



MONTHLY FINANCIAL REPORT (UNAUDITED)

OCTOBER 2018

City of Palm Bay, Florida



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MONTHLY FINANCIAL REPORT (UNAUDITED)
OCTOBER 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 October 2018. October is the first month of the fiscal year and represents 8% of the annual budget.

Financial Report Summary

- Citywide revenues of \$10.6 million are at 5.0% of the annual budget. Citywide expenditures of \$14.2 million are at 6.7% 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 38.5%, in comparison to the prior year.
- Most of the increased citywide revenues and expenditures are a result of increased year-to-date interfund transfers to the Sinking Fund from Transportation Impact Fees.

Citywide - Cash & Investments		Citywide - Revenues		Citywide - Expenditures	
10/31/2018	\$ 85,592,003.11	10/31/2018	\$ 10,624,429.58	10/31/2018	\$ 14,235,435.60
10/31/2017	61,819,252.44	10/31/2017	9,381,810.98	10/31/2017	13,668,628.80
Increase	38.5% \$ 23,772,750.67	Increase	13.2% \$ 1,242,618.60	Increase	4.1% \$ 566,806.80

- General Fund revenues of \$1.6 million are at 2.0% of the annual budget. This is an increase of \$0.2 million, or 11.3%, in comparison to the prior year.
- General Fund expenditures of \$3.8 million are at 5.0% of the annual budget. This is a decrease of \$0.6 million, or 13.7%, in comparison to the prior year.
- General Fund cash and investments increased by \$2.1 million, or 31.4%, in comparison to the prior year. Of this increased General Fund cash, \$800,000 is reserved.

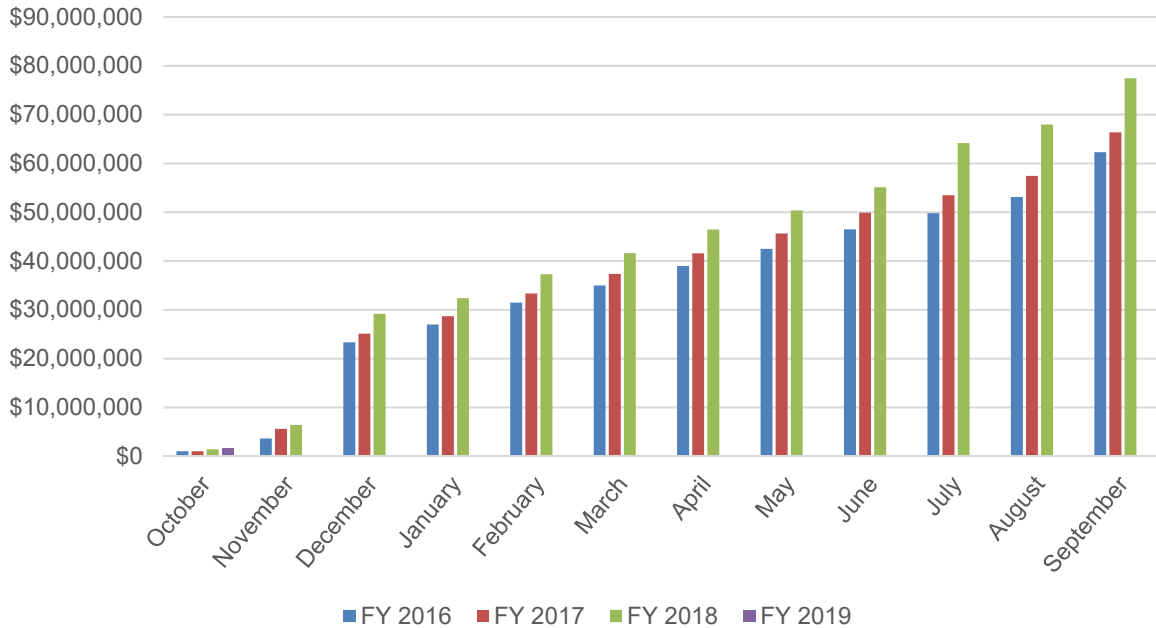
General Fund - Cash & Investments		General Fund - Revenues		General Fund - Expenditures	
10/31/2018	\$ 8,802,444.19	10/31/2018	\$ 1,552,444.72	10/31/2018	\$ 3,816,324.32
10/31/2017	6,696,830.08	10/31/2017	1,394,672.15	10/31/2017	4,424,710.99
Increase	31.4% \$ 2,105,614.11	Increase	11.3% \$ 157,772.57	Decrease	-13.7% \$ (608,386.67)

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



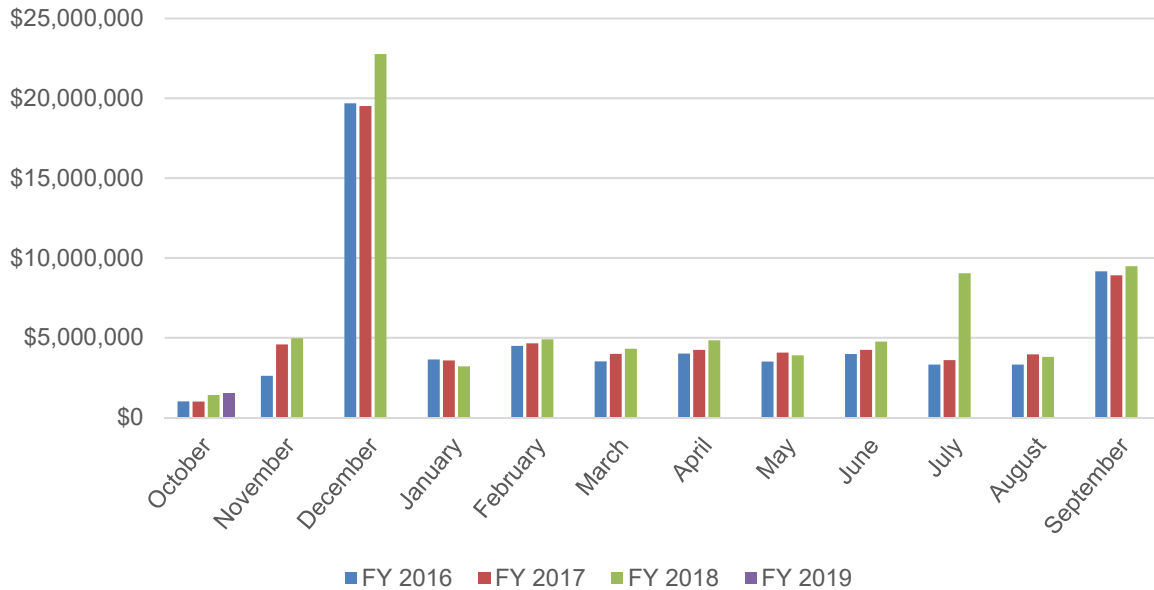
➤ FY 2019 YTD Revenue Variance
 As Compared to Prior Year

	Prior YTD	Current YTD	% Variance	Annual Budget
Ad Valorem Taxes	\$ -	\$ -	0.0%	\$ 31,445,752
Local Option Fuel Tax	-	-	0.0%	3,848,419
Utility Service Taxes	124,247	118,276	-4.8%	8,923,000
Communication Service Tax	-	-	0.0%	2,600,449
Franchise Fees	-	-	0.0%	5,645,000
State Shared Revenues	-	-	0.0%	4,827,781
Half Cent Sales Tax	-	-	0.0%	6,934,085
Licenses and Permits	426,360	433,457	1.7%	614,800
Grants and Other Entitlements	240,322	236,239	-1.7%	678,214
Charges for Services (1)	305,445	365,244	19.6%	4,103,312
Fines and Forfeitures (2)	32,133	23,826	-25.9%	391,500
Interest, Rents & Other Revenues (3)	60,880	97,264	59.8%	380,200
Interfund Transfers & Capital Leases (4)	205,285	278,138	35.5%	2,175,334
Fund Balance	-	-	0.0%	3,271,464
	\$ 1,394,672	\$ 1,552,445	11.3%	\$ 75,839,310

(1) Increase primarily due to increased year-to-date collections for Engineering Plan Fees, Utilities & SWU Allocation in FY 19
 (2) Decrease primarily due to decreased year-to-date collections for Judgments and Fines, including Code Compliance Fines, in FY19.
 (3) Increase primarily due to increased year-to-date collections associated with Property Lease and Interest/Increase in Fair Value in FY19.
 (4) Increase primarily due to increased year-to-date sales proceeds from general capital assets in FY19.

General Fund (GF) Revenues - Summary

➤ Monthly Revenue Comparisons



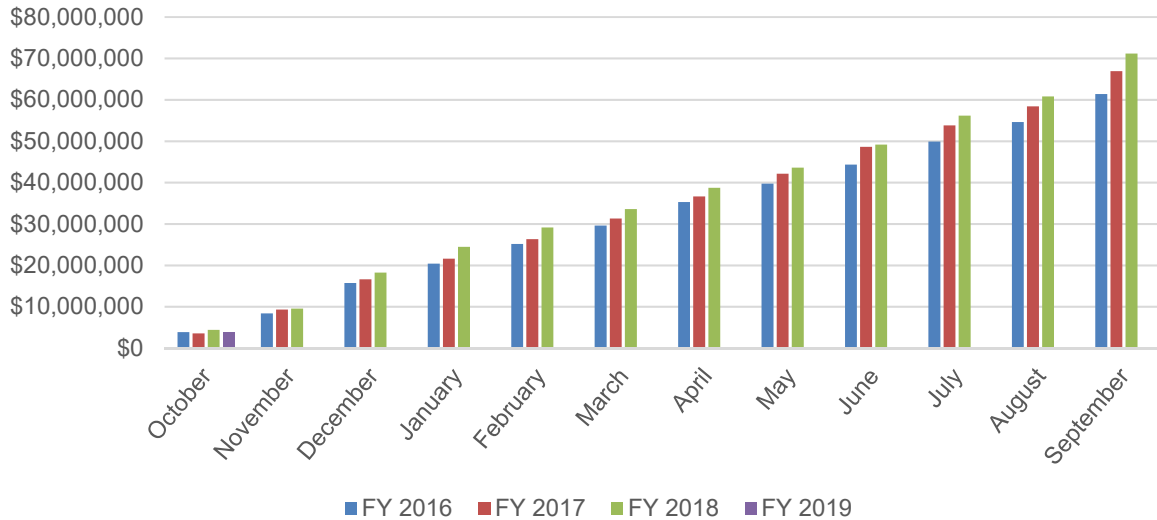
➤ FY 2019 Monthly Revenue Variance
 As Compared to Prior Years

	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	-
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	-
Total	\$ 62,285,475	\$ 66,356,516	\$ 77,429,475	\$ 1,552,445

Overall General Fund revenues for the month of October 2018 have increased \$157,773, or 11.3%, when compared to October 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

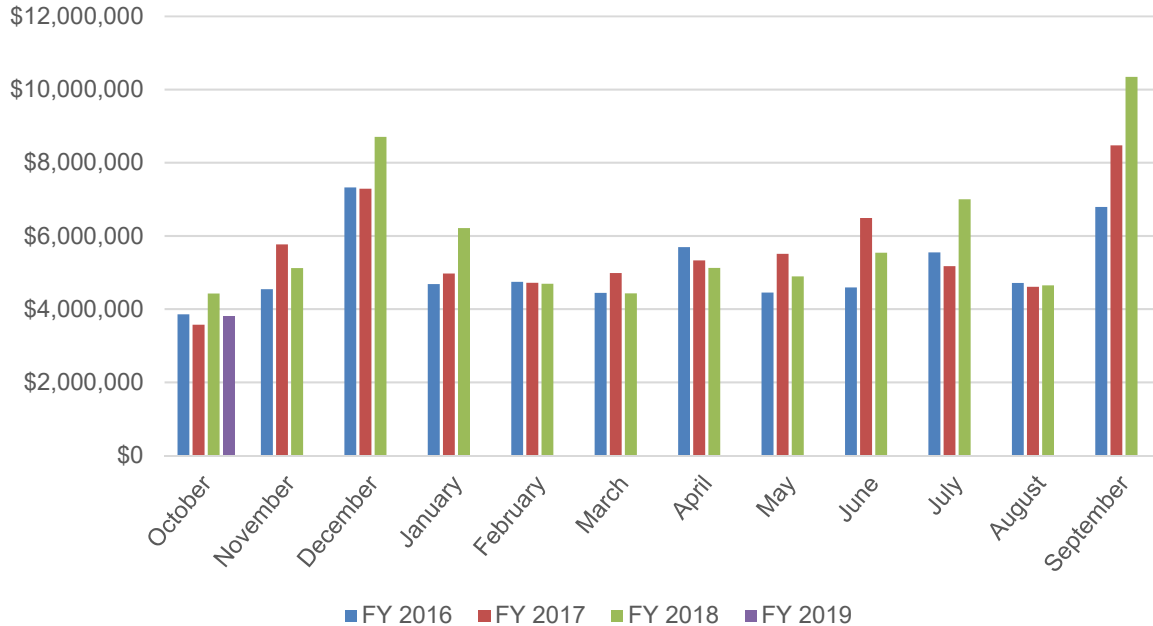
	Prior YTD	Current YTD	% Variance	Annual Budget
Legislative (1)	\$ 60,195	\$ 36,214	-39.8%	\$ 767,992
City Manager	32,535	33,628	3.4%	827,548
City Attorney (2)	19,115	11,066	-42.1%	575,522
Procurement (3)	17,861	27,627	54.7%	557,818
Finance	67,968	63,157	-7.1%	1,456,781
Information Technology (4)	98,746	69,772	-29.3%	3,823,529
Human Resources (5)	34,406	53,450	55.4%	913,103
Growth Management (6)	62,649	75,982	21.3%	1,968,182
Economic Development (7)	32,198	220,322	584.3%	924,382
Parks and Recreation	188,956	190,859	1.0%	4,336,617
Facilities (8)	141,966	79,662	-43.9%	5,621,782
Police (9)	995,128	1,108,336	11.4%	21,308,427
Fire	818,822	793,197	-3.1%	15,211,046
Public Works (10)	1,040,599	201,378	-80.6%	5,523,187
Non-Departmental	345,775	380,134	9.9%	4,670,204
Transfers	467,791	471,539	0.8%	7,353,190
Total	\$ 4,424,711	\$ 3,816,324	-13.7%	\$ 75,839,310

(1) Decrease primarily due to decreased year-to-date costs for Dues and Memberships in FY19.
 (2) Decrease primarily due to reduced hours of part-time C.A. Emeritus, no aid to private organizations & no Bonus 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) Decrease primarily due to decreased year-to-date costs for Comm. and Freight Service, Computer Supplies, and Subscriptions in FY19.
 (5) Increase primarily due to H.R. Director's salary charged to H.R. in FY19 and increased year-to-date cost for hardware/software support in FY19.
 (6) Increase primarily due to higher year-to-date costs for Personnel Services in Land Development and Code Compliance in FY19.
 (7) Increase primarily due to higher year-to-date costs for Other Contributions in FY 19 (\$200,000 Florida Institute of Technology Grant).
 (8) Decrease primarily due to timing of posting of October 2018 electric services payment in FY19.
 (9) Increase primarily due to increased year-to-date costs for Patrol, Support Services and Special Operations in FY19.
 (10) Decrease primarily due to lower year-to-date costs for Disaster Preparedness and School Flashers in FY19.



General Fund (GF) Expenditures - Summary

➤ Monthly Expenditure Comparisons



➤ FY 2019 Monthly Expenditure Variance
 As Compared to Prior Years

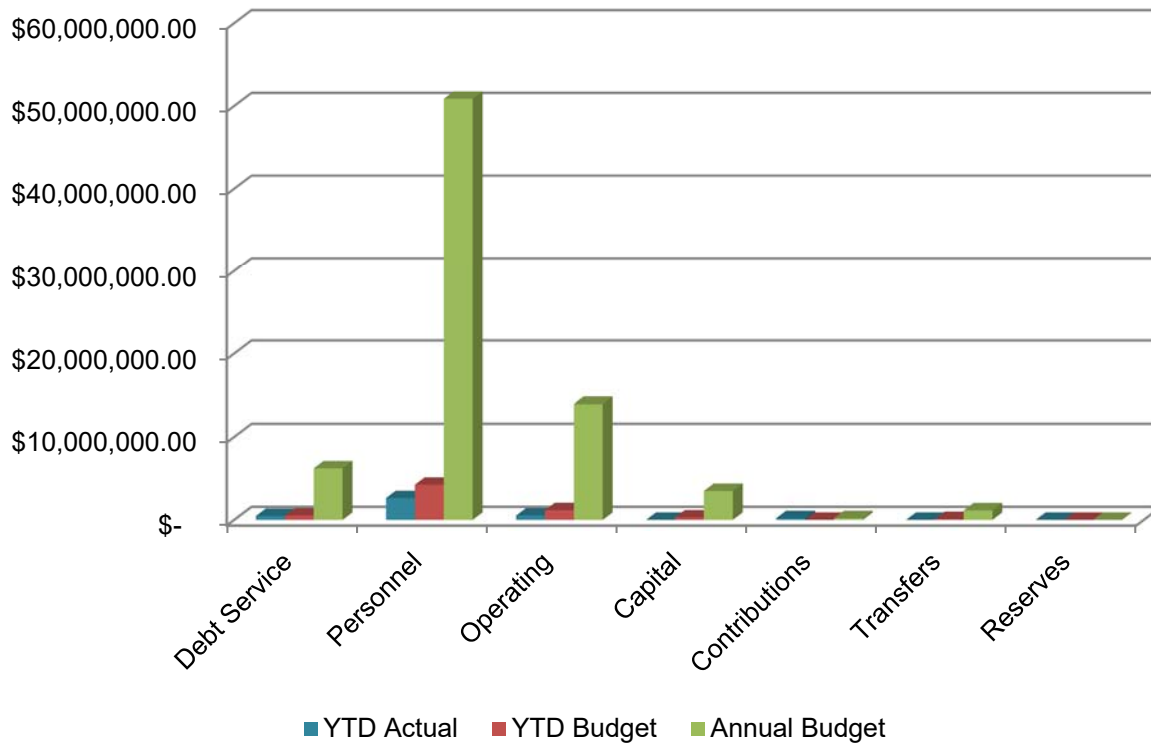
	FY 2016	FY 2017	FY 2018	FY 2019
October	\$ 3,859,572	\$ 3,572,123	\$ 4,424,711	\$ 3,816,324
November	4,542,401	5,766,532	5,122,997	
December	7,323,753	7,290,910	8,706,391	
January	4,685,466	4,972,873	6,214,289	
February	4,746,328	4,719,784	4,693,931	
March	4,443,296	4,983,695	4,429,733	
April	5,693,822	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	\$ 3,816,324

General Fund expenditures were \$608,387 or 13.7%, less when comparing October 2018 to October 2017.

General Fund (GF) Expenditures - Summary

➤ Expenditures – Budgetary Comparison by Category

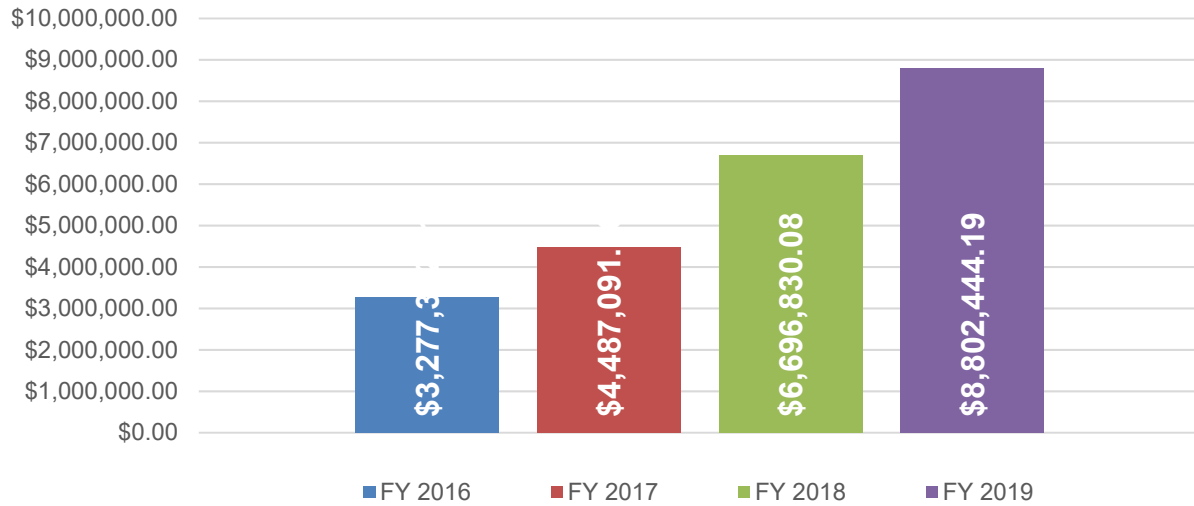
	YTD Actual	YTD Budget	Annual Budget	% Spent
Debt Service	\$ 471,538.75	\$ 517,699	\$ 6,212,389	7.6%
Personnel	2,625,602.21	4,238,268	50,859,211	5.2%
Operating	517,329.74	1,161,236	13,934,829	3.7%
Capital	1,253.62	290,882	3,490,580	0.0%
Contributions	200,600.00	16,792	201,500	99.6%
Transfers	-	95,067	1,140,801	0.0%
Reserves	-	-	-	0.0%
	\$ 3,816,324.32	\$ 6,319,943	\$ 75,839,310	5.0%



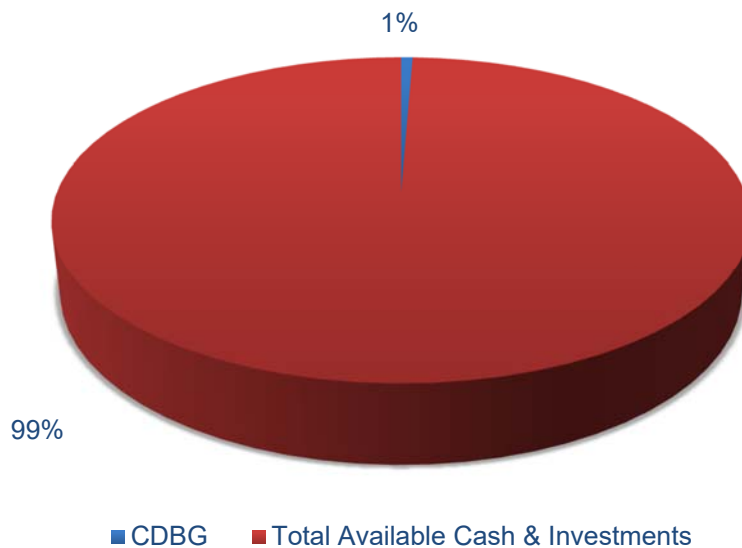
The *total budgeted expenditures* for 2019 are \$75,839,310 (including encumbrances from prior year and 2019 budget amendments). Of this amount, \$50,859,211, or 67.1%, is related to personnel costs.

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	\$ 11,339,826.91	October 2018 Ending Balance	\$ 8,802,444.19
Cash Increase (Decrease)	<u>(2,537,382.72)</u>	Cash Advanced to Other Funds:	
Ending Balance 10/31/2018	\$ 8,802,444.19	CDBG	<u>(54,982.53)</u>
		Total Available Cash & Investments	\$ 8,747,461.66





General Fund (GF) Balance - Summary

CITY OF PALM BAY, FLORIDA
 OPERATING STATEMENT AND CHANGES IN FUND BALANCES
 GENERAL FUND
 For the Month Ended October 31, 2018

	Prior YTD	Current YTD
<u>REVENUES</u>		
Ad Valorem Taxes	\$ -	\$ -
Local Option Fuel Tax	-	-
Utility Service Taxes	124,247	118,276
Communication Service Tax	-	-
Franchise Fees	-	-
State Shared Revenues	-	-
Half Cent Sales Tax	-	-
Licenses and Permits	426,360	433,457
Grants and Other Entitlements	240,322	236,239
Charges for Services	305,445	365,244
Fines and Forfeitures	32,133	23,826
Interest, Rents and Other Revenues	60,880	97,264
Interfund Transfers and Other Sources	205,285	278,138
Total Revenues	1,394,672	1,552,445
<u>EXPENDITURES</u>		
Legislative	60,195	36,214
City Manager	32,535	33,628
City Attorney	19,115	11,066
Procurement	17,861	27,627
Finance	67,968	63,157
Information Technology	98,746	69,772
Human Resources	34,406	53,450
Growth Management	62,649	75,982
Economic Development	32,198	220,322
Parks and Recreation	188,956	190,859
Facilities	141,966	79,662
Police	995,128	1,108,336
Fire	818,822	793,197
Public Works	1,040,599	201,378
Non-Departmental	345,775	380,134
Transfers	467,791	471,539
Total Expenditures	4,424,711	3,816,324
Excess (Deficiency) of Revenues Over Expenditures	(3,030,039)	(2,263,880)
Fund Balance - Beginning	8,631,987	14,912,355
Fund Balance - Ending	\$ 5,601,949	12,648,476



General Fund (GF) Balance - Summary

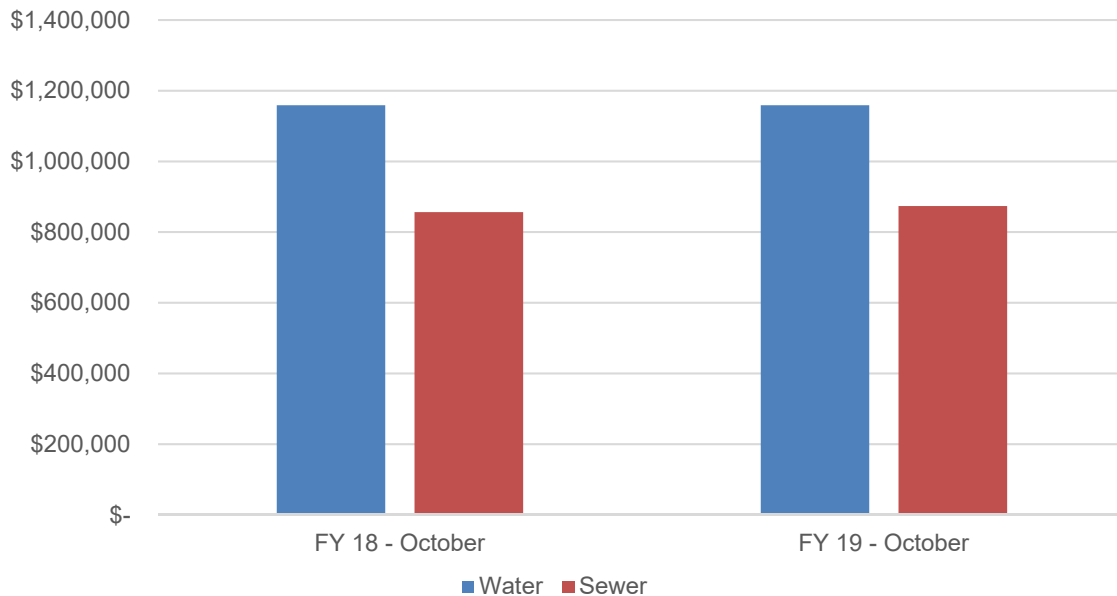
The minimum General Fund balance, as established by Resolution 2011-34, is ten percent (10%) of the subsequent fiscal year’s budgeted expenditures less capital outlay and transfers out as originally adopted by ordinance in September. The following is a history of the City’s total General Fund balance.

General Fund Balance - History			
	Minimum <u>Required</u>	Actual <u>Fund Balance</u>	Fund Balance <u>Percentage</u>
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 October 2018 has increased \$165, or .01%, when compared to October 2017.

Overall year-to-date Sewer revenue in October 2018 has increased \$16,877, or 1.97% when compared to October 2017.

Fire Protection for FY 19 is billed at 0% of the budgeted amount. The Fire Protection Service Charges will be billed in November (annual billing).



Utilities Fund Revenues - Summary

Of the budgeted amount, Meter Installation Fees are recorded at 12%, Plan Review & Inspection Fees are recorded at 0%, and Utility Lien Costs are recorded at 2%.

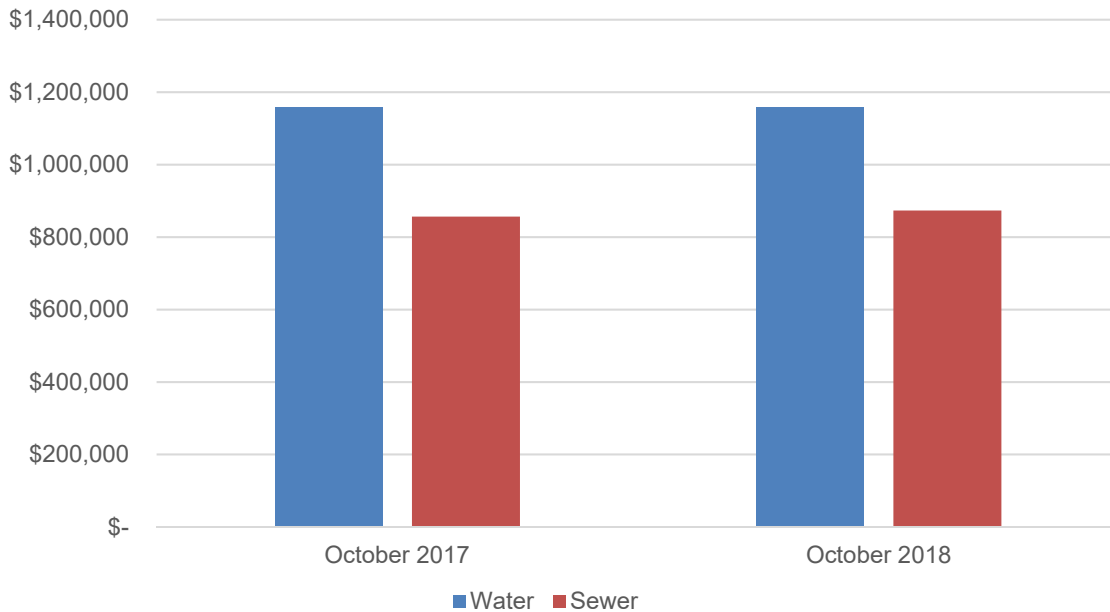
Operating Interest Income is recorded at 32%.

Excluding Fund Balance, the total FY 19 Operating Revenue is recorded at 7.61% of the budgeted amount compared to FY 18 which was at 7.57%.

Water Connection Fees are recorded at 10% of the budgeted amount, and Sewer Connection Fees are recorded at 7% of the budgeted amount.

Water MLEs are recorded at 11% of the budgeted amount, and Sewer MLEs are recorded at 9% of the budgeted amount.

➤ **Monthly Comparison: Water & Sewer**



Overall Water revenue for the month of October 2018 has increased by \$165, or 0.01%, when compared to October 2017.

Overall Sewer revenue for the month of October 2018 has increased by \$16,877, or 1.97%, when compared to October 2017.

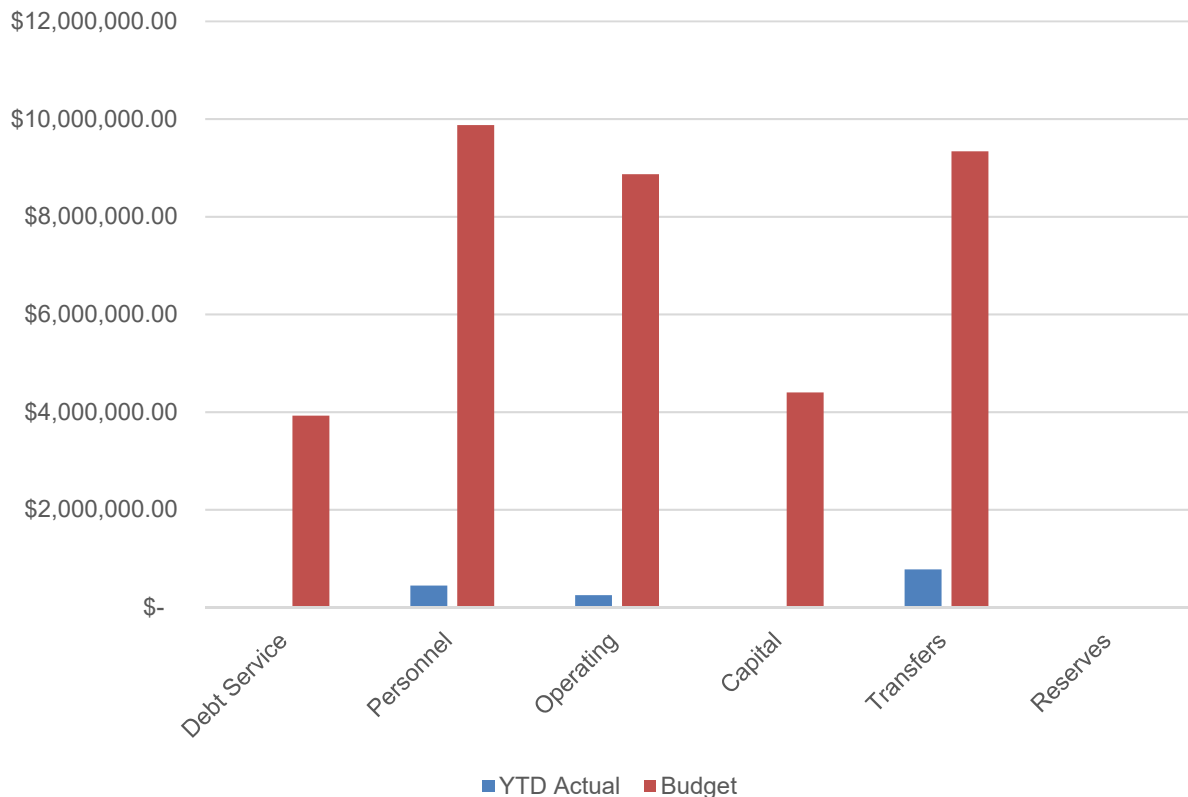


Utilities Fund Expenditures - Summary

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

Overall expenditures (excluding encumbrances) are as follows:

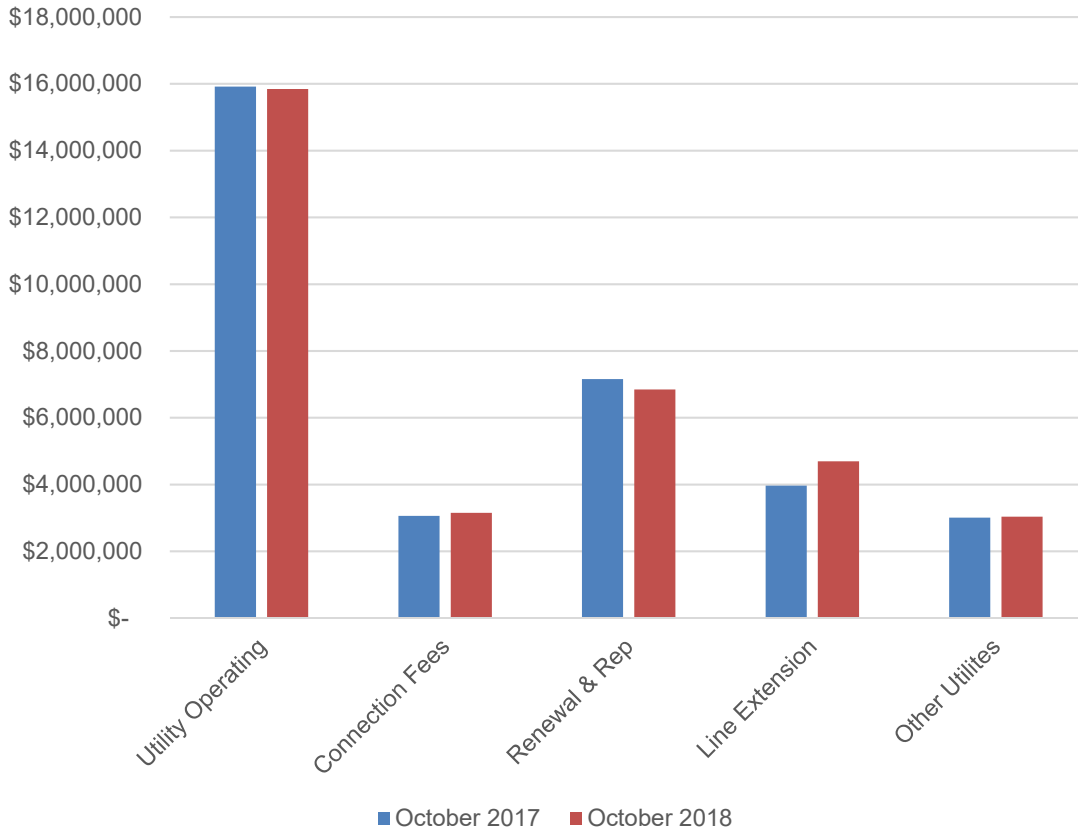
	YTD Actual	Annual Budget	% Spent
Debt Service	\$ -	\$ 3,926,989	0.0%
Personnel	447,272.62	9,876,318	4.5%
Operating	251,751.87	8,871,461	2.8%
Capital	18,955.11	4,400,934	0.4%
Transfers	778,178.08	9,338,137	8.3%
Reserves	-	-	-
	\$ 1,496,157.68	\$ 36,413,839	4.1%



➤

Utilities Fund Cash & Investments - Summary

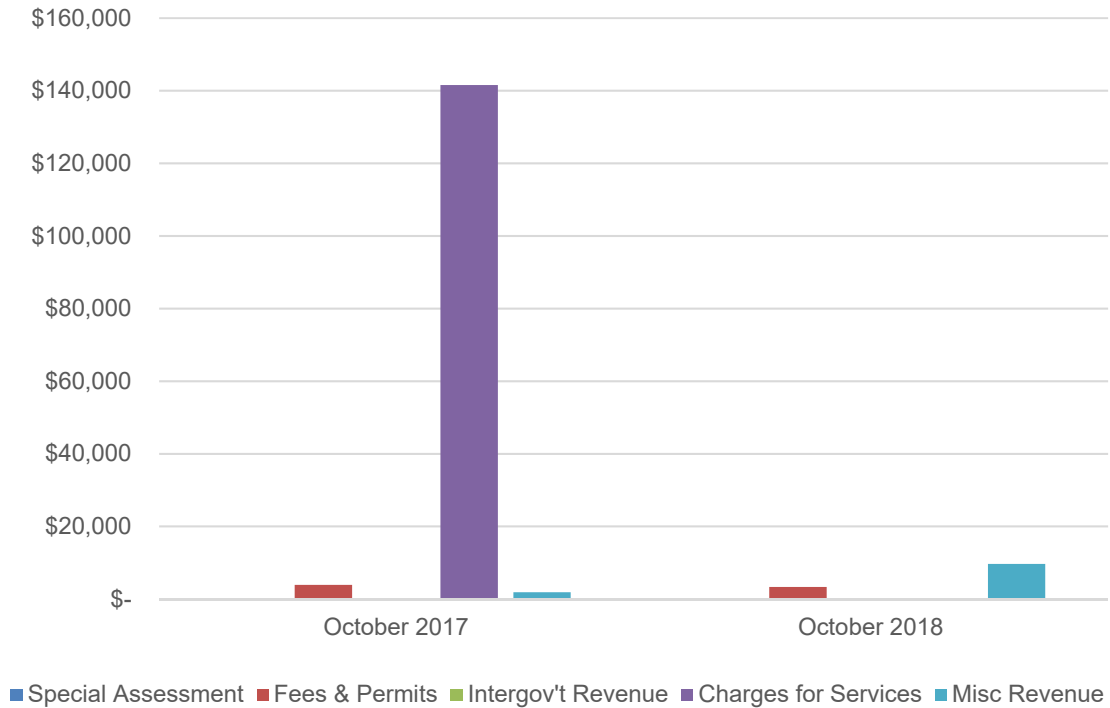
Year-to-Date (YTD) Comparison: Water & Sewer



Overall the Water & Sewer Funds cash and investments were \$0.5 million, or 1.4%, more as of October 2018 as compared to October 2017.

Stormwater Fund Revenues - Summary

➤ Year-to-Date (YTD) Revenue Comparisons



Special Assessment revenue in FY 19 (at October) is \$237. This is \$237 more than it was in FY18 (at October).

Charges for Services revenue in October 2018 is down \$141,376, or 99.9%, from October 2017.

Overall, Stormwater revenues in FY 19 (at October) have decreased by \$133,925, or 90.9%, when compared to FY 18 (at October).

The total FY 19 Stormwater revenues are recorded at 0.1% of the budgeted amount compared to FY 18 which was 1.1%.

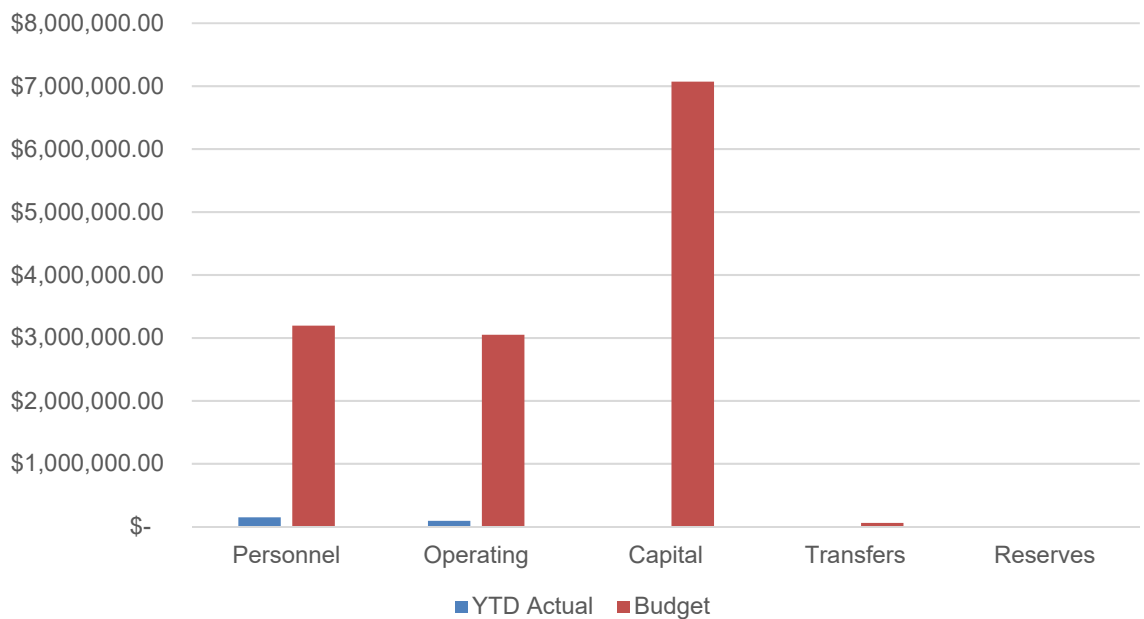


Stormwater Fund Expenditures - Summary

➤ Year-to-Date (YTD) Expenditure Comparisons

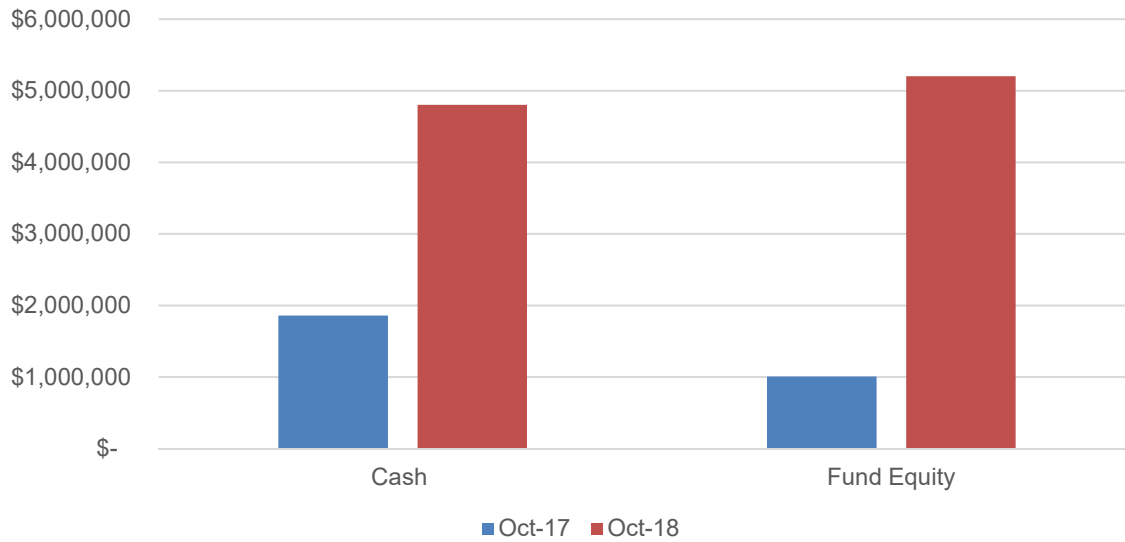
Overall expenditures (excluding encumbrances) are as follows:

	<i>YTD Actual</i>	<i>Annual Budget</i>	<i>% Spent</i>
Personnel	\$ 150,560.85	\$ 3,195,239	4.7%
Operating	93,684.60	3,048,604	3.1%
Capital	-	7,070,489	0.0%
Transfers	4,930.58	59,167	8.3%
Reserves	-	814	0.0%
	\$ 249,176.03	\$ 13,374,313	1.9%



Stormwater Fund Cash & Equity - Summary

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

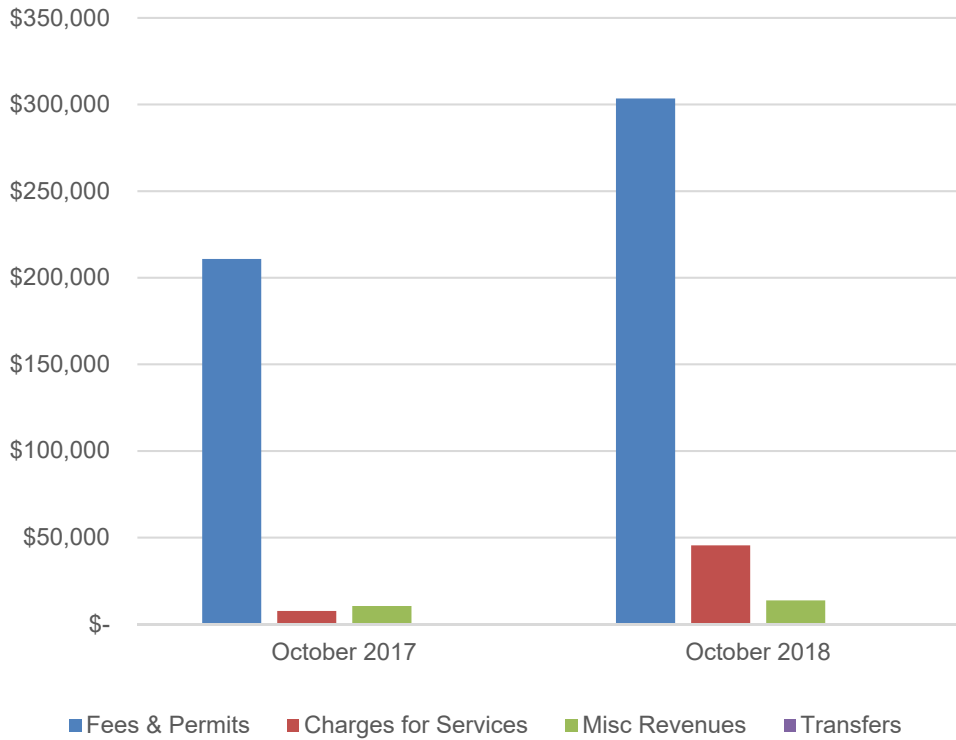


Overall the Stormwater cash and investments were \$2,943,825, or 158.4%, more as of October 2018 as compared to October 2017.

Overall the Stormwater fund equity was \$4,195,164, or 416.5%, more as of October 2018 as compared to October 2017.

Building Fund Revenues - Summary

➤ Year-to-Date (YTD) Revenue Comparisons



Fees and Permits revenue in October 2018 is up \$92,673, or 43.96%, from October 2017.

Charges for Services revenue in October 2018 is up \$37,867, or 497.82%, from October 2017.

Overall, Building revenues in FY 19 (at October) have increased by \$133,789, or 58.47%, when compared to FY 18 (at October).

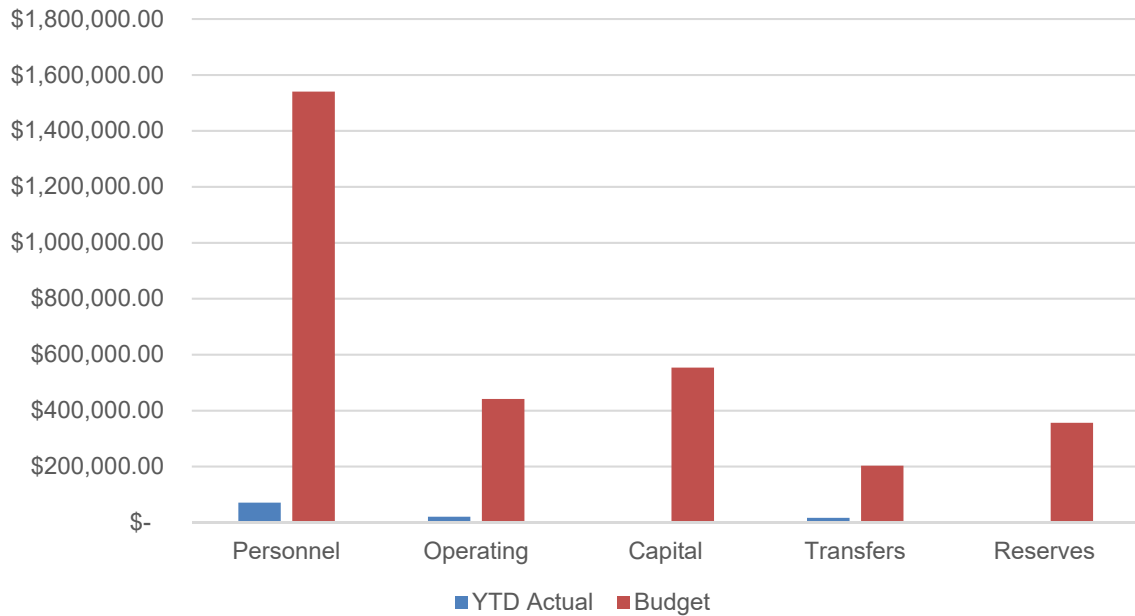
The total FY 19 Building revenues are recorded at 11.7% of the budgeted amount compared to FY 18 which was 12.8%.

Building Fund Expenditures - Summary

➤ Year-to-Date (YTD) Building Expenditures

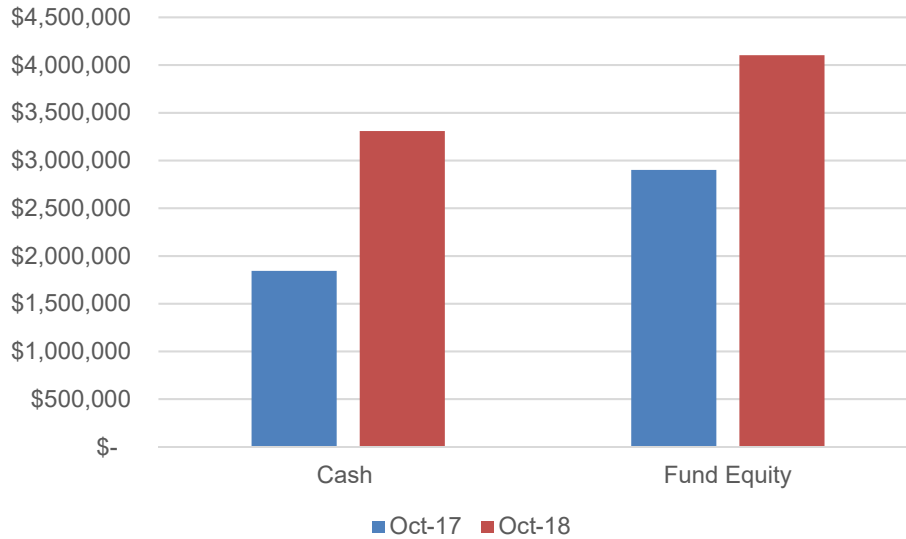
Overall expenditures (excluding encumbrances) are as follows:

	<i>YTD Actual</i>	<i>Annual Budget</i>	<i>% Spent</i>
Personnel	\$ 71,160.44	\$ 1,540,393	4.6%
Operating	20,546.64	441,584	4.7%
Capital	-	553,960	0.0%
Transfers	16,919.67	203,036	8.3%
Reserves	-	356,399	0.0%
	\$ 108,626.75	\$ 3,095,372	3.5%



Building Fund Cash & Equity - Summary

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



Overall the Building cash and investments were \$1,465,137, or 79.5%, more as of October 2018 as compared to October 2017.

Overall the Building fund equity was \$1,202,410, or 41.4%, more as of October 2018 as compared to October 2017.