

**CITY OF PALM BAY, FLORIDA  
MONTHLY FINANCIAL REPORT (UNAUDITED)  
NOVEMBER 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 November 2017. November is the second month of the fiscal year and represents 17% of the annual budget.

**Financial Report Summary**

- Citywide revenues of \$23.5 million are at 12.1% of the annual budget. Citywide expenditures of \$23.8 million are at 12.3% 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 \$4.6 million, or 7.4%, in comparison to the prior year.
- Most of the increased citywide revenues are a result of a timing issue with Utilities unbilled revenue and the new Stormwater Assessment. Most of the increased citywide expenditures are due to a timing issue recording debt service payments and increased year-to-date Stormwater expenditures.

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Citywide - Cash & Investments		Citywide - Revenues		Citywide - Expenditures	
11/30/2017	\$ 65,845,639.66	11/30/2017	\$ 23,476,933.72	11/30/2017	\$ 23,786,359.30
11/30/2016	61,293,079.23	11/30/2016	17,896,949.99	11/30/2016	19,363,579.33
Increase	7.4% \$ 4,552,560.43	Increase	31.2% \$ 5,579,983.73	Increase	22.8% \$ 4,422,779.97

- General Fund revenues of \$6.4 million are at 9% of the annual budget. This is an increase of \$0.80 million, or 14.3%, in comparison to the prior year.
- General Fund expenditures of \$9.5 million are at 14% of the annual budget. This is an increase of \$0.21 million, or 2.2%, in comparison to the prior year.
- General Fund cash and investments increased by \$1.99 million, or 32.1%, in comparison to the prior year. Of this increased General Fund cash, \$800,000 is reserved.

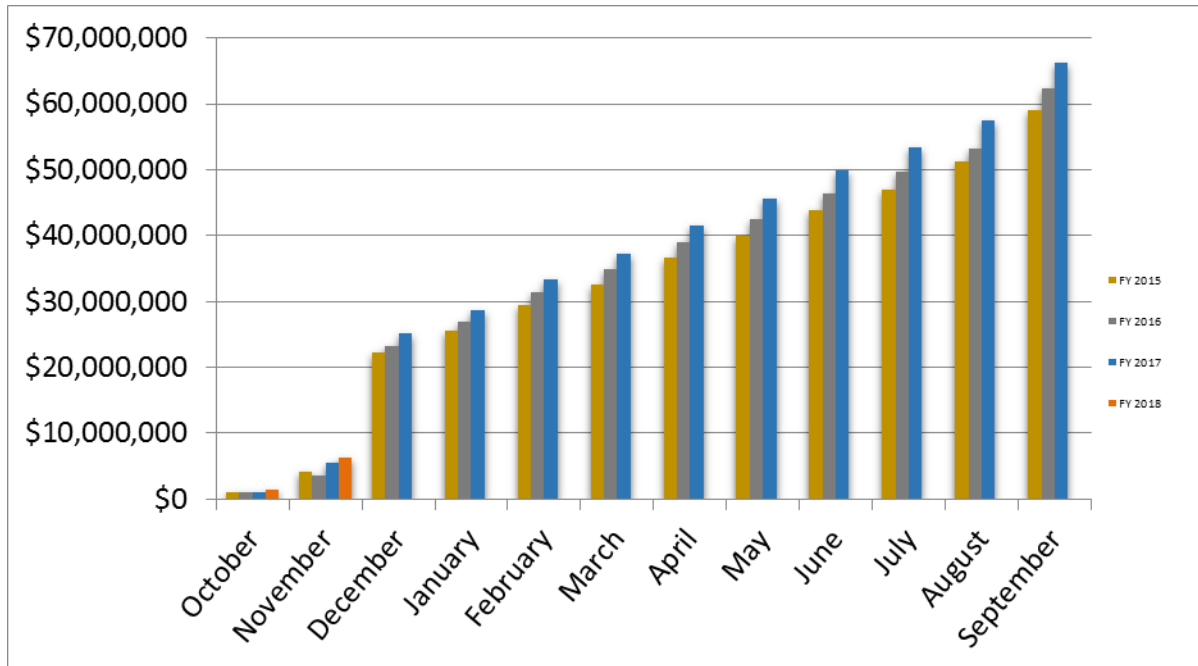
General Fund - Cash & Investments		General Fund - Revenues		General Fund - Expenditures	
11/30/2017	\$ 8,205,188.22	11/30/2017	\$ 6,385,155.94	11/30/2017	\$ 9,547,707.83
11/30/2016	6,211,476.25	11/30/2016	5,585,341.63	11/30/2016	9,338,655.75
Increase	32.1% \$ 1,993,711.97	Increase	14.3% \$ 799,814.31	Increase	2.2% \$ 209,052.08

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 Revenues – At a Glance November 2017

### General Fund Revenues-YTD



### FY2018 YTD Change in GF Revenues as Compared to Prior Year

	Prior YTD	Current YTD	Percent Change	Annual Budget
Ad Valorem Taxes	\$ 4,000,729	\$ 4,186,839	0.0%	\$ 28,467,595
Local Option Fuel Tax	-	-	0.0%	4,208,406
Utility Service Taxes (1)	227,753	254,906	11.9%	8,402,000
Communication Service Tax	-	-	0.0%	2,779,457
Franchise Fees	33,413	62,498	0.0%	5,240,000
State Shared Revenues	-	-	0.0%	4,515,736
Half Cent Sales Tax	-	-	0.0%	6,686,792
Licenses and Permits	463,720	474,504	2.3%	602,000
Grants and Other Entitlements (2)	4,546	257,703	5568.4%	820,738
Charges for Services (3)	433,471	576,309	33.0%	3,431,469
Fines and Forfeitures (4)	35,414	57,916	63.5%	346,300
Interest, Rents & Other Revenues (5)	85,998	113,089	31.5%	406,600
Interfund Transfers & Capital Leases (6)	300,298	401,391	33.7%	2,408,344
Fund Balance	-	-	0.0%	384,292
	<b>\$ 5,585,342</b>	<b>\$ 6,385,156</b>	<b>14.3%</b>	<b>\$ 68,699,729</b>

(1) Increase primarily due to higher year-to-date collections of tax on water.

(2) Increase primarily due to increased year-to-date collections from Brevard County for partial reimbursement of Parks expenses in FY18.

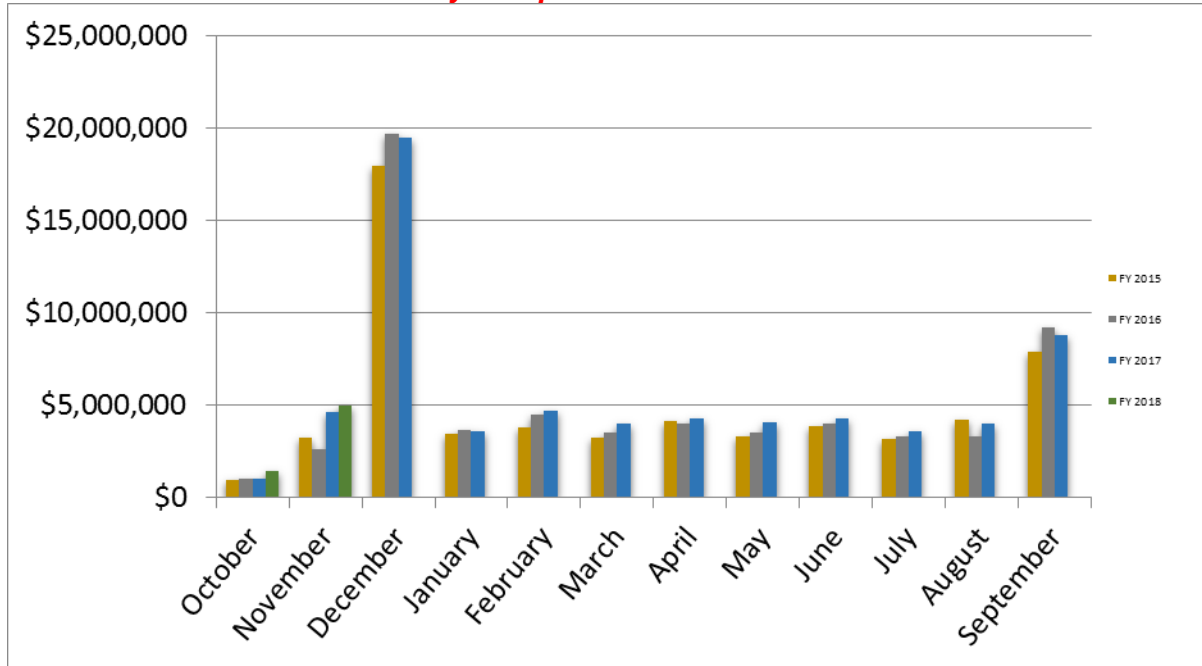
(3) Increase primarily due to increased year-to-date collections of Recreation Program. fees, Engineering Plan fees, and Fire Dept. fees in FY18.

(4) Increase primarily due to higher year-to-date collection of code compliance fines in FY18.

(5) Increase primarily due to higher year-to-date collections from property sales and lease in FY18.

(6) Increase primarily due to higher budgeted transfer from Utility Operating Fund in FY18.

**General Fund Revenues-Monthly Comparison**



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

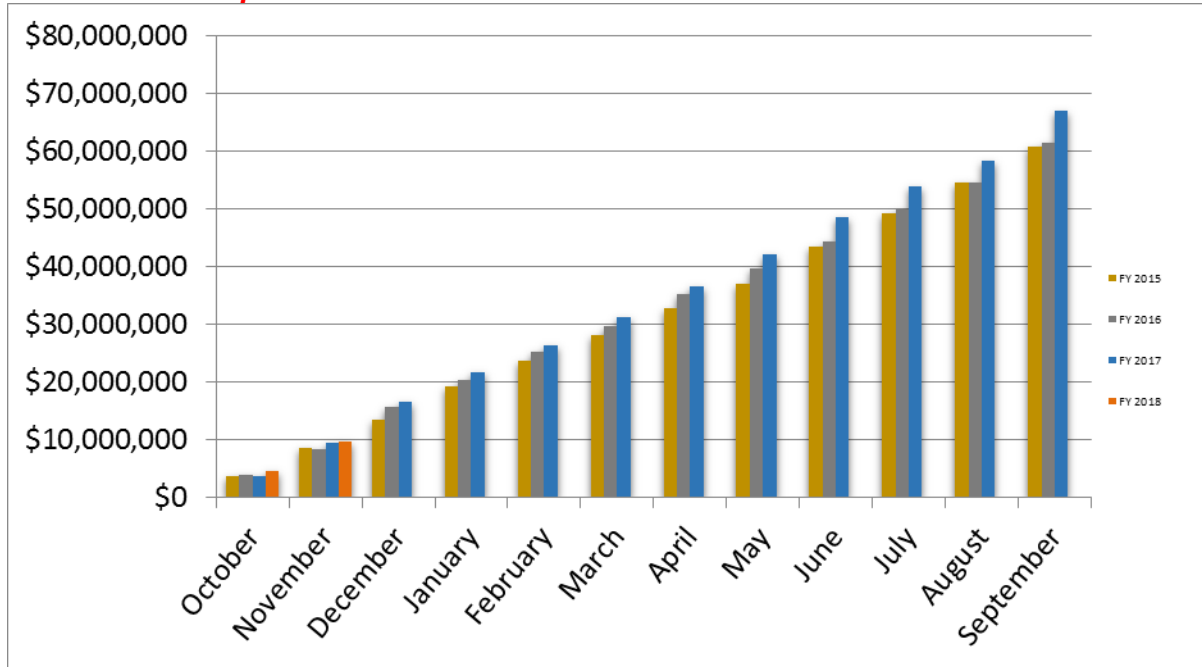
	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
October	\$ 953,761	\$ 1,012,271	\$ 1,005,090	\$ 1,416,001
November	3,246,502	2,619,131	4,580,252	4,969,155
December	17,977,402	19,689,226	19,511,218	
January	3,458,799	3,639,261	3,585,305	
February	3,782,243	4,490,812	4,656,371	
March	3,203,645	3,522,695	3,990,468	
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	8,798,341	
	<b>\$ 59,055,101</b>	<b>\$ 62,285,475</b>	<b>\$ 66,241,404</b>	<b>\$ 6,385,156</b>

Overall General Fund revenues for the month of November 2017 have increased \$388,902 (8.49%) when compared to November 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 November 2017

### General Fund Expenditures-YTD

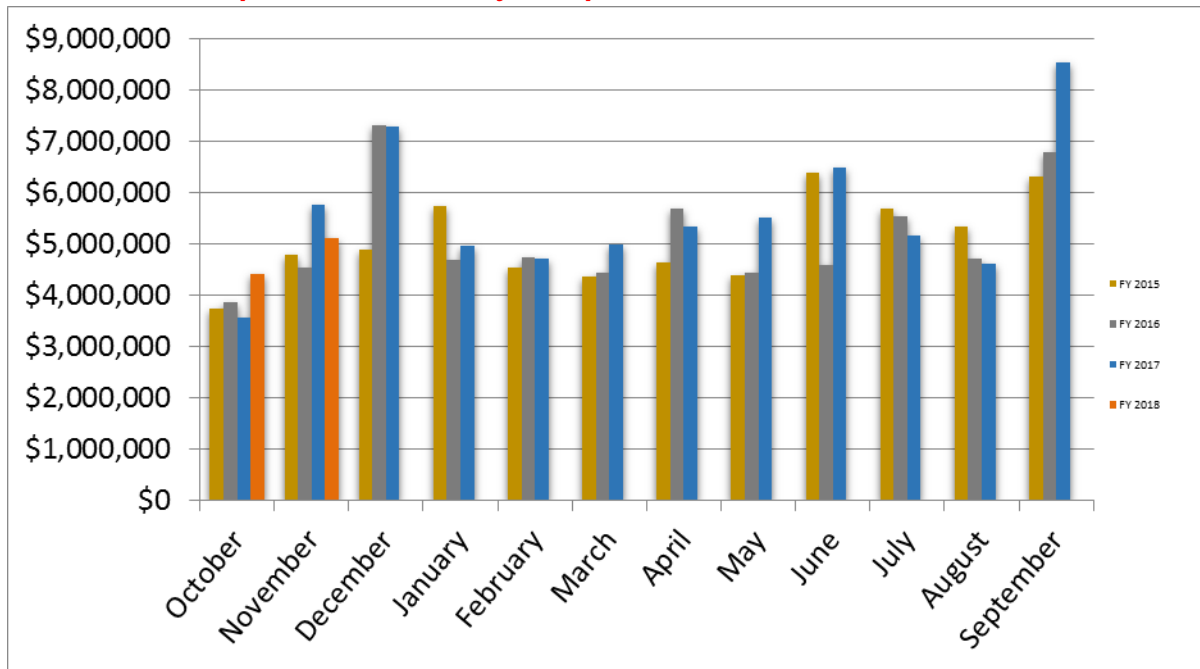


### 2018 YTD Change in GF Expenditures as Compared to Prior Year

	Prior YTD	Current YTD	Percent Change	Annual Budget
Legislative (1)	\$ 95,842	\$ 111,500	16.3%	\$ 712,660
City Manager (2)	81,945	95,254	16.2%	798,081
City Attorney (3)	78,749	58,085	-26.2%	577,672
Procurement	46,092	47,511	3.1%	468,024
Finance	175,129	175,858	0.4%	1,404,782
Information Technology (4)	519,101	287,767	-44.6%	3,442,836
Human Resources (5)	53,879	76,309	41.6%	715,807
Growth Management (6)	140,113	167,539	19.6%	1,398,112
Economic Development (7)	121,240	69,922	-42.3%	696,632
Parks and Recreation (8)	353,203	486,790	37.8%	4,275,090
Facilities (9)	341,094	302,724	-11.2%	2,657,250
Police	2,504,915	2,461,904	-1.7%	19,776,232
Fire	1,864,354	1,900,833	2.0%	14,260,285
Public Works (10)	1,215,649	1,682,455	38.4%	5,405,452
Non-Departmental	643,388	686,603	6.7%	5,591,564
Transfers (11)	1,103,961	936,651	-15.2%	6,519,250
	<b>\$ 9,338,656</b>	<b>\$ 9,547,708</b>	<b>2.2%</b>	<b>\$ 68,699,729</b>

- (1) Increase primarily due to increased year-to-date costs for employee salaries and insurance.
- (2) Increase primarily due to higher year-to-date costs for dues & memberships, consultant, and other contractual services.
- (3) Decrease primarily due to decreased year-to-date costs for Other Attorneys in FY18. Most in-house Attorney cost is charged to Risk Fund.
- (4) Decrease primarily due to lower year-to-date costs for Computer Software Maintenance.
- (5) Increase primarily due to Payroll staff was moved to Human Resources within the last year.
- (6) Increase primarily due to higher year-to-date costs for personnel services in Land Development and Code Compliance Divisions.
- (7) Decrease primarily due to lower year-to-date cinema advertising costs compared to same time last year.
- (8) Increase primarily due to inclusion of expenses of the Regional Park, Aquatic Center, and Senior Center in General Fund.
- (9) Decrease primarily due to lower year-to-date costs for Electricity, Disaster Preparedness, and Personnel.
- (10) Increase primarily due to higher year-to-date costs for Disaster Preparedness, Railroad Crossing Maintenance, and Road Materials.
- (11) Decrease primarily due to no budgeted transfer to Road Maintenance CIP Fund in FY18.

**General Fund Expenditures-Monthly Comparison**



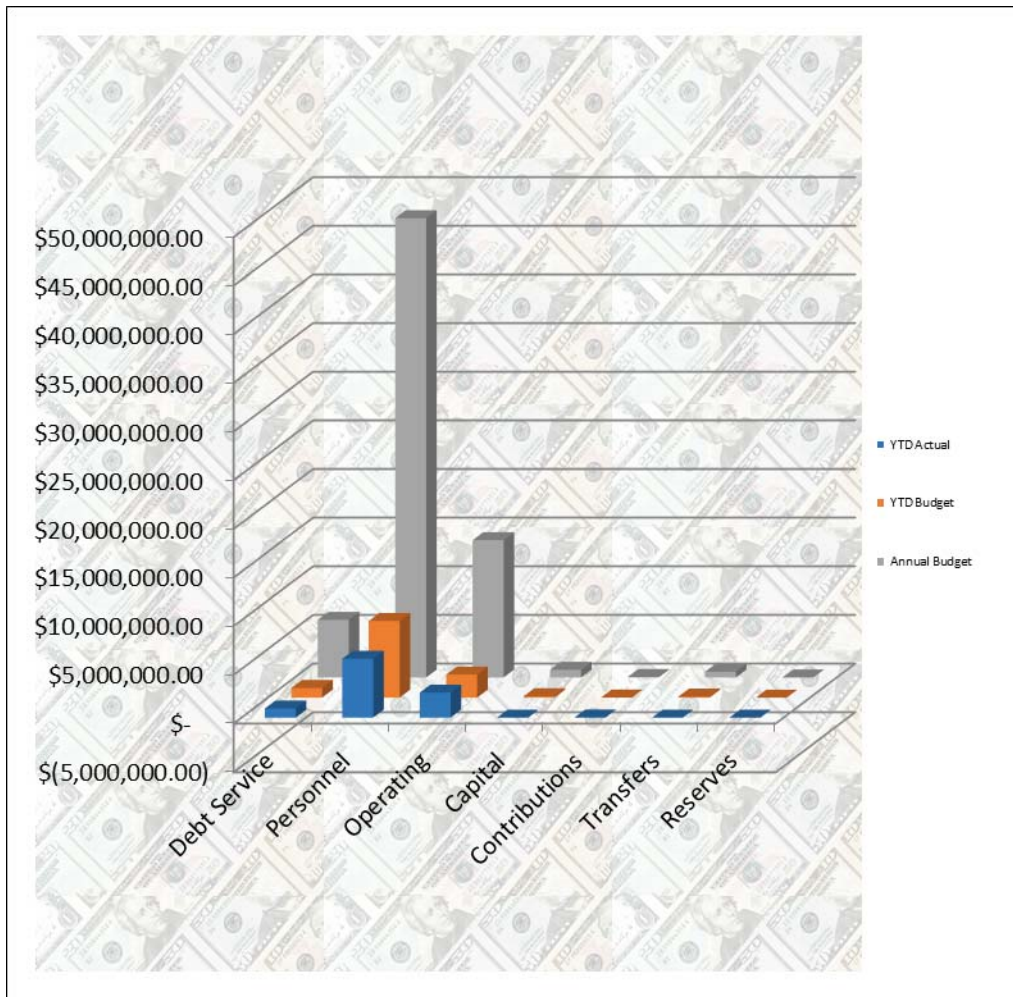
**Monthly GF Expenditures as Compared to Prior Years**

	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
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	
January	5,729,780	4,685,466	4,972,873	
February	4,526,492	4,746,328	4,719,784	
March	4,375,170	4,443,296	4,983,695	
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	8,539,660	
	<b>\$ 60,803,379</b>	<b>\$ 61,393,243</b>	<b>\$ 66,963,498</b>	<b>\$ 9,547,708</b>

November General Fund expenditures were \$643,536 (11.16%) less when comparing November 2017 to November 2016, mainly due to hurricane costs.

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

	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Annual Budget</u>	<u>% Spent</u>
Debt Service	\$ 936,651.00	\$ 987,606	\$ 5,925,638	15.81%
Personnel	6,047,168.15	7,869,644	47,217,865	12.81%
Operating	2,562,643.32	2,353,673	14,122,035	18.15%
Capital	(2,254.64)	131,763	790,579	-0.29%
Contributions	3,500.00	8,333	50,000	7.00%
Transfers	-	98,935	593,612	0.00%
Reserves	-	-	-	0.00%
<b>Total</b>	<b>\$ 9,547,707.83</b>	<b>\$ 11,449,955</b>	<b>\$ 68,699,729</b>	<b>13.90%</b>

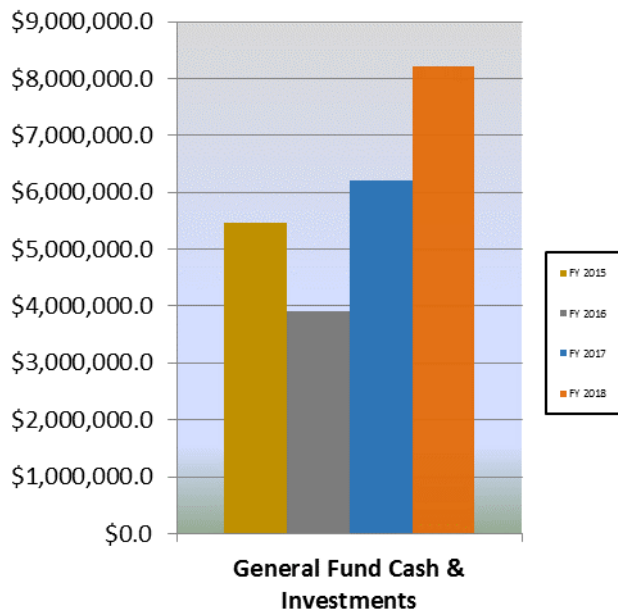


The total budgeted expenditures for 2018 are \$68,699,729 (includes encumbrances from prior year and 2018 budget amendments). Of this amount, \$47,217,865, or 68.7%, is related to personnel costs.

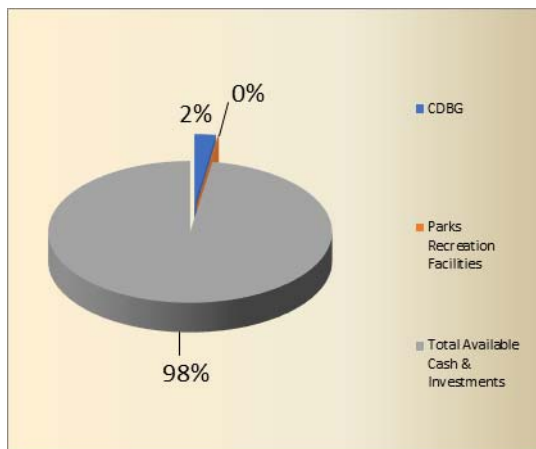


## General Fund Cash & Investments – At a Glance November 2017

### General Fund Cash & Investments-YTD



General Fund Cash & Investments	
Prior Month Ending Balance	\$ 6,696,830.08
Cash Increase (Decrease)	<u>1,508,358.14</u>
Ending Balance 11/30/17	<u><u>\$ 8,205,188.22</u></u>



General Fund Cash & Investments	
November 2017 Ending Balance	\$ 8,205,188.22
Cash Advanced to Other Funds:	
CDBG	(198,703.75)
Parks Recreation Facilities	<u>(8,105.83)</u>
Total Available Cash & Investments	<u><u>\$ 7,998,378.64</u></u>

## General Fund Balance – At a Glance November 2017

	PRIOR YTD	CURRENT YTD
<b>REVENUES</b>		
Ad Valorem Taxes	\$ 4,000,729	\$ 4,186,839
Local Option Fuel Tax	-	-
Utility Service Taxes	227,753	254,906
Communication Service Tax	-	-
Franchise Fees	33,413	62,498
State Shared Revenues	-	-
Half Cent Sales Tax	-	-
Licenses and Permits	463,720	474,504
Grants and Other Entitlements	4,546	257,703
Charges for Services	433,471	576,309
Fines and Forfeitures	35,414	57,916
Interest, Rents and Other Revenues	85,998	113,089
Interfund Transfers and Other Sources	300,298	401,391
<b>Total Revenues</b>	<b>5,585,342</b>	<b>6,385,156</b>
<b>EXPENDITURES</b>		
Legislative	95,842	111,500
City Manager	81,945	95,254
City Attorney	78,749	58,085
Procurement	46,092	47,511
Finance	175,129	175,858
Information Technology	519,101	287,767
Human Resources	53,879	76,309
Growth Management	140,113	167,539
Economic Development	121,240	69,922
Parks and Recreation	353,203	486,790
Facilities	341,094	302,724
Police	2,504,915	2,461,904
Fire	1,864,354	1,900,833
Public Works	1,215,649	1,682,455
Non-Departmental	643,388	686,603
Transfers	1,103,961	936,651
<b>Total Expenditures</b>	<b>9,338,656</b>	<b>9,547,708</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(3,753,314)</b>	<b>(3,162,552)</b>
<b>Fund Balance - Beginning</b>	<b>9,174,582</b>	<b>8,389,436</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - Beginning as Restated</b>	<b>9,174,582</b>	<b>8,389,436</b>
<b>Fund Balance - Ending</b>	<b>\$ 5,421,268</b>	<b>5,226,884</b>

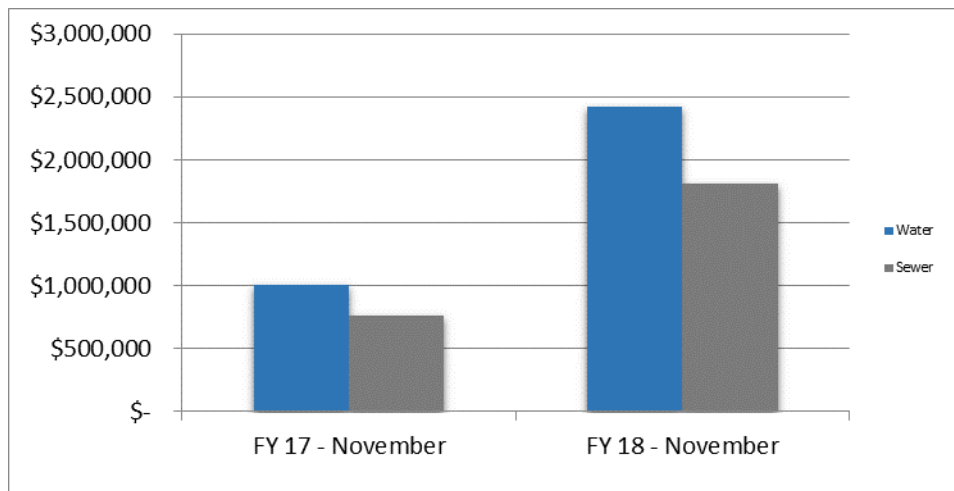
The minimum General Fund balance, as established by Resolution 2011-34, is ten percent (10%) of the subsequent fiscal year's budgeted expenditures less capital outlay and transfers out as originally adopted by ordinance in September. The following is a history of the City's General Fund balance.

General Fund Balance - History			
	Minimum Required	Actual Fund Balance	Fund Balance Percentage
FY 2017	\$ 6,107,113	\$ 8,389,436	13.74%
FY 2016	5,594,175	9,174,581	16.40%
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%



## Utilities Revenues – At a Glance November 2017

### Water & Sewer Revenues-YTD



Overall year-to-date Water revenue in November 2017 has increased \$1,413,527 (140.57%) when compared to November 2016. However, the difference is related to the timing of the unbilled revenue transaction which should clear in December.

Overall year-to-date Sewer revenue in November 2017 has increased \$1,046,710 (137.92%) when compared to November 2016. However, the difference is related to the timing of the unbilled revenue transaction which should clear in December.

Fire Protection for FY18 was billed at 100% of the budgeted amount. The Fire Protection Service Charges is billed in November (annual billing).

Meter Installation Fees are recorded at 17% of the budgeted amount. The Utility Lien Costs are recorded at 32% of the budgeted amount.

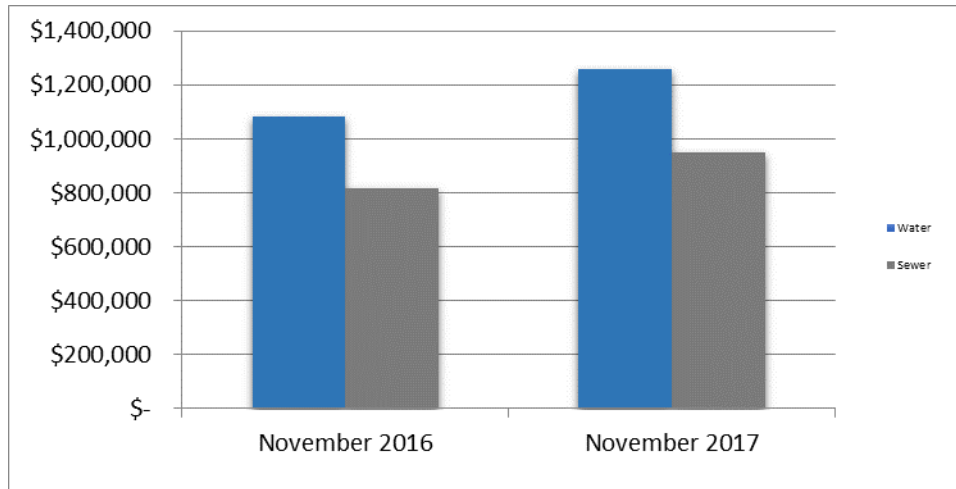
Operating Interest Income is recorded at 13%.

Excluding Fund Balance, the total FY18 Operating Revenue is recorded at 16.21% of the budgeted amount compared to FY17 which was at 8.39%. Again, the difference is related to the timing of the unbilled revenue transactions; the large discrepancy should clear in December.

Water Connection Fees are recorded at 22% of the budgeted amount, and Sewer Connection Fees are recorded at 23% of the budgeted amount.

Water MLEs are recorded at 16% of the budgeted amount, and Sewer MLEs are recorded at 16% of the budgeted amount.

*Water & Sewer Revenues-Monthly Comparison*



Overall Water revenue for the month of November 2017 has increased by \$177,569 (16.40%) when compared to November 2016.

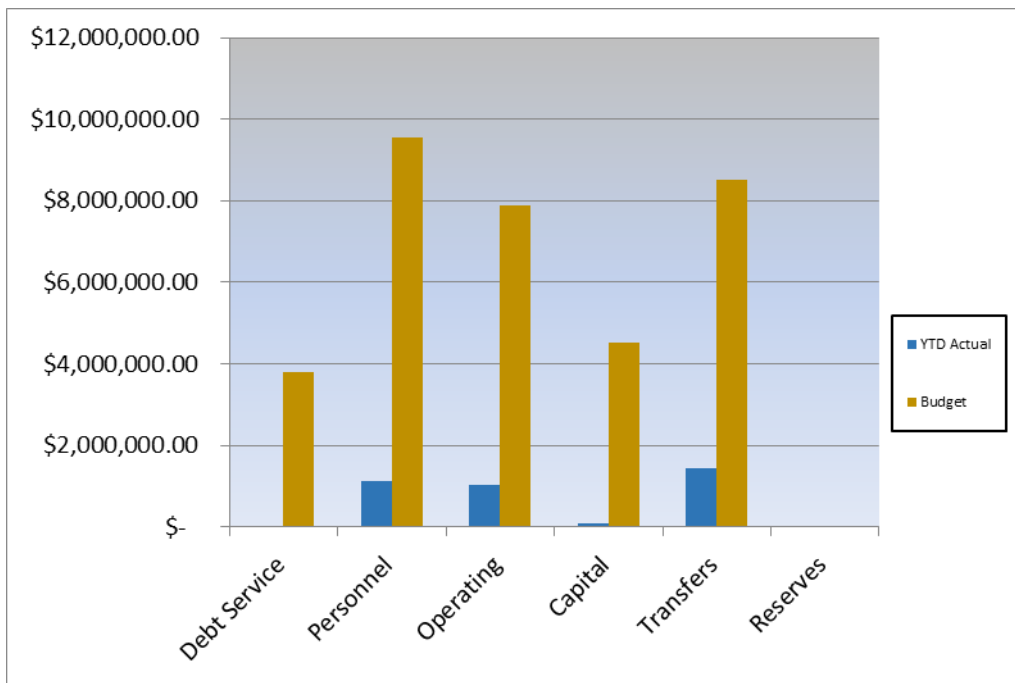
Overall Sewer revenue for the month of November 2017 has increased by \$131,355 (16.06%) when compared to November 2016.

## Utilities Expenses – At a Glance November 2017

### Water & Sewer Expenditures-YTD

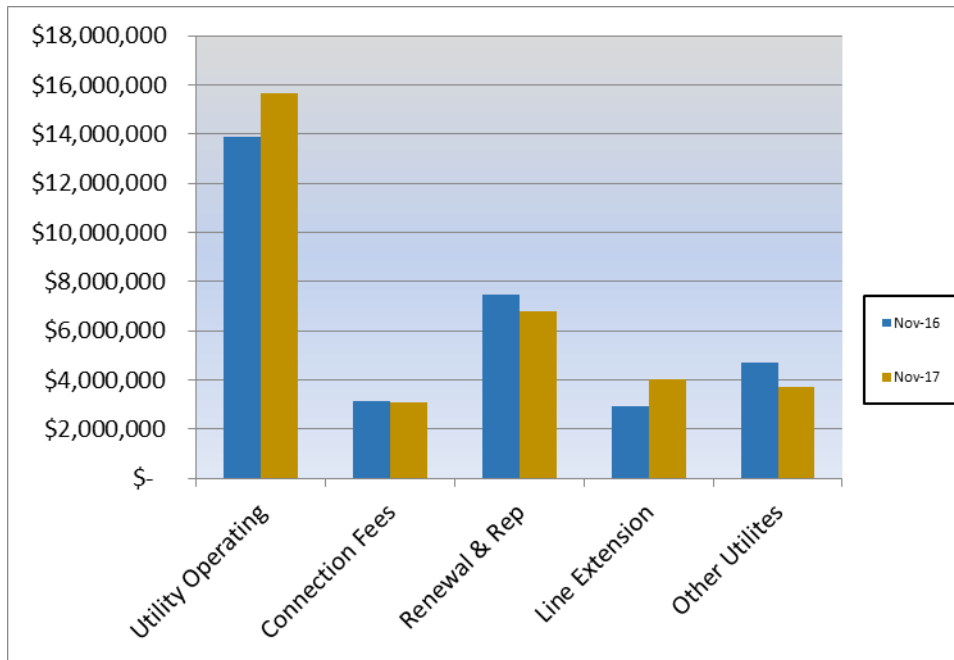
Overall expenditures (excluding encumbrances) are as follows:

	<i>Actual</i>	<i>Budget</i>	<i>% Spent</i>
Debt Service	\$ 464.67	\$ 3,799,411	0.01%
Personnel	1,117,842.58	9,558,865	11.69%
Operating	1,020,330.95	7,891,073	12.93%
Capital	90,508.40	4,527,078	2.00%
Transfers	1,430,666.06	8,520,949	16.79%
Reserves	-	-	-
Total	\$ 3,659,812.66	\$ 34,297,376	10.67%



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

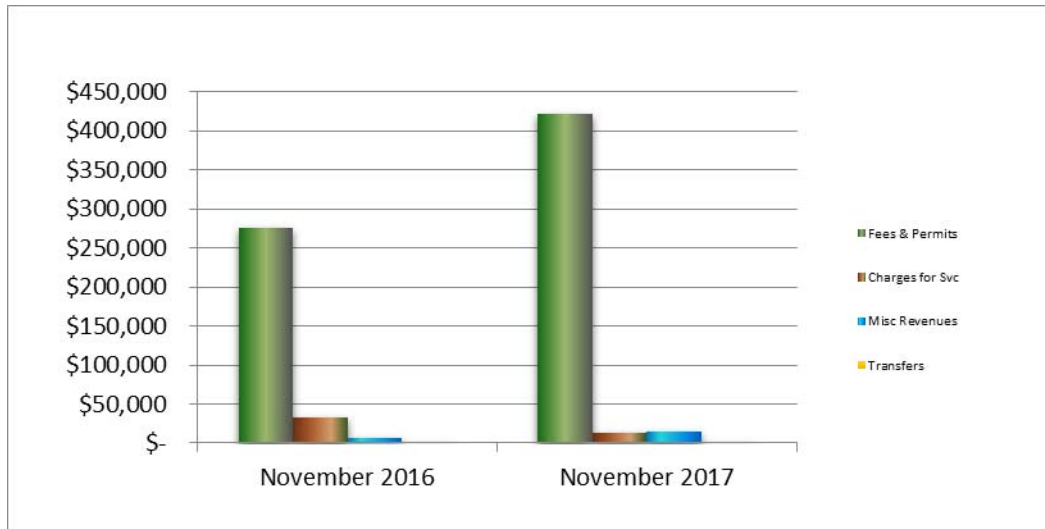
### Water & Sewer Cash & Investments-YTD



Overall the Water & Sewer Funds cash and investments were \$1.13 million (3.5%) more as of November 2017 as compared to November 2016.

## Building Revenues – At a Glance November 2017

### *Building Revenues-YTD*



Fees and Permits revenue in November 2017 is up \$147,528 (53.67%) from November 2016.

Charges for Services revenue in November 2017 is down \$18,932 (59.05%) from November 2016.

Overall, Building revenues in FY 18 (at November) have increased by \$137,865 (44.07%) when compared to FY 17 (at November).

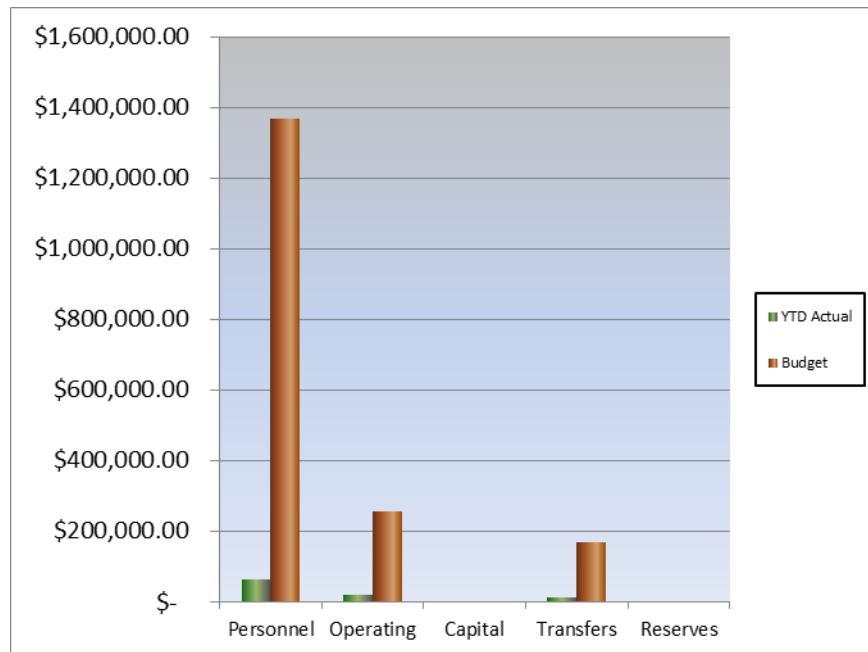
The total FY 18 Building revenues are recorded at 25.19% of the budgeted amount compared to FY 17 which was 18.04%.

## Building Expenses – At a Glance November 2017

### *Building Expenditures-YTD*

Overall expenditures (excluding encumbrances) are as follows:

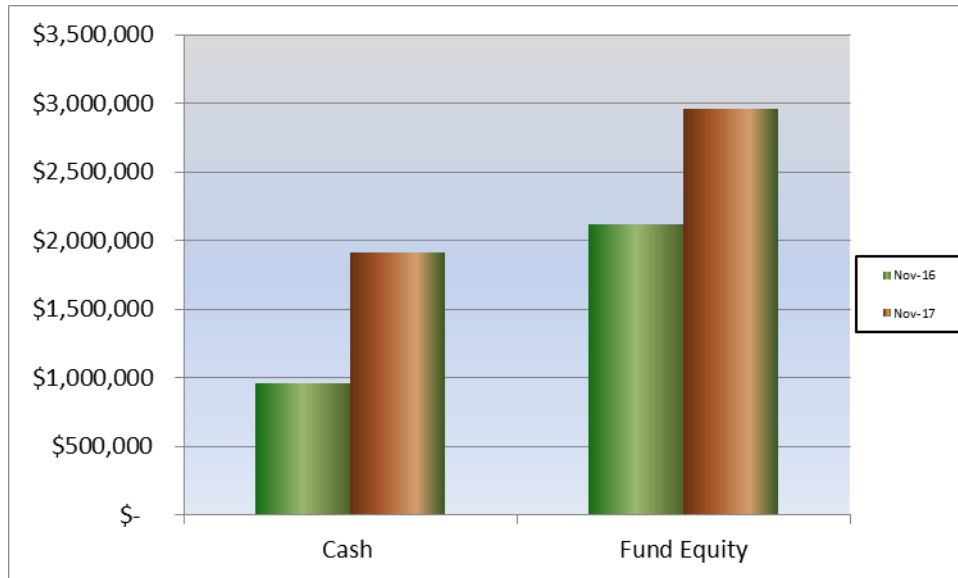
	<u>Actual</u>	<u>Budget</u>	<u>% Spent</u>
Personnel	\$ 168,514.17	\$ 1,367,118	12.33%
Operating	62,893.68	255,211	24.64%
Capital	-	-	0.00%
Transfers	27,774.84	166,649	16.67%
Reserves	-	-	0.00%
<b>Total</b>	<b>\$ 259,182.69</b>	<b>\$ 1,788,978</b>	<b>14.49%</b>





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

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



Overall the Building cash and investments were \$947,357 (98.3%) more as of November 2017 as compared to November 2016.

Overall the Building fund equity was \$843,160 (39.8%) more as of November 2017 as compared to November 2016.