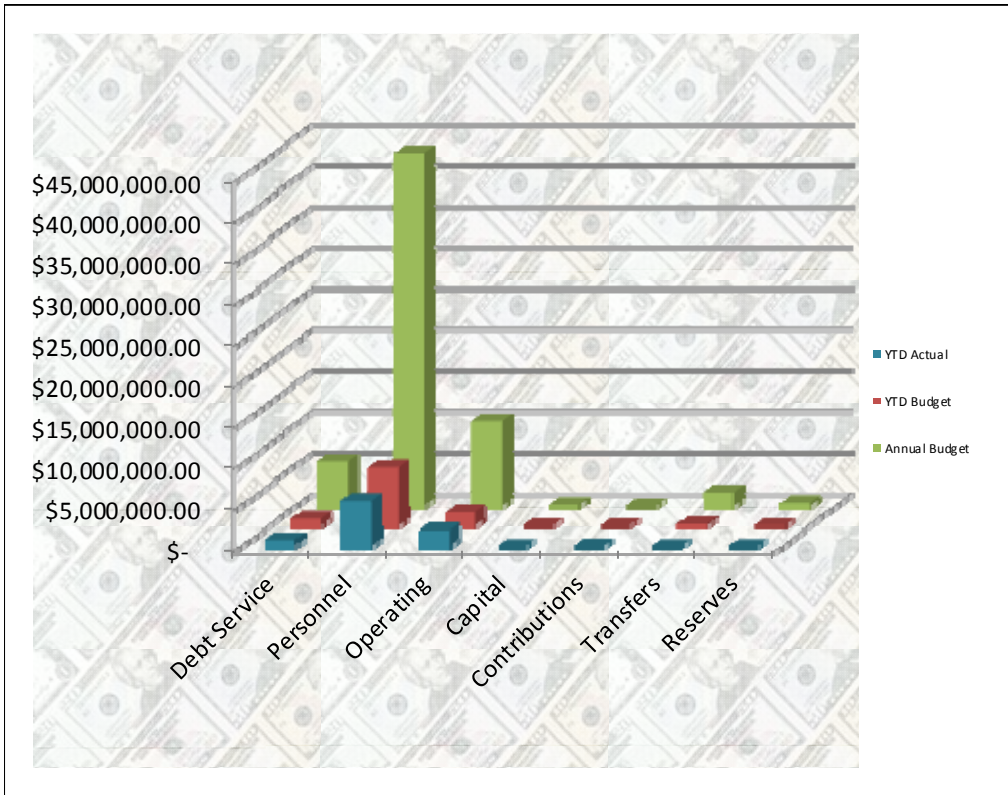
Monthly GF Expenditures as Compared to Prior Years

	FY 2013	FY 2014	FY 2015	FY 2016
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	
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	
	\$ 55,116,519	\$ 58,669,085	\$ 60,757,000	\$ 8,401,973

November General Fund expenditures were \$256,717 (5.35%) less when comparing November 2015 to November 2014. Year-to-date expenditures are \$123,560 less.

General Fund Expenditures-Budgetary Comparison by Category

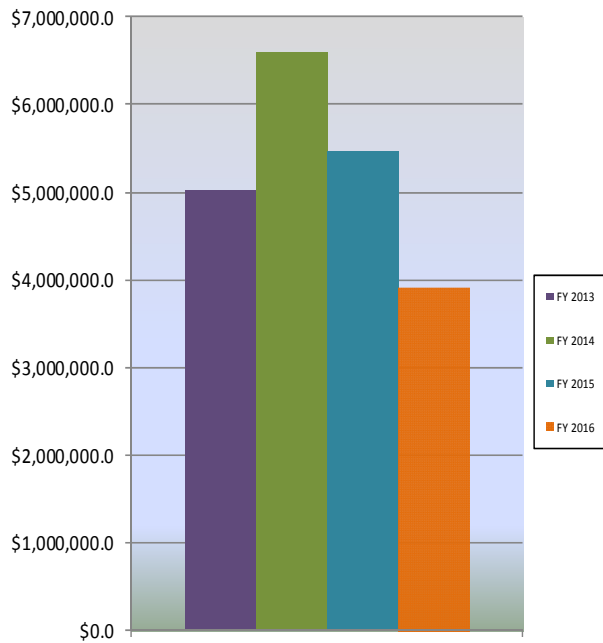
	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Annual Budget</u>	<u>% Spent</u>
Debt Service	\$ 844,833.37	\$ 915,112	\$ 5,490,672	15.39%
Personnel	5,598,288.60	7,183,863	43,103,180	12.99%
Operating	1,957,076.09	1,723,613	10,341,675	18.92%
Capital	-	34,060	204,358	0.00%
Contributions	1,775.00	5,200	31,200	5.69%
Transfers	-	290,625	1,743,752	0.00%
Reserves	-	73,870	443,222	0.00%
Total	\$ 8,401,973.06	\$ 10,226,343	\$ 61,358,059	13.69%



The *total budgeted expenditures* for 2016 are \$61,358,059 (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 November 2015

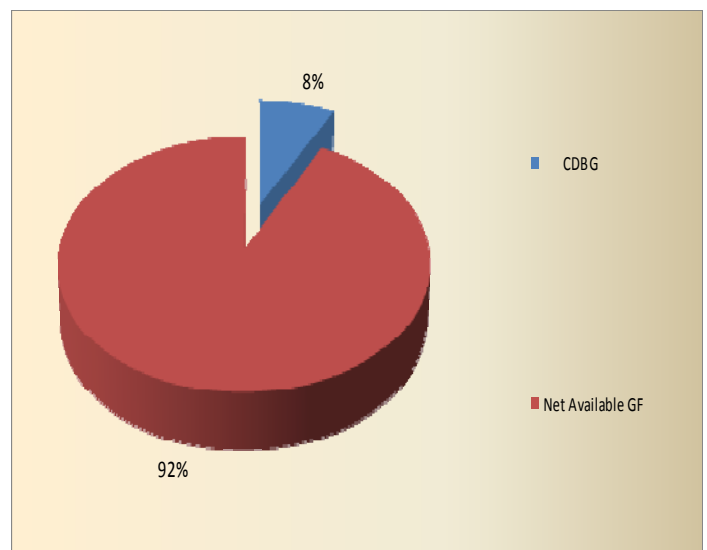
General Fund Cash & Investments-YTD



General Fund Cash & Investments

General Fund Unrestricted Cash & Investments	
Prior Month Ending Balance	\$ 3,277,392.61
Cash Increase (Decrease)	<u>635,575.21</u>
Ending Balance 11/30/15	<u><u>\$ 3,912,967.82</u></u>

General Fund Available Cash & Investments	
November 2015 Ending Balance	\$ 3,912,967.82
Cash Advanced to Other Funds:	
CDBG	(296,916.10)
Total Available Cash & Investments	<u><u>\$ 3,616,051.72</u></u>



General Fund Balance – At a Glance November 2015

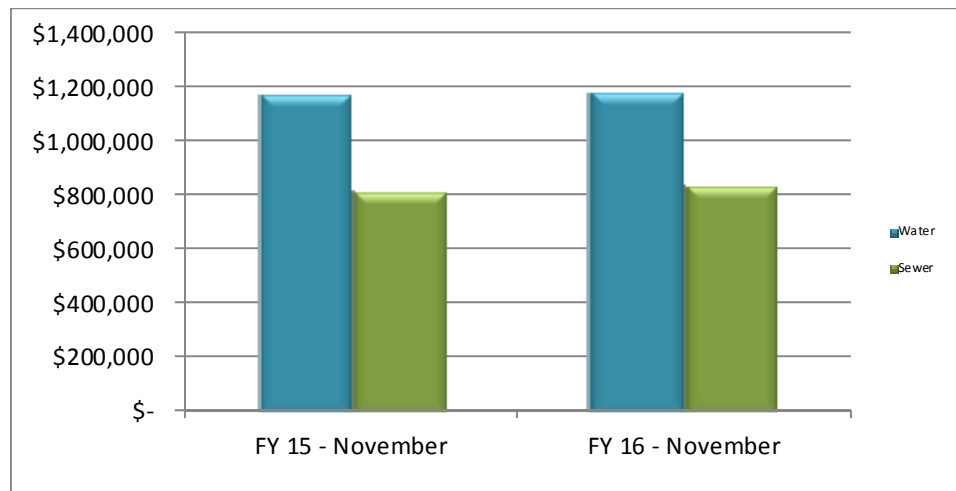
	PRIOR YTD	CURRENT YTD
REVENUES		
Ad Valorem Taxes	\$ 2,682,988	\$ 2,014,976
Local Option Fuel Tax	-	-
Utility Service Taxes	233,842	233,144
Communication Service Tax	-	-
Franchise Fees	40,988	36,437
State Shared Revenues	-	-
Half Cent Sales Tax	-	-
Licenses and Permits	457,678	460,471
Grants and Other Entitlements	9,351	10,241
Charges for Services	350,020	407,809
Fines and Forfeitures	94,402	55,291
Interest, Rents and Other Revenues	77,276	69,447
Interfund Transfers and Other Sources	253,718	343,585
Total Revenues	4,200,263	3,631,401
EXPENDITURES		
Legislative	110,142	134,875
City Manager	110,903	117,784
City Attorney	198,003	367,699
Finance	211,394	209,003
Information Technology	463,823	502,740
Human Resources	55,516	67,963
Economic Development	-	34,220
Growth Management	77,146	61,557
Parks and Recreation	531,151	386,324
Facilities	-	231,736
Police	2,626,114	2,491,286
Fire	1,791,229	1,782,218
Public Works	557,806	557,231
Non-Departmental	711,022	612,505
Transfers	1,081,284	844,833
Total Expenditures	8,525,533	8,401,973
Excess (Deficiency) of Revenues Over Expenditures	(4,325,270)	(4,770,572)
Fund Balance - Beginning	10,040,314	8,325,937
Prior Period Adjustment	-	-
Fund Balance - Beginning as Restated	10,040,314	8,325,937
Fund Balance - Ending	\$ 5,715,044	3,555,365

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 November 2015

Water & Sewer Revenues-YTD



Overall year-to-date Water revenue in November 2015 has increased \$8,533 (0.72%) when compared to November 2014.

Overall year-to-date Sewer revenue in November 2015 has increased \$17,606 (2.14%) when compared to November 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 18% of the budgeted amount. The Utility Lien Costs are recorded at 20% of the budgeted amount.

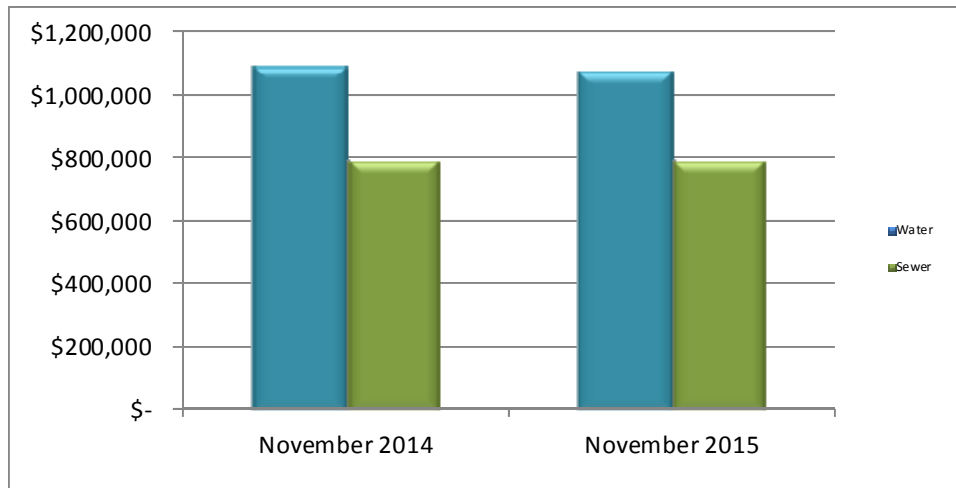
Operating Interest Income is recorded at negative 7% at this time. The interest for Palm Bay Estates Loan (\$22,491.75) will be recorded in June 2016. The interest on the Fleet Services Loan will be recorded in March (\$27,876.61) and September 2016 (\$17,053.38).

Excluding Fund Balance, the total FY16 Operating Revenue is recorded at 9.70% of the budgeted amount compared to FY15 which was at 9.97%.

Water Connection Fees are recorded at 15% of the budgeted amount, and Sewer Connection Fees are recorded at 14% of the budgeted amount.

Water MLEs are recorded at 18% of the budgeted amount, and Sewer MLEs are recorded at 25% of the budgeted amount.

Water & Sewer Revenues-Monthly Comparison



Overall Water revenue for the month of November 2015 has decreased by \$19,445 (1.77%) when compared to November 2014.

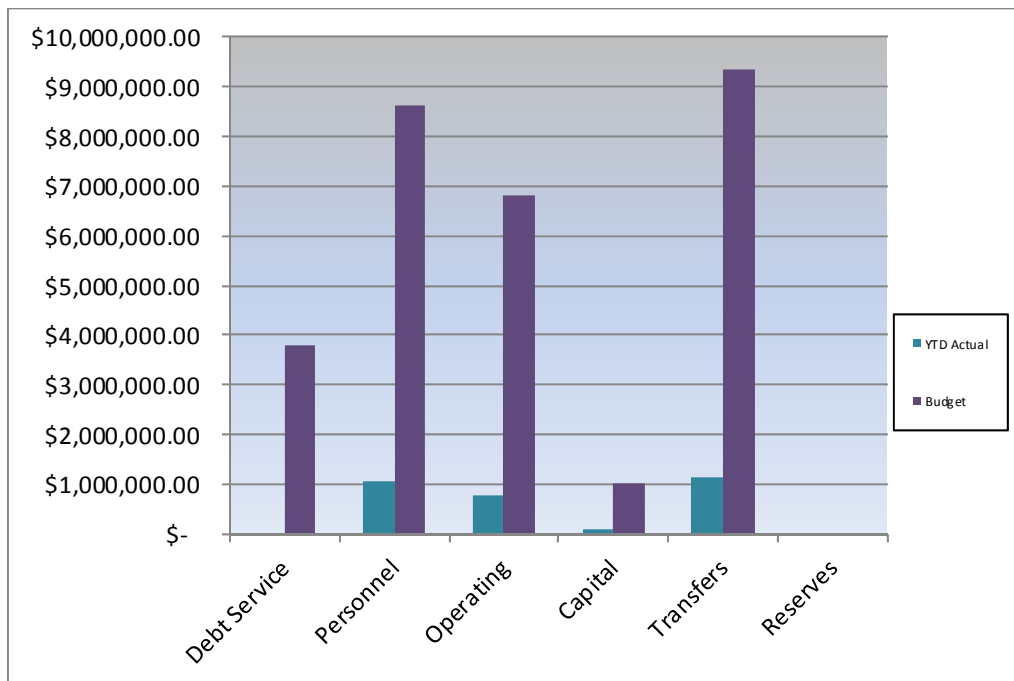
Overall Sewer revenue for the month of November 2015 has increased by \$2,620 (0.33%) when compared to November 2014.

Utilities Expenses – At a Glance November 2015

Water & Sewer Expenditures-YTD

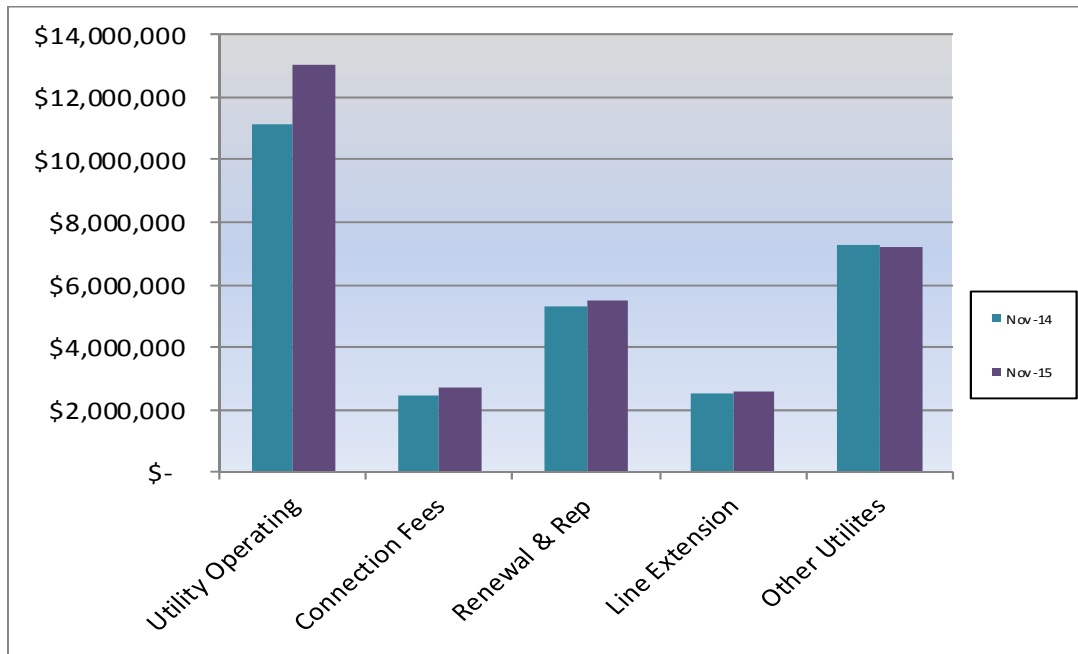
Overall expenditures (excluding encumbrances) are as follows:

	<i>Actual</i>	<i>Budget</i>	<i>% Spent</i>
Debt Service	\$ -	\$ 3,801,039	0.00%
Personnel	1,036,290.87	8,617,000	12.03%
Operating	760,391.11	6,814,036	11.16%
Capital	100,453.01	1,025,178	9.80%
Transfers	1,137,447.18	9,362,982	12.15%
Reserves	-	-	-
Total	\$ 3,034,582.17	\$ 29,620,235	10.24%



Utilities Cash & Investments – At a Glance November 2015

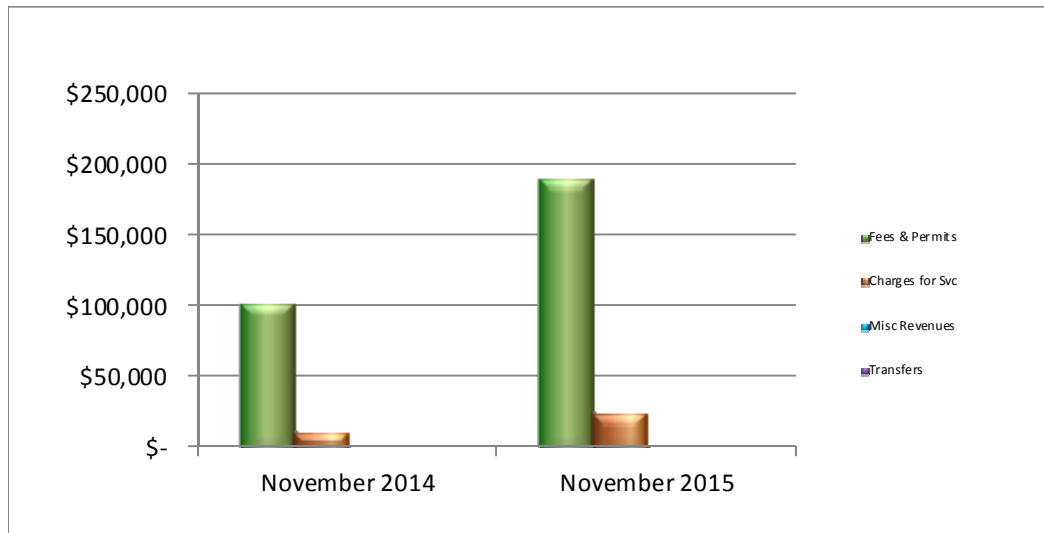
Water & Sewer Cash & Investments-YTD



Overall the Water & Sewer Funds cash and investments were \$2.35 million (8.2%) more as of November 2015 as compared to November 2014.

Building Revenues – At a Glance November 2015

Building Revenues-YTD



Fees and Permits revenue in November 2015 is up \$87,966 (85.26%) from November 2014.

Charges for Services revenue in November 2015 is up \$12,714 (109.14%) from November 2014.

Overall, Building revenues in FY 16 (at November) have increased by \$101,134 (86.74%) when compared to FY 15 (at November).

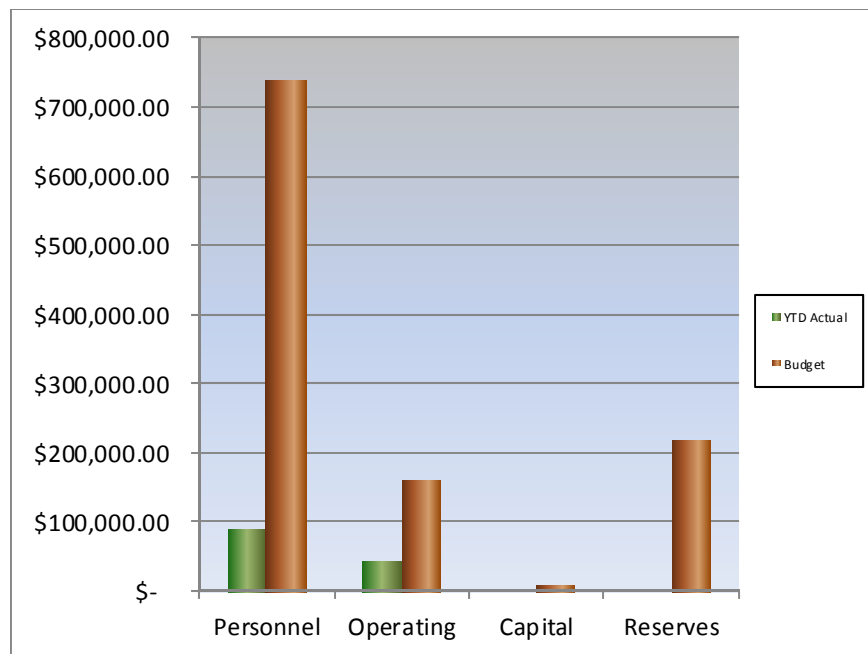
The total FY 16 Building revenues are recorded at 19.3% of the budgeted amount compared to FY 15 which was 11.0%.

Building Expenses – At a Glance November 2015

Building Expenditures-YTD

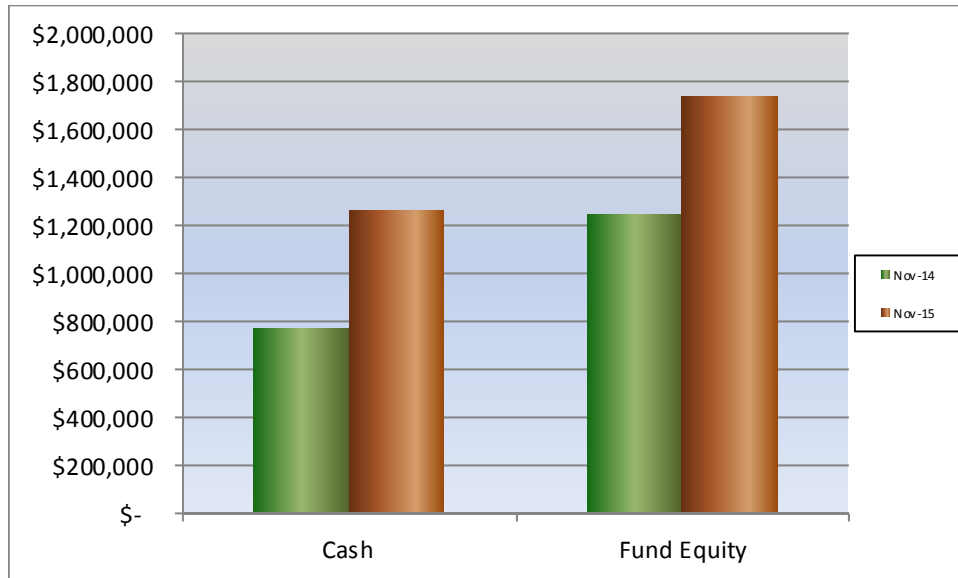
Overall expenditures (excluding encumbrances) are as follows:

	<u>Actual</u>	<u>Budget</u>	<u>% Spent</u>
Personnel	\$ 89,661.41	\$ 739,399	12.13%
Operating	42,037.63	161,941	25.96%
Capital	-	7,500	0.00%
Reserves	-	219,535	0.00%
Total	<u>\$ 131,699.04</u>	<u>\$ 1,128,375</u>	<u>11.67%</u>



Building Cash & Fund Equity – At a Glance November 2015

Building Cash & Fund Equity-YTD



Overall the Building cash and cash equivalents were \$493,879 (63.9%) more as of November 2015 as compared to November 2014.

Overall the Building fund equity was \$484,619 (38.7%) more as of November 2015 as compared to November 2014.