



MONTHLY FINANCIAL REPORT (UNAUDITED)

NOVEMBER 2018

City of Palm Bay, Florida



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MONTHLY FINANCIAL REPORT (UNAUDITED)
NOVEMBER 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 November 2018. November is the second month of the fiscal year and represents 17% of the annual budget.

Financial Report Summary

- Citywide revenues of \$25.2 million are at 11.8% of the annual budget. Citywide expenditures of \$30.4 million are at 14.2% 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 \$23.8 million, or 36.1%, in comparison to the prior year.
- Most of the increased citywide revenues are due to increased year-to-date collections of Ad Valorem Taxes, transfers to the Sinking Fund for the new Connector Road, and higher allocation to the Utility Renewal and Replacement Fund. Most of the increased citywide expenditures are a result of spending on the Energy Savings Contract requirements, increased year-to-date personnel costs, and increased year-to-date interfund transfers to the Sinking Fund from the Transportation Impact Fee Fund.

Citywide - Cash & Investments		Citywide - Revenues		Citywide - Expenditures	
11/30/2018	\$ 89,616,542.13	11/30/2018	\$ 25,245,111.71	11/30/2018	\$ 30,360,248.93
11/30/2017	65,845,639.66	11/30/2017	23,476,933.72	11/30/2017	23,786,359.30
Increase	36.1% \$ 23,770,902.47	Increase	7.5% \$ 1,768,177.99	Increase	27.6% \$ 6,573,889.63

- General Fund revenues of \$8.0 million are at 10.5% of the annual budget. This is an increase of \$1.6 million, or 25.1%, in comparison to the prior year.
- General Fund expenditures of \$11.9 million are at 15.7% of the annual budget. This is an increase of \$2.3 million, or 24.4%, in comparison to the prior year.
- General Fund cash and investments increased by \$2.3 million, or 28.3%, in comparison to the prior year. Of this increased General Fund cash, \$800,000 is reserved.

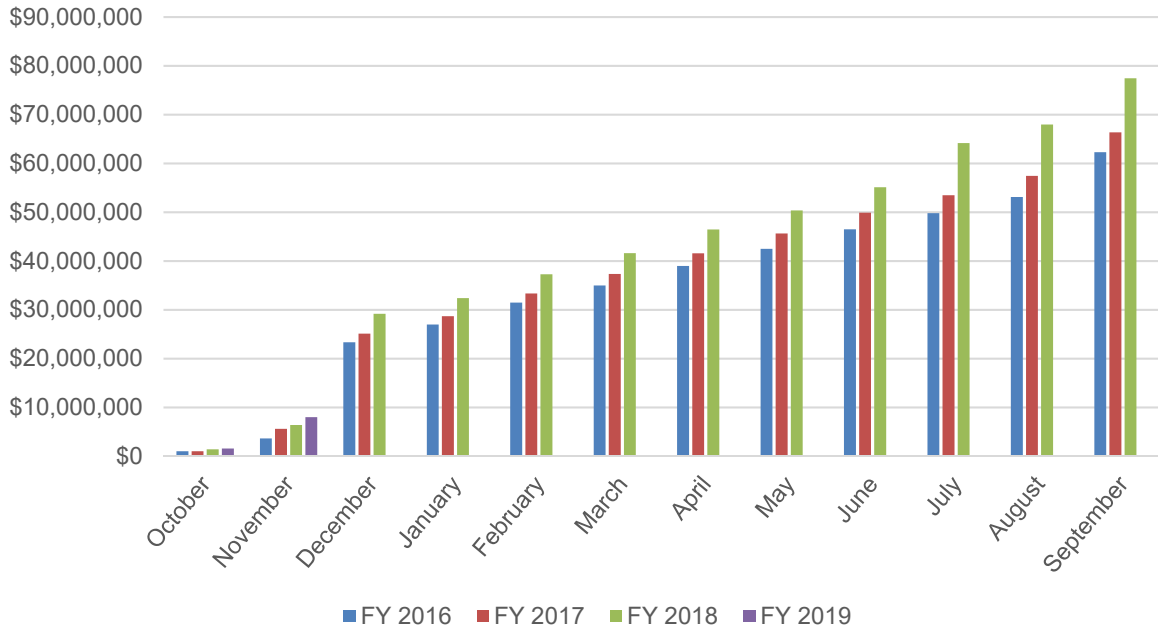
General Fund - Cash & Investments		General Fund - Revenues		General Fund - Expenditures	
11/30/2018	\$ 10,528,464.93	11/30/2018	\$ 7,989,159.94	11/30/2018	\$ 11,879,542.80
11/30/2017	8,205,188.22	11/30/2017	6,385,155.94	11/30/2017	9,547,707.83
Increase	28.3% \$ 2,323,276.71	Increase	25.1% \$ 1,604,004.00	Increase	24.4% \$ 2,331,834.97

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 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



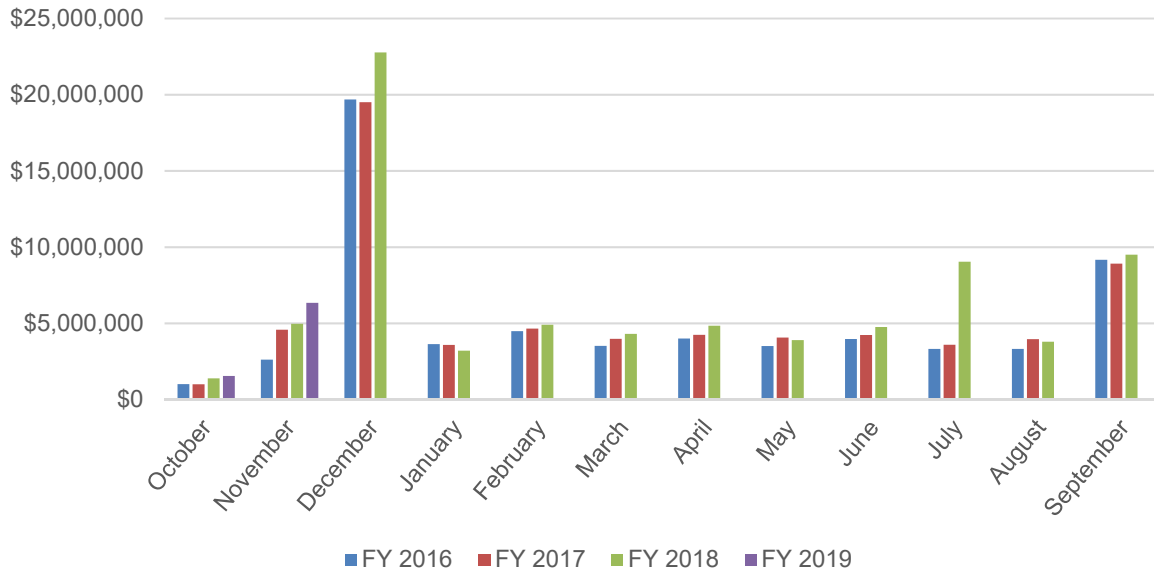
➤ FY 2019 YTD Revenue Variance
 As Compared to Prior Year

	Prior YTD	Current YTD	% Variance	Annual Budget
Ad Valorem Taxes (1)	\$ 4,186,839	\$ 5,196,969	24.1%	\$ 31,445,752
Local Option Fuel Tax	-	-	0.0%	3,848,419
Utility Service Taxes	254,906	253,731	-0.5%	8,923,000
Communication Service Tax	-	-	0.0%	2,600,449
Franchise Fees (2)	62,498	28,562	-54.3%	5,645,000
State Shared Revenues	-	-	0.0%	4,827,781
Half Cent Sales Tax	-	-	0.0%	6,934,085
Licenses and Permits	474,504	472,239	-0.5%	614,800
Grants and Other Entitlements	257,703	241,513	-6.3%	678,214
Charges for Services (3)	576,309	695,989	20.8%	4,103,312
Fines and Forfeitures (4)	57,916	63,858	10.3%	391,500
Interest, Rents & Other Revenues (5)	113,089	154,778	36.9%	380,200
Interfund Transfers & Other Sources (6)	401,391	881,522	119.6%	2,175,334
Fund Balance	-	-	0.0%	3,271,464
	\$ 6,385,156	\$ 7,989,160	25.1%	\$ 75,839,310

(1) Increase primarily due to increased year-to-date collections of Ad Valorem Taxes in FY19.
 (2) Decrease primarily due to decreased year-to-date collections of Franchise Fees in FY19.
 (3) Increase primarily due to increased year-to-date collections for Engineering Plan Fees, Utilities & SWU Allocation in FY 19
 (4) Increase primarily due to increased year-to-date collections of Code Compliance Fines in FY19.
 (5) Increase primarily due to increased year-to-date collections associated with Property Lease and Interest/Increase in Fair Value in FY19.
 (6) Increase primarily due to increased year-to-date sales proceeds from General Capital Assets in FY19.

General Fund (GF) Revenues - Summary

➤ Monthly Revenue Comparisons



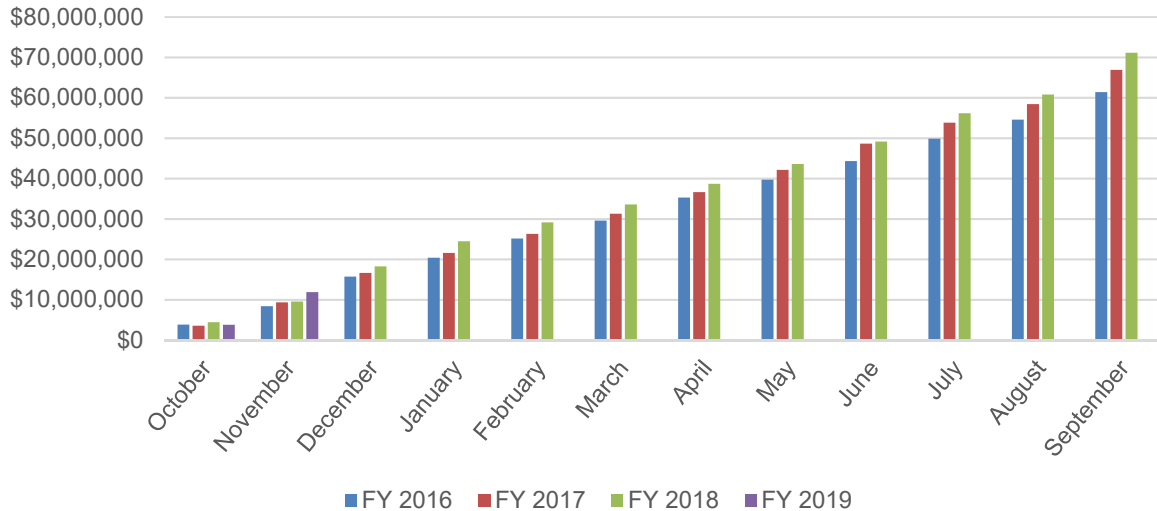
➤ FY 2019 Monthly Revenue Variance
 As Compared to Prior Years

	FY 2016	FY 2017	FY 2018	FY 2019
October	\$ 1,012,271	\$ 1,005,090	\$ 1,394,672	\$ 1,552,445
November	2,619,131	4,580,252	4,969,155	6,436,715
December	19,689,226	19,511,218	22,774,626	-
January	3,639,261	3,585,305	3,212,134	-
February	4,490,812	4,656,371	4,906,952	-
March	3,522,695	3,990,468	4,316,341	-
April	4,009,369	4,245,071	4,844,708	-
May	3,511,664	4,073,453	3,897,277	-
June	3,976,789	4,237,693	4,767,673	-
July	3,323,512	3,597,870	9,045,183	-
August	3,323,716	3,960,272	3,799,864	-
September	9,167,028	8,913,453	9,500,890	-
	\$ 62,285,475	\$ 66,356,516	\$ 77,429,475	\$ 7,989,160

Overall General Fund revenues for the month of November 2018 have increased \$1,467,561, or 29.5%, when compared to November 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



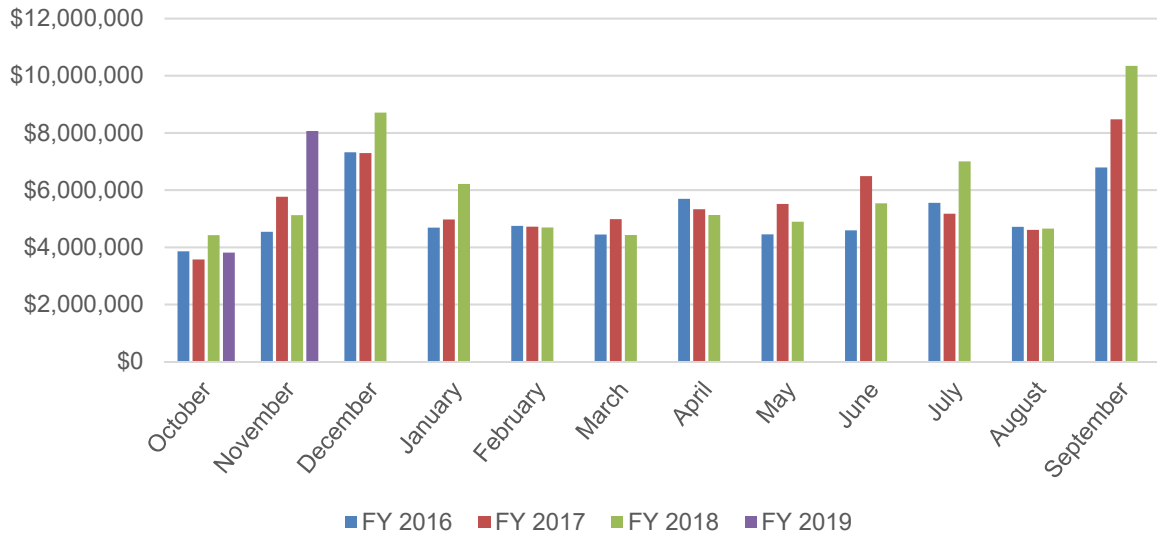
➤ FY 2019 YTD Expenditure Variance
 As Compared to Prior Year

	Prior YTD	Current YTD	% Variance	Annual Budget
Legislative	\$ 111,500	\$ 106,901	-4.1%	\$ 767,992
City Manager (1)	95,254	203,492	113.6%	827,548
City Attorney (2)	58,085	47,963	-17.4%	575,522
Procurement (3)	47,511	85,762	80.5%	557,818
Finance (4)	175,858	218,803	24.4%	1,456,781
Information Technology (5)	287,767	538,082	87.0%	3,823,529
Human Resources (6)	76,309	128,674	68.6%	913,103
Growth Management (7)	167,539	219,325	30.9%	1,968,182
Economic Development (8)	69,922	277,256	296.5%	924,382
Parks and Recreation (9)	486,790	623,140	28.0%	4,336,617
Facilities (10)	302,724	1,305,463	331.2%	5,621,782
Police (11)	2,461,904	3,295,277	33.9%	21,308,427
Fire (12)	1,900,833	2,361,154	24.2%	15,211,046
Public Works (13)	1,682,455	767,784	-54.4%	5,523,187
Non-Departmental (14)	686,603	757,390	10.3%	4,670,204
Transfers	936,651	943,078	0.7%	7,353,190
Total	\$ 9,547,708	\$ 11,879,543	24.4%	\$ 75,839,310

- (1) Increase primarily due to City Manager contract termination payout in FY19.
- (2) Decrease primarily due to no Other Attorney Cost or Aid to Private Organizations charged to CAO so far in FY19. Most in-house attorney cost is in the Risk Fund.
- (3) Increase primarily due to increased staffing level in Procurement since last year.
- (4) Increase primarily due to increased year-to-date personnel costs due to three payrolls in November 2018 compared to two payrolls in November 2017.
- (5) Increase primarily due to increased year-to-date costs for Software and PC Replacements in FY19. Increased year-to-date personnel costs due to 3rd payroll in Nov. 2018.
- (6) Increase primarily due to H.R. Director's salary now charged to H.R and increased year-to-date personnel costs due to 3rd payroll in November 2018.
- (7) Increase primarily due to higher year-to-date costs for Personnel Services in Land Development and Code Compliance in FY19.
- (8) Increase primarily due to higher year-to-date costs for Other Contributions in FY 19 (\$200,000 Florida Institute of Technology Grant).
- (9) Increase primarily due to increased year-to-date personnel costs due to three payrolls in November 2018 compared to two payrolls in November 2017.
- (10) Increase primarily due to higher year-to-date costs for Capital Outlay re Honeywell Project, new Special Projects Manager position, and 3rd November payroll in FY19.
- (11) Increase primarily due to increased year-to-date personnel costs for Patrol and all divisions in FY19.
- (12) Increase primarily due to increased year-to-date personnel costs due to three payrolls in November 2018 compared to two payrolls in November 2017.
- (13) Decrease primarily due to lower year-to-date costs for Disaster Preparedness in FY19.
- (14) Increase primarily due to higher budgeted allocation to Fleet Operating Charges in FY19.

General Fund (GF) Expenditures - Summary

➤ Monthly Expenditure Comparisons



➤ FY 2019 Monthly Expenditure Variance
 As Compared to Prior Years

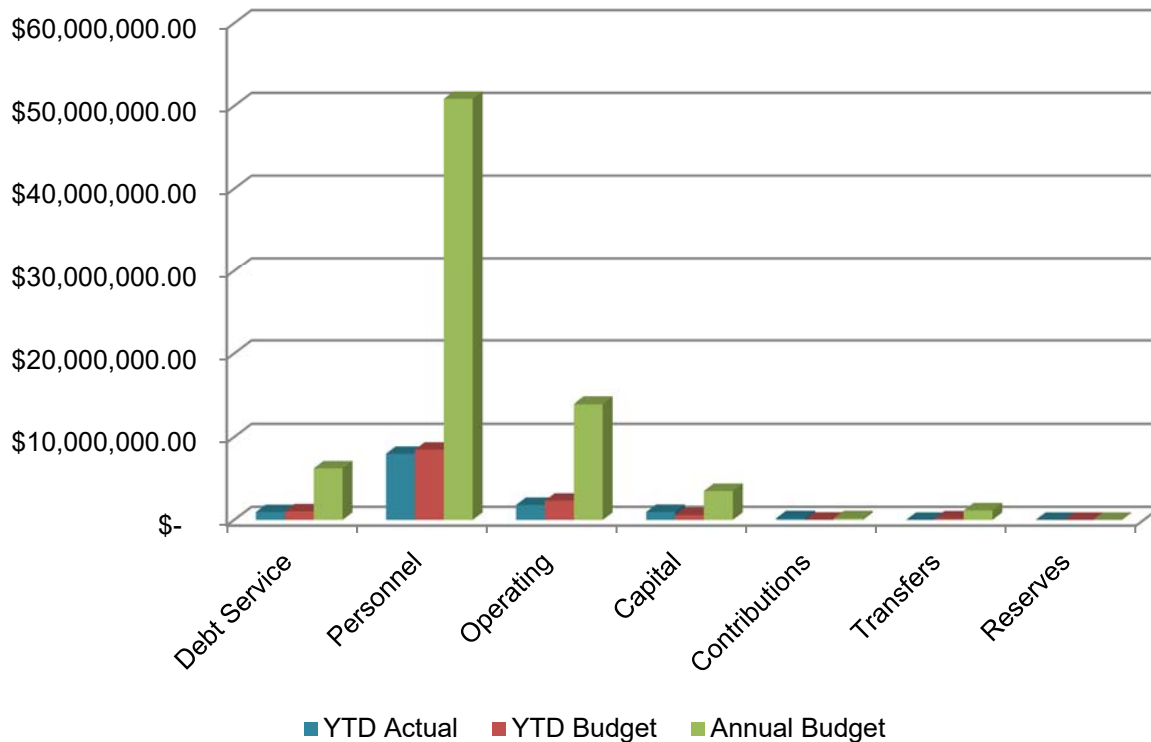
	FY 2016	FY 2017	FY 2018	FY 2019
October	\$ 3,859,572	\$ 3,572,123	\$ 4,424,711	\$ 3,816,324
November	4,542,401	5,766,532	5,122,997	8,063,218
December	7,323,753	7,290,910	8,706,391	
January	4,685,466	4,972,873	6,214,289	
February	4,746,328	4,719,784	4,693,931	
March	4,443,296	4,983,695	4,429,733	
April	5,693,822	5,332,488	5,125,639	
May	4,450,696	5,512,146	4,895,568	
June	4,592,489	6,488,834	5,539,088	
July	5,551,214	5,175,411	7,001,868	
August	4,712,630	4,609,040	4,650,216	
September	6,791,578	8,475,273	10,344,679	
	\$ 61,393,243	\$ 66,899,111	\$ 71,149,107	\$ 11,879,543

General Fund expenditures were \$2,940,222 or 57.4%, more when comparing November 2018 to November 2017. Year-to-date expenditures are \$2,331,835, or 24.4%, more.

General Fund (GF) Expenditures - Summary

➤ Expenditures – Budgetary Comparison by Category

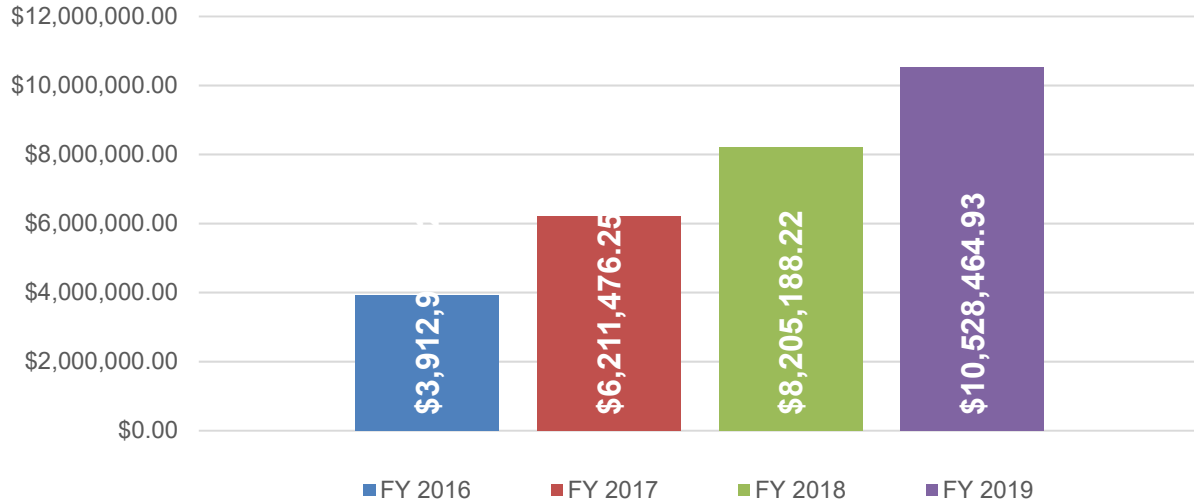
	YTD Actual	YTD Budget	Annual Budget	% Spent
Debt Service	\$ 943,077.50	\$ 1,035,398	\$ 6,212,389	15.2%
Personnel	7,978,076.56	8,476,535	50,859,211	15.7%
Operating	1,803,623.73	2,322,472	13,934,829	12.9%
Capital	954,165.01	581,763	3,490,580	27.3%
Contributions	200,600.00	33,583	201,500	99.6%
Transfers	-	190,134	1,140,801	0.0%
Reserves	-	-	-	0.0%
	\$ 11,879,542.80	\$ 12,639,885	\$ 75,839,310	15.7%



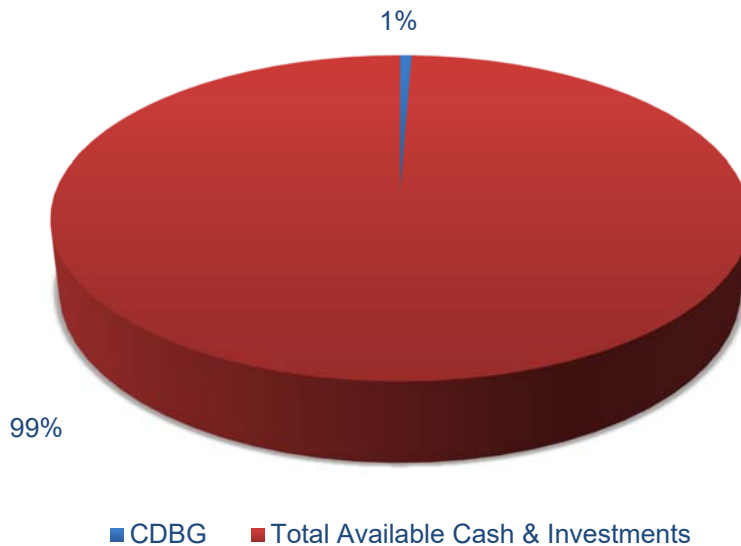
The total budgeted expenditures for 2019 are \$75,839,310 (including encumbrances from prior year and 2019 budget amendments). Of this amount, \$50,859,211, or 67.1%, is related to personnel costs.

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	\$ 8,802,444.19	November 2018 Ending Balance	\$ 10,528,464.93
Cash Increase (Decrease)	1,726,020.74	Cash Advanced to Other Funds:	
Ending Balance 11/30/2018	\$ 10,528,464.93	CDBG	(71,926.49)
		Total Available Cash & Investments	\$ 10,456,538.44





General Fund (GF) Balance - Summary

CITY OF PALM BAY, FLORIDA
 OPERATING STATEMENT AND CHANGES IN FUND BALANCES
 GENERAL FUND
 For the Month Ended November 30, 2018

	Prior YTD	Current YTD
<u>REVENUES</u>		
Ad Valorem Taxes	\$ 4,186,839	\$ 5,196,969
Local Option Fuel Tax	-	-
Utility Service Taxes	254,906	253,731
Communication Service Tax	-	-
Franchise Fees	62,498	28,562
State Shared Revenues	-	-
Half Cent Sales Tax	-	-
Licenses and Permits	474,504	472,239
Grants and Other Entitlements	257,703	241,513
Charges for Services	576,309	695,989
Fines and Forfeitures	57,916	63,858
Interest, Rents and Other Revenues	113,089	154,778
Interfund Transfers and Other Sources	401,391	881,522
Total Revenues	6,385,156	7,989,160
<u>EXPENDITURES</u>		
Legislative	111,500	106,901
City Manager	95,254	203,492
City Attorney	58,085	47,963
Procurement	47,511	85,762
Finance	175,858	218,803
Information Technology	287,767	538,082
Human Resources	76,309	128,674
Growth Management	167,539	219,325
Economic Development	69,922	277,256
Parks and Recreation	486,790	623,140
Facilities	302,724	1,305,463
Police	2,461,904	3,295,277
Fire	1,900,833	2,361,154
Public Works	1,682,455	767,784
Non-Departmental	686,603	757,390
Transfers	936,651	943,078
Total Expenditures	9,547,708	11,879,543
Excess (Deficiency) of Revenues Over Expenditures	(3,162,552)	(3,890,383)
Fund Balance - Beginning	8,631,987	14,912,355
Fund Balance - Ending	\$ 5,469,436	11,021,972



General Fund (GF) Balance - Summary

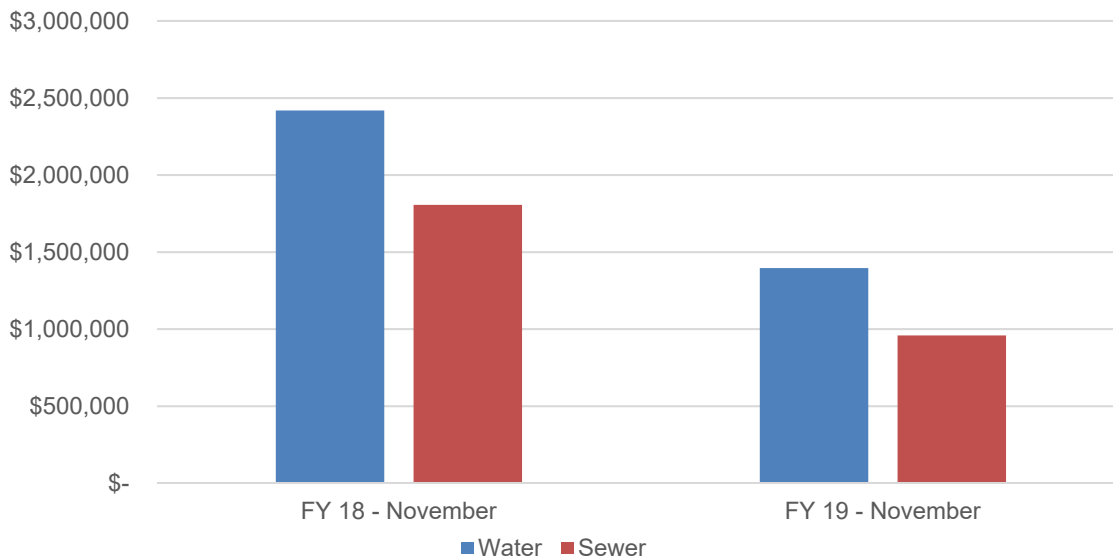
The minimum General Fund balance, as established by Resolution 2011-34, is ten percent (10%) of the subsequent fiscal year’s budgeted expenditures less capital outlay and transfers out as originally adopted by ordinance in September. The following is a history of the City’s total General Fund balance.

General Fund Balance - History			
	Minimum Required	Actual Fund Balance	Fund Balance Percentage
FY 2018	\$ 6,478,266	\$ 14,912,355	23.0% *
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%

*Unaudited as of publication date

Utilities Fund Revenues - Summary

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



Overall year-to-date Water revenue in November 2018 has decreased \$1,023,393, or 42.31%, when compared to November 2017. The large discrepancy is due to the timing of the unbilled revenue transactions. The difference should even out by the end of December 2018.

Overall year-to-date Sewer revenue in November 2018 has decreased \$847,217, or 46.92% when compared to November 2017. The large discrepancy is due to the timing of the unbilled revenue transactions. The difference should even out by the end of December 2018.

Fire Protection for FY 19 is billed at 95% of the budgeted amount. The majority of the Fire Protection Service Charges were billed in November 2018 (annual billing).



Utilities Fund Revenues - Summary

Of the budgeted amount, Meter Installation Fees are recorded at 18%, Plan Review & Inspection Fees are recorded at 10%, and Utility Lien Costs are recorded at 2%.

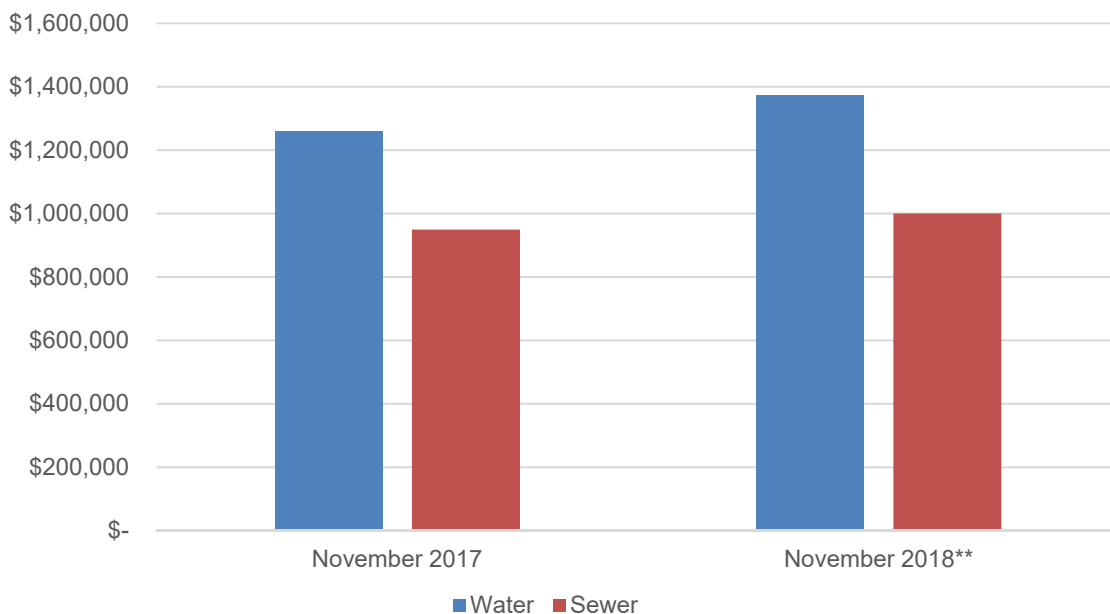
Operating Interest Income is recorded at 42% which is directly related to the entry for the increase in fair value regarding investments.

Excluding Fund Balance, the total FY 19 Operating Revenue is recorded at 9.96% of the budgeted amount compared to FY 18 which was at 16.21%.

Water Connection Fees are recorded at 16% of the budgeted amount, and Sewer Connection Fees are recorded at 18% of the budgeted amount.

Water MLEs are recorded at 17% of the budgeted amount, and Sewer MLEs are recorded at 17% of the budgeted amount.

➤ **Monthly Comparison: Water & Sewer**



**Amount excludes the unbilled revenue entry.

Overall Water revenue for the month of November 2018 has increased by \$114,393, or 9.08%, when compared to November 2017.

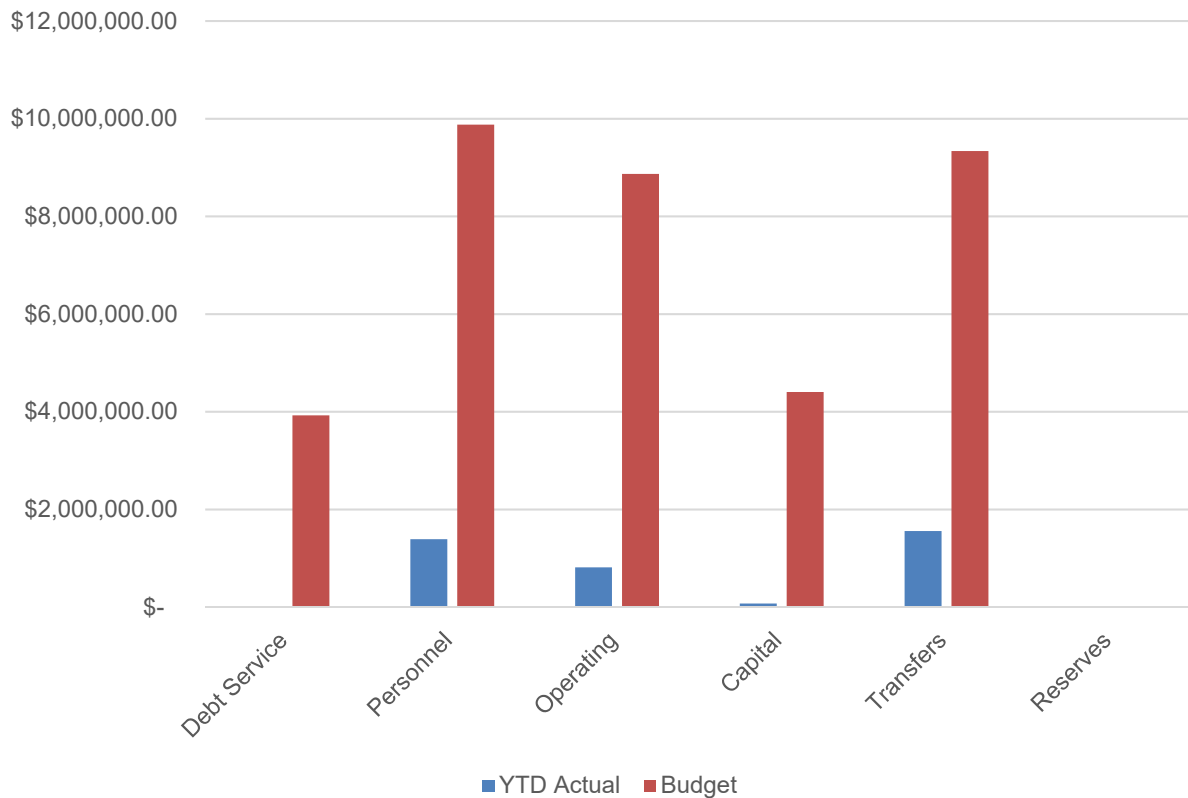
Overall Sewer revenue for the month of November 2018 has increased by \$50,937, or 5.37%, when compared to November 2017.

Utilities Fund Expenditures - Summary

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

Overall expenditures (excluding encumbrances) are as follows:

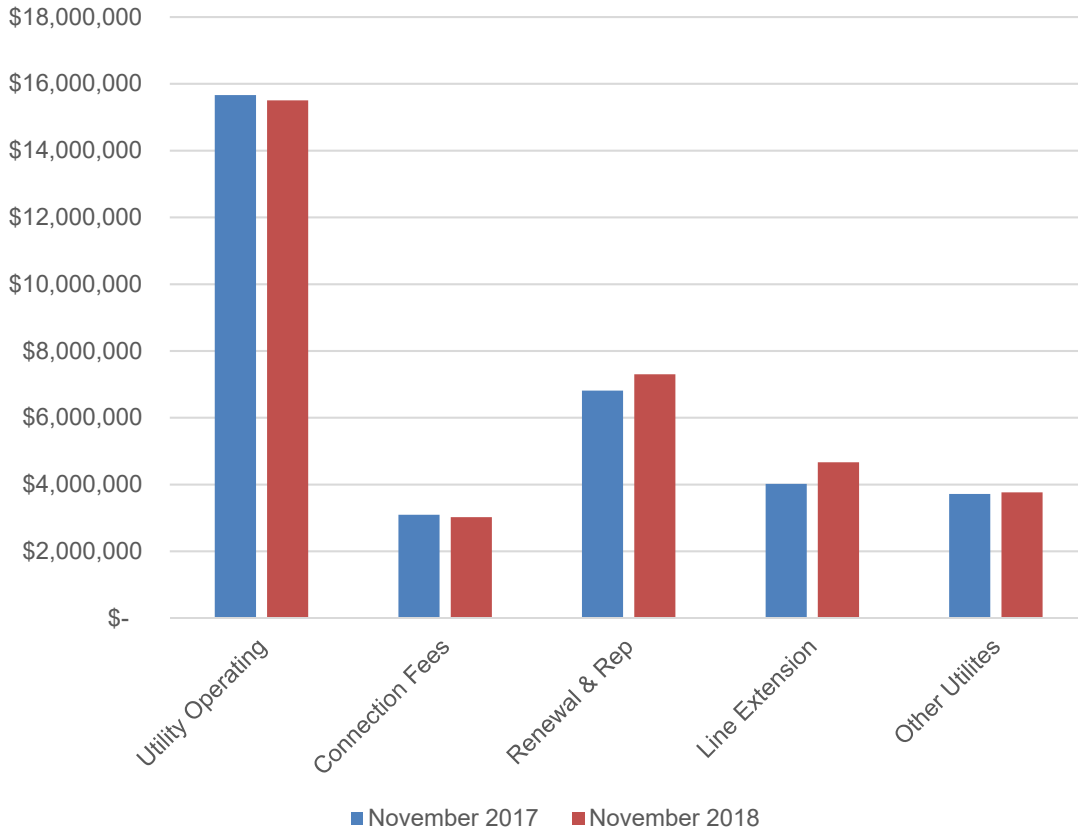
	YTD Actual	Annual Budget	% Spent
Debt Service	\$ -	\$ 3,926,989	0.0%
Personnel	1,391,712.19	9,876,318	14.1%
Operating	812,467.00	8,867,624	9.2%
Capital	72,824.23	4,404,771	1.7%
Transfers	1,556,356.16	9,338,137	16.7%
Reserves	-	-	-
	\$ 3,833,359.58	\$ 36,413,839	10.5%



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Utilities Fund Cash & Investments - Summary

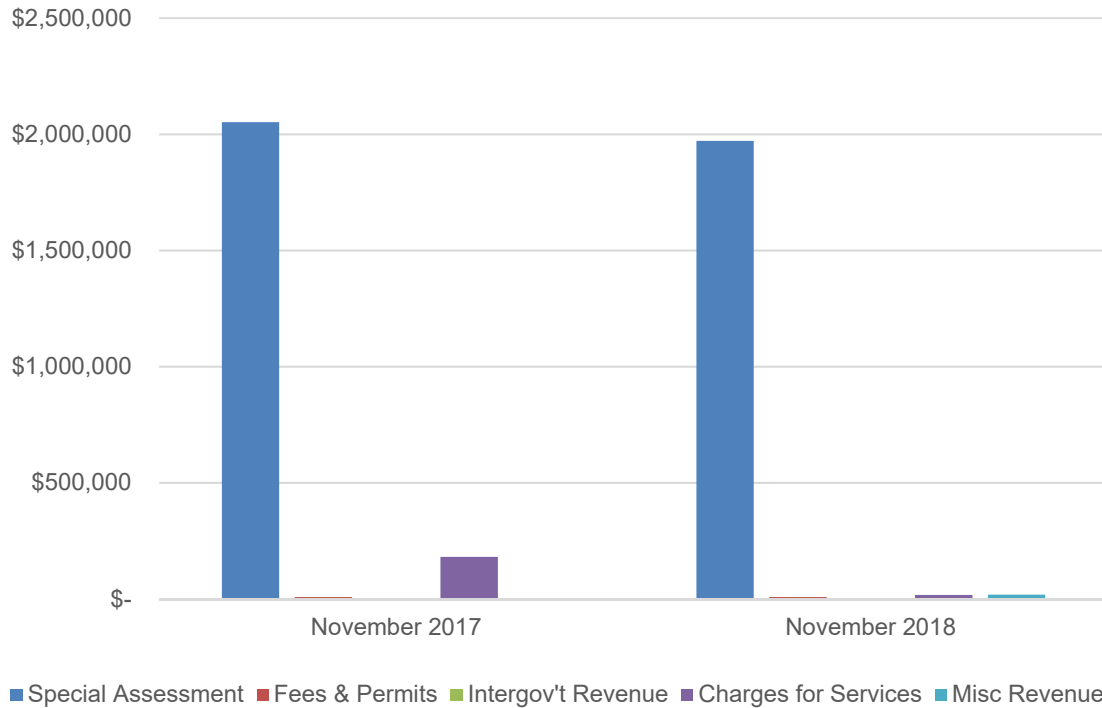
Year-to-Date (YTD) Comparison: Water & Sewer



Overall the Water & Sewer Funds cash and investments were \$0.96 million, or 2.9%, more as of November 2018 as compared to November 2017.

Stormwater Fund Revenues - Summary

➤ Year-to-Date (YTD) Revenue Comparisons



Stormwater Special Assessment revenue in FY 19 (at November) is \$1,971,750. This is \$80,260 less than it was in FY18 (at November).

Charges for Services revenue in November 2018 is down \$163,570, or 90.4%, from November 2017.

Overall, Stormwater revenues in FY 19 (at November) have decreased by \$228,401, or 10.2%, when compared to FY 18 (at November).

The total FY 19 Stormwater revenues are recorded at 15.1% of the budgeted amount compared to FY 18 which was 16.2%.

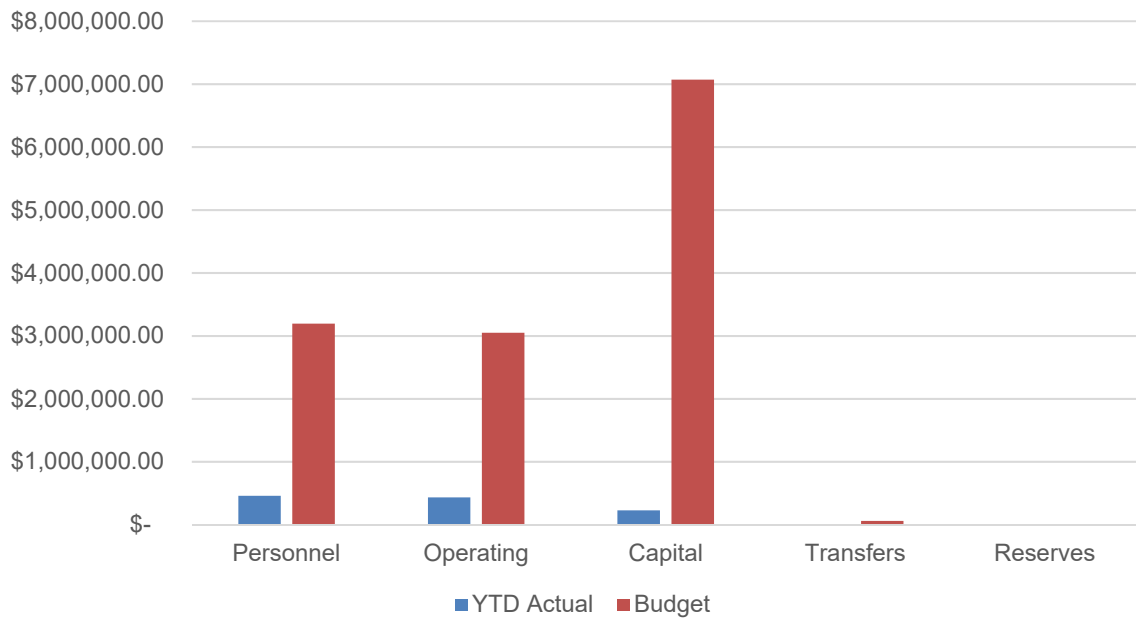


Stormwater Fund Expenditures - Summary

➤ Year-to-Date (YTD) Expenditure Comparisons

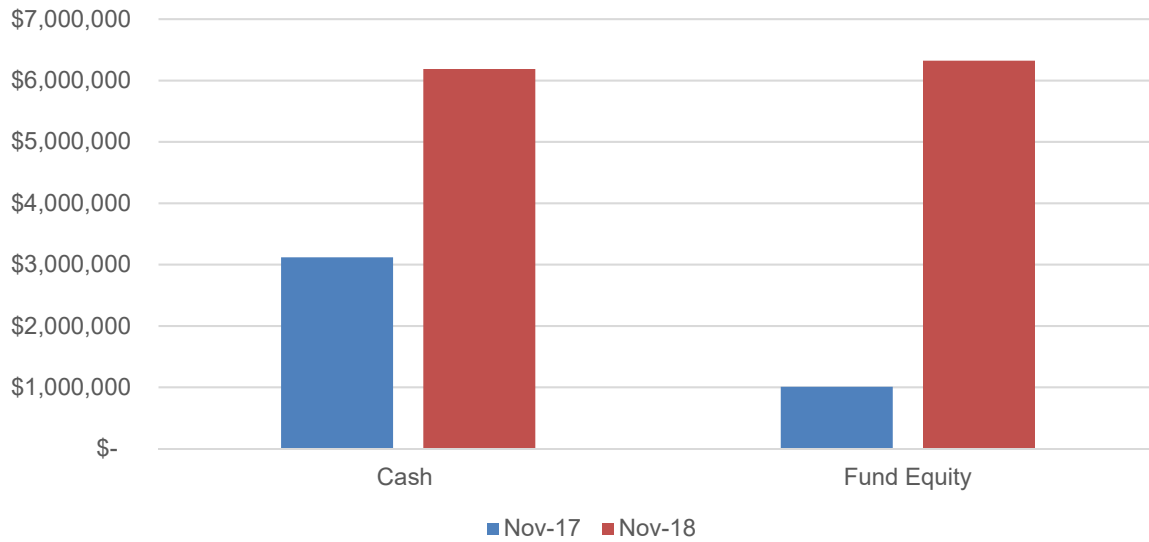
Overall expenditures (excluding encumbrances) are as follows:

	<i>YTD Actual</i>	<i>Annual Budget</i>	<i>% Spent</i>
Personnel	\$ 459,815.53	\$ 3,195,239	14.4%
Operating	434,683.81	3,048,604	14.3%
Capital	227,048.73	7,070,489	0.0%
Transfers	9,861.16	59,167	16.7%
Reserves	-	814	0.0%
	\$ 1,131,409.23	\$ 13,374,313	8.5%



Stormwater Fund Cash & Equity - Summary

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

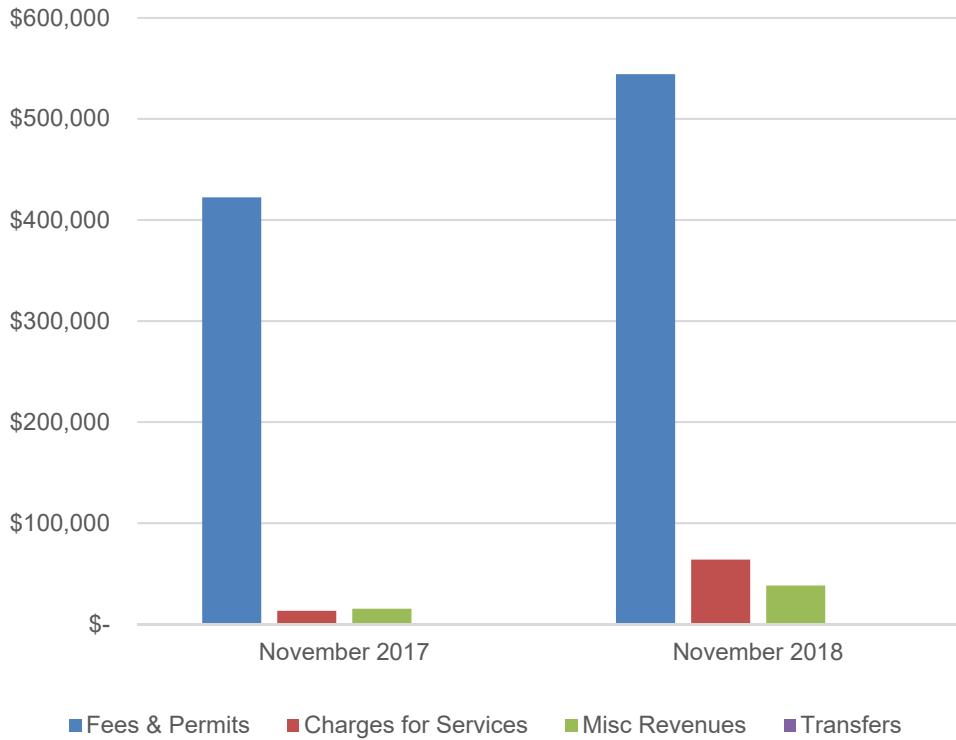


Overall the Stormwater cash and investments were \$3,068,319, or 98.4%, more as of November 2018 as compared to November 2017.

Overall the Stormwater fund equity was \$5,315,936, or 416.5%, more as of November 2018 as compared to November 2017.

Building Fund Revenues - Summary

➤ Year-to-Date (YTD) Revenue Comparisons



Fees and Permits revenue in November 2018 is up \$121,916, or 28.86%, from November 2017.

Charges for Services revenue in November 2018 is up \$50,638, or 385.66%, from November 2017.

Overall, Building revenues in FY 19 (at November) have increased by \$195,542, or 43.39%, when compared to FY 18 (at November).

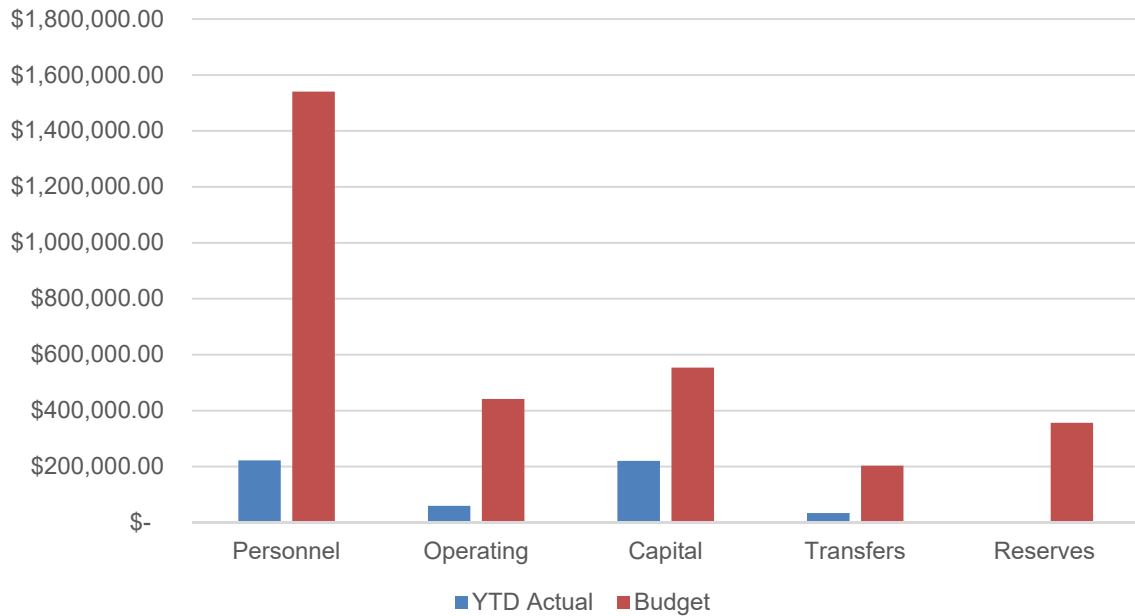
The total FY 19 Building revenues are recorded at 20.9% of the budgeted amount compared to FY 18 which was 25.2%.

Building Fund Expenditures - Summary

➤ Year-to-Date (YTD) Building Expenditures

Overall expenditures (excluding encumbrances) are as follows:

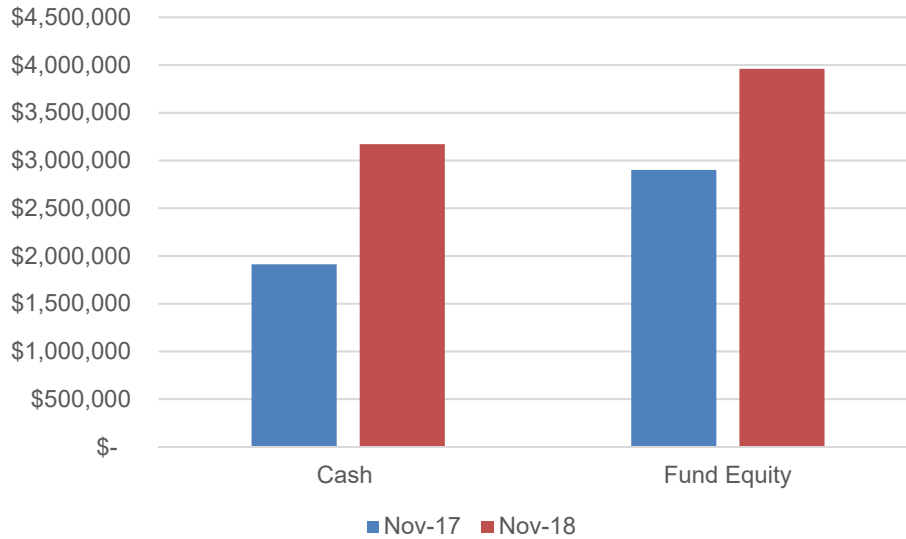
	<i>YTD Actual</i>	<i>Annual Budget</i>	<i>% Spent</i>
Personnel	\$ 221,959.39	\$ 1,540,393	14.4%
Operating	59,484.35	441,584	13.5%
Capital	220,380.00	553,960	0.0%
Transfers	33,839.34	203,036	16.7%
Reserves	-	356,399	0.0%
	\$ 535,663.08	\$ 3,095,372	17.3%



➤

Building Fund Cash & Equity - Summary

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



Overall the Building cash and investments were \$1,259,912, or 65.9%, more as of November 2018 as compared to November 2017.

Overall the Building fund equity was \$1,058,984, or 36.5%, more as of November 2018 as compared to November 2017.