

# MONTHLY FINANCIAL REPORT

For month of January 2010

## Performance at a Glance

	Current Month	Year to Date	Page Reference
<b>GENERAL FUND</b>			
General Fund Revenue vs. Expenditures	Positive	Positive	Page 3
Sales Tax and Municipal Revenue Sharing	Positive	Positive	Page 3
Public Service Tax and Communication Service Tax	Positive	Positive	Page 4
Property Tax Revenue	Positive	Positive	Page 4
Charges for Service	Negative	Negative	Page 5
Fines and Forfeitures	Positive	Positive	Page 5
Franchise Fees	Positive	Positive	Page 6
Year-to-Date Revenues with Budget Projection	Negative	Negative	Page 7
General Fund Monthly Collection Comparison	Negative	Negative	Page 7
General Fund Expenditure vs. Budget	Positive	Positive	Page 8
Year-to-Date Expenditures with Budget Projection	Negative	Negative	Page 8
<b>OTHER FUNDS</b>			
Utilities Operating Fund - Revenue vs. Expenditures	Positive	Positive	Page 9
Building Fund - Revenue vs. Expenditures	Positive	Positive	Page 9
Employee Health Insurance Fund - Revenue vs. Expenditures	N/A	N/A	Page 10
Other Employee Benefits Fund - Revenue vs. Expenditures	Positive	Positive	Page 10

**Positive** = Positive variance or negative variance < 1% compared to trends.

**Warning** = Negative variance of 1 – 4% compared to trends.

**Negative** = Negative variance of > 4% compared to trends.

## ECONOMIC INDICATORS

### National Economy

**National GDP:** ↑ GDP is defined as the output of goods and services produced by labor and property located in the United States. The Bureau of Economic Analysis reported that GDP increased at a rate of 5.7% in the fourth quarter of 2009. In the third quarter of 2009 GDP increase 2.2%.

**Interest Rates:** The Federal Open Market Committee met on January 27th and the outcome of the meeting was maintaining the Federal Funds interest rate to float between 0% and 0.25% .

**Housing Starts:** ↑ Housing starts in January 2010 were at a seasonally adjusted annual rate of 591,000. This is 2.8 percent above the revised December 2009 estimate of 575,000.

### Unemployment Rates

**National:** ↑ The National Unemployment rate for December 2009 increased to 9.7% from the November 2009 rate of 9.4% .

**State-wide:** ↑ The Florida unemployment rate for December 2009 is 11.8%.

**Brevard County:** ↑ The Palm Bay-Melbourne-Titusville area unemployment rate increased to 12.1% in December 2009 from the November 2009 rate of 11.9%.

### Building Activity

**New Construction Residential:** ↑ Building permits issued for new construction in Residential areas numbered 15 in December 2009. This is a increase from the December 2008 count of 11.

**New Construction Non-Residential:** ↓ Building permits issued for new construction in Non-Residential areas numbered 30 in December 2009. This is a decrease from the December 2008 count of 50.

# FINANCIAL ACTIVITY

The foremost objective of the City's investment program is the safety of the principal of funds within portfolios. This is done through diversification. The second priority is liquidity. Portfolios are managed in such a manner that funds are available to meet anticipated cash flow requirements. The third priority is income. Portfolios are designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

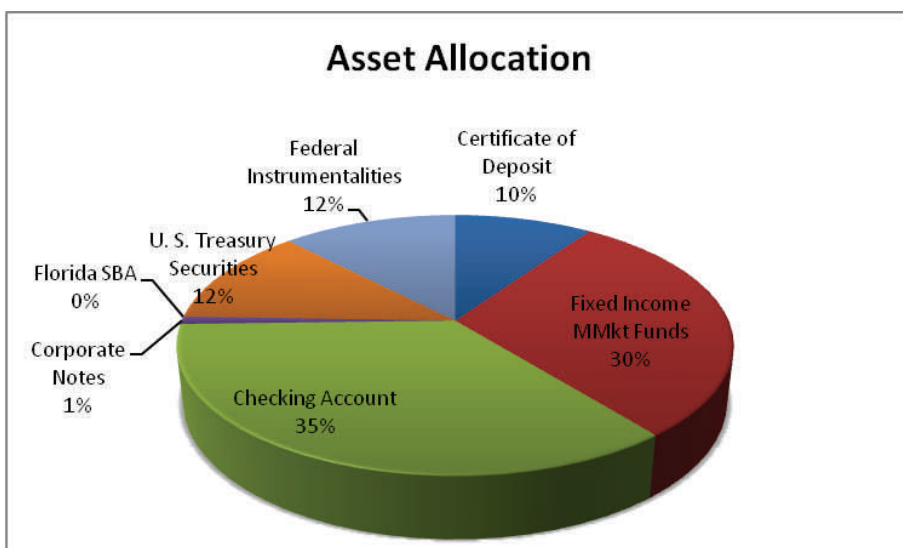
Agency and Corporate securities enhanced portfolio returns during a period when money market yields remain near zero.

### January 2010

.65% Weighted Average Quarterly Yield to Maturity at Cost (All Accounts)

1.14% Core 1-3 Year Actively Managed Portfolio

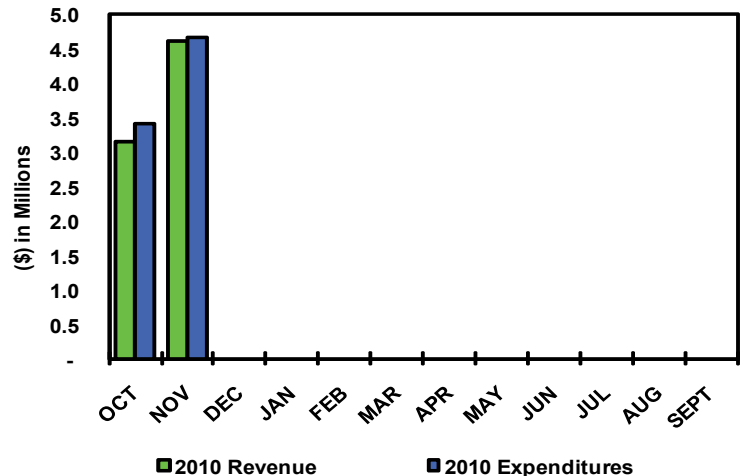
.35% Investment Benchmark (S&P Rated GIP Index Government 30 Day Yield)



# Overall Fund Performance

## General Fund Revenue vs. Expenditures 2010

	FY 2010 Revenue*	FY 2010 Expenditures	Monthly Variance
OCT	\$ 3,142,454	\$ 3,399,495	\$ (257,041)
NOV	4,611,057	4,646,478	\$ (35,421)
DEC			
JAN			-
FEB			-
MAR			-
APR			-
MAY			-
JUN			-
JUL			-
AUG			-
SEPT			-
<b>Totals</b>	<b>\$ 7,753,511</b>	<b>\$ 8,045,973</b>	<b>\$ (292,462)</b>



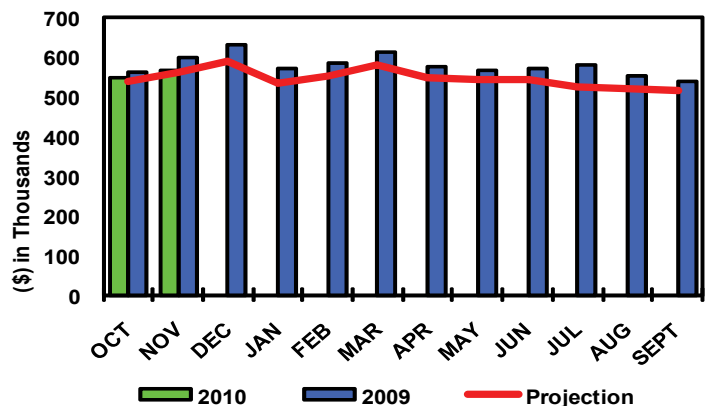
\* Reflects 2 month lag in receipts

**Positive** For the month of November 2009 revenues were 0.7% lower than expenditures. The variance, however, between revenues and expenditures for FY 10 is 103% lower than the variance between revenues and expenditures experienced in October of FY 09.

# Revenue Analysis

## Sales Tax and Municipal Revenue Sharing 2009-2010 Comparison

	FY 2010*	FY 2009	Projection**
OCT	\$548,203	\$559,885	\$ 536,396
NOV	\$563,579	\$598,055	\$ 559,396
DEC		\$628,402	\$ 590,177
JAN		\$571,317	\$ 531,013
FEB		\$583,711	\$ 553,568
MAR		\$610,686	\$ 577,676
APR		\$573,323	\$ 547,214
MAY		\$566,225	\$ 540,739
JUN		\$569,495	\$ 542,745
JUL		\$581,259	\$ 525,610
AUG		\$551,203	\$ 521,028
SEPT		\$538,877	\$ 513,437
<b>Totals</b>	<b>\$ 1,111,782</b>	<b>\$ 6,932,439</b>	<b>\$ 6,538,999</b>



\* Reflects 2 month lag in receipts

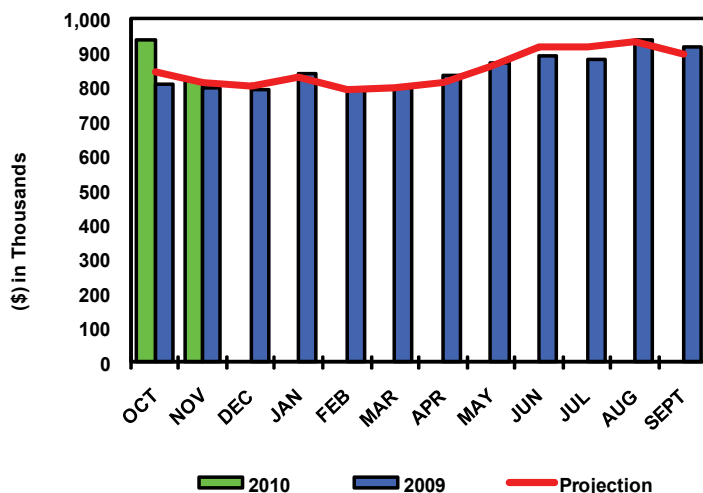
\*\* Projection based on last 3 years of activity

**Positive** Sales Tax comparison represents a combination of revenues from the Half Cent Sales Tax and the State Revenue Sharing. The Half Cent Sales Tax is 8.814% of sales tax proceeds returned to cities and counties by the state. State Revenue Sharing is derived from Sales and Use taxes, the One Cent Municipal Fuel Tax, and the State Alternative Fuel Decal Users Fee. These revenue streams represent 10.62% of the FY 10 General Fund Budget. Although receipts for the month of November are 5.8% lower than the same period in FY 09 the receipts are 0.7% higher than the projected receipts for this month, therefore warranting a positive indicator.

# Revenue Analysis (continued)

## Public Service and Communication Service Tax 2009-2010 Comparison

	FY 2010*	FY 2009	Projection**
OCT	\$ 939,403	\$ 806,554	842,238
NOV	\$ 819,542	\$ 795,498	812,623
DEC	\$	\$ 794,174	802,664
JAN	\$	\$ 838,278	829,611
FEB	\$	\$ 789,988	790,486
MAR	\$	\$ 799,519	797,108
APR	\$	\$ 831,541	815,091
MAY	\$	\$ 872,404	861,611
JUN	\$	\$ 889,605	915,079
JUL	\$	\$ 880,739	915,318
AUG	\$	\$ 938,776	934,019
SEPT	\$	\$ 913,905	896,632
<b>Totals</b>	<b>\$ 1,758,945</b>	<b>\$ 10,150,981</b>	<b>\$ 10,212,480</b>



\* Reflects 2 month lag in receipts

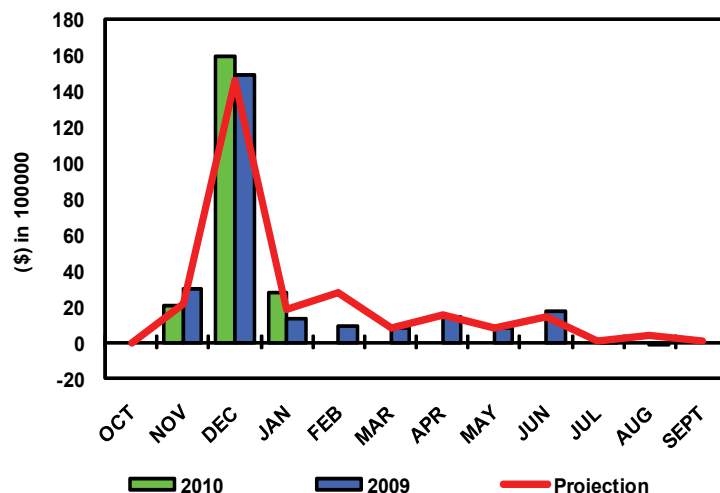
\*\* Projection based on last three years' activity

**Positive**

This Revenue source is a combination of revenues from all Public Service Taxes received and the Communication Service Tax. Public Service Taxes are revenues derived from the purchase of electricity, natural gas, water, and fuel oil within the City limits. Communication Taxes are imposed on retail sales of communication services which originate and terminate in Florida. These revenue streams represent 16.57% of the FY 10 General Fund Budget. The receipts for the month of January are 3% higher than the same month in FY 09 and 0.9% higher than the projected receipts.

## Property Taxes 2009-2010 Comparison

	FY 2010	FY 2009	Projection*
OCT	\$ -	\$ -	\$ -
NOV	\$ 2,068,750	\$ 2,925,106	\$ 2,143,993
DEC	\$ 15,930,458	\$ 14,862,333	\$ 14,503,886
JAN	\$ 2,777,859	\$ 1,274,454	\$ 1,766,101
FEB	\$	\$ 883,341	\$ 2,702,521
MAR	\$	\$ 813,606	\$ 829,683
APR	\$	\$ 1,430,262	\$ 1,551,850
MAY	\$	\$ 732,282	\$ 823,916
JUN	\$	\$ 1,704,852	\$ 1,377,248
JUL	\$	\$ 11,609	\$ 96,943
AUG	\$	\$ (2,164)	\$ 414,300
SEPT	\$	\$ 41,893	\$ 23,623
<b>Totals</b>	<b>\$ 20,777,067</b>	<b>\$ 24,677,574</b>	<b>\$ 26,234,066</b>



\* Projection based on last three years' activity

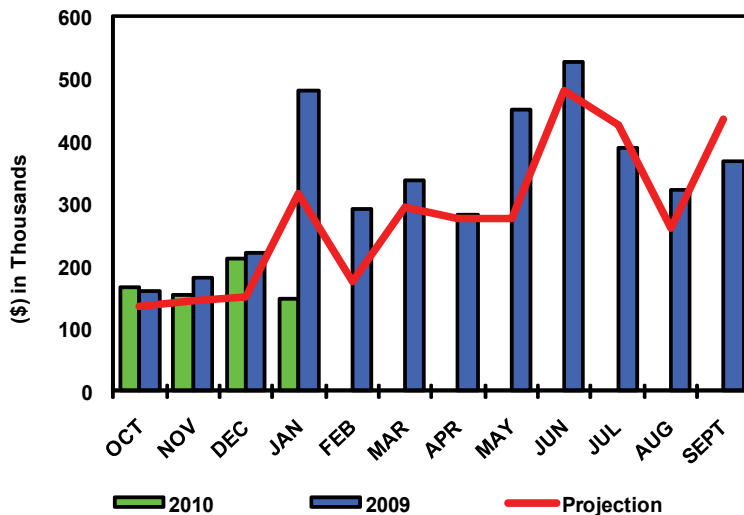
**Positive**

Property Taxes comprise the largest single revenue stream of the General Fund Budget. This revenue is derived from taxes levied on the value of all real and personal property located in the City. Property taxes account for 42.58% of the FY 10 General Fund Budget. Receipts for the month of January are 118% higher than the same month in FY 09 and 57.3% higher than projected receipts.

# Revenue Analysis (continued)

## Charges for Service 2009-2010 Comparison

	FY 2010	FY 2009	Projection*
OCT	\$ 164,945	\$ 160,749	\$ 133,894
NOV	\$ 152,373	\$ 181,511	\$ 144,589
DEC	\$ 212,974	\$ 220,560	\$ 150,367
JAN	\$ 146,515	\$ 479,753	\$ 315,743
FEB		\$ 291,824	\$ 174,568
MAR		\$ 336,866	\$ 292,568
APR		\$ 282,429	\$ 275,923
MAY		\$ 449,183	\$ 275,710
JUN		\$ 526,651	\$ 481,166
JUL		\$ 388,306	\$ 425,906
AUG		\$ 322,246	\$ 259,629
SEPT		\$ 367,194	\$ 434,652
<b>Totals</b>	<b>\$ 676,808</b>	<b>\$ 4,007,272</b>	<b>3,364,713</b>

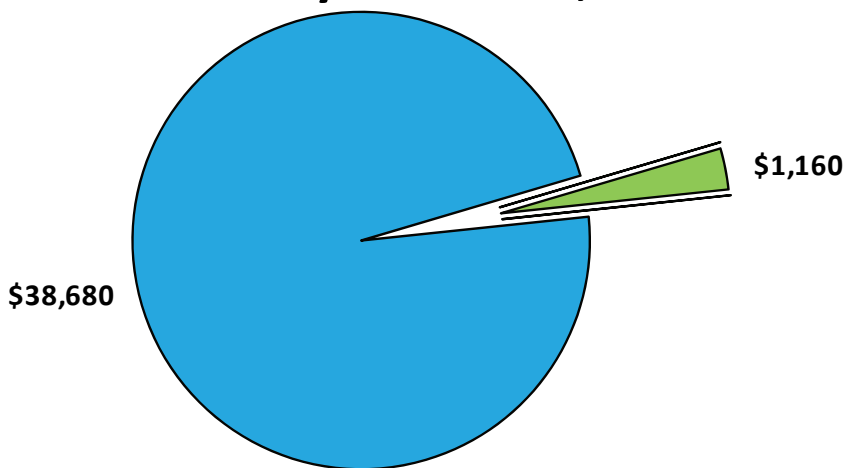


\*Projection based on last three years' activity

**Negative** Charges for Service are comprised of revenue from services provided in several areas: General Government, Public Safety, Physical Environment, Transportation, Culture/Recreation, and Other Charges for Services. These revenues represent 5.46% of the FY 10 General Fund Budget. Revenues received in January are 69.5% lower than the same period in FY 09 and 53.6% lower than the projected receipts for the month of January. This decrease is attributed to a decline in receipts for the sale of recycled materials and public safety fees.

## 2010 Fines and Forfeitures

### January 2010- \$39,840

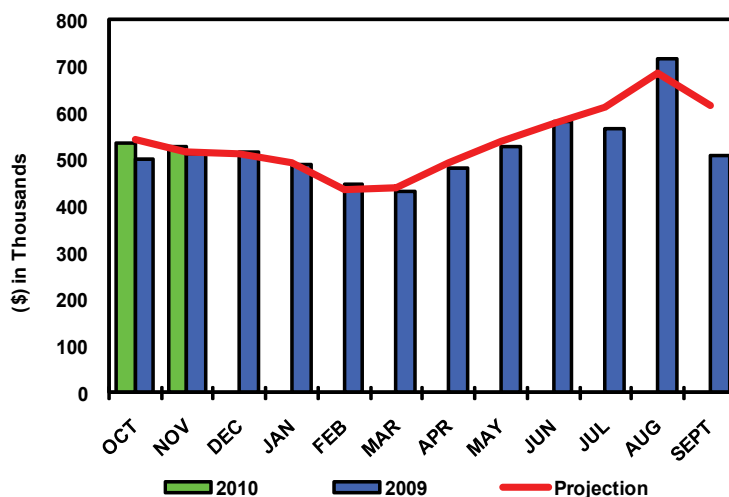


■ Code Enforcement   
 ■ Red Light Cameras   
 ■ Traffic Tickets   
 ■ Other

# Revenue Analysis (continued)

## Franchise Fees 2009-2010 Comparison

	FY 2010*	FY 2009	Projection**
OCT	\$534,805	\$ 501,034	\$ 541,838
NOV	\$526,654	\$ 510,572	\$ 515,075
DEC		\$ 516,148	\$ 512,333
JAN		\$ 487,947	\$ 493,725
FEB		\$ 444,995	\$ 435,919
MAR		\$ 431,281	\$ 438,041
APR		\$ 479,614	\$ 490,600
MAY		\$ 526,508	\$ 538,767
JUN		\$ 580,002	\$ 576,058
JUL		\$ 563,761	\$ 609,546
AUG		\$ 716,195	\$ 683,325
SEPT		\$ 508,422	\$ 615,149
<b>Totals</b>		<b>\$6,266,479</b>	<b>\$ 6,450,377</b>



\* Reflects 2 month lag in receipts

\*\* Projection based on last three years' activity

**Positive**

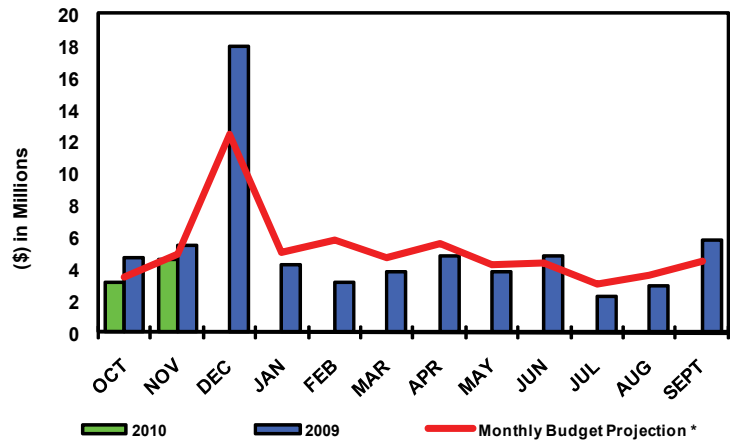
Franchise Fees are comprised of revenue generated from agreements with specific utilities for the use of public right-of-ways. The largest payees of franchise fees are Florida Power & Light, Waste Management, and Florida City Gas. These Revenues represent 10.5% of the FY 10 General Fund Budget. The November receipts for FY 2010 are 2.2% higher than projected receipts and 3.15% higher than the same month in FY 2009.



# Revenue Analysis (continued)

## General Fund Revenue Monthly Collection Comparison

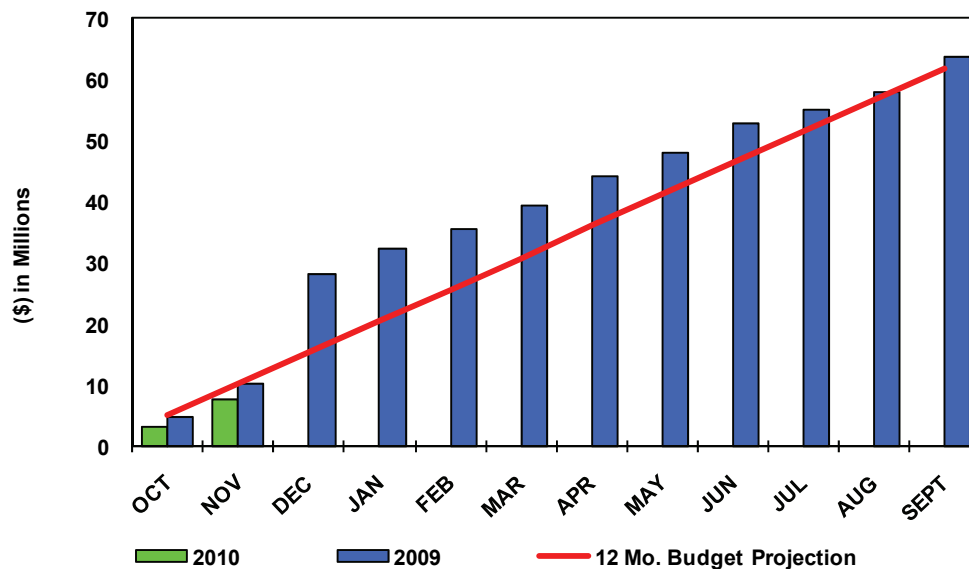
	FY 2010	FY 2009	Projection*
OCT	\$ 3,142,454	\$ 4,668,859	\$3,435,728
NOV	\$ 4,611,057	\$ 5,506,372	\$4,892,226
DEC		\$ 17,935,205	\$12,385,299
JAN	\$ 4,214,819		\$5,039,670
FEB	\$ 3,170,515		\$5,806,779
MAR	\$ 3,859,365		\$4,706,705
APR	\$ 4,804,066		\$5,568,951
MAY	\$ 3,821,146		\$4,212,782
JUN	\$ 4,765,321		\$4,380,479
JUL	\$ 2,303,589		\$3,075,170
AUG	\$ 2,931,975		\$3,626,401
SEPT	\$ 5,747,430		\$4,480,165
<b>Totals</b>	<b>\$ 7,753,511</b>	<b>\$ 63,728,662</b>	<b>\$ 61,610,356</b>



\* Projection based on last three years' activity

**Negative** With overall General Fund revenue for the month of January of \$4,611,057 receipts are 5.7% lower than the Monthly Budget Projection. Although most of the large revenues are meeting projections other revenue sources in the General Fund did not meet projections for the month of November causing the fund as a whole to come in slightly under the projected amount. Due to the lag in receipts for some major revenues, General Fund revenues as a whole are not available for the month of December or January.

## Year to Date Revenues with Original (Current) Budget 2009-2010 Comparison

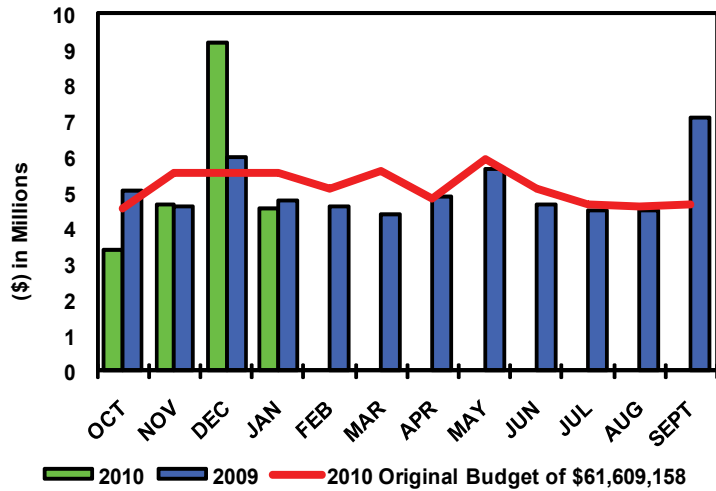


**Negative** With overall General Fund revenue for the month of November at \$7,753,511, receipts are 24% lower than the Monthly Budget Projection. This is due to seasonal affects on revenue receipts that typically smooth out over the course of the fiscal year. Due to the lag in receipts for some major revenues, General Fund revenues as a whole are not available for the month of December and January.

# Expenditure Analysis

## General Fund Expenditures vs. Budget 2009-2010

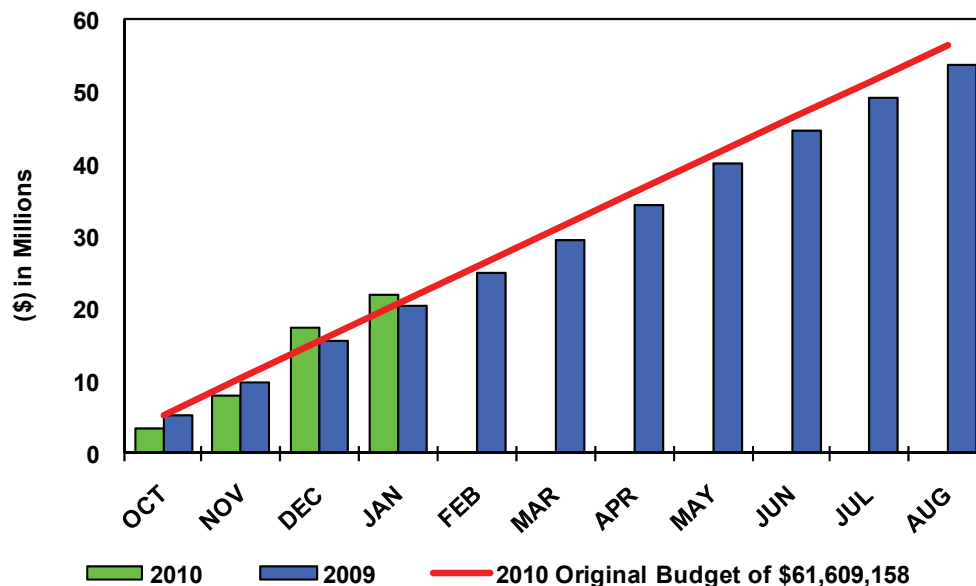
	FY 2010	FY 2009	Projection*
OCT	\$ 3,399,495	\$ 5,028,688	\$ 4,527,803
NOV	\$ 4,646,478	\$ 4,577,302	\$ 5,542,240
DEC	\$ 9,194,347	\$ 5,973,596	\$ 5,533,038
JAN	\$ 4,563,504	\$ 4,750,703	\$ 5,534,647
FEB		\$ 4,614,115	\$ 5,090,708
MAR		\$ 4,398,381	\$ 5,604,842
APR		\$ 4,869,354	\$ 4,830,249
MAY		\$ 5,678,342	\$ 5,903,983
JUN		\$ 4,652,565	\$ 5,125,591
JUL		\$ 4,507,470	\$ 4,684,037
AUG		\$ 4,520,518	\$ 4,579,137
SEPT		\$ 7,079,194	\$ 4,652,881
	<b>\$ 21,803,824</b>	<b>\$ 60,650,230</b>	<b>61,609,158</b>



\*Projection based on last three years' activity

**Positive** Expenditures for January are \$971,143 or 17.5% lower as compared to this same month in FY 09. This decrease from the projection is in part due to the one-time transfers made to other internal funds for items such as Capital Improvement Projects, Debt Service, and Workers Compensation premiums instead of making these transfers on a monthly basis.

## Year to Date Expenditures with Original (Current) Budget

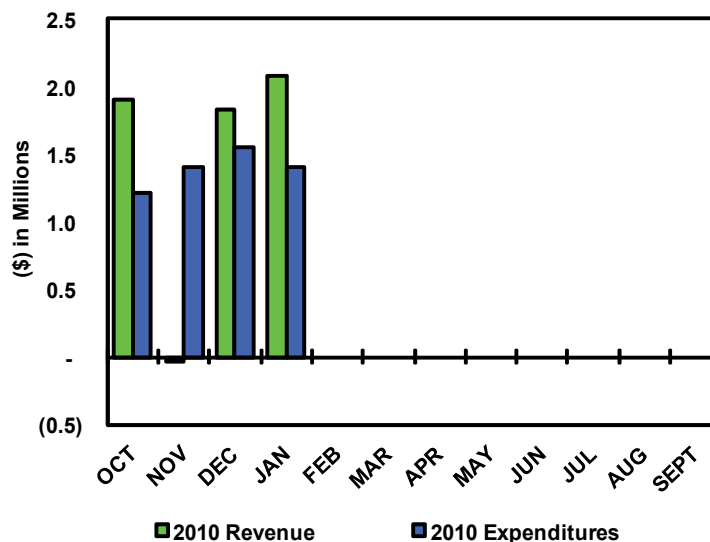


**Negative** The General Fund year-to-date expenditures of \$21,803,824 are \$1,267,438 or 6.2% higher than the projected budget amount for this point in the fiscal year. This is primarily due to one-time cost for inter-fund transfers that occurred in the month of December 2009.

# Overall Fund Performance

## Utilities Operating Fund - Revenue vs. Expenditures 2010

	FY 2010 Revenue	FY 2010 Expenditures	Monthly Variance
OCT	\$ 1,907,309	\$ 1,213,089	\$ 694,220
NOV	(35,478)	1,399,481	(1,434,959)
DEC	1,834,629	1,549,843	284,786
JAN	2,086,304	1,405,170	681,134
FEB	-	-	-
MAR	-	-	-
APR	-	-	-
MAY	-	-	-
JUN	-	-	-
JUL	-	-	-
AUG	-	-	-
SEPT	-	-	-
<b>Totals</b>	<b>\$ 5,792,764</b>	<b>\$ 5,567,583</b>	<b>\$ 225,181</b>

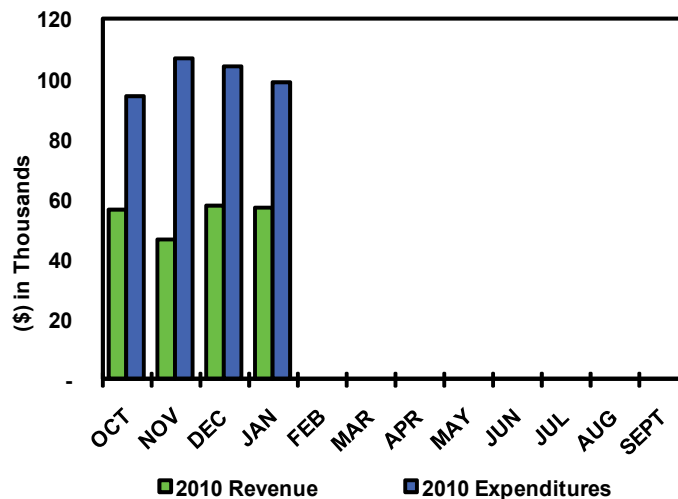


**Positive**

Utilities Operating Fund revenues exceeded expenditures for the month of January by \$681,134 or 48.5%. The variance between revenues and expenditures for the month of January 2010 is 88.5% higher than the variance between revenues and expenditures for FY 09 in the month of January.

## Building Fund - Revenue vs. Expenditures 2010

	FY 2010 Revenue	FY 2010 Expenditures	Monthly Variance
OCT	\$ 56,339	\$ 94,274	\$ (37,935)
NOV	46,554	106,791	(60,237)
DEC	57,694	104,113	(46,419)
JAN	56,773	98,763	(41,990)
FEB	-	-	-
MAR	-	-	-
APR	-	-	-
MAY	-	-	-
JUN	-	-	-
JUL	-	-	-
AUG	-	-	-
SEPT	-	-	-
<b>Totals</b>	<b>\$ 217,360</b>	<b>\$ 403,941</b>	<b>\$ (186,581)</b>



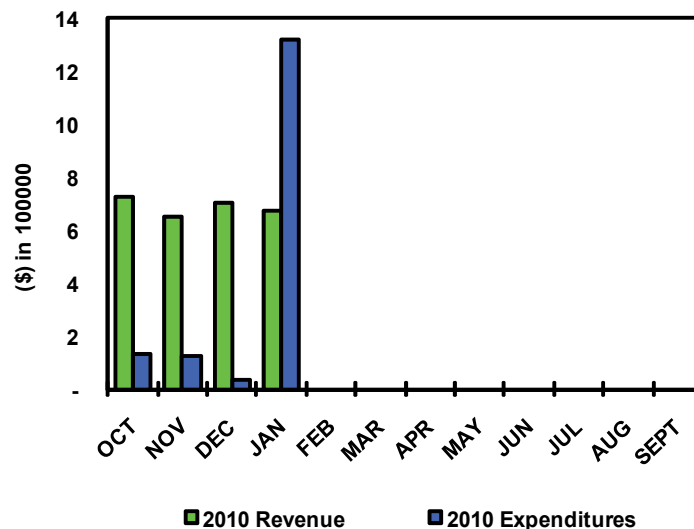
**Positive**

Building Fund revenues were 42.5% lower than expenditures for the month of January 2010. However the variance between revenues and expenditures for this month are 38.2% lower than the variance between revenues and expenditures experienced in January 2009 thus yielding a positive rating.

# Overall Fund Performance (continued)

## Employee Health Insurance Fund - Revenue vs. Expenditures 2010

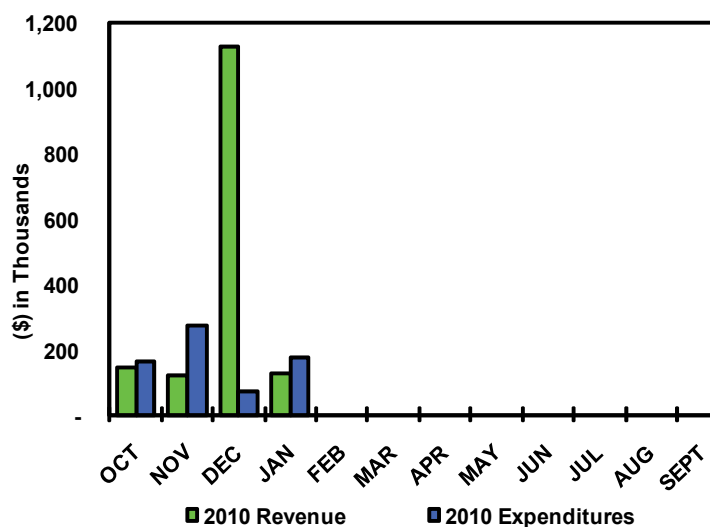
	FY 2010		Monthly
	Revenue	Expenditures	Variance
OCT	\$ 723,552	\$ 132,812	\$ 590,740
NOV	652,217	124,932	527,285
DEC	699,709	33,800	665,909
JAN	669,990	1,315,120	(645,130)
FEB	-	-	-
MAR	-	-	-
APR	-	-	-
MAY	-	-	-
JUN	-	-	-
JUL	-	-	-
AUG	-	-	-
SEPT	-	-	-
<b>Totals</b>	<b>\$ 2,745,468</b>	<b>\$ 1,606,664</b>	<b>\$ 1,138,803</b>



The spike in expenditures for the month of January is due to a lag in claims over the first quarter of FY 2010. In January \$1,229,324 in HMO and PPO insurance claims were book for the first time this year. Expenditures are expected to smooth out over the remaining months of FY 2010.

## Other Employee Health Insurance Fund - Revenue vs. Expenditures 2010

	FY 2010		Monthly
	Revenue	Expenditures	Variance
OCT	\$ 141,483	\$ 165,744	\$ (24,261)
NOV	120,069	272,512	(152,443)
DEC	1,123,246	71,824	1,051,422
JAN	123,748	175,750	(52,002)
FEB	-	-	-
MAR	-	-	-
APR	-	-	-
MAY	-	-	-
JUN	-	-	-
JUL	-	-	-
AUG	-	-	-
SEPT	-	-	-
<b>Totals</b>	<b>\$ 1,508,545</b>	<b>\$ 685,830</b>	<b>\$ 822,715</b>



**Positive** Expenditures in the Other Employee Health Insurance Fund exceeded revenues by \$52,002 for the month of January. This variance is 63% lower than the variance between revenues and expenditures experience for this period in FY 2009 thus yielding a positive indicator.