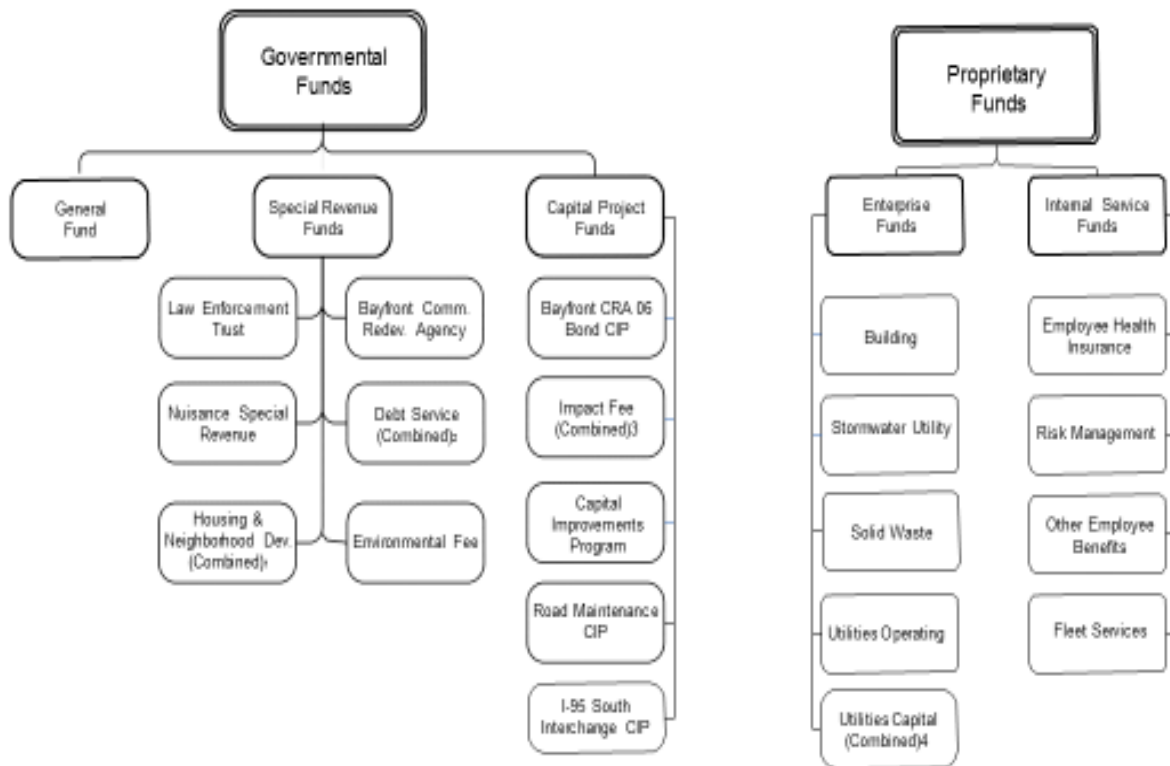


# *Fund Summary Analysis*



- 1 Housing and Neighborhood Development (Combined) Fund Summary consists of:
- \* Fund 111 - State Housing Grant Fund
  - \* Fund 112 - Comm. Development Block Grant Fund
  - \* Fund 114 - Home Investment Grant Fund

- 3 Impact Fee (Combined) Fund Summary consists of:
- \* Fund 152 - Police Impact Fees
  - \* Fund 153 - Fire Impact Fees
  - \* Fund 154 - Parks Impact Fees
  - \* Fund 155 - Transportation Impact Fees

- 2 Debt Service (Combined) Fund Summary consists of:
- \* Fund 201 - Debt Service Fund (Capital Leases)
  - \* Fund 214 - '04 Pension Bonds Debt Service Fund
  - \* Fund 219 - '10 Public Service Tax (PST) Revenue Bond
  - \* Fund 221 - '13 Taxable Service Obligation Refunding Bond Fund
  - \* Fund 222 - '14 Local Option Gas Tax Refunding Note Fund
  - \* Fund 223 - '15 Franchise Fee Revenue Note Fund
  - \* Fund 224 - '15 Sales Tax Refunding Bond Fund
  - \* Fund 225 - '15 Refunding Bond Fund-TIF
  - \* Fund 226 - '16 Franchise Fee Revenue Refunding Note Fund

- 4 Utilities Capital (Combined) Fund Summary consists of:
- \* Fund 423 - Utilities Connections Fee Fund
  - \* Fund 424 - Utilities Renewal And Replacement Fund
  - \* Fund 425 - Main Line Extension Fee Fund
  - \* Fund 426 - '05B Bond Construction Fund
  - \* Fund 427 - '01 Bond Construction Fund
  - \* Fund 428 - '14 Bond Construction Fund
  - \* Fund 431 - Assessment USA 1 Fund
  - \* Fund 432 - Assessment Unit 31 Fund
  - \* Fund 433 - Utility SRF Loan Fund

# *Fund Structure*

The funds, departments, divisions and accounts of the City of Palm Bay are organized on the basis of fund and account groups. Each fund is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise the City's assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent, and the means by which activities are controlled. All of the City's funds can be divided into three categories: governmental, proprietary, and fiduciary funds.

## *Governmental Funds*

The **General Fund** is the City's largest fund and includes governmental services such as legislative oversight, general and financial administration, law enforcement, community development, streets and drainage system operation and maintenance, and parks and recreation operation and maintenance. General Fund activities are primarily funded with property taxes, franchise fees and certain State-shared revenues. General Fund activities comprise approximately 40.4% of the City's annual budget and are accounted for on a Modified Accrual Basis.

A **Special Revenue Fund** is normally established to account for revenues that are restricted by statute or ordinance for a particular purpose, or where the City wishes a separate accounting of the costs of a special project. The accounting for these funds is on a Modified Accrual Basis.

A **Capital Project Fund** is normally a special revenue fund established to track specific types of capital infrastructure construction projects and/or acquisitions. Although some capital project funds can be classified as enterprise funds (such as the Utilities Community Investment Funds), for the purposes of this document they are listed and presented as capital project funds. The accounting for these funds is on a Modified Accrual Basis.

## *Proprietary Funds*

The City maintains two types of proprietary funds which are accounted for on a full accrual basis.

- An **Enterprise Fund** is used for business-type activities within the City. The information focuses on near-term inflows and outflows of spendable resources, as well as the balance of spendable resources available at the end of each fiscal year presented. The City uses enterprise funds to account for the Water and Wastewater Utilities operating activities, Building functions, Stormwater Utility and Solid Waste activities.
- An **Internal Service Fund** is used to track the accumulation and allocation of costs internally among the City's departments and funds. The City uses internal service funds to account for the administration of employee health insurance and other employee benefits, risk management, and fleet services activities.

The City also operates two other kinds of funds that are not included in this Approved Budget; **Agency** and **Trust Funds**.

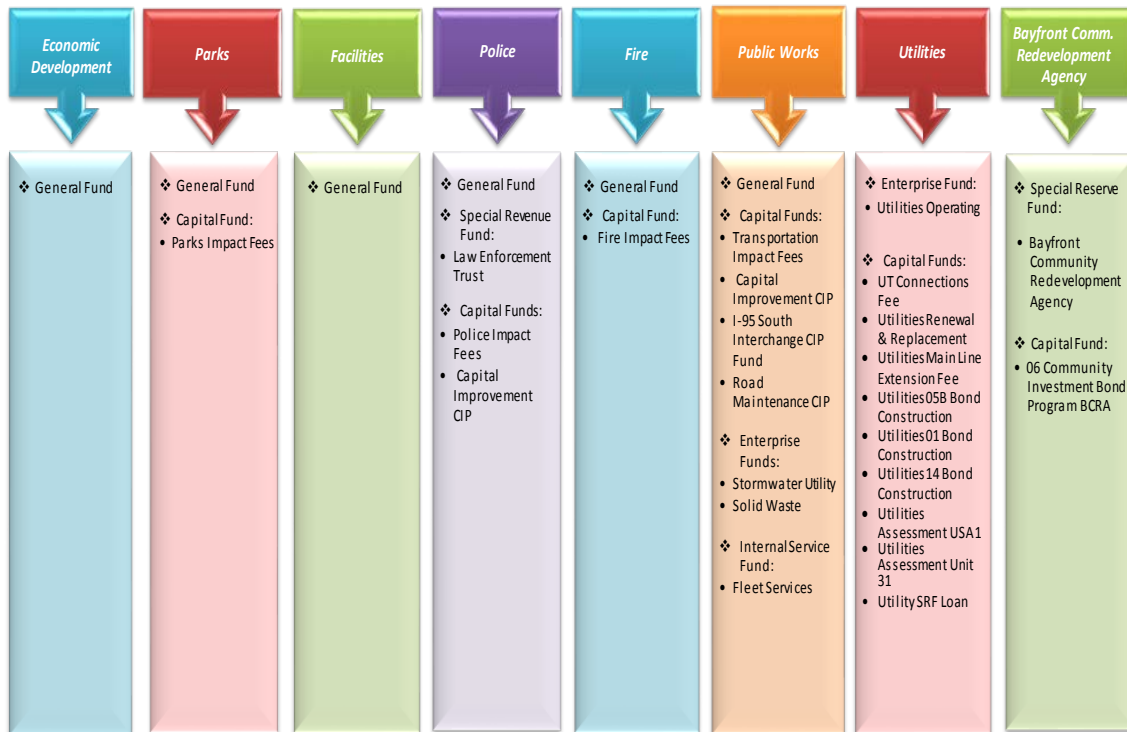
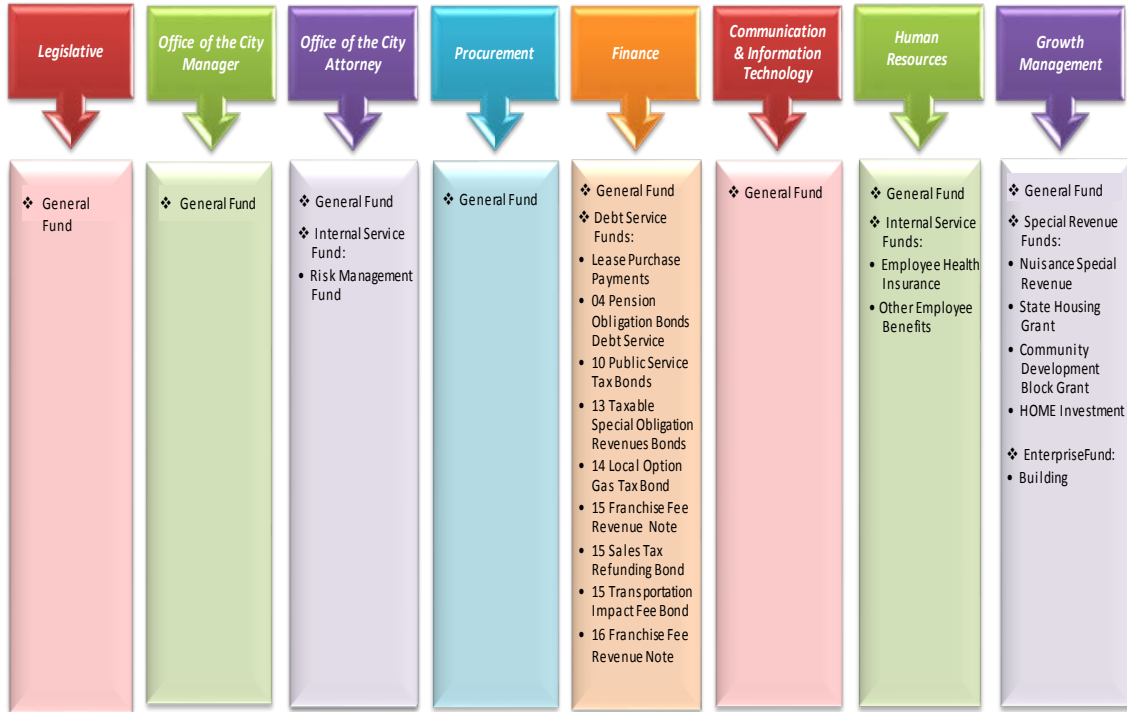
## *Fiduciary Funds*

An **Agency Fund** accounts for money received by the City, which is held on behalf, and for the benefit, of others. Agency funds are not budgeted since amounts received or disbursed are not City revenues or expenditures. The City maintains two Agency Funds; the 401A Retirement Plan and the 457 Deferred Compensation Plan.

A **Trust Fund** accounts for revenues that are received and held by the City, which are restricted by statute or ordinance, or by the donor's request. Trust Funds are not budgeted. The City maintains one Trust Fund-the Police and Firefighter Pension Trust Fund.

## Department and Fund Linkage

The following matrix illustrates which funds are budgeted for each department.



## *Fund Descriptions*

### *General Fund*

This fund is the chief operating fund of the City.

### *Law Enforcement Trust Fund*

This fund is used to account for proceeds obtained through the sale of confiscated and unclaimed property turned over to the City through court judgments. The proceeds are to be used solely for crime fighting purposes.

### *Code Nuisance Fund*

This fund is used to account for transactions related to properties with code violations where the owners are unwilling to abate the problems.

### *SHIP Fund*

This fund is used to account for proceeds received from the State for the City's State Housing Initiative Partnership (SHIP) program.

### *Community Development Block Grant Fund*

This fund is used to account for proceeds received from a Housing and Community Development Grant program (CDBG) for common residential improvements.

### *HOME Grant Fund*

This fund is used to account for the proceeds received from the State for the City's HOME Grant.

### *Impact Fee Trust Funds*

These funds are used to account for proceeds provided for the acquisition and/or improvement of urban district park facilities, police capital facilities, fire capital facilities, and the expansion of the City's major road network system.

### *Environmental Fee Fund*

This Fund is used to account for transactions related to the City's Incidental Take Permit issued by the United States Fish and Wildlife Service.

### *Bayfront Community Redevelopment Agency Fund*

This fund is used to account for the ad valorem tax increment revenues accumulated for the community development in areas where taxes were assessed.

### *Debt Service Funds*

The City has several debt service funds. They are used to account for the payment of principal and interest on outstanding general governmental revenue bonds.

### *Community Investment Fund*

This fund is used to account for financial resources earmarked for the acquisition of construction of major capital facilities or other project oriented activities.

### **I-95 Interchange Fund**

This fund is used to account for financial resources earmarked for the construction of an interchange between St. John's Heritage Parkway (Palm Bay Parkway) and Micco Road.

### **Road Maintenance CIP Fund**

This fund is used to account for financial resources earmarked for the maintenance and repair of existing roadways.

### **Utility Fund**

This fund is used to account for activities of the utilities services provided. This fund is an enterprise fund in that it fully supports its operations.

### **Utilities Capital Funds**

These funds are used to account for financial resources from dedicated revenue streams, capital improvements to the City's Water and Wastewater systems, and the principal and interest payments of various bond debt service.

### **Building Fund**

This fund is used to account for building-related activities within the City. Revenues are primarily generated by user licenses and permits.

### **Stormwater Fund**

This fund is used to account for Stormwater services in the City.

### **Solid Waste Fund**

This fund is used to account for Solid Waste services in the City.

### **Risk Management Fund**

This fund is used to account for the expenses incurred for workers' compensation claims, general and auto liability claims and property damage claims and the related administrative expenses to operate the City's risk management program. Revenues are generated by charges to the various departments and funds based on past experience and actuarial estimates.

### **Employee Benefit Funds**

These funds are used to account for expenses incurred for insured and self-insured benefits under the City's Section 125 "cafeteria" benefits plan maintained for the City employees.

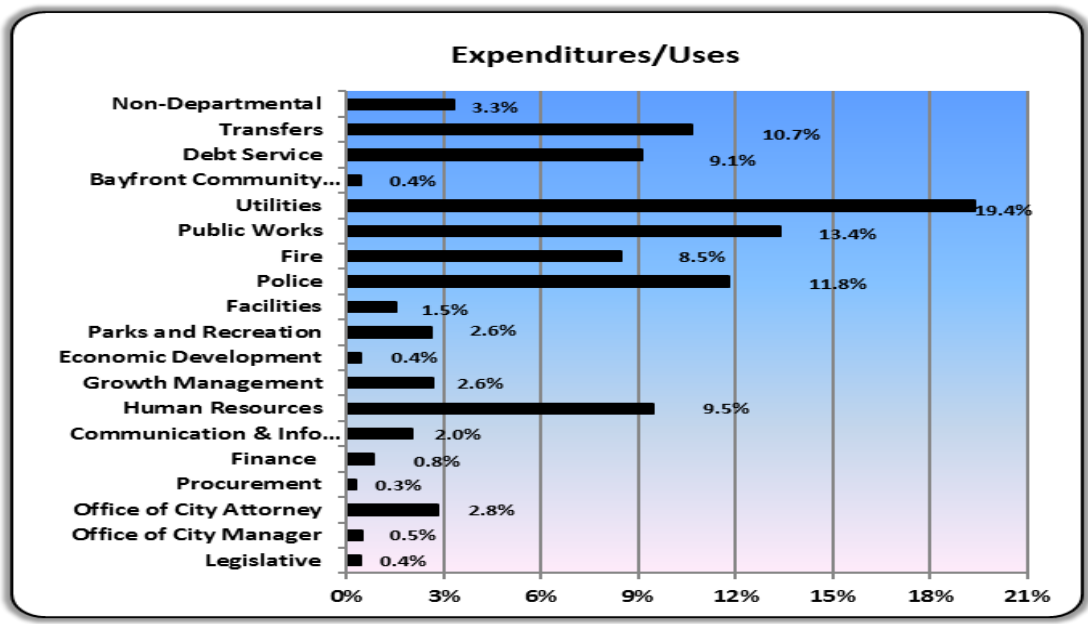
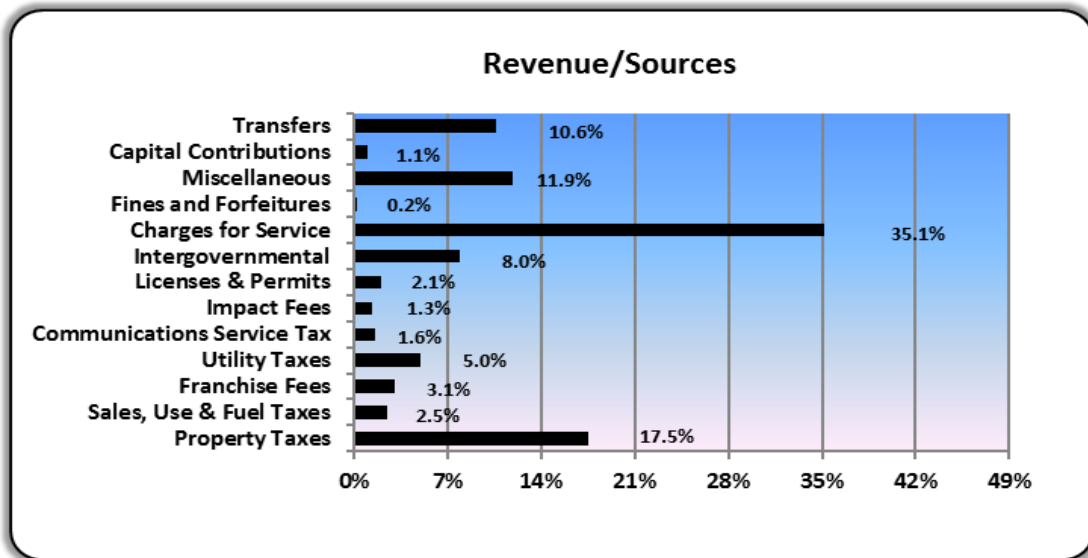
### **Fleet Services Fund**

This fund is used to account for the fiscal activity related to meeting the automotive and other vehicular needs of the City. This fund purchase vehicles, maintains them and charges user departments for the vehicular usage.

## *All Funds Summary*

### ALL FUNDS - COMBINED

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	PERCENT CHANGE
BEGINNING BALANCE	64,799,932	47,890,115	62,877,612	62,877,612	52,482,456	9.59%
REVENUES/SOURCES:						
Property Taxes	24,729,117	27,220,856	27,220,856	27,028,446	29,697,170	9.10%
Sales, Use & Fuel Taxes	3,854,156	3,822,462	3,822,462	3,980,000	4,208,406	10.10%
Franchise Fees	5,367,504	5,399,000	5,399,000	5,240,000	5,240,000	-2.94%
Utility Taxes	8,288,194	8,305,000	8,305,000	8,305,800	8,402,000	1.17%
Communications Service Tax	2,756,083	2,683,536	2,683,536	2,600,000	2,779,457	3.57%
Impact Fees	2,176,574	1,590,000	1,590,000	1,990,000	2,235,000	40.57%
Licenses & Permits	1,810,203	2,149,955	2,149,955	2,233,856	3,543,124	64.80%
Intergovernmental	14,628,624	12,175,674	15,515,587	14,408,815	13,499,200	10.87%
Charges for Service	57,719,031	59,711,384	59,696,521	59,723,693	59,450,502	-0.44%
Fines and Forfeitures	553,826	414,500	486,179	421,658	346,300	-16.45%
Miscellaneous	18,978,872	5,495,053	11,540,418	7,469,572	20,107,076	265.91%
Capital Contributions	1,690,644	1,257,893	1,257,893	1,751,426	1,822,039	44.85%
Transfers	22,107,632	17,627,293	21,359,111	17,733,226	17,951,510	1.84%
TOTAL REVENUES/SOURCES	164,660,461	147,852,606	161,026,518	152,886,492	169,281,784	14.49%
TOTAL FUNDS AVAILABLE	229,460,393	195,742,721	223,904,130	215,764,104	221,764,240	13.29%
EXPENDITURES/USES						
Legislative	630,388	624,143	705,728	707,977	709,182	13.62%
Office of City Manager	621,430	723,538	746,389	717,036	795,135	9.90%
Office of City Attorney	3,844,700	4,546,053	5,506,049	4,835,523	4,709,804	3.60%
Procurement	-	402,258	424,153	405,056	468,024	16.35%
Finance	1,682,635	1,449,221	1,363,900	1,364,846	1,404,782	-3.07%
Communication & Info Technology	2,529,140	2,577,662	2,583,616	2,471,741	3,431,211	33.11%
Human Resources	12,585,068	13,991,933	15,241,773	12,850,185	15,934,446	13.88%
Growth Management	2,951,487	3,231,566	5,879,949	5,788,907	4,459,261	37.99%
Economic Development	651,228	768,333	795,232	757,720	696,632	-9.33%
Parks and Recreation	3,842,274	4,364,113	5,206,430	5,095,183	4,435,090	1.63%
Facilities	2,183,366	2,230,438	2,683,983	2,626,054	2,557,681	14.67%
Police	18,811,011	19,222,843	19,319,184	18,769,724	19,860,869	3.32%
Fire	13,271,427	14,191,914	13,950,125	13,923,298	14,260,285	0.48%
Public Works	23,454,439	18,701,914	29,238,616	22,959,103	22,559,831	20.63%
Utilities	17,604,745	24,207,083	32,707,562	31,364,833	32,658,442	34.91%
Bayfront Community Red. Agency	2,819,446	250,832	2,065,942	1,571,735	732,408	191.99%
Debt Service	33,326,647	15,705,077	20,284,093	15,630,098	15,339,882	-2.33%
Transfers	22,107,632	17,627,293	21,359,111	17,654,659	17,951,510	1.84%
Non-Departmental	3,665,717	3,872,328	3,787,546	3,787,970	5,591,564	44.40%
TOTAL EXPENDITURES/USES	166,582,781	148,688,542	183,849,381	163,281,648	168,556,039	13.36%
Revenues Over/(Under)Expenditures						
ENDING BALANCE	(1,922,320)	(835,936)	(22,822,863)	(10,395,156)	725,745	
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	541,167	524,665	525,852	547,095	645,674	
Debt Service Reserve	4,560,899	4,560,899	4,560,899	4,560,899	4,560,899	
90-Day Operating Reserve	3,635,360	4,248,615	4,275,468	4,062,363	4,538,777	
TOTAL Undesignated	54,140,186	37,720,000	30,692,530	43,312,099	43,462,851	
	62,877,612	47,054,179	40,054,749	52,482,456	53,208,201	13.08%



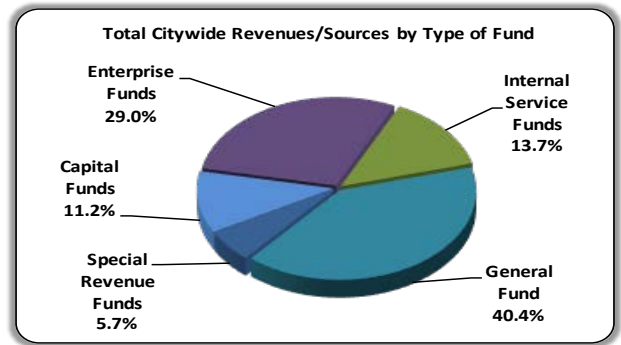
### Revenue/Sources

The overall financial condition of the City is challenging, but is continually progressing towards financial stability, infrastructure investment and strong customer service. Budgeted for FY 18 is \$169,281,784 in All Funds Total Revenues/Sources. This budget level represents an increase of \$8,255,266 or 5.1% from FY 17 Amended Budget (including transfers).

Factors contributing to increased revenue include:

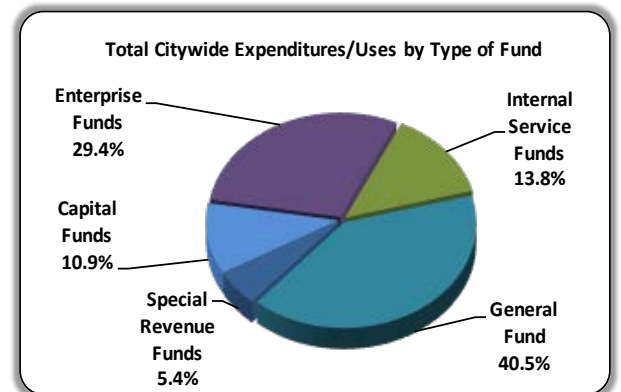
- FY 18 Approved Budget included \$2,668,724 increase in Property Taxes.
- FY 18 Approved Budget included Stormwater Assessments increase of \$8,303,842 over Charges of Services fees in FY 17 Amended Budget of \$3,496,491.

The pie chart to the right illustrates that the majority of the City's revenues/sources are derived from General Fund and Enterprise Fund operations. Capital Funds' revenues/sources tend to be special revenue streams, bond proceeds, interest income or grants and can vary in magnitude from year to year. As noted previously, Impact Fee Funds are classified and presented as Capital Funds in this document due to expenditure limitations placed upon such revenue.



### **Expenditures/Uses**

The FY 18 Budget of \$168,556,039 (including transfers) is \$15,293,342 or -8.3% lower than the FY 17 Amended Budget. The pie chart to the right illustrates that the General Fund comprises over 40.5% of all City expenditures/uses.





## *Fund Balance Increase/Decrease by Fund for Governmental Funds*

	ENDING BALANCE BASED ON FY 17 ESTIMATES	FY 18 REVENUES/ SOURCES	FY 18 EXPENDITURES/ USES	FY 18 PROJECTED ENDING BALANCE	CHANGE IN FUND BALANCE	PERCENT CHANGE IN FUND BALANCE
<b>GENERAL FUND</b>	<b>6,508,454</b>	<b>68,315,437</b>	<b>68,315,437</b>	<b>6,508,454</b>	<b>-</b>	<b>0.0%</b>
<b>SPECIAL REVENUE FUNDS</b>						
Law Enforcement Trust <sup>1</sup>	267,667	-	65,922	201,745	(65,922)	-24.6%
Nuisance <sup>2</sup>	123,998	155,600	93,536	186,062	62,064	50.1%
Housing & Neigh. Dev. (Comb.)	(1,080,592)	1,349,820	1,349,820	(1,080,592)	-	0.0%
Debt Service (Combined) <sup>3</sup>	4,604,132	6,938,271	6,301,979	5,240,424	636,292	13.8%
Parks Facilities Fund	110,712	-	-	110,712	-	0.0%
Environmental Fee	(599,392)	12,500	6,500	(593,392)	6,000	1.0%
Bayfront Comm. Redev. Agency <sup>4</sup>	61,193	1,232,475	1,207,041	86,627	25,434	41.6%
<b>Sub-total:</b>	<b>3,487,717</b>	<b>9,688,666</b>	<b>9,024,798</b>	<b>4,151,585</b>	<b>663,868</b>	<b>19.0%</b>
<b>CAPITAL FUNDS</b>						
Impact Fees (Combined) <sup>5</sup>	2,965,014	2,244,350	1,164,802	4,044,562	1,079,548	36.4%
Capital Improvements Program	336,704	50,000	50,000	336,704	-	0.0%
Bayfront CRA 06 Bond Const.	383,717	3,000	750	385,967	2,250	0.6%
Road Maintenance CIP	2,484,691	10,000	-	2,494,691	10,000	0.4%
Utilities Capital (Combined)	11,993,327	16,671,779	17,200,154	11,464,952	(528,375)	-4.4%
<b>Sub-total:</b>	<b>18,885,354</b>	<b>18,979,629</b>	<b>18,415,706</b>	<b>19,449,277</b>	<b>563,923</b>	<b>3.0%</b>

**Fund Balance (Governmental Funds)**- Fund Balance represents the net financial resources of a fund (assets minus liabilities). There are different classifications of Fund Balance as determined by GASB 54.

**Nonspendable**-Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact (inventories, prepaid, Long-term receivables in the general fund).

**Restricted**-Constraints are placed on the resources by creditors and grantors or imposed by law through constitutional provisions or enabling legislation.

**Committed**-Used for specific purposes pursuant to constraints imposed by formal action of the Council.

**Assigned**-Amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed.

**Unassigned**-The fund balance that has not been reported in any other classification.

### Explanation of Changes in Fund Balance Greater than 10%

<sup>1</sup>The decrease in the Law Enforcement Trust Fund Fund Balance is due to cost of Part-time School Crossing Guards for FY 2018.

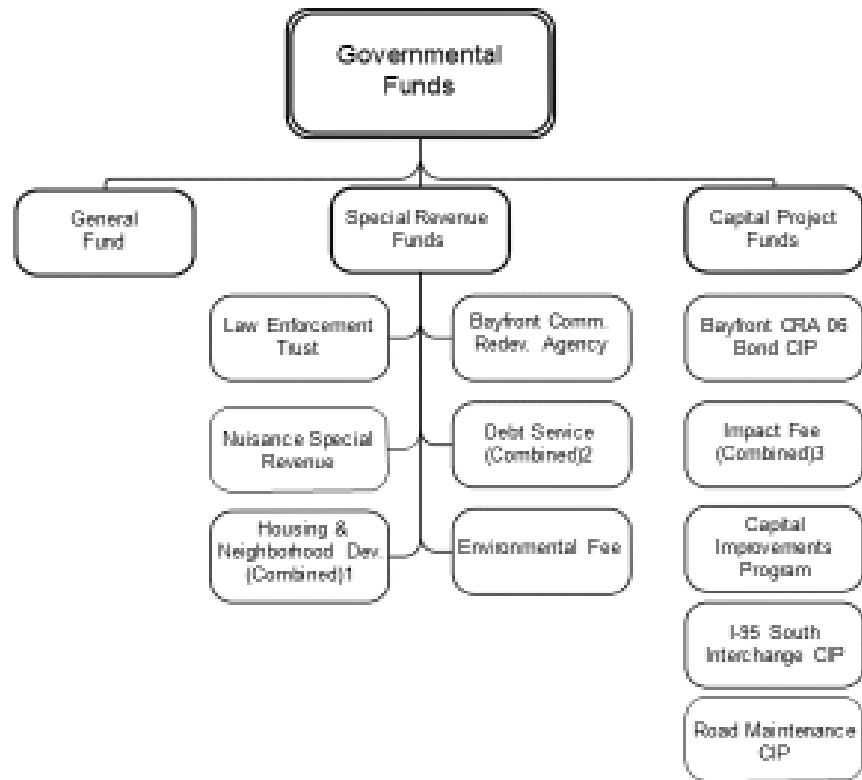
<sup>2</sup>The increase in the Nuisance Fund Fund Balance is due to less expenditures on nuisance violations.

<sup>3</sup>The increase in the Debt Service Combined Funds Fund Balance is due to increase of transfer to sinking fund to cover first Principal payment for 2013 TSO Refunding Bond due 10/1/18.

<sup>4</sup>The increase in the Bayfront Community Redevelopment Fund Fund Balance is due to increase in TIF revenues collected on new residential and commercial development in the City and change of millage rate at First Public Hearing.

<sup>5</sup>The increase in the Impact Fees Combined Fund Fund Balance is due to Impact Fees revenues collected on new residential and commercial development in the City and unidentified capital projects for use of these fees at this time.

## *Governmental Funds*



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- \* Fund 111 - State Housing Grant Fund
  - \* Fund 112 - Comm. Development Block Grant Fund
  - \* Fund 114 - Home Investment Grant Fund

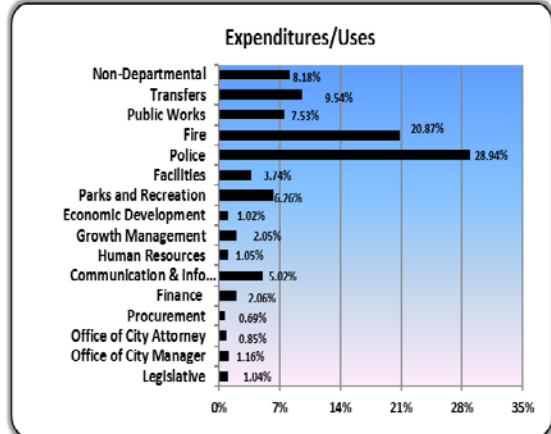
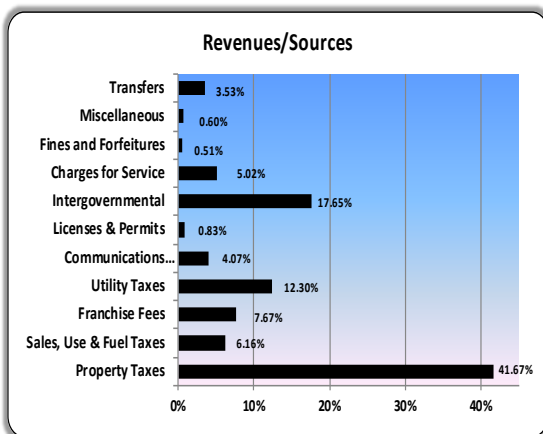
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  - \* Fund 222 - '14 Local Option Gas Tax Refunding Note Fund
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  - \* Fund 224 - '15 Sales Tax Refunding Bond Fund
  - \* Fund 225 - '15 Refunding Bond Fund-TIF
  - \* Fund 226 - '16 Franchise Fee Revenue Refunding Note Fund

# General Fund Summary

## 001 - GENERAL FUND

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	8,282,349	8,984,228	9,174,580	9,174,580	6,508,454	-29.06%
REVENUES/SOURCES:						
Property Taxes	24,067,163	26,426,410	26,426,410	26,234,000	28,467,595	7.72%
Sales, Use & Fuel Taxes	3,854,156	3,822,462	3,822,462	3,980,000	4,208,406	10.10%
Franchise Fees	5,367,504	5,399,000	5,399,000	5,240,000	5,240,000	-2.94%
Utility Taxes	8,288,194	8,305,000	8,305,000	8,305,800	8,402,000	1.17%
Communications Service Tax	2,756,083	2,683,536	2,683,536	2,600,000	2,779,457	3.57%
Licenses & Permits	558,352	562,500	562,500	557,600	567,000	0.80%
Intergovernmental	10,281,539	10,692,821	11,488,269	11,545,237	12,058,266	4.96%
Charges for Service	2,894,244	2,885,132	3,249,761	3,003,592	3,431,469	5.59%
Fines and Forfeitures	395,041	414,500	486,179	343,000	346,300	-28.77%
Miscellaneous	1,689,440	481,750	810,430	567,842	406,600	-49.83%
Transfers	2,133,758	1,801,787	1,835,914	1,835,914	2,408,344	31.18%
TOTAL REVENUES/SOURCES	62,285,475	63,474,898	65,069,461	64,212,985	68,315,437	4.99%
TOTAL FUNDS AVAILABLE	70,567,824	72,459,126	74,244,041	73,387,565	74,823,891	0.78%
EXPENDITURES/USES						
Legislative	630,388	624,143	705,728	707,977	709,182	0.49%
Office of City Manager	621,430	723,538	746,389	717,036	795,135	6.53%
Office of City Attorney	1,195,635	613,919	671,669	864,733	577,672	-13.99%
Procurement	-	402,258	424,153	405,056	468,024	10.34%
Finance	1,682,635	1,449,221	1,363,900	1,364,846	1,404,782	3.00%
Communication & Info Technology	2,529,140	2,577,662	2,583,616	2,471,741	3,431,211	32.81%
Human Resources	578,684	515,386	650,814	610,348	715,807	9.99%
Growth Management	579,073	1,266,234	1,401,767	1,364,531	1,398,112	-0.26%
Economic Development	651,228	768,333	795,232	757,720	696,632	-12.40%
Parks and Recreation	2,673,323	2,717,855	4,694,203	4,646,094	4,275,090	-8.93%
Facilities	2,183,366	2,230,438	2,683,983	2,626,054	2,557,681	-4.71%
Police	17,898,797	19,222,843	19,137,297	18,664,281	19,770,447	3.31%
Fire	13,271,427	14,191,914	13,933,285	13,906,458	14,260,285	2.35%
Public Works	4,599,336	4,951,893	6,785,065	6,467,146	5,144,563	-24.18%
Transfers	8,633,064	8,099,375	8,577,792	7,517,120	6,519,250	-24.00%
Non-Departmental	3,665,717	3,872,328	3,787,546	3,787,970	5,591,564	47.63%
TOTAL EXPENDITURES/USES	61,393,243	64,227,340	68,942,439	66,879,111	68,315,437	-0.91%
Revenues Over/(Under)Expenditures	892,231	(752,442)	(3,872,978)	(2,666,126)	-	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	9,174,580	8,231,786	5,301,602	6,508,454	6,508,454	
TOTAL ENDING BALANCE	9,174,580	8,231,786	5,301,602	6,508,454	6,508,454	22.76%
Fund Balance - Requirement	5,122,152	5,594,175	5,947,366	5,886,858	6,107,113	
Over / (Under) Policy	4,052,429	2,637,611	(645,764)	621,597	401,341	



# *Analysis*

## Revenue/Sources

Total Revenues/Sources budgeted for FY 18 of \$68,315,437 is \$4,102,452 or 6.39% higher than the FY 17 estimated year-end receipts. FY 17 projected receipts of \$64,212,985 are \$1,927,510 or 3.09% higher than the FY 16 Actuals.

In the following discussion, the major General Fund revenue streams are listed in order of magnitude for the FY 18 Budget along with alternate forms of information conveyance. All revenue streams unless otherwise noted, in the General Fund, are projected by the Finance Office and reviewed by the City Manager. Projections are based on the FY 17 Year-end Estimates rather than the FY 18 Budget levels. Comparisons of the FY 17 Year-end estimated receipts are made to the FY 16 Actual receipts, while FY 18 Budget receipts are compared to FY 17 Year-End Estimates. Both comparisons are provided in the following detailed analysis unless the revenue stream conditions are not applicable.

- **Property Taxes** (ad valorem taxation revenue) comprise the largest single revenue stream with \$28,467,595 or 41.67% of the General Fund Total Revenues/Sources for the FY 18 Budget. FY 17 projected receipts of \$26,234,000 are \$2,166,837 or 13.8% higher than FY 16 Actuals. Individual property values are determined by the Brevard County Property Appraiser's Office and state law allows a "homestead exemption" of \$50,000 on the first \$25,000 and the second \$25,000 of taxable valuation if the property serves as the owner's principal residence. Additionally, Amendment One includes a portability law that will permit homesteaded property owners who sell their home to take the gap between their market value and assessed value to their new home. Currently, the residential market has been rebounding.
- **Operating Millage** - Revenue derived from taxes levied on the value of all real and personal property located in the City of Palm Bay. These taxes are levied based on property value; they are commonly referred to as "ad valorem taxes". The taxes are collected by the Brevard County Tax Collector and forwarded to the City of Palm Bay as they are received. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$28,467,595 is \$2,233,595 or 8.5% higher.

Beginning in FY 09, a new methodology for calculating municipal Operating Millage Property Tax revenue has been used. The implementation of Amendment One has placed additional restriction upon the level of property taxes a city can raise. The impact of Amendment One (i.e. the tax revenue reduced by the additional \$25,000 homestead exemption, portability, exemptions for tangible property and limits of growth in non-homesteaded assessments) must be factored into the calculation of the maximum property tax rate a majority of the City Council can pass and the maximum rate a super-majority of the City council may pass. The approved budgeted property tax rate of 8.4500 is below the majority limitation.

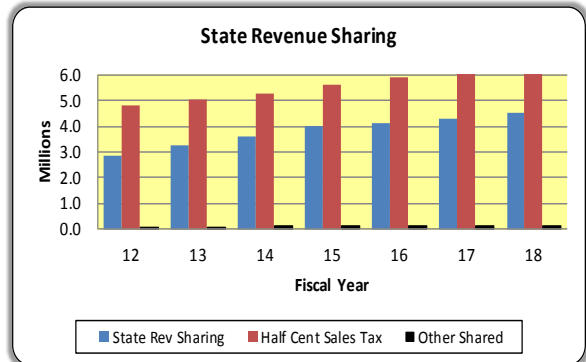
On November 8, 2016, the electorate voted to approve an ad valorem tax limitation of no more than a three percent increase in revenue over the current year's budgeted revenue amount. Under the three percent limitation, the City's Ad Valorem millage rate was capped at 8.1888 mills, an increase in revenue of \$792,792. In anticipation of the arrival of Hurricane Irma projected to impact the area, the City Council approved, by a supermajority, retaining of the 8.4500 millage rate for FY 2018. The additional funding would be used to cover a portion of expenses incurred from the hurricane.

- **Intergovernmental Revenues** are the second largest revenue source within the General Fund with FY 18 budgeted receipts of \$12,058,266 or 17.65% of Total Revenues/Sources. When compared

to the FY 17 estimated year-end receipts of \$11,545,237, the FY 18 Budget is \$513,029 or 4.4% higher. The FY 17 projected receipts are \$1,263,698 or 12.3% higher than FY 16 Actuals.

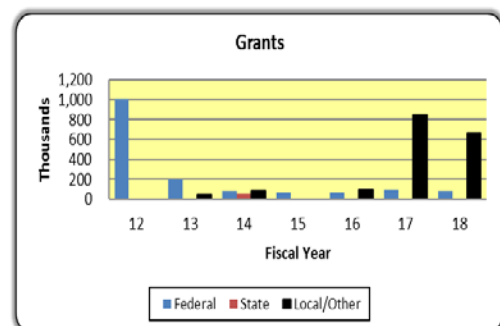
Specific revenue streams within this category include State revenue sharing, Federal and State grants, and local grants and/or share revenues. The annual budgets are set per the Department of Revenue estimates provided each year. Year-end projections are made by the Finance Office based on historic trends and fiscal year-to-date receipts.

- **State Revenue Sharing** – Revenue received from the Municipal Revenue Sharing Trust Fund for municipalities. These funds are derived from Sales and Uses Taxes, the One Cent Municipal Fuel Tax, and the State Alternative Fuel Decal Users Fee. FY 17 projected receipts of \$4,300,000 are \$190,047 or 4.6% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$4,515,736 is \$215,736 or 5.0% higher.



- **Half Cent Sales Tax** – Revenue derived from the Florida Local Government Half-Cent Sales Tax Program that returns to cities and counties 8.814% of sales tax proceeds (effective July 1, 2004). The funds are distributed to cities and counties from the Local Government Half-Cent Sales Tax Clearing Trust Fund to allow for the exercise of local discretion in providing for public service needs. FY 17 projected receipts of \$6,200,000 are \$299,350 or 5.1% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$6,686,792 is \$486,792 or 7.9% higher.
- **Other State Shared Revenues** – Revenue derived from reimbursements for the educational incentive payments made to firefighters by the City (from the State Insurance Councilor's Regulatory Trust Fund), a portion of alcoholic beverage license taxes (as received by the State, this is received from various alcoholic beverage license taxes levied on manufacturers, distributors, vendors, and sales agents of alcoholic beverages in Florida, and is administered, collected, enforced and distributed to the local governments by the Division of Alcoholic Beverages and Tobacco within the Department of Business Regulation) and a portion of annual license fees from mobile homes and park trailers charged in lieu of ad valorem taxes collected by the county tax collectors and then remitted to the Department of Highway Safety and Motor Vehicles which then deducts \$1.50 from each license for the State General Revenue Fund and \$1.00 for the Mobile Home Relocation Trust Fund. The remaining proceeds are placed into the License Tax Collection Trust Fund, and then remitted to local governments. Fifty percent (50%) is distributed to the district school board and fifty percent (50%) is distributed to the municipalities). FY 17 projected receipts of \$103,800 are \$5,861 or 5.3% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$107,000 is \$3,200 or 3.1% higher.

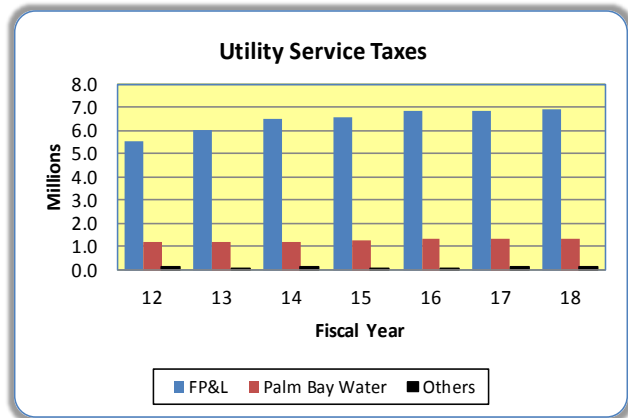
- **Federal Grants** – Revenues received from the United States federal government for local purposes. Grants are typically recorded as revenue received from specific federal government departments, agencies or grant programs. Federal Grants anticipated within the FY 18 Budget includes \$43,097 from the Victims of Crime Act (VOCA) Grant and Department of Justice \$41,345. This revenue stream is budgeted when City departments submit budget requests during the annual budget preparation



cycle and when departments receive grant awards that were not budgeted.

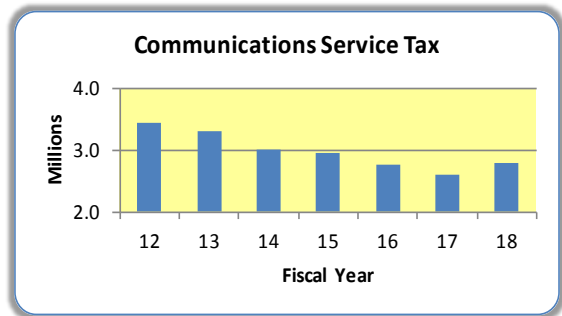
- **State Grants** – Revenues received from the State of Florida for local purposes. Grants are typically recorded as revenue received from specific state government departments, agencies or grant programs. Some prior year's receipts were received from Department of Transportation, Department of Environmental Protection, and other miscellaneous state agencies. No State grants are anticipated in FY 18 in the General Fund. This revenue stream is budgeted when City departments submit budget requests during the annual budget preparation cycle and when departments receive grant awards that were not budgeted.
- **Local and Other Shared Revenue** – Revenues derived from reimbursements from Brevard County for Parks Facilities and the Brevard County School Resource Officers (SROs) grant is anticipated in FY 18 in the General Fund.

- **Utility Taxes** comprise the third largest revenue stream within the General Fund with FY 18 revenues of \$11,181,457 (Utility Taxes and Communications Service Tax) or 16.37% of Total Revenues/Sources. For Utility Taxes only-FY 17 projected receipts of \$8,305,800 are \$17,606 or 0.2% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$8,402,000 is \$96,200 or 1.2% higher. Revenues are derived from fees levied on the purchase of electricity, gas/water, fuel oil, and propane within the City limits. Revenues are received from the sellers of such items on a monthly basis in the month following the month of collection. Per Florida Statute 166.231 (Municipalities; Public Services Tax) - Utility Tax on electricity, natural gas, liquid propane, and water shall not exceed 10% of gross receipts; utility tax on fuel oil shall not exceed 4 cents per gallon. For ease of comparability, the New Communications Service Tax, while technically not a utility tax, is included in this revenue group, although shown separately graphically. Said revenue streams are projected through historic trend analysis and identification of state and local economic indicators.

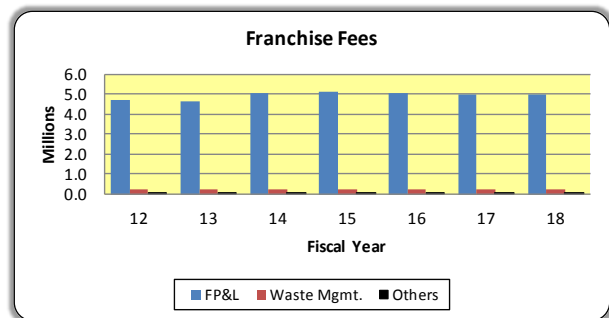


- **Florida Power & Light** – Revenues are derived from a levy of 10% of gross receipts. FY 17 projected receipts of \$6,850,000 are \$12,108 or 0.2% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$6,900,000 is \$50,000 or 0.7% higher.
- **Palm Bay Utilities (Water)** – Revenues are derived from a levy of 10% of gross receipts upon the City's Utilities Department. FY 17 projected receipts of \$1,340,000 are \$11,195 or 0.8% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$1,375,000 is \$35,000 or 2.6% higher.
- **Other Utility Service Taxes** – Revenues are derived from 10% of gross receipts on gas and/or propane and 4 cents per gallon on fuel oil. FY 17 projected receipts of \$115,800 are \$18,519 or 19.0% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$127,000 is \$11,200 or 9.7% higher. Continued weak growth in these revenue streams that predominately are used by businesses and higher-end residential customers is projected.

- **Communication Service Tax** – The Simplified Communications Services Law was passed in the regular session of the 2000 Florida Legislature. The law combined seven different types of communications taxes and fees into a new two-tiered tax composed of a state tax and a local option tax on communications services. The new Communication Services Tax law replaced cable and telephone franchise fees as well as all utility taxes on these communications services. This simplified law went into effect October 1, 2001. The communications services tax is imposed on retail sales of services which originate and terminate in Florida. FY 17 projected receipts of \$2,600,000 are \$156,083 or 5.7% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$2,779,457 is \$179,457 or 6.9% higher.

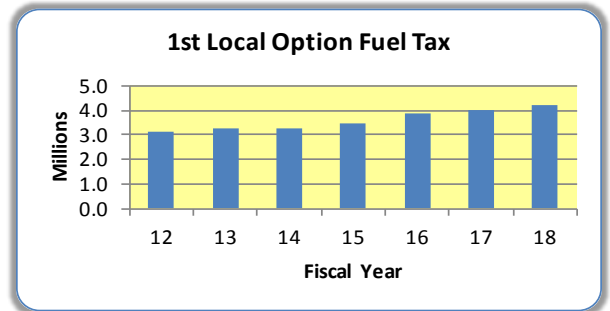


- **Franchise Fees** are the fourth largest revenue source within the General Fund with FY 18 budgeted receipts of \$5,240,000 or 7.67% of Total Revenues/Sources. When compared to the FY 17 estimated year-end receipts of \$5,240,000, the FY 17 Budget of \$5,240,000 is \$0 or 0.0% higher. FY 17 projected receipts are \$127,504 or 2.4% lower than the FY 16 Actuals. Franchise Fees are generated through agreements with specific utilities. These franchise agreements grant utilities the right to use public streets and alleyways, indirectly gives the right of eminent domain to acquisition of private property for utility facilities and access, and provides some liability protection. Systems eligible for franchising include electric light and power, heating, telegraph, cable television, district telegraph and alarm, motor bus or other public transit and waterworks or gasworks. The largest payees of franchise fees to the City, in order of magnitude of annual payments, include Florida Power & Light, Waste Management, Florida City Gas, and Heritage Propane.

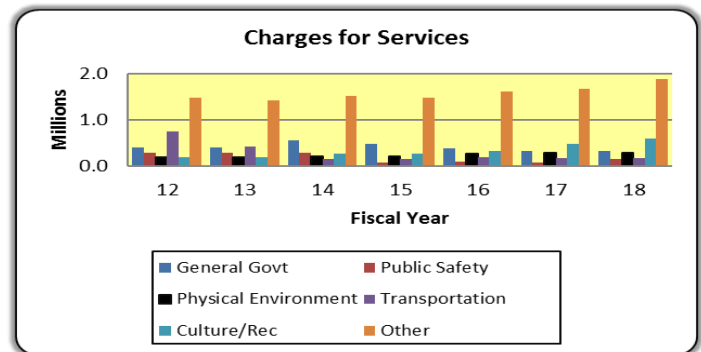


- **Florida Power & Light** – Revenues derived from a 30 year contract for the non-exclusive rights of renewal for the purpose of providing electricity and related services to the City on April 29, 2004. FY 17 projected receipts of \$5,000,000 are \$79,825 or 1.6% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$5,000,000 is \$0 or 0.0% higher.
- **Waste Management** – Revenues derived from an agreement signed in 1996 for 15 years with additional automatically renewing five year periods containing a 10% fee on residential and commercial bills and \$17.50 per pick-up of roll-off containers. The agreement was renewed in 2010 to create a residential solid waste program administered by the City and a separate non-exclusive roll-off container agreement. FY 17 projected receipts of \$210,000 are \$43,021 or 17.0% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$210,000 is \$0 or 0.0% higher.
- **Florida City Gas** – Revenues derived from an agreement signed in 1985 for a 30 year non-exclusive rights of renewal for the purpose of distributing natural gas and related services containing a 6% fee of total billings for the sale of gas. City Gas Company of Florida renamed itself to Florida City Gas in 2004. FY 17 projected receipts of \$30,000 are \$4,658 or 13.4% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$30,000 is \$0 or 0% higher.

- **Sales, Use and Fuel Taxes** (First Local Option Fuel Tax) is the fifth largest revenue source within the General Fund with FY 18 budgeted receipts of \$4,208,406 or 6.16% of Total Revenues/Sources. FY 17 projected receipts of \$3,980,000 are \$125,844 or 3.3% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget is \$228,406 or 5.7% higher. The only revenue stream within this grouping is the Local Option Gas tax as administered by the Florida Department of Revenue and distributed within each county per an allocation.



- **Charges for Service** are the sixth largest revenue source within the General Fund with FY 18 budgeted receipts of \$3,431,469 or 5.02% of Total Revenues/Sources. The FY 17 projected receipts of \$3,003,592 are \$109,348 or 3.8% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$3,431,469 is \$427,877 or 14.2% higher. Said services are grouped into the following categories: Other Charges, Culture/Recreation, General Government, Public Safety, Physical Environment and Transportation.



- **General Government** – Revenues are derived from the following activities:
  1. Zoning fees
  2. Street and/or easement vacation applications
  3. Sale of copies of the City documents
  4. Lien research charges
  5. Passport Application fees
  6. Code Enforcement Board fines
  7. Foreclosure application fee

FY 17 projected receipts of \$320,090 are \$61,242 or 16.1% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$321,390 is \$1,300 or 0.4% higher.

- **Public Safety** – Revenues are derived from the following activities:
  1. Sale of copies of the Police documents and reports
  2. County support of first responders
  3. Fire inspection fees from existing commercial building inspections
  4. Police range fees
  5. Fines and fees collected from excessive false Police and Fire monitored alarm activities.



FY 17 projected receipts of \$82,700 are \$19,742 or 19.3% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$153,000 is \$70,300 or 85.0% higher.

- **Physical Environment** – Revenues derived from the sale of recyclable materials. FY 17 projected receipts of \$285,600 are \$21,014 or 7.9% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 of \$295,000 is \$9,400 or 3.3% higher.
- **Transportation** – Revenues are derived from the following Charges for services:
  1. Mowing services for Brevard County, Florida Department of Transportation (FDOT), and Virginia Maintenance Services (VMS)
  2. Highway lighting maintenance for FDOT
  3. Traffic Signal Maintenance from FDOT
  4. Swale clearing or other services
  5. Right-of-way use permit fees
  6. City charge backs for the cost of work performed by General Fund Public Works crews for other City Funds

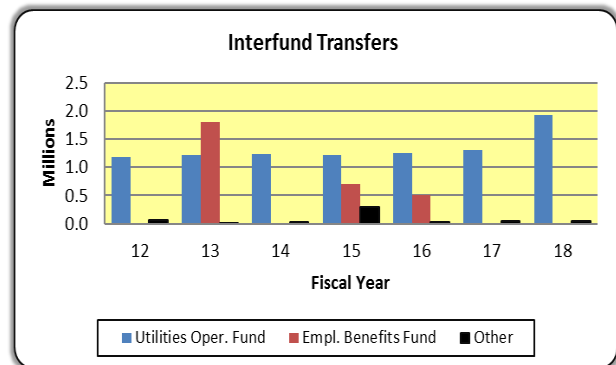
FY 17 projected receipts of \$166,000 are \$20,954 or 11.2% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$184,000 is \$18,050 or 10.9% higher.

- **Culture/Recreation** – Revenues derived from miscellaneous rentals, classes, flag football, trips, aerobics, basketball, softball, day camp, tournaments, baseball leagues, new programs, in-house labor, dances, special events, meeting rooms rental, Captain's House rental, gymnasium rental, handball/racquetball rental, ball field rental, ball field light fees, paintball sales, paintball contract payments, skate park rentals, miscellaneous sales and concessions. FY 17 projected receipts of \$481,150 are \$145,951 or 43.5% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$598,050 is \$116,900 or 24.3% higher.
- **Other Charges for Services** – Revenues in this category are derived from the following funds:
  1. Utilities Operating Fund
  2. Building Fund
  3. BCRA Fund
  4. Stormwater Utility Fund
  5. Solid Waste Fund
  6. HANDS Combined Fund

These funds are charged for their share of administrative costs within the General Fund. Such costs include internal services provided by the following departments: City Clerk's Office, Office of the City Manager, Human Resources, Finance and Communications & Information and Technology. The Finance Department annually updates the percentage of administrative costs allocated to those departments based on specific administrative service demand indicators. FY 17 projected receipts of \$1,668,052 are \$44,321 or 2.7% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$1,879,979 is \$211,927 or 12.7% higher.

- **(Interfund) Transfers** are the seventh largest revenue source within the General Fund with FY 18 budgeted receipts of \$2,408,344 or 3.53% of Total Revenues/Sources. Transfers provide the General Fund with resources from other City funds for the cost of activities budgeted within General Fund departments but that have a direct impact upon the mission of the other funds' activities.

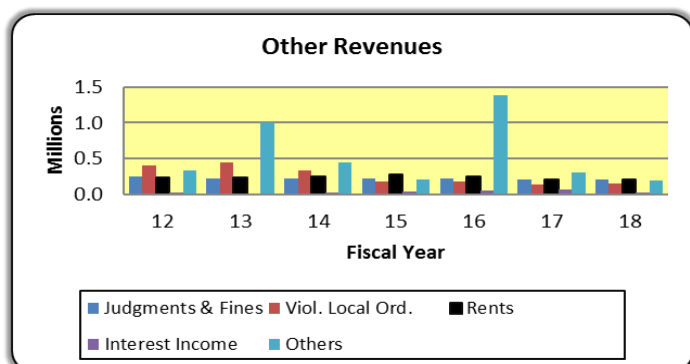
- **Transfer from Utilities Operating Fund** – Revenues transferred to the General Fund to support the General Fund Finance Department Utilities Customer Service Division plus the transfer of the Payment In Lieu of Taxes (PILOT) which is the equivalent amount of property taxes the Utilities Department would pay if the function was privately owned.



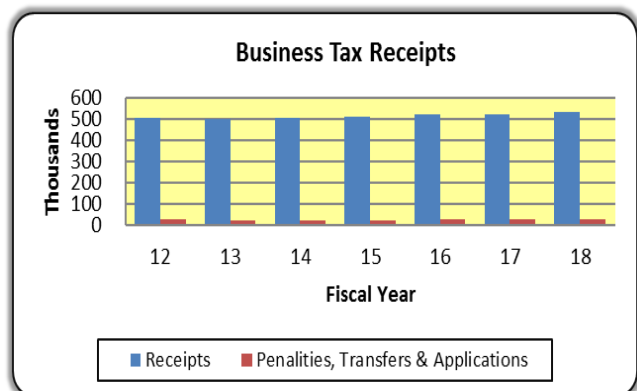
FY 17 projected receipts of \$1,305,825 are \$53,929 or 4.3% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$1,922,117 is \$616,292 or 47.2% higher.

- **Transfer from Nuisance Fund** – Revenues returning funds to the General Fund for work done for liens based on FY 18 budget. The Nuisance Fund was established in FY 10 to track the cost of maintaining properties with code violations where the owners were unwilling to abate the problems. FY 18 Budget of \$4,536 compared to FY 17 estimated year-end receipts is \$1,670 or 26.9% lower. This reduction is based on calculation change in FY 18 to be aligned with administrative allocation in other charges for services revenue. FY 17 projected receipts of \$6,206 are \$13,794 or 69.0% lower than FY 16 Actuals.
- **Transfer from Other** (including Employee Benefits fund) – Revenues transferred to the General Fund for Miscellaneous purposes such as closing funds; Stormwater Utility Fund returning Stormwater Utility Fees that were charged to City and ruled by City Attorney that government entities should be exempt according to Florida Statute; and Employee Benefits fund to transfer portion back to Other Employee Benefits fund. In FY 15 had one-time transfer from Road Maintenance Trust Fund to General Fund. General Fund then transferred this out to Road Maintenance CIP Fund. This was to remove from Trust Fund and place in CIP Fund. FY 17 projected receipts of \$523,883 are \$337,978 or 39.2% lower than FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$481,691 is \$42,192 or 8.1% lower.

- **Other Revenue Sources** (Miscellaneous Revenues, Licenses and Permits, and Fines and Forfeitures-including Business Tax receipts) are the eighth largest revenue stream and in aggregate are budgeted at \$1,319,900 which comprises 1.93% of projected Total Revenues/Sources for the General Fund in FY 18. FY 17 projected receipts of \$916,442 are \$1,177,165 or 56.2% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$760,100 is \$156,342 or 17.1% lower.

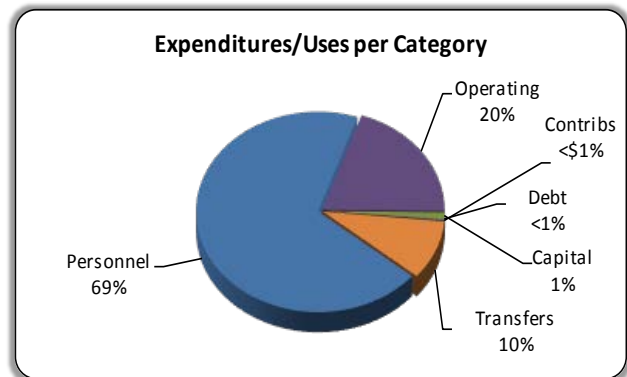


- **Interest Earnings** – Revenue derived from interest earnings on pooled cash investments. Beginning in the 1980's, the resources of all City funds available for deposit into bank accounts, or for investment, have been commingled in a consolidated cash pool. These pooled resources are invested as outlined by the City's Investment Policy. This revenue source is budgeted using the following formula: (Beginning Fund Balance + Ending Fund Balance) divided by "2" (simple average), X Interest rate (estimated return on investments), X 1.34 (adjusted factor to increase earnings to match actual experience). FY 17 projected receipts of \$68,206 are \$14,386 or 26.7% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$26,000 is \$42,206 or 61.9% lower.
- **Rents and Royalties** – Revenue derived from the lease of City property. FY 17 projected receipts of \$200,000 are \$53,543 or 21.1% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$200,000 is \$0. or 0.0% higher.
- **Other (Licenses, Fees & Permits)** – Revenue derived from Board of Adjustment (BOA) application fees, flood plain permit fees and tree permit fees. FY 17 projected receipts of \$5,600 are \$3,527 or 38.6% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$7,200 is \$1,600 or 28.6% higher.
- **Other (Miscellaneous Revenues)** – Revenue derived from miscellaneous types such as P-card rebate; Developer deposit forfeiture; Derivative Settlements and Capital Leases and Property Sales of City owned property. FY 17 projected receipts of \$299,636 are \$1,082,440 or 78.3% lower than the FY 16 Actuals. This includes new revenue source of City owned property sales. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$180,600 is \$119,036 or 39.7% lower. Property sales are budgeted based on quarterly budget amendment as they are received.
- **Judgments and Fines** – Revenue derived from various sources including found or abandoned money or property, restitution, court fines and investigative cost recoveries. FY 17 projected receipts of \$203,800 are \$8,629 or 4.1% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$203,800 is \$0. or 0.0% higher.
- **Violation of Local Ordinances** – Revenues collected from fines imposed by the Code Enforcement Board for violation of City Ordinances. The Board fines are placed as liens on property and are collected by the Code Enforcement Division and Liens Office. Additionally, parking citations, and false alarm fines are included in this group. FY 17 projected receipts of \$139,200 are \$43,412 or 23.8% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$142,500 is \$3,300 or 2.4% higher.
- **Business Taxes** – Revenue derived from fees imposed by the City on all businesses, professions and occupations operating within the City's jurisdiction. The number of business tax payers and the total taxes paid is an indicator of the business climate of the City. Licenses are issued for a period of no more than one year. FY 17 projected receipts of \$525,200 are \$2,774 or 0.5% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$559,800 is \$7,800 or 1.4% higher.



### **Expenditures/Uses**

The Total FY 18 General Fund Expenditures/Sources of \$68,315,437 (including transfers) is budgeted to decrease \$627,002 or 0.9% from the FY 17 Amended Budget. This change represents a decrease in costs partially due to Hurricanes Matthew and Irma. Personnel costs of \$2,089,383 or 4.6% higher; decrease in operating \$577,864 or 4.1% lower; decrease in capital \$165,928 or 18.6% lower; 100% increase in debt \$129,262; decrease in contributions \$43,313 or 46.4% lower and a decrease in transfers \$2,058,542 or 24.0% lower.



Not surprisingly, an examination of the pie chart to the right illustrates personnel costs are the largest category of Expenditures/Uses in the General Fund consuming 69% of the FY 18 Budget.

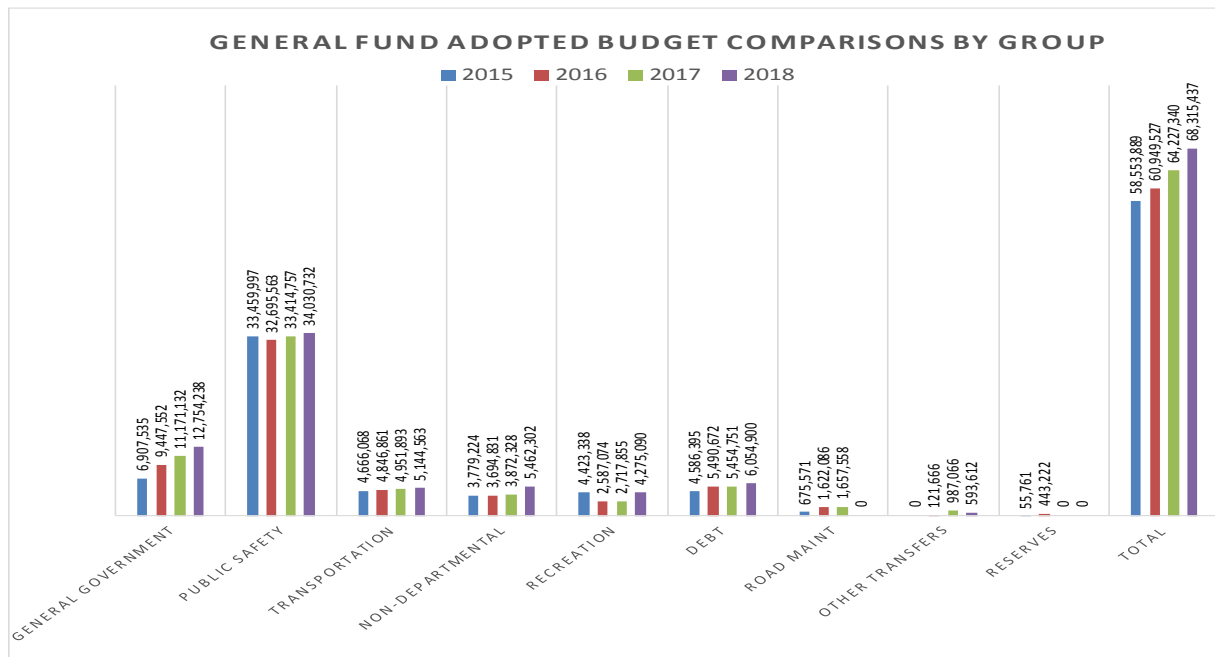
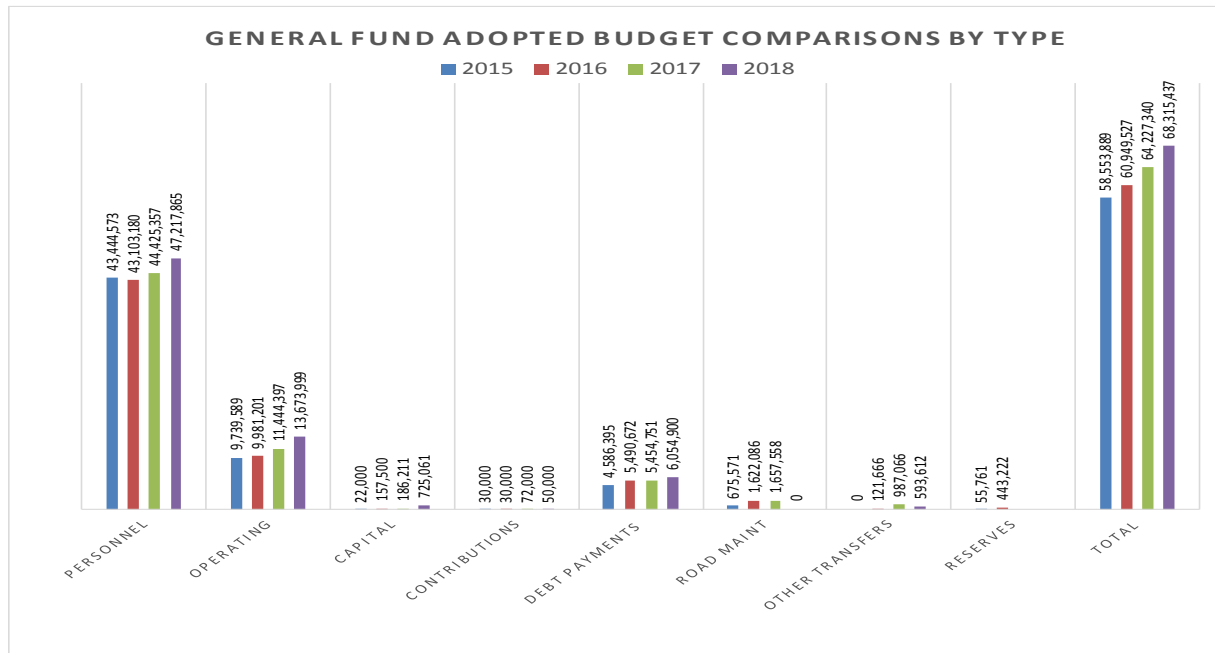
Detailed strategic and operational information regarding Departmental budgets is provided in the Department Summaries section of this document.

### **Change in Fund Balance**

The FY 18 Budget Estimated Year-end Fund Balance of \$6,508,454 is \$0 or 0.0% lower than the FY 17 Estimated Year-end Fund Balance. This is \$401,341 over the required minimum balance of \$6,107,113. The primary factor affecting the stable nature of the fund balance is the combination of City Management's desire to retain as many positions as possible given the continued economic recession while keeping the Year-end Fund Balance above the minimum 10% of operating budget fund balance policy.

## Comparison of Adopted Budgets

The following charts show Comparison of Adopted Budgets for the General Fund from FY 2015 to FY 2018 by Type and by Group. The General Government includes Legislative, City Manager Office, City Attorney Office, Procurement, Finance, Communication & Information Technology, Human Resources, Growth Management, Economic Development and Facilities departments. The Public Safety Group shows the Police and Fire departments. Transportation is Public Works department and Recreation is Parks department. Transfers from General Fund to other Funds are broken down between transfers to Road Program CIP Fund, Debt Funds, and other (may contain Community Investment Program Fund, Parks Facilities Fund, Fleet Fund, and Other Employee Benefit Fund).



Below is a breakdown of Funded requests for General Fund and whether they are recurring or a one-time charge:

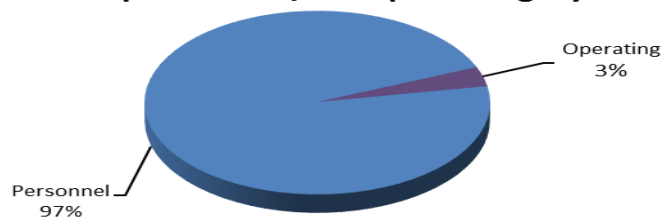
General Fund Department	Description of Funded Requests	Total	Recurring	One-Time
Legislative	Rcl Admin Assist & Exec Secretary	4,683	4,683	
Finance	Property Tax Billings Increase	500	500	
Finance/C&IT	False Alarm Software License	5,400	5,400	
Human Resources	NeoGov Software Upgrade	12,000	12,000	
C&IT	RSA Tokens for Public Safety	8,400	1,575	8,400
C&IT	Rcl Network Analyst to Network Admin	3,609	3,609	
C&IT	Repl Servers for Public Admin & Safety	85,061	13,908	85,061
C&IT	Datacenter UPS - Mod Power Upgrade	22,300	500	22,300
C&IT	VOIP Network & Telephone Upgrade	640,000	124,000	640,000
C&IT	Superion Cognos Reporting	34,340	(2,000)	34,340
C&IT	PD in Car Video Annual Storage & SW	8,161	8,161	
C&IT	Public Works Trans-map San Storage	12,000	12,000	
Economic Development	Realloc of CIO Coord between Util/EDEA	2,263	2,263	
Parks & Recreation	Parks Fencing Replacements project	100,000		100,000
Facilities	Halon Inspections contractual increase	150	150	
Facilities	Uniforms and Clothing contractual incr	1,500	1,500	
Facilities	Janitorial Services contractual increase	4,400	4,400	
Facilities	Repl PD Dispatch Halon System project	40,000		40,000
Facilities	Repl City Hall Fire Panel project	20,000		20,000
Facilities	Ted Whitlock contractual maint increase	10,300	10,300	
Facilities	Fred Poppe Reg Park contractual maint	31,612	31,612	
Facilities	Greater PB Senior Ctr contractual maint	645	645	
Facilities	PB Aquatic Ctr contractual maint increase	41,184	41,184	
Police	Police Radio Replacements	153,000		153,000
Fire	Fire Personal Protection Equipment	60,000		60,000
Fire	Upgrade Vehicle Rescue Cutters	19,200		19,200
Public Works	Surveying Copier Lease increase	5,100	5,100	
Public Works	County Disposal Landfill Tax increase	1,550	1,550	
General Government	Trf to Fleet Fund for Tags/Titles increase	2,483		2,483
General Government	Trf to CIP Fund for Bus Shelter Installation	8,886		8,886
<b>Total General Fund Funded Requests:</b>		<b>1,338,727</b>	<b>283,040</b>	<b>1,193,670</b>

## *Law Enforcement Trust Fund Summary*

### 101 - LAW ENFORCEMENT TRUST FUND

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	182,962	298,807	274,598	274,598	267,667	-2.52%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	
Charges for Service	-	-	-	-	-	
Fines and Forfeitures	158,785	-	-	78,658	-	
Miscellaneous	4,690	-	-	3,014	-	
Transfers	-	-	-	-	-	
TOTAL REVENUES/SOURCES	163,476	-	-	81,672	-	
TOTAL FUNDS AVAILABLE	346,438	298,807	274,598	356,270	267,667	-2.52%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	71,840	-	165,047	88,603	65,922	-60.06%
Fire	-	-	-	-	-	
Public Works	-	-	-	-	-	
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Transfers	-	-	-	-	-	
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	71,840	-	165,047	88,603	65,922	-60.06%
Revenues Over/(Under)Expenditures	91,636	-	(165,047)	(6,931)	(65,922)	-60.06%
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	274,598	298,807	109,551	267,667	201,745	
TOTAL ENDING BALANCE	274,598	298,807	109,551	267,667	201,745	84.16%

**Expenditures/Uses per Category**



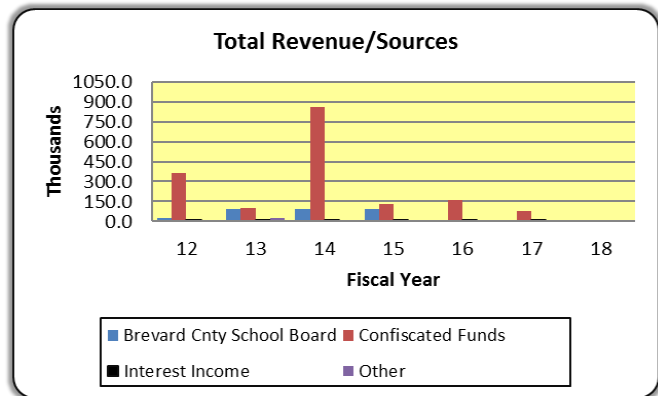
## *Analysis*

**The Law Enforcement Trust Fund (LETF)** accounts for revenues from forfeited property as per Florida Statutes, Chapter 932. Funds are to be expended for law enforcement purposes other than normal operations. All expenditures must be approved by City Council as funding becomes available.

### **Revenue/Sources**

Per requirements outlined above, revenues cannot be budgeted. When fines and forfeitures or interest income occur, they are deposited and recognized the next time staff requests the City Council to authorize needed expenditures and will place on next budget amendment. An analysis of previous years' Total Revenue/Sources illustrates a decreasing level of funds flowing into the fund. FY 17 projected receipts of \$81,672 are \$81,804 or 50.04% lower than the FY 16 Actuals.

- Fines and Forfeitures – Revenues derived from:
  - Confiscated funds from criminal investigations leading to the connection required under civil forfeiture to seize money under Florida Statutes 932.
  - Settlement agreements as a result of seizing property under Florida Statutes 932.
  - Federal forfeited property from the joint acquisition of seized property under the Federal Sharing Agreements.
- Miscellaneous Revenue – Revenues derived from:
  - Interest income on pooled cash investments. Beginning in the 1980's, the resources of all City funds available for deposit into bank accounts, or for investment have been commingled in a consolidated cash pool.
  - City auction proceeds from property that was seized and awarded under Florida Statutes 932 and sold at auction.



Due to the unknown nature of future year revenues, the City does not budget this revenue stream. Receipts are recognized when earned. Modest growth in this revenue stream is anticipated in future years as interest income collections are expected to remain high and interest rates slowly increase while auction proceeds vary from year to year. Starting in FY 16, the School Resource Officer (SRO) Grant is in the General Fund, since the SROs are now being paid out of General Fund.

### **Expenditures/Uses**

Per requirements previously mentioned, expenditures for law enforcement purposes other than budgeted items must be approved per the City Council. FY 17 projected Total Expenditures/Uses of \$88,603 are \$16,763 or 23.3% higher than the FY 16 Actuals. FY 18 currently is budgeted for School Crossing Guards and School Crossing Guard Supervisor.

### **Change in Fund Balance**

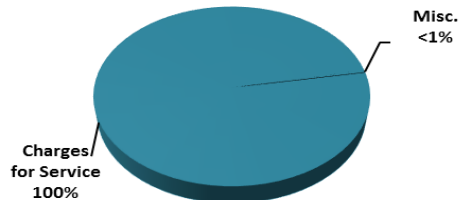
Projected for FY 18 Year-end Fund Balance is \$201,745, is \$65,922 or 24.6% lower than FY 17 Year-end Estimated Fund Balance of \$267,667.



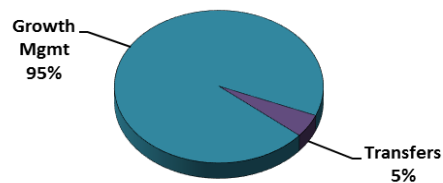
## Nuisance Special Revenue Fund Summary

105 NUISANCE SPECIAL REVENUE FUND	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	49,560	40,041	138,463	138,463	123,998	-10.45%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	
Charges for Service	149,294	215,000	215,000	160,000	155,000	-27.91%
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	-	-	-	535	600	
Transfers	-	-	-	-	-	
TOTAL REVENUES/SOURCES	149,294	215,000	215,000	160,535	155,600	-27.63%
TOTAL FUNDS AVAILABLE	198,854	255,041	353,463	298,998	279,598	-20.90%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	189,000	189,000	175,000	89,000	-52.91%
Economic Development	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Facilities	-	-	-	-	-	
Police	40,391	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	-	-	-	-	-	
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Transfers	20,000	6,206	6,206	-	4,536	-26.91%
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	60,391	195,206	195,206	175,000	93,536	-52.08%
Revenues Over/ (Under) Expenditures	88,903	19,794	19,794	(14,465)	62,064	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	138,463	59,835	158,257	123,998	186,062	
TOTAL ENDING BALANCE	138,463	59,835	158,257	123,998	186,062	17.57%

**Revenues/Sources**



**Expenditures/Uses**



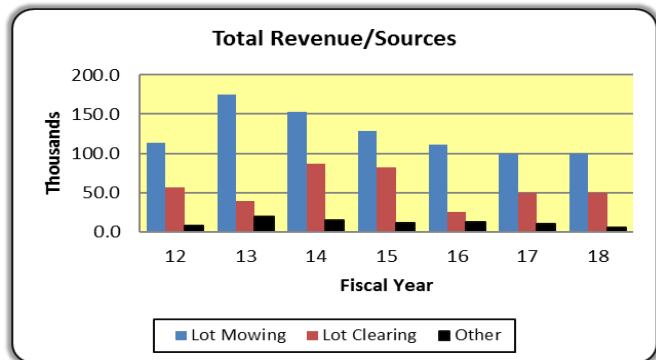
## *Analysis*

The Nuisance Special Revenue Fund was created in FY 10 to account for revenues and expenditures associated with mowing and lot clearing services related to code compliance activities. Previously, these activities were handled under the umbrella of the General Fund. In FY 17, the Fund was moved under the management of the Growth Management department from the management of the Police department.

### Revenue/Sources

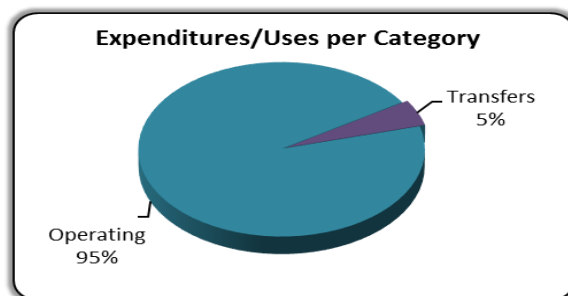
Total Revenues/Sources budgeted for FY 18 of \$155,600 is \$4,935 or 3.1% lower when compared to FY 17 estimated year-end receipts of \$160,535. FY 17 estimated year-end receipts are \$11,241 or 7.5% lower than FY 16 Actuals.

- Nuisance Abatement Charges – Revenues derived from:
  - Lot mowing charges for correcting code violations on improved properties that the owners are unwilling to rectify within acceptable time.
  - Lot clearing charges for correcting code violations on unimproved properties that the owners are unwilling to rectify within acceptable time.
  - Other nuisance fees necessary to abate code violations on private property when the owner is unwilling to perform the work.



### Expenditures/Uses

Budgeted for FY 18 is a Total Budget of \$93,536 is \$81,464 or 46.6% lower than the FY 17 year-end estimates of \$175,000. FY 17 projected Total Expenditures/Uses are \$114,609 or 189.8% higher than the FY 16 Actuals. The chart to the right illustrates the majority of the FY 18 expenditures are in the operating category.



### Change in Fund Balance

Projected for FY 18 year-end Fund Balance is \$186,062 or 50.1% from the FY 17 Year-end Estimated Fund Balance of \$123,998. The City incurs expenses to correct nuisance violations, and property owners are invoiced for services rendered. The lag between when funds are expended and when they are paid by property owners results many years results in a negative fund balance.

***Housing and Neighborhood Development Services (HANDS)  
(Combined) Fund Summary***

HANDS (COMBINED)						APPROVED TO FY 17 AMENDED % CHANGE
	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	
BEGINNING BALANCE	(45,604)	(1,137,452)	(199,481)	(199,481)	(1,080,592)	
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	1,134,795	679,500	2,268,943	2,026,421	1,349,820	-40.51%
Charges for Service	109,256	25,000	45,500	80,913	-	-100.00%
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	1,912	500	500	7,000	-	-100.00%
Transfers	21,155	-	-	-	-	
TOTAL REVENUES/SOURCES	1,267,117	705,000	2,314,943	2,114,334	1,349,820	-41.69%
TOTAL FUNDS AVAILABLE	1,221,513	(432,452)	2,115,462	1,914,853	269,228	-87.27%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	1,419,712	679,500	2,982,049	2,995,445	1,349,820	-54.74%
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	-	-	-	-	-	
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Transfers	1,282	-	-	-	-	
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	1,420,994	679,500	2,982,049	2,995,445	1,349,820	-54.74%
Revenues Over/(Under)Expenditures	(153,877)	25,500	(667,106)	(881,111)	-	
ENDING BALANCE						
Adjustments		-	-	-	-	
Fund Balance:						
Reserved/Restricted		-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	(199,481)	(1,111,952)	(866,587)	(1,080,592)	(1,080,592)	
TOTAL ENDING BALANCE	(199,481)	(1,111,952)	(866,587)	(1,080,592)	(1,080,592)	24.70%

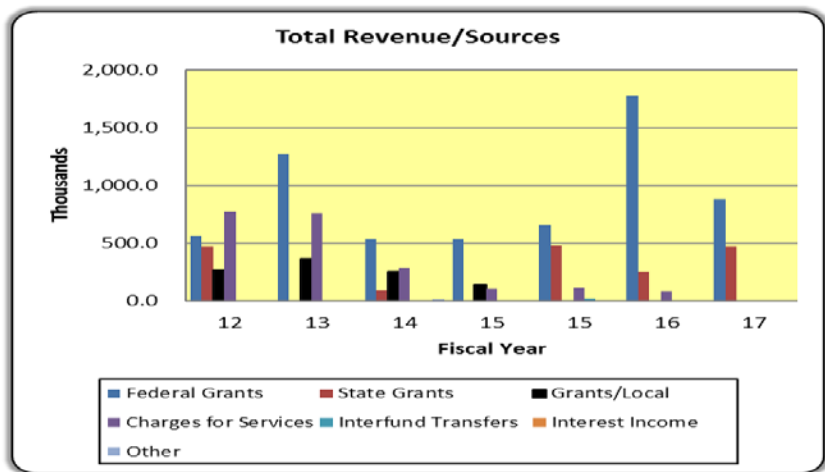
## *Analysis*

The Housing and Neighborhood Development Services (HANDS) (Combined) Fund Summary consists of:

- State Housing Grant Fund (111) accounts for the State Housing Initiatives Partnership (SHIP) Program grant from the State of Florida to assist low-income families and Homes for Warriors program.
- Community Development Block Grant Fund (CDBG) (112) accounts for dollars received from the Federal Housing and Urban Development (HUD) for specific programs related to community development.
- HOME Investment Grant Fund (114) accounts for the HUD grant received as a pass-through from the County to create a Home Investment Partnership program for low-income families within the City.

### Revenue/Sources

Total Revenues/Sources budgeted for FY 18 of \$1,349,820 is \$764,514 or 36.2% lower than the FY 17 estimated year-end receipts of \$2,114,334. All revenue streams unless otherwise noted, are projected by the Budget Office in consultations with the Growth Management Department and reviewed by the City Manager. The FY 18 Budget is projected from the FY 17 year-end estimates rather than the FY 17 Approved Budget levels. Comparisons to both are provided in the following detailed analyses.



- Federal Grants – Revenues derived from:
  - Grants from the Community Development Block Grant (CDBG) which is funded through the U.S. Department of Housing and Urban Development (HUD). HUD determines the amount of entitlement by a statutory dual formula which uses several objective measures of community needs. The CDBG program is authorized for the next two years; funding is received in October and the City has two years to commit those funds.
  - Grants from the HOME Investment Grant which is funded through the U.S. Department of Housing and Urban Development. Funds are allocated to the Brevard County Consortium of Governments which distributes a share of HOME dollars to the cities of Melbourne, Cocoa, Titusville and Palm Bay. HUD determines the amount of entitlement by a statutory dual formula which uses several objective measures of community needs. The allocation of HOME funds is based on a percentage that each of the consortium members receives in CDBG funds. This program is authorized for the next two years; funding is received in October and the City has two years to commit those funds.

FY 17 projected receipts of \$1,775,702 are \$1,120,203 or 170.9% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$881,263 is \$894,439 or 50.4% lower. FY 18 Budget only includes the current year Grant and does not include the balance of Grant which has the two-year timeframe to commit funds and the nature of the

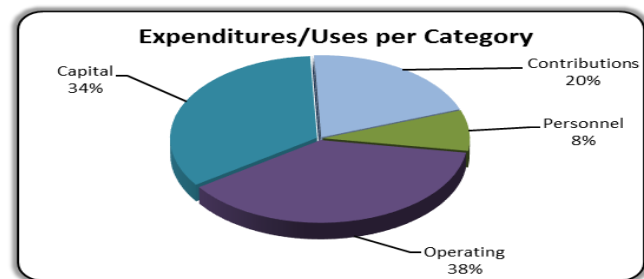
reimbursement by draw down instead of receiving funding upfront. The grant balance will be rolled from FY 17 to FY 18.

- State Grant – Revenues derived from grants received from the State Housing Initiative Program (SHIP) which is funded through the State of Florida's Housing Finance Corporation. Funding is received upfront and not on a reimbursable basis. FY 17 projected receipts of \$250,719 are \$228,577 or 47.7% lower than FY 16 Actuals of 479,296. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$468,557 is \$217,838 or 86.9% higher.
- Miscellaneous Revenues – Revenues derived from:
  - Program Income revenues derived from program activities.
  - Interest Income derived from investment of funds not yet expended.
  - Charges for Service derived from the repayment of Economic Development loans and Housing Rehabilitation loans.

FY 17 projected receipts of \$87,913 are \$23,254 or 20.9% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$0 is \$87,913 or 100% lower. These reductions are due to program income from sale of homes is drastically reduced since now donating the finished homes to the Homes for Warriors program.

### Expenditures/Uses

FY 18 Total Budget of \$1,349,820 is \$1,645,625 or 54.9% lower than the FY 17 year-end estimates. FY 17 projected Total Expenditures/Uses of \$2,995,445 are \$1,574,451 or 110.8% higher than the FY 16 Actuals. The chart to the right illustrates the majority of the FY 18 expenditures are in the Operating category.



### Change in Fund Balance

The FY 18 Budget Year-end Fund Balance is projected at (\$1,080,592), an increase of \$0 or 0% from the FY 17 Year-end Fund Balance estimate.

## *Environmental Fee Fund Summary*

### 161 - ENVIROMENTAL FEE FUND

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	(615,880)	(610,880)	(608,867)	(608,867)	(599,392)	-1.56%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	
Charges for Service	16,988	12,475	12,475	15,975	12,500	0.20%
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	-	-	-	-	-	
Transfers	-	-	-	-	-	
TOTAL REVENUES/SOURCES	16,988	12,475	12,475	15,975	12,500	0.20%
TOTAL FUNDS AVAILABLE	(598,892)	(598,405)	(596,392)	(592,892)	(586,892)	-1.59%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	-	-	-	-	-	
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Transfers	9,975	9,975	9,975	6,500	6,500	-34.84%
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	9,975	9,975	9,975	6,500	6,500	-34.84%
Revenues Over/(Under)Expenditures	7,013	2,500	2,500	9,475	6,000	
ENDING BALANCE						
Adjustments		-	-	-	-	
Fund Balance:						
Reserved/Restricted		-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	(608,867)	(608,380)	(606,367)	(599,392)	(593,392)	
TOTAL ENDING BALANCE	(608,867)	(608,380)	(606,367)	(599,392)	(593,392)	-2.14%

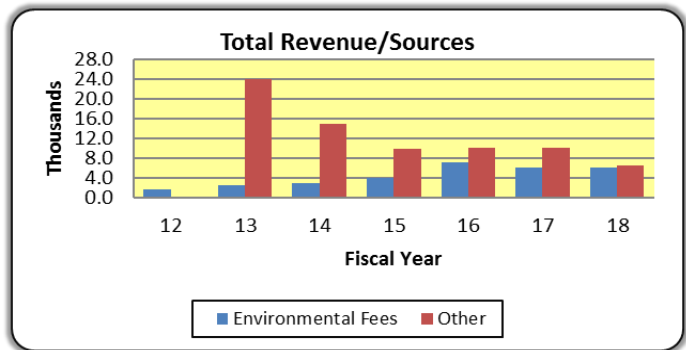
## *Analysis*

The Environmental Fee Fund was established through a mid-FY 2007 budget adjustment to pay for the initial Scrub Jay permit that enables property owners to pull permits in areas known as the endangered bird's habitat. Per federal rules and regulations, the City paid a \$656,500 initial permit and then is able to add a fee per acre to all master building permits which can be used for one-half of the monitoring costs. The Fund is designed to pay the debt service back to the Building Fund over a 30 plus year period. Additionally, an annual transfer to the Building Fund for one-half of the monitoring cost will be made from the Fund.

### Revenues/Sources

Total Revenues/Sources budgeted for FY 18 of \$12,500 is \$3,475 or 21.8% lower than FY 17 projected receipts of \$15,975. The FY 17 projected receipts are \$1,013 or 6.0% lower than the FY 16 Actuals.

- Charges for Services – Revenues derived from:
  - Environmental Fee assessed per acre to all master building permits.
  - “Other Revenue” which is an accounting offset for the contractual 50% of the monitoring cost the City is permitted to retain.



Since this revenue stream is tied to the construction industry, little growth is anticipated for the next year or two, until the local housing industry is expected to return to historic levels. The City Management re-addresses each year the debt service payment schedule since the budget level is only enough receipts to make the monitoring transfer and not the debt service payment.

### Expenditures/Uses

Budgeted for FY 18 is a Total Budget of \$6,500 is the same when compared to the FY 17 year-end estimates. FY 17 projected year-end estimates are \$3,475 or 34.8% lower than the FY 16 Actuals.

### Change in Fund Balance

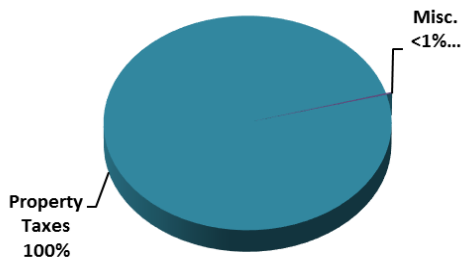
The FY 18 Budget Year-end Fund Balance is projected to be (\$593,392) with negative balance decreasing by \$6,000 or 1.0 %from FY 17 Estimated Year-end Fund Balance. The deficit is a result of an upfront payment of mitigation costs which will be repaid with future dedicated revenue sources; a portion of the revenue received from issuances of building permits.

## *Bayfront Community Redevelopment Agency Fund Summary*

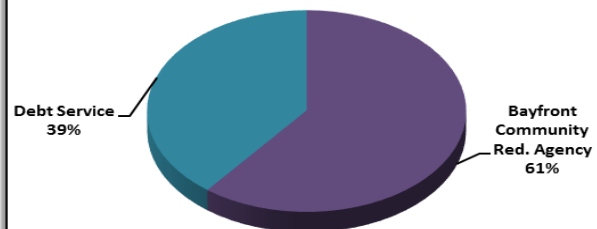
### 181 - BAYFRONT COMM. REDEVELOPMENT AGENCY

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	648,970	586,222	617,858	617,858	61,193	-90.10%
REVENUES/SOURCES:						
Property Taxes	661,954	794,446	794,446	794,446	1,229,575	54.77%
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	919,759	-	115,765	-	-	-100.00%
Charges for Service	-	-	-	-	-	
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	2,081	-	-	3,000	2,900	
Transfers	104,238	-	76	-	-	-100.00%
<b>TOTAL REVENUES/SOURCES</b>	<b>1,688,032</b>	<b>794,446</b>	<b>910,287</b>	<b>797,446</b>	<b>1,232,475</b>	<b>35.39%</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>2,337,002</b>	<b>1,380,668</b>	<b>1,528,145</b>	<b>1,415,304</b>	<b>1,293,668</b>	<b>-15.34%</b>
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	-	-	-	-	-	
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	1,243,435	250,832	913,396	879,423	731,658	-19.90%
Debt Service	475,709	471,326	474,688	474,688	475,383	0.15%
Transfers	-	-	-	-	-	
Non-Departmental	-	-	-	-	-	
<b>TOTAL EXPENDITURES/USES</b>	<b>1,719,144</b>	<b>722,158</b>	<b>1,388,084</b>	<b>1,354,111</b>	<b>1,207,041</b>	<b>-13.04%</b>
Revenues Over/(Under)Expenditures	(31,112)	72,288	(477,797)	(556,665)	25,434	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	617,858	658,510	140,061	61,193	86,627	
<b>TOTAL ENDING BALANCE</b>	<b>617,858</b>	<b>658,510</b>	<b>140,061</b>	<b>61,193</b>	<b>86,627</b>	<b>-38.15%</b>

**Revenues/Sources**



**Expenditures/Uses**





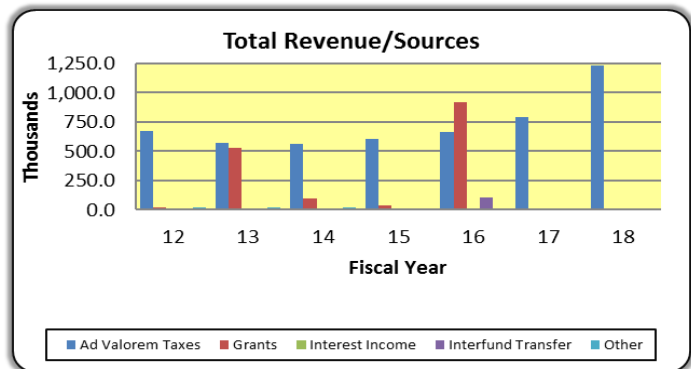
## *Analysis*

Bayfront Community Redevelopment Agency (BCRA) Fund accounts for revenues received from tax increment financing (TIF). Using the benchmark year of FY 99, revenue is generated by subsequent annual property valuation increase in the district for financing improvements.

### Revenue/Sources

FY 17 projected receipts of \$797,446 are \$890,586 or 38.1% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$1,232,475 is \$435,029 or 54.6% higher. This is due to increase in Property values and millage rate

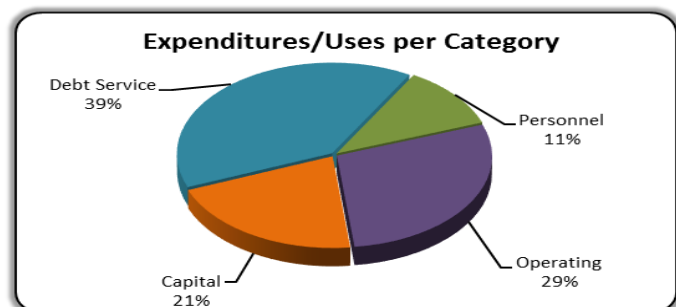
- Ad Valorem Taxes – Revenues derived from property tax increment financing within the District. Taxing entities pay 95% of the increment each year to the district. As additional properties redevelop within the BCRA, growth in this revenue stream is expected to return once the property valuations bottomed out in FY 13.



### Expenditures/Uses

Budgeted for FY 18 is a Total Budget of \$1,207,041 are \$147,070 or 10.9% higher than the

FY 17 year-end estimates. FY 17 projected Total Expenditures/Uses of \$1,354,111 are \$365,033 or 21.2% lower than the FY 16 Actuals. The chart to the right illustrates the majority of the FY 18 expenditures are in the Debt Service category and then Operating category.



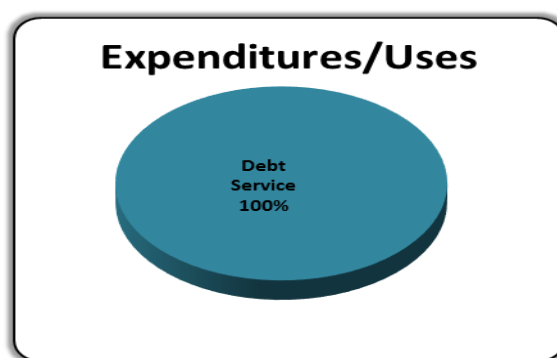
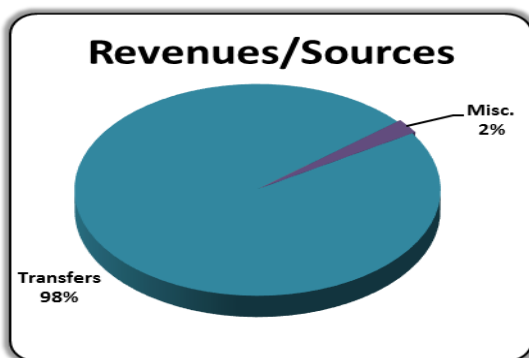
### Change in Fund Balance

Projected for FY 18 Year-end Fund Balance is \$86,627, an increase of \$25,434 or 41.6% from the FY 17 Year-end Estimated Fund Balance of \$61,193. Fund Balance can be anticipated to fluctuate slightly in future years as property valuation fluctuates and more CIP projects are undertaken.

## *Debt Service (Combined) Fund Summary*

### DEBT SERVICE COMBINED

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	4,625,004	4,540,626	4,506,596	4,506,596	4,604,132	2.16%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	
Charges for Service	-	-	-	-	-	
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	16,072,044	141,358	4,114,604	147,133	153,997	-96.26%
Transfers	6,036,604	6,313,224	6,295,507	6,385,665	6,784,274	7.76%
<b>TOTAL REVENUES/SOURCES</b>	<b>22,108,648</b>	<b>6,454,582</b>	<b>10,410,111</b>	<b>6,532,798</b>	<b>6,938,271</b>	<b>-33.35%</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>26,733,652</b>	<b>10,995,208</b>	<b>14,916,707</b>	<b>11,039,394</b>	<b>11,542,403</b>	<b>-22.62%</b>
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	-	-	-	-	-	
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	22,198,209	6,466,579	10,469,445	6,435,262	6,301,979	-39.81%
Transfers	28,848	-	-	-	-	
Non-Departmental	-	-	-	-	-	
<b>TOTAL EXPENDITURES/USES</b>	<b>22,227,057</b>	<b>6,466,579</b>	<b>10,469,445</b>	<b>6,435,262</b>	<b>6,301,979</b>	<b>-39.81%</b>
Revenues Over/(Under)Expenditures	(118,408)	(11,997)	(59,334)	97,536	636,292	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	4,506,596	4,528,629	4,447,262	4,604,132	5,240,424	
<b>TOTAL ENDING BALANCE</b>	<b>4,506,596</b>	<b>4,528,629</b>	<b>4,447,262</b>	<b>4,604,132</b>	<b>5,240,424</b>	<b>17.83%</b>



## *Analysis*

The Debt Service Fund accounts for the principal and interest payments of the following funds:

- Debt Service Fund (201) - Accounts for the revenues and corresponding expenditures required for the lease-purchase of capital items benefitting the entire City and/or non-enterprise/internal service funds.
- 2004 Pension Bonds Debt Service Fund (214) - Accounts for the revenues and expenditures necessary to cover the debt service for the Taxable Special Obligation Revenues Bonds, Series 2004 that were issued for the purpose of funding the unfunded actuarial accrued liability within the Police and Fire Pension system and paying the costs of issuing the bonds. Said Bonds will be repaid in FY 2031.
- Capital Improvement Revenue Bonds, Series 2010 (219) – The \$5,485,000 City of Palm Bay, Florida Public Service Tax Refunding Revenue Bonds, were issued for the purpose of constructing the City Hall Annex. The bonds are payable solely from the proceeds received by the City from the Public Service Tax levied pursuant to the Public Service Tax Statute and Public Service Tax Ordinance. The City is authorized by Section 166.231, Florida Statutes, to impose, levy, and collect a tax of up to 10% upon each and every purchase of electricity, metered or bottled gas, and water service. The City is presently levying such taxes at the maximum rates.
- Taxable Special Obligation Refunding Bonds, Series 2013 (Fund 221): The City of Palm Bay issued \$50,855,000 for the purposes of 1) refunding the Taxable Special Obligation (Pension Funding Project) Bonds, Series 2008, 2) terminating an interest rate hedge agreement (swap agreement), and 3) pay the costs of issuing the Series 2013 Bonds. The Series 2013 Bonds are payable from the Pledged Funds, which consists primarily of the Designated Revenues consisting of the Communications Services Tax Revenues and the Public Service Tax Revenues subject to the prior lien of the Senior Lien Bonds, with an additional pledge, if needed, of Non-Ad Valorem Revenues actually budgeted, appropriated and deposited in the Sinking Fund for the Series 2013 Bonds.
- Local Option Gas Tax Refunding Revenue Note, Series 2014 (Fund 222): In April, 2014, the City issued a note in the sum of \$3,885,000 for the principal purpose of advance refunding all of the City's outstanding Local Option Gas Tax Revenue Bonds, Series 2004. The note is secured through local option gas tax revenue. In May, 2004, the City issued the Series 2004 Bonds to finance certain transportation improvements within the City and to pay the costs of issuing the bonds.
- Franchise Fee Revenue Note, Series 2015 (Fund 223): In 2015, the City issued a note in the sum of \$4,744,000 to fund the construction of an interchange on I-95 in south Palm Bay. The project necessitated the purchase of mitigation credits or shares in a mitigation bank. The note is secured through franchise fee revenues.
- Community Investment Revenue Refunding Bonds, Series 2015 (Sales Tax) (Fund 224): In 2006, the City of Palm Bay issued debt to fund \$14,395,000 worth of capital investment projects, which included building a new joint Police/Fire District Station in the southwestern section of the City, rebuilding Fire Station #90, and to pay for 50-60 miles of road reconstruction and paving. In 2015 the City issued the Sales Tax Revenue Refunding Bonds, Series 2015, to refund the 2006 bonds and cover costs of issuance.
- Community Investment Revenue Refunding Bonds, Series 2015 (Impact Fees) (Fund 225): In 2006, the City of Palm Bay issued debt to fund \$3,970,000 for road capacity/bridge replacement

project at the intersection of Jupiter Blvd/Minton Road. In 2015 the City issued the Sales Tax Revenue Refunding Bonds, Series 2015, to refund the 2006 bonds and cover costs of issuance.

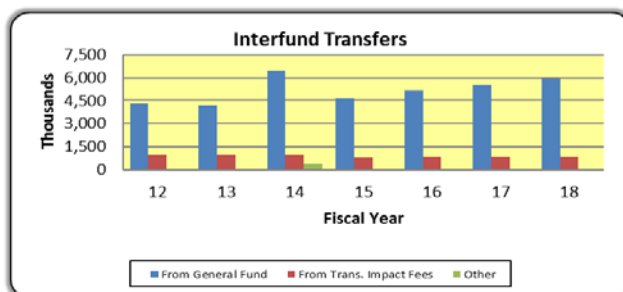
- Franchise Fee Revenue Note, Series 2016 (Fund 226): In December 2016, the City issued a note in the sum of \$3,983,000 to partially refund the Taxable Special Obligation Bonds, Series 2004, and to cover costs of issuance.

### Revenue/Sources

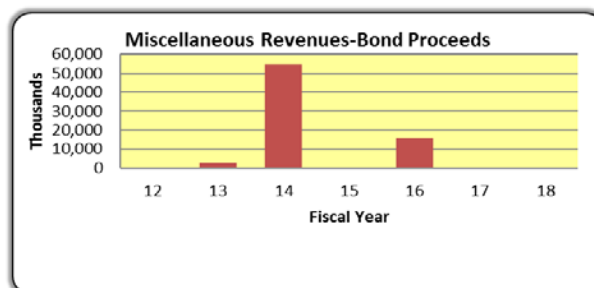
Total Revenues/Sources budgeted for FY 18 of \$6,938,271 is \$405,473 or 6.2% higher than the FY 17 estimated year-end receipts of \$6,532,798. FY 17 estimated year-end receipts are \$15,575,850 or 70.5% lower than the FY 16 Actuals.

All revenue streams unless otherwise noted are projected by the Finance Department and reviewed by the City Manager. Projections are based on the FY 17 Year-end Estimates rather than the FY 17 Approved Budget levels. Comparisons to both are provided in the following detailed analyses.

- Interfund Transfers – provide the Debt Service Funds with resources from other City funds (General and Transportation Impact Fee Funds in FY 18) for the cost of debt service payments. FY 17 projected receipts of \$6,385,665 are \$349,061 or 5.8% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$6,784,274 is \$398,609 or 6.2% higher. Future growth is assumed to increase each year from FY 18 through FY 19 as debt service payments rise.

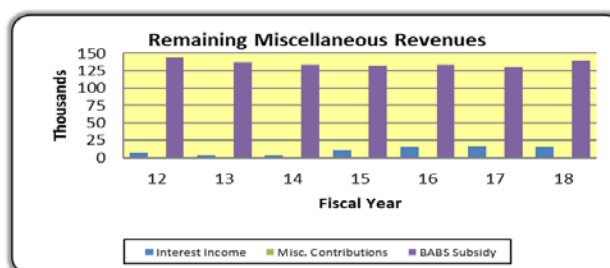


- Bond Proceeds – Revenues derived from the issuance of debt. 2015 Refunding of Sales Tax and Impact Fee Bond was completed in October 2015, with \$15,922,652 actuals in FY 16.



- Contributions from Others – Revenues derived from a federal subsidy from Build America Bonds (BABs) on the interest for the 2010 Public Service Tax Bond utilized to construct City Hall. FY 17 projected receipts of \$130,470 are \$3,267 or 2.4% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$138,922 is \$8,452 or 6.5% higher.

- Interest Income – Revenue derived from interest earnings on pooled cash investments. Beginning in the 1980's, the resources of all City funds available for deposit into bank accounts, or for investment, have been commingled in a consolidated cash pool. These pooled resources are invested as outlined by the City's Investment Policy. Little growth in this revenue stream is anticipated in future years. FY 17 projected receipts of \$16,663 are \$1,008 or 6.4% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$15,075 is \$1,588 or 9.5% lower.



### Expenditures/Uses

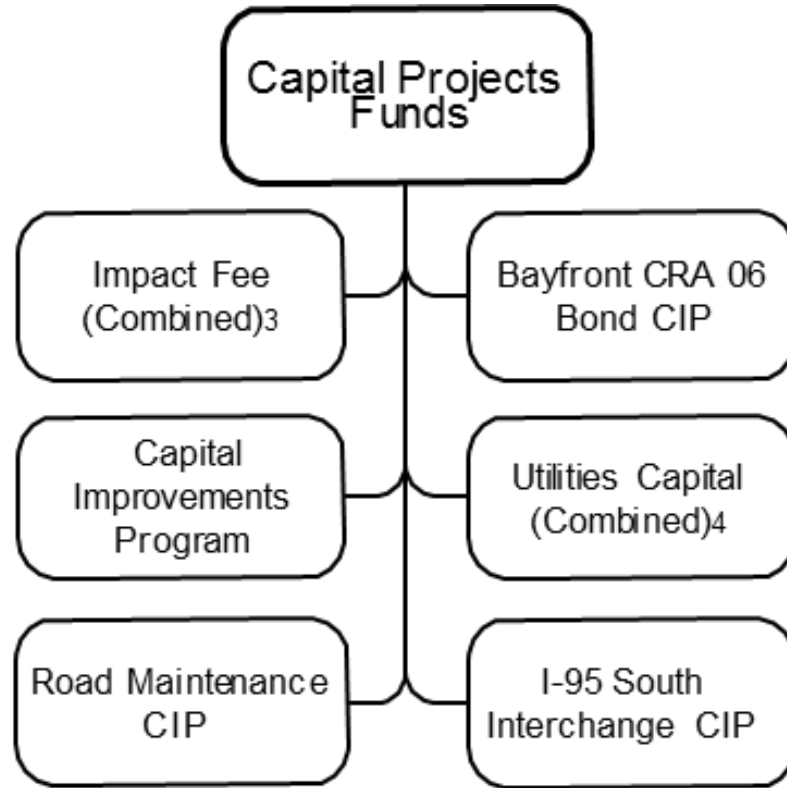
FY 18 Total Budget of \$6,301,979 is \$133,283 or 2.1% lower than the FY 17 year-end estimates of \$6,435,262. FY 17 projected Total Expenditures/Uses are \$15,791,795 or 71.0% lower than the FY 16 Actuals. Detailed FY 18 budgeted expenditures per fund per payment type of the General Fund debt service are provided below.

<b>FY 2018 Debt Service Requirements</b>	<b>PRINCIPAL</b>	<b>INTEREST</b>	<b>TOTAL DUE</b>
Taxable Special Obligation Revenue Bonds, Series 2004	53,913	56,087	110,000
Capital Improvement Revenue Bonds, Series 2010	155,000	311,422	466,422
Taxable Pension Obligation Bonds, Series 2013	0	2,973,201	2,973,201
Local Option Gas Tax Refunding Revenue Note, Series 2014	600,000	27,683	627,683
Franchise Fee Revenue Note, Series 2015	440,000	85,953	525,953
Comm. Investment Revenue Bonds, Series 2015 - Sales Tax	403,760	413,820	817,580
Comm. Investment Revenue Bonds, Series 2015 - Impact Fee	111,240	114,012	225,252
Franchise Fee Revenue Note, Series 2016	91,000	160,256	251,256
General Fund Advance from Building	124,316	4,946	129,262
Fleet Advance from Building	61,303	2,439	63,742
Fleet Advance from Utilities	188,576	36,272	224,847
Bayfront Comm. Redev. Trust Fund Revenue Bonds, Series 2006	360,000	111,675	471,675
Bayfront Comm. Redev. Assoc. Advance from General Fund	3,292	416	3,708
Utility System Capital Improvement Rev. Bonds, Series 2001	745,747	1,171,928	1,917,675
Utility Special Assessment Bonds USA 1, Series 2003A	170,000	42,688	212,688
Utility Special Assessment Revenue Refunding Note, 2016	240,000	43,681	283,681
Utility System Rev. Refunding Revenue Note, Series 2014	3,570,000	377,701	3,947,701
Utility System Rev. Refunding Revenue Note, Series 2016	1,105,000	259,490	1,364,490
Capital Leases/Purchases	811,085	34,549	845,634
<b>TOTAL:</b>	<b>\$9,234,231</b>	<b>\$6,228,219</b>	<b>\$15,462,451</b>

### Change in Fund Balance

The FY 18 Year-end Fund Balance is projected at \$5,240,424, an increase of \$636,292 or 13.8% from FY 17 Year-End Fund Balance. No significant changes in Fund Balance levels are anticipated in the future.

## *Capital Improvements Program (CIP) Project Funds*



3 Impact Fee (Combined) Fund Summary consists of:

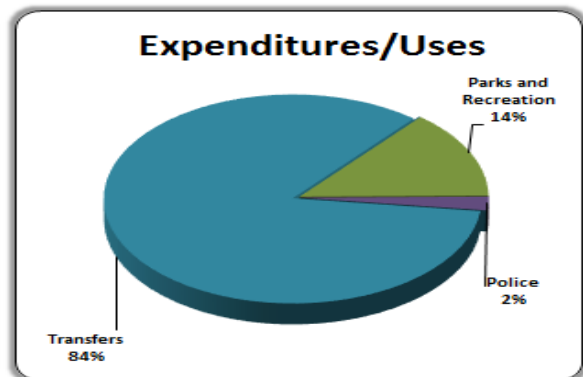
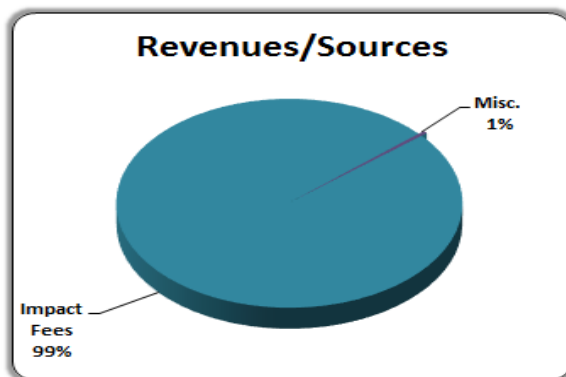
- \* Fund 152 - Police Impact Fees
- \* Fund 153 - Fire Impact Fees
- \* Fund 154 - Parks Impact Fees
- \* Fund 155 - Transportation Impact Fees

4 Utilities Capital (Combined) Fund Summary consists of:

- \* Fund 423 - Utilities Connections Fee Fund
- \* Fund 424 - Utilities Renewal And Replacement Fund
- \* Fund 425 - Main Line Extension Fee Fund
- \* Fund 426 - '05B Bond Construction Fund
- \* Fund 427 - '01 Bond Construction Fund
- \* Fund 428 - '14 Bond Construction Fund
- \* Fund 431 - Assessment USA 1 Fund
- \* Fund 432 - Assessment Unit 31 Fund
- \* Fund 433 - Utility SRF Loan Fund

## *Impact Fee (Combined) Fund Summary*

IMPACT FEES (COMBINED)						
	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	2,503,187	2,136,850	2,445,334	2,445,334	2,965,014	21.25%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Impact Fees	2,176,574	1,590,000	1,590,000	1,990,000	2,235,000	40.57%
Licenses & Permits	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	
Charges for Service	-	-	-	-	-	
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	5,512	6,000	6,000	10,829	9,350	55.83%
Transfers	-	-	-	-	-	
TOTAL REVENUES/SOURCES	2,182,086	1,596,000	1,596,000	2,000,829	2,244,350	40.62%
TOTAL FUNDS AVAILABLE	4,685,273	3,732,850	4,041,334	4,446,163	5,209,364	28.90%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	191,525	-	512,227	449,089	160,000	-68.76%
Police	-	-	16,840	16,840	24,500	
Fire	-	-	16,840	16,840	-	
Public Works	832,040	-	127,851	18,241	-	-100.00%
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Transfers	1,216,374	980,139	980,139	980,139	980,302	0.02%
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	2,239,939	980,139	1,653,897	1,481,149	1,164,802	-29.57%
Revenues Over/(Under)Expenditures	(57,853)	615,861	(57,897)	519,680	1,079,548	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	2,445,334	2,752,711	2,387,437	2,965,014	4,044,562	
TOTAL ENDING BALANCE	2,445,334	2,752,711	2,387,437	2,965,014	4,044,562	69.41%



## Analysis

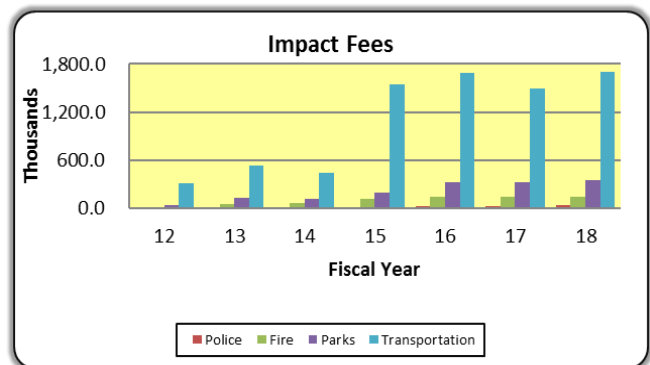
The Impact Fee (Combined) Fund accounts for proceeds provided for the acquisition and/or improvement of four Impact Fee Funds, each dedicated for the accounting of growth related additions of new police capital needs (Fund 152), fire capital needs (Fund 153), urban district park facilities (Fund 154), and the expansion of the City's major road network system (Fund 155).

### Revenue/Sources

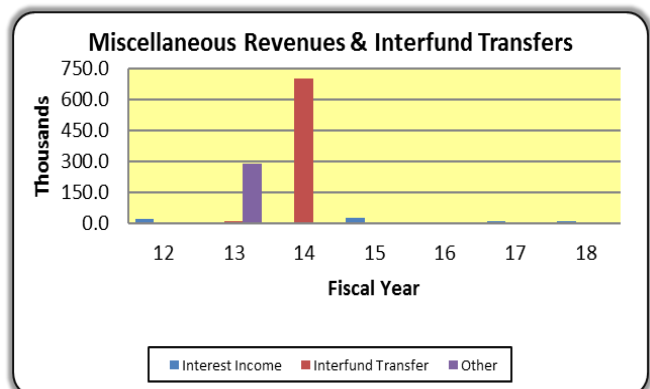
In FY 06 the City Council raised impact fees to address infrastructure needs. Police and Fire Impact Fees were raised to the maximum rates, while Parks and Transportation Impact Fees were raised incrementally according to a five-year plan to reach the maximum. Additionally, the fee rates will be adjusted annually for inflation by the Implicit Price Deflator for Government Consumption Expenditures and Gross Investment for State and Local Governments.

FY 17 projected receipts of \$2,000,829 are \$181,257 or 8.3% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$2,244,350 is \$243,521 or 12.2% higher.

- Impact Fees – Revenue derived from fees paid by developers of unimproved land for specific infrastructural expansions and/or equipment related to Police, Fire, Parks and/or Transportation services and needs. FY 17 projected receipts of \$1,990,000 are \$186,574 or 8.6% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, FY 18 Budget of \$2,235,000 is \$245,000 or 12.3% higher. Impact fees are estimated to continue to grow based on growth in new construction in the City. FY 15 saw a significant increase in Impact Fees due to large economic Harris project.



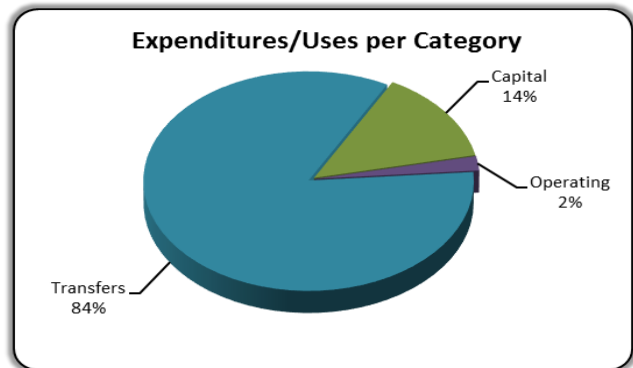
- Miscellaneous/Interest Income and Interfund Transfers– Interest Income consist of Interest paid to the City on impact fee revenue invested according to City policies. The level of revenue from this stream has varied dramatically over the past years due to fluctuations in the housing market and level of annual expenditures. FY 17 projected receipts of \$10,829 are \$5,317 or 96.4% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, FY 18 Budget of \$9,350 is \$1,479 or 13.7% lower. This revenue stream is anticipated to remain relatively level as new projects and transportation related debt service payments will consume available fund balance as impact fees are received.





### **Expenditures/Uses**

Budgeted for FY 18 is a Total Budget of \$1,164,802, is \$316,347 or 21.4% lower than the FY 17 year-end estimates. FY 17 projected Total Expenditures/Uses of \$1,481,149 are \$758,790 or 33.9% lower than the FY 16 Actuals. The chart to the right illustrates the majority of the FY 18 expenditures are in the Transfers category which the majority consists of the use of Transportation Impact Fee monies to pay for debt service of transportation related past bond issuances in the amount of \$858,636. The remainder \$121,666 is the use of Fire Impact Fees monies to fund half of new fire apparatus debt payment.



### **Change in Fund Balance**

FY 18 Year-end Fund Balance is projected to be at \$4,044,562, which is an increase of \$1,079,548 or 36.4% from the FY 17 Year-End Estimated Fund Balance. The fund balance level is anticipated to increase as new construction activity increases.

## *Capital Improvements Program Fund Summary*

301 - COMMUNITY INVESTMENT PROGRAM						APPROVED TO FY 17 AMENDED % CHANGE
	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	
BEGINNING BALANCE	(445,378)	462,803	312,547	312,547	336,704	7.73%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	1,768,709	-	444,997	67,157	41,114	-90.76%
Charges for Service	-	-	-	-	-	
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	29	-	-	2,000	-	
Transfers	191,449	-	-	-	8,886	
TOTAL REVENUES/SOURCES	1,960,186	-	444,997	69,157	50,000	-88.76%
TOTAL FUNDS AVAILABLE	1,514,808	462,803	757,544	381,704	386,704	-48.95%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	799,983	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	84,276	-	444,997	45,000	50,000	-88.76%
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Transfers	318,003	-	-	-	-	
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	1,202,262	-	444,997	45,000	50,000	-88.76%
Revenues Over/(Under)Expenditures	757,925	-	-	24,157	-	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	312,547	462,803	312,547	336,704	336,704	
TOTAL ENDING BALANCE	312,547	462,803	312,547	336,704	336,704	7.73%

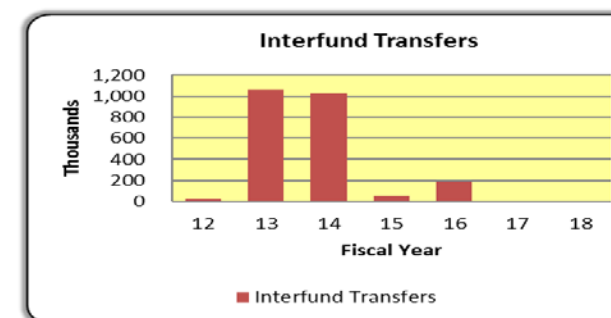
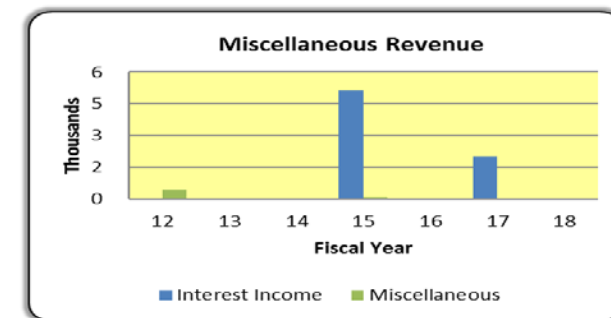
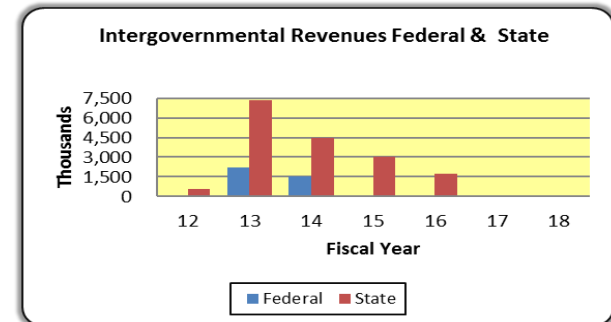
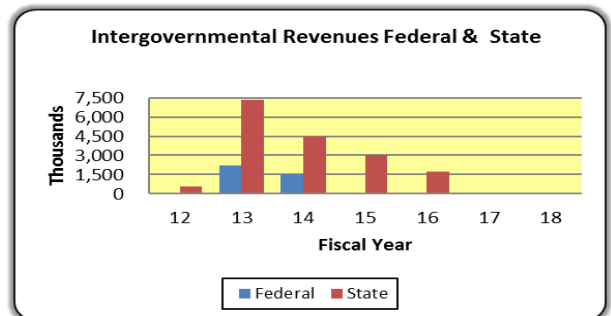
## Analysis

The Community Investment Program (CIP) Fund historically accounted for all non-utilities acquisition or construction of major capital facilities or other project-oriented activities, except projects that are contained in their own fund (i.e. Emerson Drive). Beginning in FY 07, only General Fund revenues, grants, and private contributions are received into this Fund and their associated projects expensed. All other capital improvement projects are accounted for within the fund that receives the funding source (i.e. Transportation Impact Fee funded projects are accounted for in the Transportation Impact Fee Fund). All projects listed within this Fund are included in the FY 18-22 CIP Summary section of this document.

### Revenue/Sources

A multi-year comparison of total revenues/sources is not applicable in a CIP Fund since the revenue/source level fluctuates each year depending upon the cost of the recommended projects. Due to recent local tax reforms, enacted by the 2007 Florida Legislature and approved by state voters in 2008, no General Fund dollars are available for transfer to the CIP fund as in prior years. Specific funding source approved uses are detailed below.

- **Intergovernmental Revenues (Grants)** – Revenues derived from various granting agencies for specific projects. By definition, each grant award is a one-time event and therefore makes detailed revenue source multi-year analyses difficult, if not misleading. Hence, the following chart is provided for the reader's edification, but a discussion of historic patterns is omitted since prior grant receipts are not a predictor of future awards.
- **Miscellaneous Income/Interfund Transfers & Interest Income** – Although the CIP Fund earns Interest Income on revenues received from various sources but not yet expended, the uncertainty of the timing of grant awards and project commencement/completion dates prohibits an accurate forecasting of this revenue stream. Therefore, Interest Income is not budgeted, but received each fiscal year with the level of annual receipts varying based upon interest rates and the amount of available fund balance. A review of the graph to the right illustrates the variation in receipts.



### *Expenditures/Uses*

Due to the economic recession, General Fund revenues have not been available in recent years to fund discretionary projects, as was the historic practice. FY 17 projected Total Expenditures/Uses of \$45,000 are \$1,157,262 or 96.3% lower than the FY 16 Actuals. The majority of this is for Police Shooting Range \$799,984 completed in FY 16 and transfer \$312,028 to Road Maintenance Road Program CIP Fund to have funding for road program in designated Road Maintenance Program CIP Fund (Fund 307). As compared to FY 17 projected receipts, FY 18 Budget of \$50,000 is \$5,000 or 11.1% higher.

### *Change in Fund Balance*

The FY 18 Year-end Fund Balance is projected to end at \$336,704 the same as the FY 17 Year-end Estimated Fund Balance. Revenue is based on a reimbursable basis.

# *Bayfront Community Redevelopment Agency 06 Bond CIP Fund Summary*

## 303 - CRA CONSTRUCTION

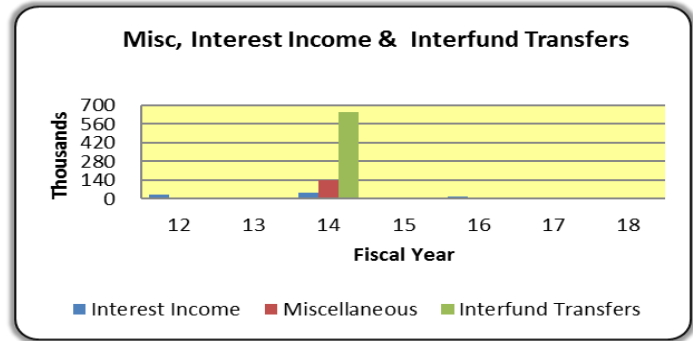
	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	2,631,125	1,108,163	1,069,478	1,069,478	383,717	-64.12%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	
Charges for Service	-	-	-	-	-	
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	14,363	6,100	6,100	6,551	3,000	-50.82%
Transfers	-	-	-	-	-	
TOTAL REVENUES/SOURCES	14,363	6,100	6,100	6,551	3,000	-50.82%
TOTAL FUNDS AVAILABLE	2,645,488	1,114,263	1,075,578	1,076,029	386,717	-64.05%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	-	-	-	-	-	
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	1,576,011	-	1,152,546	692,312	750	-99.93%
Debt Service	-	-	-	-	-	
Transfers	-	-	76	-	-	
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	1,576,011	-	1,152,622	692,312	750	-99.93%
Revenues Over/(Under)Expenditures	(1,561,647)	6,100	(1,146,522)	(685,761)	2,250	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	1,069,478	1,114,263	(77,044)	383,717	385,967	
TOTAL ENDING BALANCE	1,069,478	1,114,263	(77,044)	383,717	385,967	-600.97%

## *Analysis*

The Bayfront Community Redevelopment Agency (BCRA) 06 Bond Construction Fund accounts for proceeds from the BCRA Ad Valorem Tax Bonds, Series 2006 issuance. Revenues from the bond proceeds, resulting interest income, and the capital improvement expenditures are contained within this Fund. Debt service, paid from the tax-incremental financing within the BCRA, will be paid from the BCRA Fund (181).

### Revenue/Sources

The only revenue streams in the Fund are Bond Proceeds and Interest Income. Since Bond Proceeds are irregularly received (first Bond issued in FY 06) and, only Interest Income is anticipated to be received as revenue in FY 18. Additionally, interest income is not typically budgeted in a capital improvement project fund unless a clear timeline of approved projects is known. Budgeted for FY 18 is a Total Budget of \$3,000, is \$3,551 or 54.2% less than the FY 17 year-end estimates. Interest Income receipts are recorded as they occur and added to available fund balance for consideration of new projects or unforeseen cost overruns.



### Expenditures/Uses

The FY 18 Budget of \$750, is \$691,562 or 99.9% lower than the FY 17 year-end estimates. FY 17 projected Total Expenditures/Uses of \$692,312 are \$883,699 or 56.1% lower than the FY 16 Actuals.

### Change in Fund Balance

FY 18 projected Year-end Fund Balance of \$385,967 is \$2,250 or 0.6% higher than FY 17 Year-end projected Fund Balance level of \$383,717.

## *I-95 Interchange Fund Summary*

### 306 - I-95 Interchange Fund

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	4,348,223	370,625	669,101	669,101	721,902	7.89%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	
Charges for Service	-	-	-	-	-	
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	18,112	-	250,000	253,000	500	-99.80%
Transfers	-	-	-	-	-	
TOTAL REVENUES/SOURCES	18,112	-	250,000	253,000	500	-99.80%
TOTAL FUNDS AVAILABLE	4,366,335	370,625	919,101	922,101	722,402	-21.40%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	3,697,234	-	907,722	200,199	-	-100.00%
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Transfers	-	-	-	-	-	
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	3,697,234	-	907,722	200,199	-	-100.00%
Revenues Over/(Under)Expenditures	(3,679,122)	-	(657,722)	52,801	500	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	669,101	370,625	11,379	721,902	722,402	
TOTAL ENDING BALANCE	669,101	370,625	11,379	721,902	722,402	6248.64%

## *Analysis*

The I-95 South Interchange Fund was created in FY 2015 to account for the cost of establishing an interchange in the South area of the City. Along with Federal and State funding the City will incur costs of environmental permits and mitigation impact. The new South Parkway interchange with Interstate 95 is funded for construction in FY 2016. This will open approximately 24 square miles of vacant land for mixed-use development.

### *Revenue/Sources*

In 2015, the City issued a Franchise Fee Revenue Note, Series 2015 in the sum of \$4,744,000 to fund the construction of an interchange on I-95 in south Palm Bay. The note is secured through franchise fee revenues. The proceeds were received in 2015.

### *Expenditures/Uses*

FY 18 projected Total Expenditures/Uses for the interchange was not in original FY 18 Adopted budget for the balance of the project will roll forward from FY 17 to FY 18.

### *Change in Fund Balance*

The FY 18 Year-end Fund Balance is projected to end at \$722,402 is \$500 or 0.1% higher than the FY 17 Year End Estimate of \$721,902.



## *Road Maintenance CIP Fund Summary*

### 307 - Road Maintenance CIP Fund

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	2,717,649	729,860	2,946,470	2,946,470	2,484,691	-15.67%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	
Charges for Service	-	-	-	-	-	
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	7,483	-	-	22,477	10,000	
Transfers	2,302,664	1,657,558	1,976,213	1,711,364	-	-100.00%
TOTAL REVENUES/SOURCES	2,310,147	1,657,558	1,976,213	1,733,841	10,000	-99.49%
TOTAL FUNDS AVAILABLE	5,027,796	2,387,418	4,922,683	4,680,311	2,494,691	-49.32%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	2,046,326	1,657,558	4,905,375	2,195,620	-	-100.00%
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Transfers	35,000	-	1,800,000	-	-	-100.00%
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	2,081,326	1,657,558	6,705,375	2,195,620	-	-100.00%
Revenues Over/(Under)Expenditures	228,821	-	(4,729,162)	(461,779)	10,000	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	2,946,470	729,860	(1,782,692)	2,484,691	2,494,691	
TOTAL ENDING BALANCE	2,946,470	729,860	(1,782,692)	2,484,691	2,494,691	-239.94%

## *Analysis*

The Road Maintenance CIP Fund, established in FY 15, accounts for revenues and expenditures dedicated by the legislative body to the maintenance of roads within the City of Palm Bay. CIP Fund has been established to account for all funds transferred from General Fund to support the Road Maintenance Road Program.

### *Revenue/Sources*

Each year Council will decide the amount of funding to be dedicated to this Fund from equivalent amount of current year property taxes will be transferred from the General Fund to the Road Maintenance CIP Fund. Council's goal of improving road conditions remains a top budget priority. Since 2015, funding has been dedicated for transfer from the General Fund into the Road Maintenance Fund. A total of \$1,657,558 was budgeted for transfer in FY 2017 Adopted Budget, but none in FY 2018 Adopted Budget based on deferred critical needs and available resources. Road funds remaining from FY 2017, will be used for road maintenance projects to be done in FY 2018. Also, for the second year, funds received from the sale of City owned properties, will be transferred to the Road Maintenance Fund. Now that the Heritage Parkway road is fully accessible through neighboring communities, the City will see planned growth by private developers, which will further expand the City's resources available to meet needs. Property sales for FY 18 will be on Budget Amendment to record in revenues.

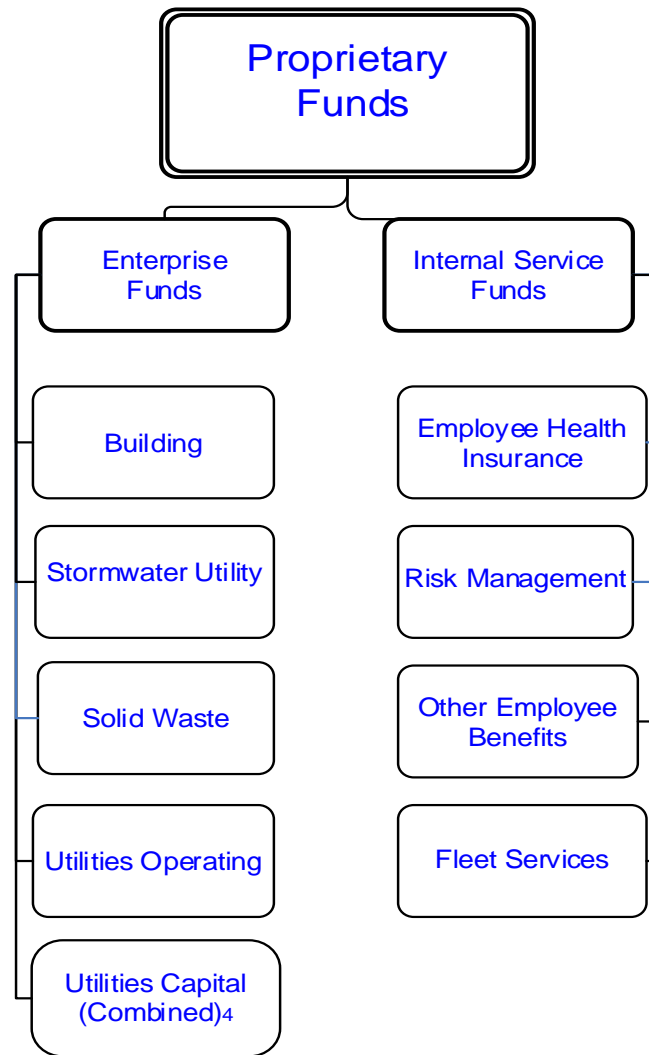
### *Expenditures/Uses*

FY 18 projected Total Expenditures/Uses of \$0 is \$2,195,620 or 100% lower than FY 17 project receipts. Property sales for FY 18 will be on Budget Amendment to record in expenditures for road maintenance projects that have not been determined at this time.

### *Change in Fund Balance*

The FY 18 Year-end Fund Balance is projected to end at 2,494,691 is \$10,000 or 0.4% higher than FY 17 projected Year-end Fund Balance of \$2,484,691. All funds received are expected to be spent by fiscal year end. Future fund balances are anticipated to remain close to zero unless uncompleted projects roll into the next fiscal year.

## *Proprietary Funds*



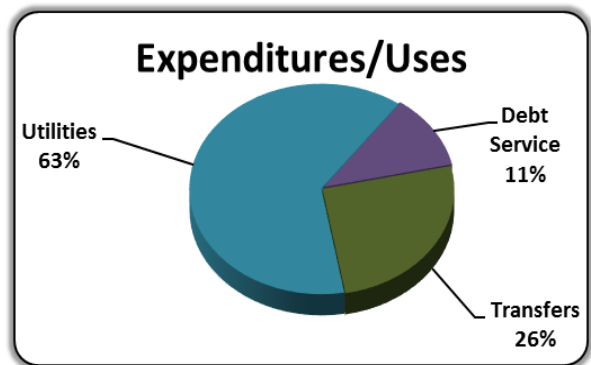
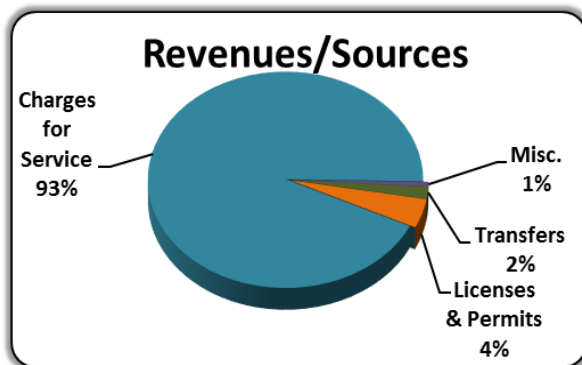
4 Utilities Capital (Combined) Fund Summary consists of:

- \* Fund 423 - Utilities Connections Fee Fund
- \* Fund 424 - Utilities Renewal And Replacement Fund
- \* Fund 425 - Main Line Extension Fee Fund
- \* Fund 426 - '05B Bond Construction Fund
- \* Fund 427 - '01 Bond Construction Fund
- \* Fund 428 - '14 Bond Construction Fund
- \* Fund 431 - Assessment USA 1 Fund
- \* Fund 432 - Assessment Unit 31 Fund
- \* Fund 433 - Utility SRF Loan Fund

# Utilities Operating Fund Summary

## 421 - UTILITIES OPERATING

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	15,916,986	14,149,744	16,432,348	16,432,348	16,135,523	-1.81%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	554	554	277	1,300,000	
Intergovernmental	-	-	-	-	-	
Charges for Service	26,588,050	26,719,060	26,634,278	27,261,556	27,772,728	4.27%
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	223,318	203,252	244,946	255,312	209,076	-14.64%
Transfers	561,902	564,416	564,416	564,416	527,606	-6.52%
TOTAL REVENUES/SOURCES	27,373,271	27,487,282	27,444,194	28,081,561	29,809,410	8.62%
TOTAL FUNDS AVAILABLE	43,290,257	41,637,026	43,876,542	44,513,909	45,944,933	4.71%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	-	-	-	-	-	
Utilities	13,935,300	17,054,113	17,975,766	16,954,788	20,796,875	15.69%
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	3,801,504	3,798,162	3,798,162	3,798,627	3,799,411	0.03%
Transfers	9,121,106	6,986,531	7,666,665	7,624,971	8,520,949	11.14%
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	26,857,909	27,838,806	29,440,593	28,378,386	33,117,235	12.49%
Revenues Over/(Under)Expenditures	515,362	(351,524)	(1,996,399)	(296,825)	(3,307,825)	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
<b>Fund Balance:</b>						
Debt Service Reserve	-	-	-	-	-	
90-Day Operating Reserve	3,635,360	4,248,615	4,275,468	4,062,363	4,538,777	
Undesignated	12,796,988	9,549,605	10,160,481	12,073,160	8,288,921	
TOTAL ENDING BALANCE	16,432,348	13,798,220	14,435,949	16,135,523	12,827,698	-11.14%



## Analysis

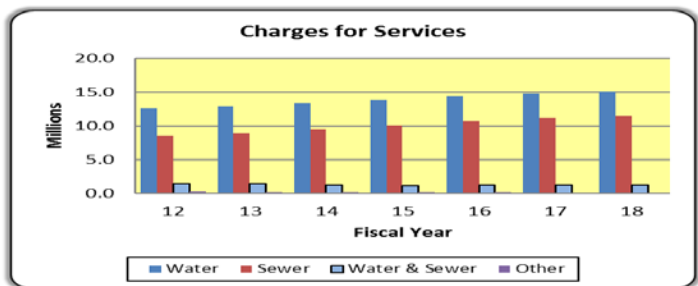
Utilities Operating Fund is used to account for the activities of the utilities services provided. This fund is an enterprise fund in that it fully supports its operations. Operating revenues and expenditures are budgeted in the Utilities Operating Fund (Fund 421). Revenues for water and sewer monthly usage, base facility charges, other charges for services, and miscellaneous income are recorded in this fund. Revenues in this fund are subject to an annual index adjustment as defined in the Code of Ordinances. This fund includes debt service on the 2014 Refunding Bond; personnel services, operating and capital expenditures for the department; allowance for the Renewal and Replacement Fund (Fund 424); and bonded debt service coverage as needed.

### Revenue/Sources

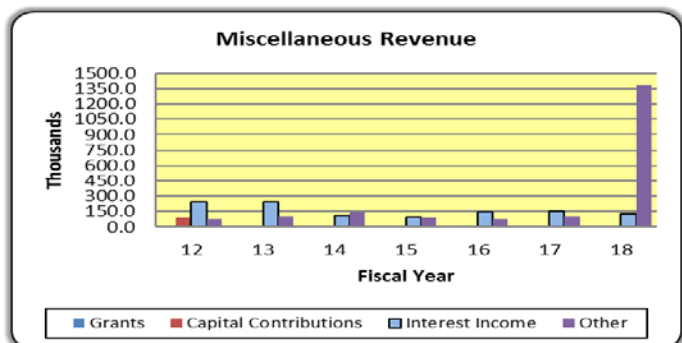
Total Utilities Operating Fund Revenues/Sources of \$29,809,410 (including transfers) are budgeted for FY 18, is \$1,727,849 or 6.2% higher from the FY 17 estimated year-end receipts. FY 17 projected Total Revenues/Sources of \$28,081,561 is \$708,290 or 2.6% higher than the FY 16 Actuals.

In the following discussion, the major Utilities Operating Fund revenue groups are listed in order of magnitude for the FY 18 Budget. All revenue groups unless otherwise noted, in the Utilities Operating Fund, are projected by the Utilities Department in consultation with the Budget Office and reviewed by the City Manager. Projections are based on the FY 17 Year-end Estimates rather than the FY 17 Approved Budget levels. Comparisons to both are provided in the following detailed analyses. Unless noted, the growth assumption for FY 18 through FY 22 is at 1.25%.

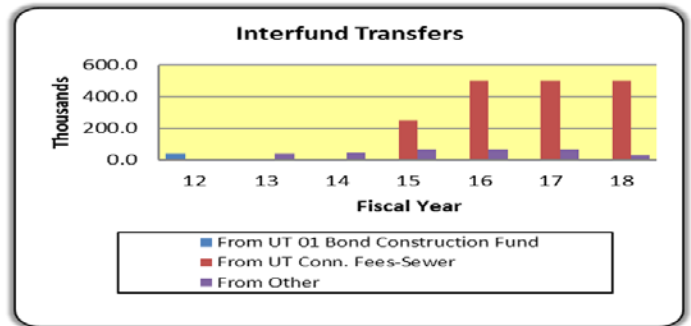
- Charges for Services – FY 17 projected receipts of \$27,261,556 are \$673,506 or 2.5% higher than the FY 16 Actuals. When compared to the FY 17 year-end estimated receipts, the FY 18 Budget of \$27,772,728 is \$511,172 or 1.9% higher. Future assumptions, based on historical trends and local economic and demographic forecasts, include an Annual Index Adjustment of 1.51% for Water rates and 2.75% for Sewer rates and an overall growth factor of 1.25%.



- Miscellaneous Revenue (includes Licenses & Permits) – FY 17 projected receipts of \$255,589 are \$32,271 or 14.5% higher than the FY 16 Actuals. When compared to the FY 17 year-end estimated receipts, the FY 18 Budget of \$1,509,076 is \$1,253,487 or 490.4% higher. Future growth is dependent on varied sources of revenue within the group and the unknown timing of receiving developer contributions. FY 18 Budget had \$1,300,000 in Intergovernmental Revenue for Half Cent Sales Tax for Water Reclamation Facility Denitrification project.

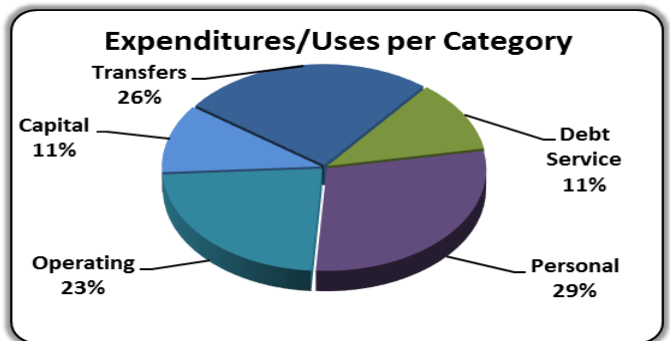


- Transfers – FY 17 projected receipts of \$564,416 are \$2,514 or 0.4% higher than the FY 16 Actuals. When compared to the FY 17 year-end estimated receipts, the FY 18 budgeted of \$527,606 is \$36,810 or 6.5% lower. Transfers from the Stormwater and Solid Waste Funds are for billing services. Future payments are estimated using proformas and expansion certificate guidelines.



### **Expenditures/Uses**

FY 18 Total Budget of \$33,117,235 is \$4,738,849 or 16.7% higher than the FY 17 year-end estimates. FY 17 projected Total Expenditures/Uses of \$28,378,386 are \$1,520,477 or 5.7% higher than the FY 16 Actuals. Unlike the General Fund where the majority of the cost is personnel, the Utilities Operating Fund appears evenly split among the categories of personnel, operating, and transfers.

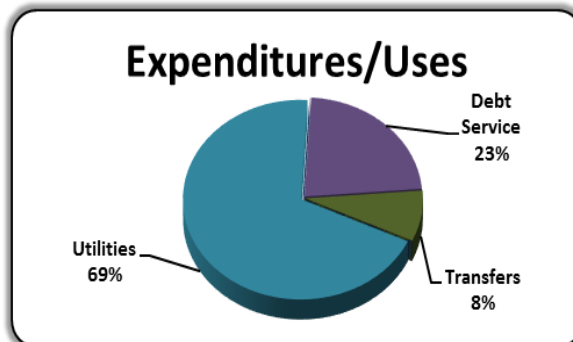
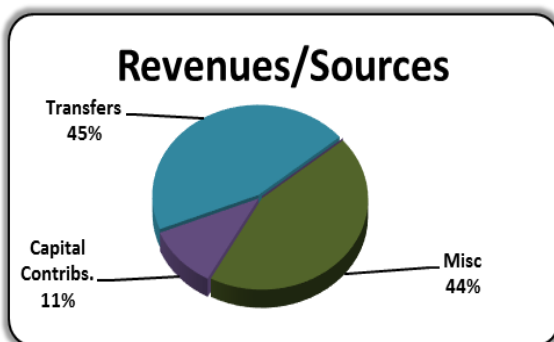


### **Change in Fund Balance**

The FY 18 Budget Year-end Fund Balance of \$12,827,698 is \$3,307,825 or 20.5% lower than the FY 17 projected Year-end Estimated Fund Balance. Although this represents a decrease, the City is still able to meet the minimum fund balance policy of 90 days of operating costs of \$4,538,777.

## *Utilities Capital (Combined) Fund Summary*

UTILITIES CAPITAL (COMBINED)						APPROVED TO FY 17 AMENDED % CHANGE
	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	
BEGINNING BALANCE	18,464,297	11,228,882	18,288,965	18,288,965	11,993,327	-34.42%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	
Charges for Service	-	-	-	-	-	
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	809,650	4,570,293	4,498,293	4,574,555	7,340,232	63.18%
Capital Contributions	1,690,644	1,257,893	1,257,893	1,751,426	1,822,039	44.85%
Transfers	8,782,186	6,171,601	6,798,470	6,756,776	7,509,508	10.46%
TOTAL REVENUES/SOURCES	11,282,480	11,999,787	12,554,656	13,082,757	16,671,779	32.79%
TOTAL FUNDS AVAILABLE	29,746,777	23,228,669	30,843,621	31,371,722	28,665,106	-7.06%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	-	-	-	-	-	
Utilities	3,669,445	7,152,970	14,731,796	14,410,045	11,861,567	-19.48%
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	6,375,391	4,078,209	4,650,997	4,030,720	3,927,911	-15.55%
Transfers	1,412,976	937,630	937,630	937,630	1,410,676	50.45%
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	11,457,812	12,168,809	20,320,423	19,378,395	17,200,154	-15.36%
Revenues Over/(Under)Expenditures	(175,332)	(169,022)	(7,765,767)	(6,295,638)	(528,375)	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	541,167	524,665	525,852	547,095	645,674	
Debt Service Reserve	4,560,899	4,560,899	4,560,899	4,560,899	4,560,899	
Undesignated	17,747,797	10,535,195	9,997,345	11,446,231	10,819,277	
TOTAL ENDING BALANCE	18,288,965	11,059,860	10,523,198	11,993,327	11,464,952	8.95%



## *Analysis*

The Utilities Capital (Combined) Fund accounts for financial resources from dedicated revenue streams, capital improvements to the City's Water and Wastewater systems, and the principal and interest payments of various bond debt service.

- Utilities Connection Fee Fund (423) is used to collect connection fees on both water and sewer services and is restricted to utilities capacity-related expansion projects. Revenues and expenditures are budgeted in the Utilities Connection Fee Fund (Fund 423). Revenues in this fund are recorded as capital contributions in that they represent charges to new customers for their fair share of the capacity-related cost necessary to meet the demands put on the system by growth. The current fees were adopted by Council in August 2007 with Ordinance #2007-54 to be effective October 30, 2007, updated in 2012 by Ordinance #2012-24 and are adjusted annually by ordinance. This fund includes "pay-as-you-go" growth-related projects as approved in the 5-Year CIP. These funds may also be used to supplement debt service payments for the 2001 Revenue Bond and 2014 Refunding Bond based on the respective expansion certificates.
- Utilities Renewal and Replacement (UTRR) Fund (424) accounts for the receipt of 5% of the Utilities Operating Fund revenues to be used to repair and replace existing water and sewer facilities. Revenues are derived from Utilities Operating Fund (Fund 421) based on two factors. First, and most importantly, the 1998 Bond Issue established criteria to transfer 5% of gross operating revenues for renewal and replacement. Secondly, funds are transferred from the Utilities Operating Fund to address needs determined to be qualifying UTRR projects.
- Main Line Extension Fee Fund (425) is used to collect main line extension fees on both water and sewer services and is restricted to utilities expansion projects. In FY 99, a portion of the main line extension fees were pledged to ensure payment of the 1998 Utility Expansion Revenue Bonds and subsequently the 2005B Refunding Bond. Revenues and expenditures are budgeted in the Utilities MLE Fund (Fund 425). Revenues in this fund cover the cost of the water distribution and sewer collection infrastructure expansion programs. The fees were established in 1995 by Ordinance #95-23, updated in 2004 by Ordinance #2004-78 and in 2013 by Ordinance #2013-34. This fund includes "pay-as-you-go" line extension projects, infrastructure expansion programs as approved by Council, and provides for debt service coverage on the 2005B Refunding Bond project for infrastructure expansion in Units (Port Malabar Subdivisions) 9, 7, and 13.
- 05B Bond Debt Service Fund (426) is used to account for the Series 2005B refunding bond. Originally the "98 Bond Construction Fund," bond proceeds provided funding for the expansion of water and sewer to Units (Port Malabar Subdivisions) 9, 7, and 13. The project consisted of Phase I of a planned multiphase capital expansion program to provide localized water and wastewater facilities necessary to bring City water and sewer services to platted lots not currently served. The Series 98 Bonds were refunded with the Utility System Refunding Revenue Series 2005B, September 2005 and hence the name was changed to reflect the refunding.
- 01 Bond Construction Fund (427) is used to account for the Series 2001 revenue bond proceeds of \$21,311,958.45 to make certain improvements to the water portion of the City's water and wastewater utilities system (specifically the South Regional Water Treatment Facility - SRWTF). The project consists of construction of exploratory wells, development of the production well field, construction of the initial phase of the water treatment plant, deep injection well system, and various general improvements to the transmission system.
- 04 Bond Construction Fund (428) is used to account for the Series 2014 Refunding bond to acquire and construct improvements to the City's utility system.

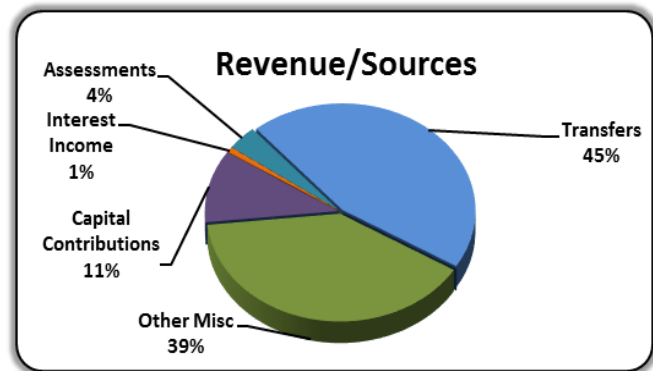


- USA-1 Special Assessment Fund (431) is used to account for the special assessments including \$3,535,000 to finance the cost of designing and installing certain potable water transmission, localized distribution and wastewater collection facilities together with necessary road and drainage restoration within the portion of the City designated as USA-1 (specifically Unit 38/40). This assessment was the result of a favorable response to balloting property owners in the “USA-1” area for a special assessment program.
- USA-31 Special Assessment Fund (Fund 432) is used to account for the special assessments including \$3,935,000 to finance the cost of designing and installing certain potable water transmission and localized distribution within the portion of the City designated as USA-31 (specifically Unit 31). This assessment was the result of a favorable response to balloting property owners in the “USA-31” area for a special assessment program.
- Utility SRF Loan Fund (Fund 433) is used to account for the water and wastewater infrastructure projects funded by low-interest loans through the State Revolving Fund Loan Program. The program is a federal-state partnership administered by the Florida Department of Environmental Protection.

### Revenue/Sources

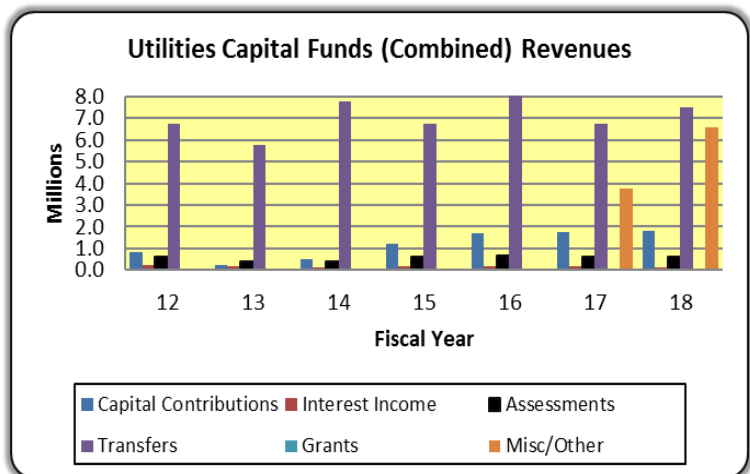
FY 17 projected receipts of \$13,082,757 are \$1,800,277 or 16.0% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$16,671,779 is \$3,589,022 or 27.4% higher.

Unless otherwise noted, all revenue groups in the Utilities Capital (Combined) Fund are projected by the Utilities Department in consultation with the Budget Office and then reviewed by the City Manager. Projections are developed from the FY 17 year-end Estimates rather than the FY 17 Approved Budget levels. Comparisons to the estimated year-end receipts are provided in the following detailed analyses.



- (Interfund) Transfers – Revenues derived from transfers among Utilities funds for the following purposes:

- Interest earnings on debt service reserves carried in the Utilities Operating Fund which were originally funded by connection fees are transferred back annually to the Utilities Connection Fee Fund.
- Interest earnings on debt service reserves carried in the Utilities 04 and 05B Bond Construction Funds which were originally funded by connection fees are transferred back annually to the Utilities connection Fee Fund.



- Shifting a portion of the debt service payment from the Main Line Extension Fee Fund to the Utilities Operating Fund.
- Funding a debt service reserve due to the bond insurer downgrading off-set by an increase in the debt service payment.
- Transfer to fund debt service payments.

FY 17 projected receipts of \$6,756,776 are \$2,025,409 or 23.1% lower than the FY 16 Actuals. When compared to the FY 17 year-end estimated receipts, the FY 18 Budget of \$7,509,508 is \$752,732 or 11.1% higher.

- Grants – There are no grants funds budgeted for FY 18.
- Capital Contributions – Revenues derived from:
  - Water Connection Fees – Charge to new water customers for their fair share of the capital costs of the existing system or the cost of increasing the capacity of the system to meet additional demand created by connections of new customers.
  - Sewer Connection Fees – Charge to new sewer customers for their fair share of the capital costs of the existing system or the cost of increasing the capacity of the system to meet additional demand created by connections of new customers
  - Capital Charge Recovery – Water – Charge to water customers who did not pay water connection fees and are not specifically exempt from paying.
  - Capital Charge Recovery – Sewer – Charge to sewer customers who did not pay sewer connection fees and are not specifically exempt from paying.
  - Main Line Extension Fee - Water – Charge to new water customers to cover the costs associated with installing water distribution infrastructure.
  - Main Line Extension Fee – Sewer – Charge to new wastewater customers to cover the costs associated with installing wastewater collection infrastructure.

FY 17 projected receipts of \$1,751,426 are \$60,781 or 3.6% higher than the FY 16 Actuals. When compared to the FY 17 year-end estimated receipts, the FY 18 Budget of \$1,822,039 is \$70,613 or 4.0% higher.

- Assessments – Revenues derived from property owner voted special assessments for the extension of utilities in areas known as “USA-1” and “USA-31.”

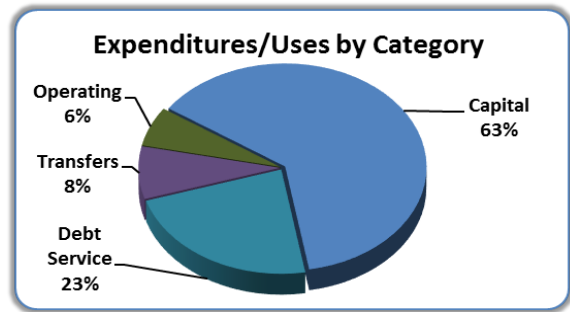
FY 17 projected receipts of \$638,095 are \$4,615 or 0.7% lower than the FY 16 Actuals. When compared to the FY 17 year-end estimated receipts, the FY 18 Budget of \$614,572 is \$23,523 or 3.7% lower. No future growth is assumed for this revenue source with receipts being constant through FY 19.

- Interest Income – Revenue earned on investment of cash. FY 17 projected receipts of \$160,460 are \$6,480 or 3.9% lower than the FY 16 Actuals. When compared to the FY 17 year-end estimated receipts, the FY 18 Budget of \$130,660 is \$29,800 or 18.6% lower. Future assumptions include slight increases in interest rates and projected decline in fund balance through FY 19.

### Expenditures/Uses

Budgeted for FY 18 is a Total Budget of \$17,200,154, is \$2,178,241 or 11.2% lower than the FY 17 estimated year-end. FY 17 projected Total Expenditures/Uses of \$19,378,395 are \$7,920,583 or 69.1% higher than the FY 16 Actuals.

As illustrated by the pie chart to the right, the Utilities Capital (combined) Fund FY 18 Total Expenditures/Uses Budget is comprised of capital projects (budgeted within both operating and capital accounts), operating for repairs and maintenance items, transfers, and funding for debt service payments.



The FY 18 capital category is comprised of the following capital improvements CIPs:

Project No.	Project Name	FY 18
<b>Utilities Connections Fee Fund (423):</b>		
18WS04	SRWTP Expansion	510,000
18WS03	San Filippo Water Main Extension	30,000
17WS02	I-95 Interchange/Pkwy Water Main & Force Main	17,325
16WS05	Cogan Drive Water Main and Force Main	150,000
17WS02	I-95 Interchange Regional Lift Station	21,175
<b>Utilities Connections Fee Fund (423) Total</b>		<b>728,500</b>
<b>Utilities Renewal and Replacement Fund (424):</b>		
18WS06	NRWTP High Service Pumps Repl	105,000
12WS02	Repl of Large Diameter Steel Pipe	312,000
18WS05	NRWTP Sulfuric Acid Tank & Feed System Repl	190,000
18WS02	NRWTP Slaker Replacement	165,000
18WS17	NRWTP Chlorine Analyzers Repl	130,000
18WS19	NRWTP Generator & Air Compressor Repl	65,000
18WS18	Surficial Well Field Flow Meter Repl	50,000
N/A	Meter Services - Meter Replacements	150,000
18WS12	NRWTP SCADA Improvements	81,000
18WS01	Reuse High Service Pumps Repl	566,000
18WS09	WWTP Digester 6 Rehabilitation	415,000
18WS14	WWTP Bar Screen Replacement	40,000
18WS15	RAS/WAS Pump Rehabilitation	65,000
18WS16	WWTP Grit Pump & MCC Rehab	65,000
15WS05	Secondary Ponds Valve Improvements	59,000
18WS08	ARV Upgrade Program	100,000
14WS07	Cable Lane Sewer Replacement	200,000
17WS15	DIW Reservoir Rehabilitation	125,000
18WS21	Lift Station Valve Pit Elimination Prog	117,500
18WS11	Lift Station Electrical Panel Repl Prog	136,500
18WS10	Lift Stations RTU Replacment Prog	169,612
<b>Utilities Renewal and Replacement Fund (424) Total</b>		<b>3,306,612</b>
<b>Main Line Extension Fee Fund(425):</b>		
18WS07	Palm Bay Hospital Water Main Loop	168,000
<b>Main Line Extension Fee Fund (425) Total</b>		<b>168,000</b>
<b>Utilities SRF Loan Fund (433):</b>		
16WS06	Palm Vista Water Main & Force Main	4,070,000
17WS02	I-95 Interchange/Pkwy Water Main & Force Main	2,525,000
<b>Utilities SRF Loan Fund (433) Total</b>		<b>6,595,000</b>

### Change in Fund Balance

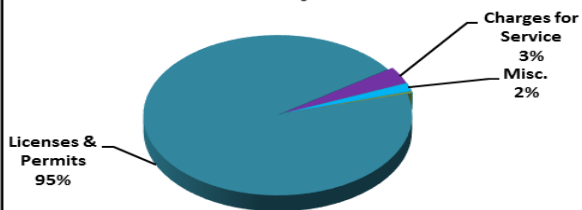
The FY 18 projected Year-end Fund Balance of \$11,464,952, is \$528,375 or 4.4% lower than the FY 17 Year-end estimated Fund Balance of \$11,993,327. Future Fund Balance levels are anticipated to decline as projects are completed.

# Building Fund Summary

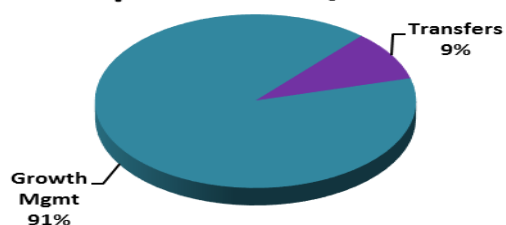
## 451 - BUILDING FUND

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	1,738,692	2,376,910	2,107,023	2,107,023	2,519,609	19.58%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	1,217,889	1,565,000	1,565,000	1,639,624	1,639,624	4.77%
Intergovernmental	-	-	-	-	-	
Charges for Service	105,618	133,159	42,959	149,611	59,711	39.00%
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	16,771	16,000	16,000	29,064	29,064	81.65%
Transfers	9,975	9,975	9,975	6,500	6,500	-34.84%
TOTAL REVENUES/SOURCES	1,350,253	1,724,134	1,633,934	1,824,799	1,734,899	6.18%
TOTAL FUNDS AVAILABLE	3,088,945	4,101,044	3,740,957	3,931,822	4,254,508	13.73%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	952,702	1,096,832	1,307,133	1,253,931	1,622,329	24.11%
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	-	-	-	-	-	
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Transfers	29,220	158,282	158,282	158,282	166,649	5.29%
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	981,922	1,255,114	1,465,415	1,412,213	1,788,978	22.08%
Revenues Over/(Under)Expenditures	368,331	469,020	168,519	412,586	(54,079)	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	2,107,023	2,845,930	2,275,542	2,519,609	2,465,530	
TOTAL ENDING BALANCE	2,107,023	2,845,930	2,275,542	2,519,609	2,465,530	8.35%

### Revenues/Sources



### Expenditures/Uses



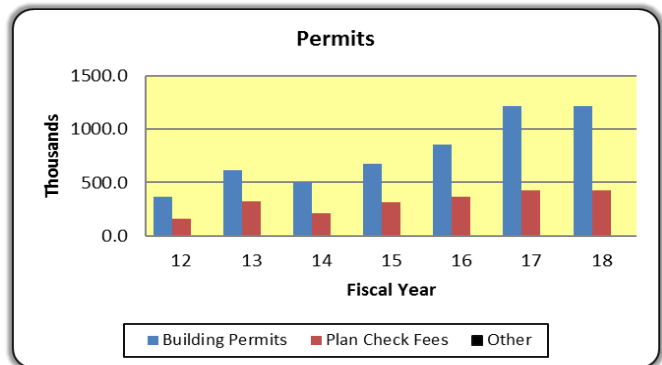
## Analysis

The Building Fund, established in FY 04, accounts for all building-related activities within the City, whether in the Building Fund itself or in a supporting role within the General Fund. Revenues are generated primarily by user licenses and permits, while personnel costs are the major expenditure category. The Fund is prepared on the modified accrual basis where cash transactions are included in the budget presentation in lieu of non-cash transactions such as depreciation. The focus is on the net change in fund balance (i.e. working capital).

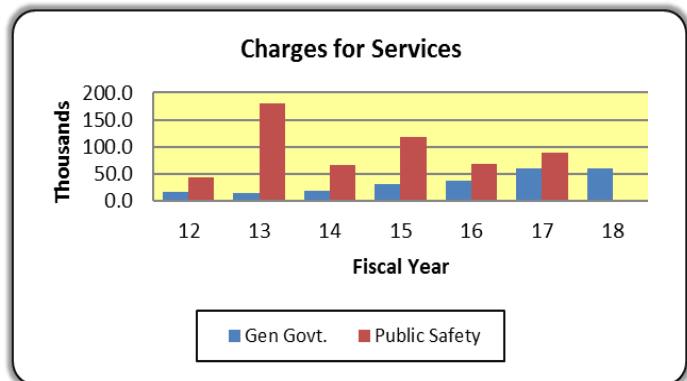
### Revenue/Sources

Total Revenues/Sources budgeted for FY 18 of \$1,734,899 is \$89,900 or 4.9% lower than the FY 17 estimated year-end receipts of \$1,824,799. The FY 17 projected receipts are \$474,546 or 35.1% higher than the FY 16 Actuals. In the following discussion, the major Building Fund revenue groups are listed in order of magnitude for the FY 17 Budget. All revenue groups in the Building Fund, unless otherwise noted, are projected by the Budget Office in consultation with the Building Official and Growth Management Director and then reviewed by the City Manager. Projections are based off of the FY 16 Year-end Estimates rather than the FY 16 Approved Budget levels. Comparisons to both are provided in the following detailed analyses.

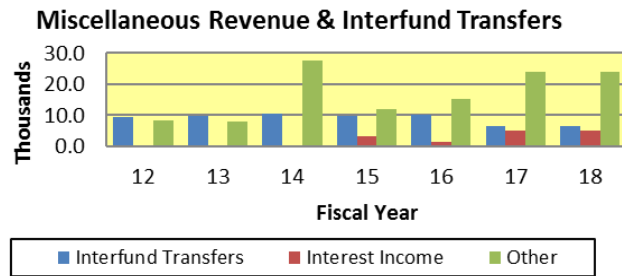
- **Building Permits** – Revenue derived from building permits, recall inspections and plan check fees. FY 17 projected receipts of \$1,639,624 are \$421,735 or 34.6% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$11,639,624 is \$0 or 0.0% higher.



- **Charges for Services** – Revenue derived from engineering plan fees and administrative fees. FY 17 projected receipts of \$149,611 are \$43,993 or 41.7% higher than the FY 16 Actuals. When compared to the FY 17 year-end estimated receipts, the FY 18 Budget of \$59,711 is \$89,900 or 60.1% lower. This was due to Fire Inspection fees and Fire Recall fees being moved to General Fund in FY 18.

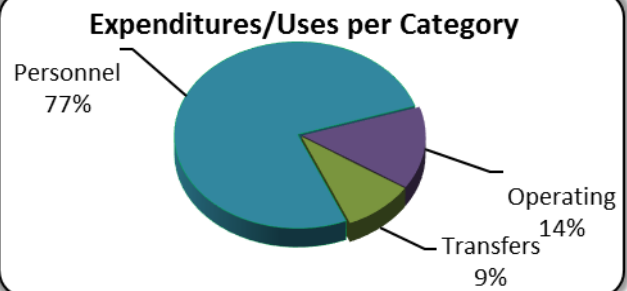


- **Miscellaneous Revenues and Interfund Transfers**– Revenue derived from interest earnings on pooled cash investments, city auction proceeds, applied forfeitures and other miscellaneous revenues. FY 17 projected receipts of \$35,564 are \$8,818 or 33.0% higher than the FY 16 Actuals. When compared to the FY 17 year-end estimated receipts, the FY 18 Budget of \$35,564 is \$0 or 0.0% higher.



### **Expenditures/Uses**

FY 18 Total Budget of \$1,788,978 is \$376,765 or 26.7% higher than the FY 17 year-end estimates of \$1,412,213. Total FY 17 projected Expenditures/Uses is \$430,291 or 43.8% higher than the FY 16 Actuals. As shown by the chart to the right, the majority of the FY 18 expenditures are for the personnel category.



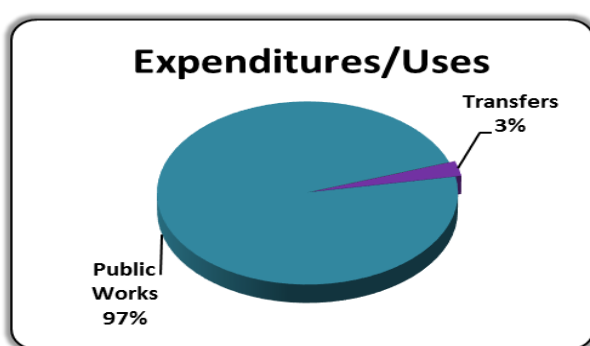
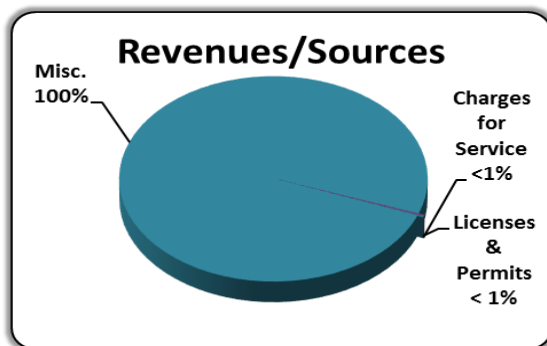
### **Change in Fund Balance**

The projected FY 18 Year-end Fund Balance of \$2,465,530 is \$54,079 or 2.1% lower than the FY 17 projected Year-end Estimated Fund Balance of \$2,519,609.

## Stormwater Fund Summary

### 461 - STORMWATER FUND

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	645,703	(724,233)	268,082	268,082	(1,145,345)	123.41%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	33,962	21,901	21,901	36,355	36,500	40.00%
Intergovernmental	-	-	1,147,613	720,000	-	
Charges for Service	3,518,028	3,517,496	3,566,915	3,496,491	13,000	-27337.81%
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	7,340	-	-	7,000	11,869,757	100.00%
Capital Contributions	-	-	-	-	-	
Transfers	1,282	-	2,592,329	-	-	
<b>TOTAL REVENUES/SOURCES</b>	<b>3,560,612</b>	<b>3,539,397</b>	<b>7,328,758</b>	<b>4,259,846</b>	<b>11,919,257</b>	<b>62.64%</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>4,206,315</b>	<b>2,815,164</b>	<b>7,596,840</b>	<b>4,527,928</b>	<b>10,773,912</b>	<b>41.82%</b>
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	3,544,791	4,171,526	6,858,217	5,252,799	8,732,428	27.33%
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	119,345	119,344	119,344	119,344	-	-100.00%
Transfers	274,098	316,949	301,130	301,130	232,881	-22.66%
Non-Departmental	-	-	-	-	-	
<b>TOTAL EXPENDITURES/USES</b>	<b>3,938,234</b>	<b>4,607,819</b>	<b>7,278,691</b>	<b>5,673,273</b>	<b>8,965,309</b>	<b>23.17%</b>
Revenues Over/(Under)Expenditures	(377,621)	(1,068,422)	50,067	(1,413,427)	2,953,948	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	268,082	(1,792,655)	318,149	(1,145,345)	1,808,603	
<b>TOTAL ENDING BALANCE</b>	<b>268,082</b>	<b>(1,792,655)</b>	<b>318,149</b>	<b>(1,145,345)</b>	<b>1,808,603</b>	<b>468.48%</b>



## Analysis

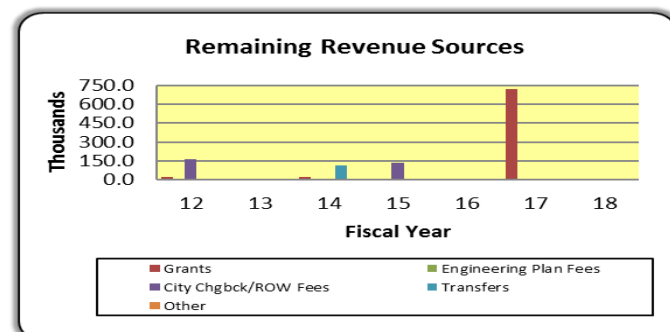
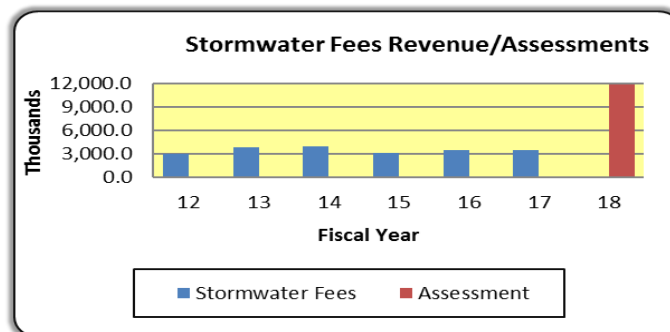
The establishment of the Stormwater Utility Fund in FY 11 provided dedicated funding for stormwater related activities and separate tracking of revenues and expenditures that were historically a part of the General Fund. Revenues to the Stormwater Utility are based upon a rate of \$4.47/month per equivalent residential unit (ERU) (as set in CoO Chapter 174, Floodplain and Stormwater Management) and fee reconsidered each year by ordinance. Vacant land will be charged a reduced rate as compared to developed land. Additionally, funding is included to address failed drainage structures within the City.

A referendum item approved by the electorate in November 2016, granted City Council the power to levy special assessments for (1) construction, repair, and maintenance of roadways and all appurtenant facilities and infrastructure and (2) construction, repair, and maintenance of Stormwater and wastewater management facilities, water supply and distribution systems, canals, and all appurtenant infrastructure. The FY 2018 budget reflects the adding of a Stormwater Assessment to the tax bills, at a higher rate. Along with the increase in rate, having the Stormwater Fee on the tax bill will guarantee collections and provide more funding to alleviate some of the Stormwater infrastructure needs the City did not have funding to meet.

The Fund is prepared on the modified accrual basis where cash transactions are included in the budget presentation in lieu of non-cash transactions such as depreciation. The focus is on the net change in fund balance (i.e. working capital).

### Revenue/Sources

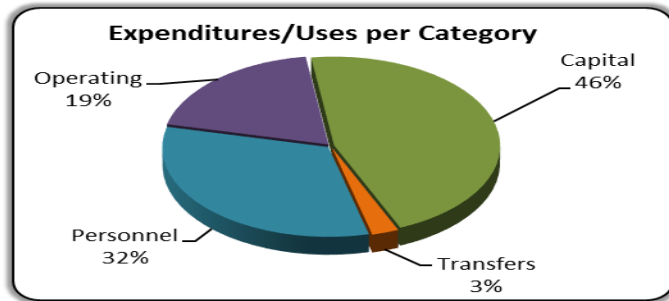
Total Revenues/Sources budgeted for FY 18 of \$11,919,257 is \$7,659,411 or 179.8% higher than FY 17 estimated year-end receipts of \$4,259,846. The FY 17 projected receipts are \$699,234 or 19.6% higher than the FY 16 Actuals. The major revenue stream budgeted for FY 18 is Stormwater Assessments. Other revenue sources are Charges for Services-Engineering Plan Fees and Applied Forfeitures. Interest income is not budgeted, but will be used as receipts are recognized. No Grants, Engineering Plan Fees or City Chargebacks/ROW Fees were budgeted in FY 18. The FY 18 revenues were projected by the Public Works Department, and are reviewed by the City Manager.





### **Expenditures/Uses**

FY 18 Total Budget of \$8,965,309 is \$3,292,036 or 58.0% higher than the FY 17 year-end estimates of \$5,673,273. Total FY 17 Estimated Expenditures/Uses is \$1,735,039 or 44.1% higher than the FY 16 Actuals. As shown by the chart to the right, the majority of the expenditures for FY 18 are for the capital category.



### **Change in Fund Balance**

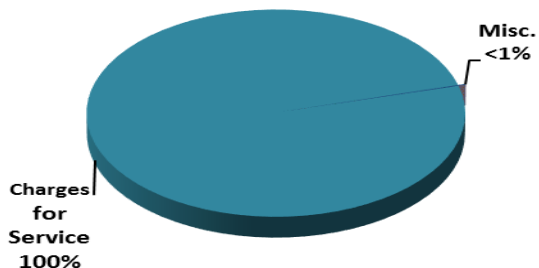
The projected FY 18 Year-end Fund Balance of \$1,808,603 is \$2,953,948 or 257.9% higher than the FY 17 projected Year-end Estimated Fund Balance of (\$1,145,345).

## Solid Waste Fund Summary

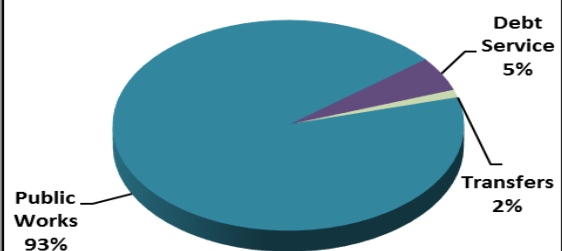
### 471 - SOLID WASTE FUND

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	483,609	856,644	778,413	778,413	959,948	23.32%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	
Charges for Service	5,671,726	5,600,000	5,600,000	5,678,885	5,600,000	0.00%
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	57,235	69,000	69,000	5,000	7,000	-89.86%
Transfers	-	-	-	-	-	
TOTAL REVENUES/SOURCES	5,728,961	5,669,000	5,669,000	5,683,885	5,607,000	-1.09%
TOTAL FUNDS AVAILABLE	6,212,570	6,525,644	6,447,413	6,462,298	6,566,948	1.85%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	5,063,886	5,013,670	5,256,171	5,108,656	5,327,717	1.36%
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	303,277	303,277	303,277	303,277	303,277	0.00%
Transfers	66,994	106,236	882,746	90,417	70,096	-92.06%
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	5,434,157	5,423,183	6,442,194	5,502,350	5,701,090	-11.50%
Revenues Over/(Under)Expenditures	294,804	245,817	(773,194)	181,535	(94,090)	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	778,413	1,102,461	5,219	959,948	865,858	
TOTAL ENDING BALANCE	778,413	1,102,461	5,219	959,948	865,858	16490.50%

### Revenues/Sources



### Expenditures/Uses



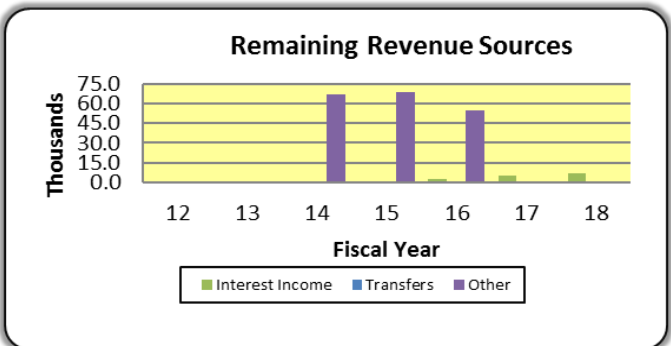
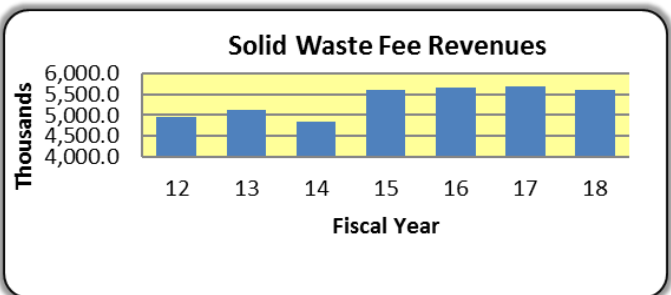
## Analysis

The establishment of the Solid Waste Fund (formerly known as Sanitation Fund) in FY 11 created a residential solid waste collection system administered by the City in partnership with Waste Management. Through the restatement of the Waste Management Franchise Agreement, the City will pay Waste Management \$10.05/month per residential unit served (budgeted FY 18 estimated at \$4,575,555 annually). Additionally, the City will have debt service relating to the acquisition of 76,000 64-gallon solid waste carts. Revenue to the Solid Waste Fund is based upon a rate of \$12.30/month per residential unit for FY 18 which remained the same as FY 17 (CoO Section 150.53).

The Fund is prepared on the modified accrual basis where cash transactions are included in the budget presentation in lieu of non-cash transactions such as depreciation. The focus is on the net change in fund balance (i.e. working capital).

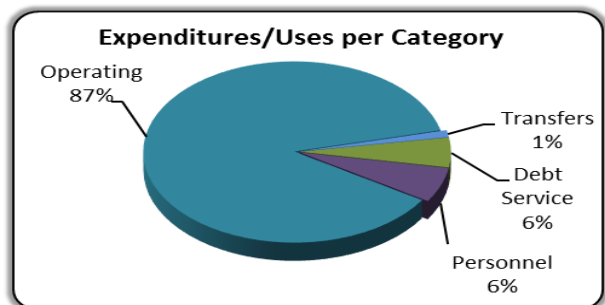
### Revenue/Sources

Total Revenues/Sources budgeted for FY 18 is \$5,607,000 is \$76,885 or 1.4% lower than FY 17 estimated year-end receipts. For FY 18, Solid Waste Fees are 100% of revenue source with less than 1% of Miscellaneous for Interest Income. FY 17 projected receipts of \$5,683,885 are \$45,076 or 0.8% lower than the FY 16 Actuals. In FY 14, P-card rebate to Solid Waste Fund started to be distributed to Solid Waste for their portion of rebate instead of all going to General Fund, but not budgeted in FY 18.



### Expenditures/Uses

FY 18 Total Budget of \$5,701,090 is \$198,740 or 3.6% higher than the FY 17 year-end estimates of \$5,502,350. Total FY 17 Estimated Expenditures/Uses is \$68,193 or 1.3% higher than the FY 16 Actuals. As shown by the chart to the right, the majority of the expenditures for FY 18 are for the operating category.



### Change in Fund Balance

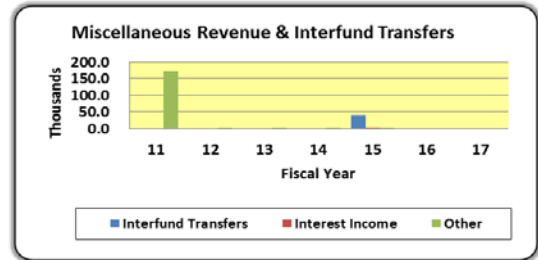
The projected FY 18 Year-end Fund Balance is \$865,858 is \$94,090 or 9.8% lower than the FY 17 projected Year-end Estimated Fund Balance of \$959,948.

## *Employee Health Insurance Fund Summary*

511 - EMPLOYEE HEALTH INSURANCE FUND						APPROVED TO FY 17
	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	AMENDED % CHANGE
BEGINNING BALANCE	1,693,082	457,220	673,680	673,680	1,374,139	103.98%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	
Charges for Service	8,910,997	10,728,746	10,728,746	10,417,507	12,220,944	13.91%
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	-	-	589,543	19,463	-	-100.00%
Transfers	-	-	302,206	2,206	-	-100.00%
TOTAL REVENUES/SOURCES	8,910,997	10,728,746	11,620,495	10,439,176	12,220,944	5.17%
TOTAL FUNDS AVAILABLE	10,604,079	11,185,966	12,294,175	11,112,856	13,595,083	10.58%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	9,426,399	10,728,746	11,630,952	9,738,717	12,220,944	5.07%
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	-	-	-	-	-	
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Transfers	504,000	-	-	-	-	
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	9,930,399	10,728,746	11,630,952	9,738,717	12,220,944	5.07%
Revenues Over/(Under)Expenditures	(1,019,402)	-	(10,457)	700,459	-	
ENDING BALANCE						
Adjustments		-	-	-	-	
Fund Balance:						
Reserved/Restricted		-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	-	-	-	-	-	
TOTAL ENDING BALANCE	673,680	457,220	663,223	1,374,139	1,374,139	107.19%

## Analysis

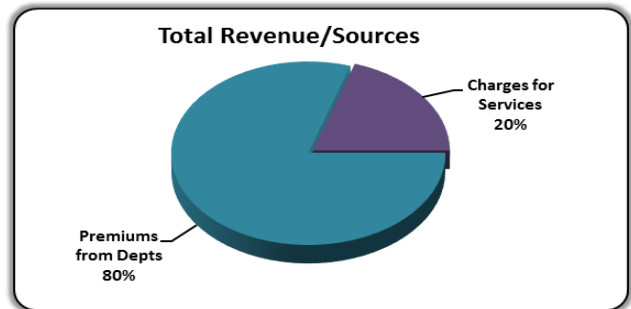
The Employee Benefits Fund which had accounted for expenses incurred for the insured and self-insured benefits under the City's Section 125 "cafeteria" benefits plan for City employees was split into two separate Funds mid-FY 11. The Employee Health Insurance Fund now accounts for only the City's self-insured employee health insurance program. The accounting of all other benefits was transferred to the Other Employees Benefits Fund.



Revenues are generated by charges to the various departments and funds based on past experience and actuarial estimates. The minimum Fund Balance Policy is set by the actuarial projected cost of two-months of claims.

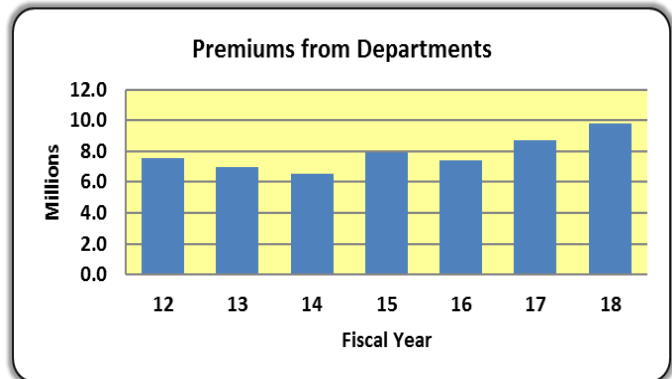
### Revenue/Sources

Total Revenues/Sources budgeted for FY 18 of \$12,220,944 is \$1,781,768 or 17.1% higher than the FY 17 estimated year-end receipts of \$10,439,176. As the chart to the right illustrates, the over-whelming majority of revenues/sources utilized by the Fund are generated through premium charges to the departments.

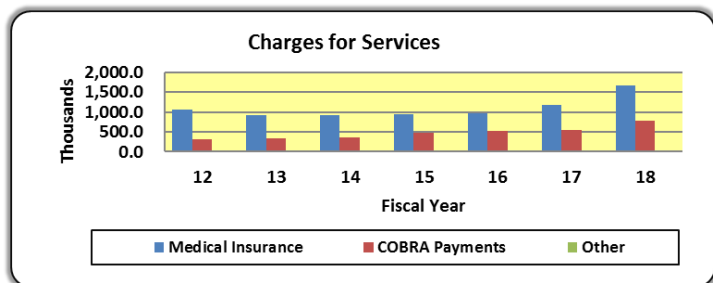


All revenue streams, unless otherwise noted, in the Employee Benefits Fund are projected by the Human Resource Office and reviewed by the City Manager. Projections are based off of the FY 17 Year-end Estimates rather than the FY 17 Budget levels.

- Premiums from Departments** – Revenues derived from interfund charges to departments with full-time employees. The amount charged to each department is usually based upon the amount needed to balance the fund to desired fund balance level and then divided by the number of employees. FY 17 projected receipts of \$8,684,000 are \$1,252,372 or 16.9% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$9,775,767 is \$1,091,767 or 12.6% higher.

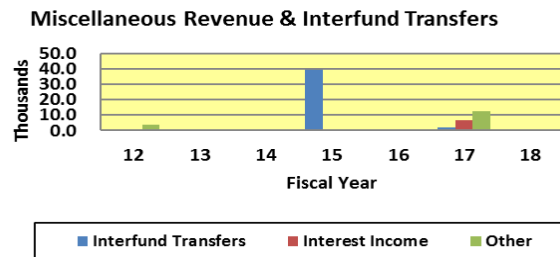


- Charges for Services** – Revenues derived from voluntary employee paycheck deductions in exchange for elective benefits such as family coverage or premium employee and/or family health insurance. Also included in this group are revenues from former employees, payments for continuation of health insurance



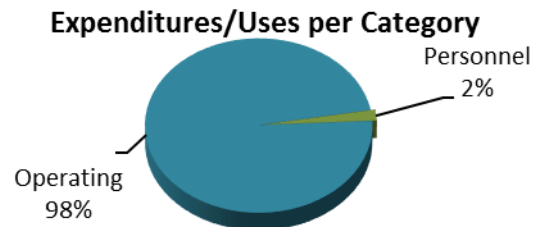
benefits generally for 18 months for qualifying events due to employment termination or reduction of hours of work. FY 17 projected receipts of \$1,733,507 are \$254,138 or 17.2% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$2,445,177 is \$711,670 or 41.1% higher. Future growth in this revenue stream is difficult to forecast due to the volatility of employees' choices of type of health insurance, the number of eligible employees and the changing number of employees.

- Transfers – Occasionally interfund transfers occur as a Revenue Source. \$2,206 was estimated for FY 17 projected receipts. Zero has been budgeted for FY 18. FY 15 was for reclassifications of positions between General Fund and Employee Health Insurance Funds.



### Expenditures/Uses

FY 18 Total Budget of \$12,220,944 is \$2,482,227 or 25.5% higher than the FY 17 year-end estimates of \$9,738,717. FY 17 projected Total Expenditures/Uses are \$191,682 or 1.9% lower than the FY 16 Actuals. The chart to the right illustrates the majority of the FY 18 expenditures are for the operating category.



### Change in Fund Balance

The FY 18 Year-end Fund Balance of \$1,374,139 is the same as the FY 17 year-end Estimated Fund Balance.

## *Risk Management Fund Summary*

### 512 - RISK MANAGEMENT FUND

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	1,292,896	2,064,943	1,972,806	1,972,806	3,432,378	73.98%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	
Charges for Service	3,644,881	3,935,609	3,935,609	3,935,609	4,120,132	4.69%
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	7,376	-	884,202	1,494,753	12,000	-98.64%
Transfers	-	-	-	-	-	
TOTAL REVENUES/SOURCES	3,652,257	3,935,609	4,819,811	5,430,362	4,132,132	-14.27%
TOTAL FUNDS AVAILABLE	4,945,153	6,000,552	6,792,617	7,403,168	7,564,510	11.36%
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	2,649,065	3,932,134	4,834,380	3,970,790	4,132,132	-14.53%
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	-	-	-	-	-	
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Transfers	323,282	-	-	-	-	
Non-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	2,972,347	3,932,134	4,834,380	3,970,790	4,132,132	-14.53%
Revenues Over/(Under)Expenditures	679,910	3,475	(14,569)	1,459,572	-	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	-	-	-	-	-	
TOTAL ENDING BALANCE	1,972,806	2,068,418	1,958,237	3,432,378	3,432,378	75.28%

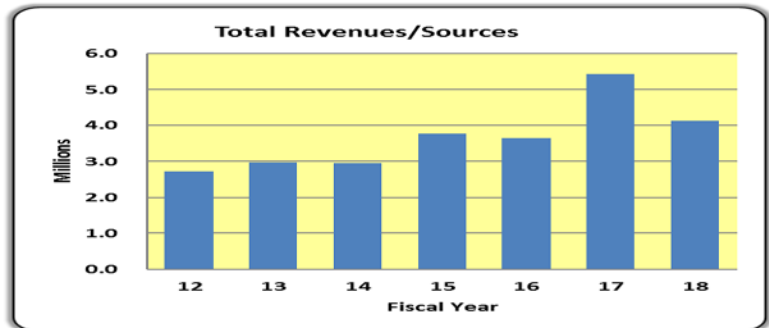
## *Analysis*

The Risk Management Fund accounts for the expenses incurred for workers' compensation claims, general and auto liability claims, property claims, and the related administrative expenses to operate the City's Risk Management program. Revenues are generated by charges to the various departments and funds based on past experience and actuarial estimates. Beginning in FY 07 the Fund Balance was set based upon actual costs of past claims experience and excess insurance coverage costs. In 2015 the Risk Management Fund changed responsibility from the Human Resource Department to the City Attorney Office.

As of October 1, 2015, the City of Palm Bay is self-insured. The City maintains a sovereign immunity cap for general liability claims of \$200,000 per claimant/\$300,000 per incident. Workers' compensation does not have a sovereign immunity cap. For all claims from October 1, 2010 to September 30, 2015, the City was fully insured with Florida Municipal Insurance Trust. For general liability claims that arose during that time, the self-insured retention (SIR) is \$100,000. All Workers' Compensation claims that arose during that time period are fully insured from first dollar.

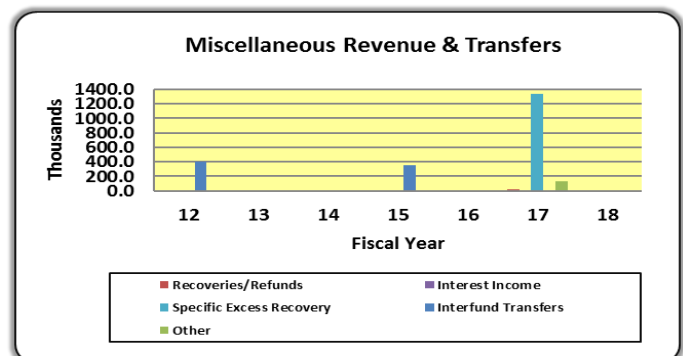
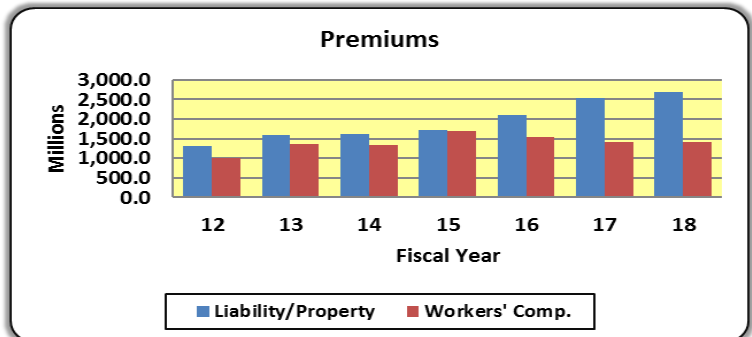
### Revenue/Sources

Total Revenues/Sources budgeted for FY 18 of \$4,132,132 is \$1,298,230 or 23.9% lower than the FY 17 estimated year-end receipts of \$5,430,362. The FY 17 projected receipts are \$1,778,105 or 48.7% higher than the FY 16 Actuals.



All revenue streams, unless otherwise noted, in the Risk Management Fund are projected by the City Attorney Office and reviewed by the City Manager. Projections are based on the FY 17 Year-end Estimates rather than the FY 17 Approved Budget levels.

- Premiums – Premiums for self-insured lines of property, auto, general liability and workers' compensation. FY 17 projected receipts of \$3,935,609 are \$290,728 or 8.0% higher than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$4,120,132 is \$184,523 or 4.7% higher.
- Other Revenues – Revenue derived from the following sources:
  1. Interest earnings on pooled cash investments.
  2. The purchase of "excess" insurance to limit the adverse financial impact to the City as a result of an unusually large loss or an unexpectedly long series of small losses. The City has elected to





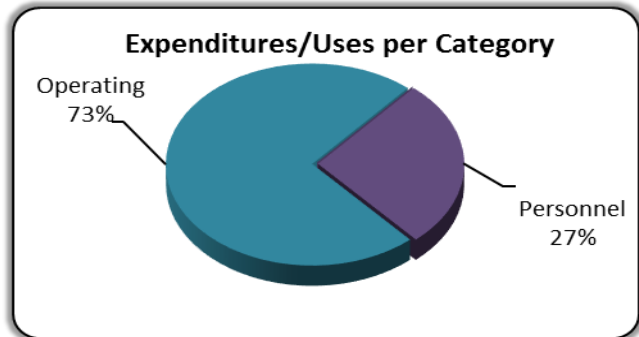
retain a portion of the total risk exposure (self-insured retention – SIR) to reduce the overall cost of the insurance program.

3. The pursuit of subrogation and recovery for property and vehicle damage as well as workers' compensation expenses that result from the negligence of another party.

FY 18 projected receipts of \$1,494,753 are \$1,487,377 or 20165.3% higher than the FY 16 Actuals. This is a result of recoveries and refunds revenue being removed from FY 16 Actuals to reduce expenditures \$1,085,975. Whereas, the FY 16 projected receipts includes the recoveries and refunds as revenue. \$12,000 is budgeted for FY 18 as interest income. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$12,000 is \$1,482,753 or 99.2% lower.

### **Expenditures/Uses**

FY 18 Total Budget of \$4,132,132 is \$161,342 or 4.1% higher than the FY 17 year-end estimates of \$3,970,790. FY 17 projected Total Expenditures/Uses are \$998,443 or 33.6% higher than the FY 16 Actuals. The chart to the right illustrates the majority of the FY 18 expenditures are for the operating category.



### **Change in Fund Balance**

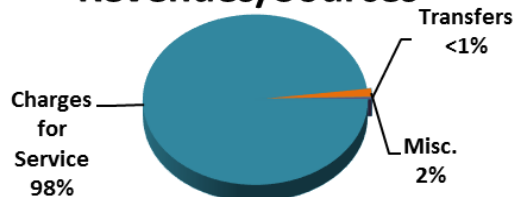
The ending Fund Balance for FY 18 is \$3,432,378 is the same as the FY 17 projected Year-end Estimated Fund Balance.

## Other Employee Benefits Fund Summary

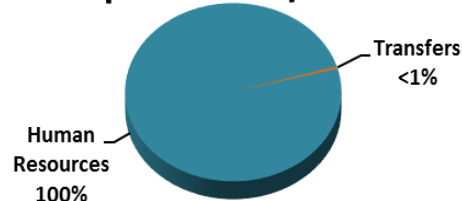
### OTHER EMPLOYEE BENEFITS FUND

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
OPENING BALANCE	(113,323)	26,773	135,829	135,829	284,844	109.71%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
License, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	
Charges for Service	2,920,120	2,747,801	2,747,801	2,610,077	2,949,168	7.33%
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	128	-	50,000	50,352	50,000	0.00%
Transfers	-	-	212,206	2,206	11,027	-94.80%
TOTAL REVENUES/SOURCES	2,920,248	2,747,801	3,010,007	2,662,635	3,010,195	0.01%
TOTAL FUNDS AVAILABLE	2,806,925	2,774,574	3,145,836	2,798,464	3,295,039	4.74%
EXPENDITURES/USES:						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	2,579,985	2,747,801	2,960,007	2,501,120	2,997,695	1.27%
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	-	-	-	-	-	
Utilities	-	-	-	-	-	
Cityfront Community Red. Agency	-	-	-	-	-	
Lib. Service	-	-	-	-	-	
Transfers	91,111	-	12,500	12,500	12,500	0.00%
In-Departmental	-	-	-	-	-	
TOTAL EXPENDITURES/USES	2,671,096	2,747,801	2,972,507	2,513,620	3,010,195	1.27%
Revenues Over/(Under)Expenditures	249,152	-	37,500	149,015	-	
CLOSING BALANCE						
Adjustments	-	-	-	-	-	
Ending Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	135,829	26,773	173,329	284,844	284,844	
TOTAL ENDING BALANCE	135,829	26,773	173,329	284,844	284,844	64.34%

### Revenues/Sources



### Expenditures/Uses



## *Analysis*

Created in FY 11, the Other Employee Benefits Fund accounts for expenses incurred for the insured and self-insured benefits under the City's Section 125 "cafeteria" benefits plan maintained for City employees. Benefits paid from this fund include:

- Vacation and Sick Payouts
- Employee Assistance Program
- Life Insurance
- Short-term Disability
- Long-term Disability
- Dental Insurance
- Vision Insurance

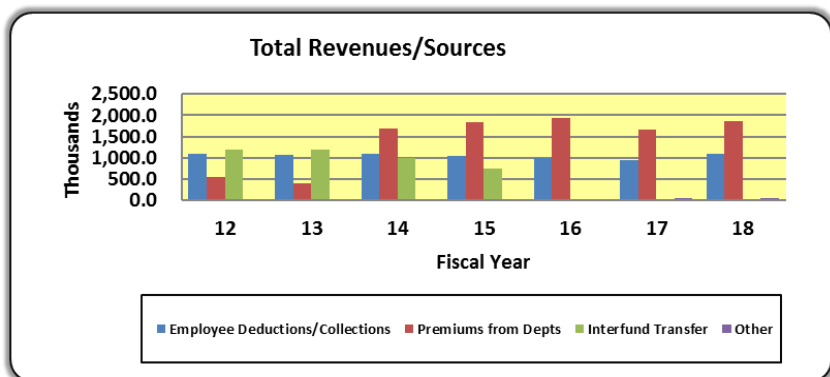
Revenues are generated by charges to the various departments and funds based on past experience and actuarial estimates plus paycheck deductions from employees.

### Revenue/Sources

Total Revenues/Sources budgeted for FY 18 of \$3,010,195 is \$347,560 or 13.1% higher than the FY 17 estimated year-end receipts of \$2,662,635. FY 17 projected receipts are \$257,613 or 8.8% lower than the FY 16 Actuals.

The majority of revenues/sources received by the Fund are generated through Premiums from Departments with amount determined by whether Enterprise or Non-Enterprise funds. Next was Employee Deductions (including COBRA payments) followed closely by Interfund Transfers which finances employee sick and vacation payouts.

All revenue streams, unless otherwise noted, in the Employee Benefits Fund are projected by the Risk Management Office and reviewed by the City Manager. Projections are based off of the FY 17 Year-end Estimates rather than the FY 17 Approved Budget levels.



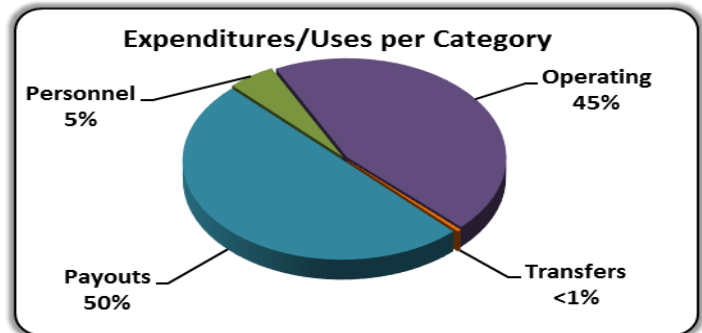
- **Employee Deductions** – Revenues derived from voluntary employee paycheck deductions in exchange for elective benefits such as vision insurance, enhanced life insurance, dental insurance and other miscellaneous options plus revenues derived from former employee payments for continuation of health insurance benefits. FY 17 projected receipts of \$940,077 are \$51,100 or 4.7% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$1,084,000 is \$143,923 or 15.3% higher. Future growth of this revenue stream is dependent upon the cost of insurance policies provided by outside vendors and the number of employees electing specific coverage.
- **Premiums from Departments** – Revenues derived from interfund charges to departments with full-time employees. The amount charged to each department is based upon the amount needed to balance the fund and then the amount is determined whether Non-Enterprise Fund or Enterprise Fund is which is then divided by the number of employees. The cost difference per employee is due to each Enterprise fund had their termination/sick/vacation payouts in FY 18 were budgeted to Enterprise Funds separately. This change took effect in FY 14. FY 17 projected receipts of

\$1,670,000 are \$258,943 or 13.4% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$1,865,168 is \$195,168 or 11.7% higher which was caused by the change in Non-Enterprise Fund cost from FY 17 \$2,852 per employee to FY 18 \$3,095. For Enterprise Funds, cost per employee changed from \$557 in FY 17 to \$529 in FY 18.

- Transfers – FY 15 had Revenues transferred from the Employee Health Insurance Fund for support of employee termination and other related payouts for \$700,000. Also there was a transfer from Risk Management fund \$53,521 for the City Attorney Office/Risk Merger. FY 17 had \$2,206 transfer for HR Director changes. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$11,027 is \$8,821 or 399.9% higher.

### **Expenditures/Uses**

FY 18 Total Budget of \$3,010,195 is \$496,575 or 19.8% higher than the FY 17 year-end estimates of \$2,513,620. FY 17 projected Total Expenditures/Uses are \$157,476 or 5.9% lower than the FY 16 Actuals. The chart to the right illustrates the majority of the FY 18 expenditures are split evenly between the operating category and employee payouts.



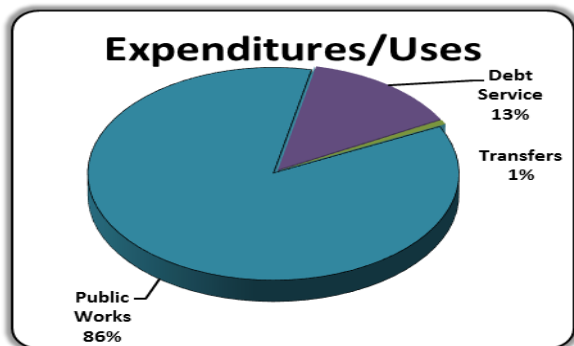
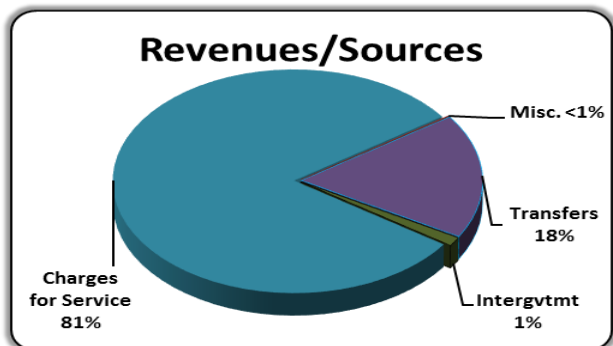
### **Change in Fund Balance**

The Fund is designed to have an annual ending Fund Balance of zero. The FY 18 projected Ending Fund Balance is \$284,844, the same as the FY 17 Estimated year-end Fund Balance. Future Fund Balance levels are projected to maintain this zero balance or correct any variances on a year by year basis.

## *Fleet Services Fund Summary*

### 521 - FLEET SERVICES FUND

	FY 16 ACTUAL	FY 17 APPROVED BUDGET	FY 17 AMENDED BUDGET	FY 17 ESTIMATED	FY 18 APPROVED BUDGET	APPROVED TO FY 17 AMENDED % CHANGE
BEGINNING BALANCE	(204,177)	115	763,079	763,079	39,835	-94.78%
REVENUES/SOURCES:						
Property Taxes	-	-	-	-	-	
Sales, Use & Fuel Taxes	-	-	-	-	-	
Franchise Fees	-	-	-	-	-	
Utility Taxes	-	-	-	-	-	
Licenses & Permits	-	-	-	-	-	
Intergovernmental	49,592	50,000	50,000	50,000	50,000	0.00%
Charges for Service	2,978,763	2,917,477	2,917,477	2,913,477	3,115,850	6.80%
Fines and Forfeitures	-	-	-	-	-	
Miscellaneous	40,983	800	800	10,692	3,000	275.00%
Transfers	1,559,981	490,256	771,799	468,179	695,365	-9.90%
<b>TOTAL REVENUES/SOURCES</b>	<b>4,629,319</b>	<b>3,458,533</b>	<b>3,740,076</b>	<b>3,442,348</b>	<b>3,864,215</b>	<b>3.32%</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>4,425,142</b>	<b>3,458,648</b>	<b>4,503,155</b>	<b>4,205,427</b>	<b>3,904,050</b>	<b>-13.30%</b>
EXPENDITURES/USES						
Legislative	-	-	-	-	-	
Office of City Manager	-	-	-	-	-	
Office of City Attorney	-	-	-	-	-	
Finance	-	-	-	-	-	
Information Technology	-	-	-	-	-	
Human Resources	-	-	-	-	-	
Growth Management	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	
Police	-	-	-	-	-	
Fire	-	-	-	-	-	
Public Works	3,586,551	2,907,267	3,953,218	3,671,442	3,305,123	-16.39%
Utilities	-	-	-	-	-	
Bayfront Community Red. Agency	-	-	-	-	-	
Debt Service	53,212	468,180	468,180	468,180	531,921	13.61%
Transfers	22,300	25,970	25,970	25,970	27,171	4.62%
Non-Departmental	-	-	-	-	-	
<b>TOTAL EXPENDITURES/USES</b>	<b>3,662,063</b>	<b>3,401,417</b>	<b>4,447,368</b>	<b>4,165,592</b>	<b>3,864,215</b>	<b>-13.11%</b>
Revenues Over/(Under)Expenditures	967,256	57,116	(707,292)	(723,244)	-	
ENDING BALANCE						
Adjustments	-	-	-	-	-	
Fund Balance:						
Reserved/Restricted	-	-	-	-	-	
Contingency Account	-	-	-	-	-	
Undesignated	763,079	57,231	55,787	39,835	39,835	
<b>TOTAL ENDING BALANCE</b>	<b>763,079</b>	<b>57,231</b>	<b>55,787</b>	<b>39,835</b>	<b>39,835</b>	<b>-28.59%</b>



## Analysis

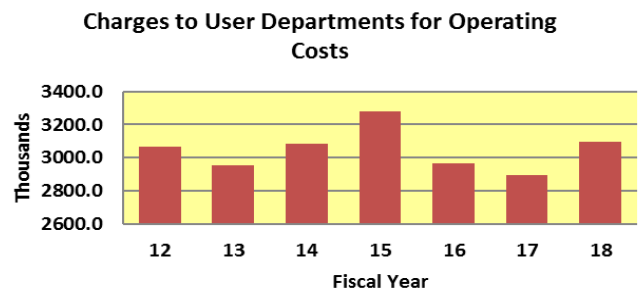
The Fleet Services Funds, established in FY 04, accounts for operations, repairs, and replacement of the City's vehicular and major equipment fleet. Revenues are generated by separate user charges to various departments for operational costs and vehicle "replacement" charges to General Fund departments. Non-General Fund departments are only charged for operational costs as they purchase, depreciate, and replace their vehicles separately.

### Revenue/Sources

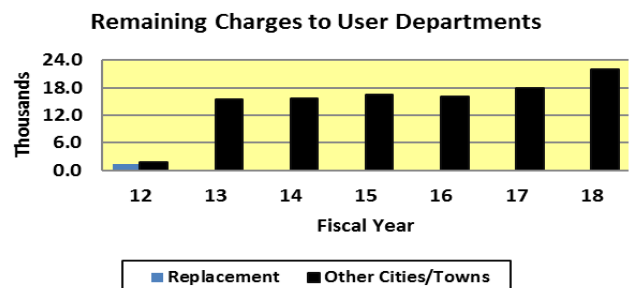
Charges for Service comprise the majority of Fleet Services Fund revenues/sources. Fleet Operating Charges to user departments are based on anticipated maintenance and fuel costs, while Fleet Vehicle Charges are based on an annual analysis of historic operating and maintenance costs plus anticipated changes for the new fiscal year. Fleet Replacement Charges are based on the anticipated replacement cost divided by the useful economic lifespan of each vehicle. These charges are then aggregated at the user division level in the General Fund and Fleet Services Fund.

All revenue streams in the Fleet Services Fund are projected by Public Works Fleet Services Manager and reviewed by the City Manager. Said projections are based on historic trends, future operational needs and surveys of economic indicators. Total Revenues/Sources budgeted for FY 18 of \$3,864,215 is \$421,867 or 12.3% higher than the FY 17 estimated year-end receipts of \$3,442,348. FY 17 projected receipts are \$1,186,971 or 25.6% lower than the FY 16 Actuals.

- Fleet Replacement and Operating & Maintenance Charges – Revenues derived from replacement charges and operating and maintenance charges to user departments. With the exception of Enterprise and Special Revenue Funds that are only assessed operating and maintenance charges (Utilities Operating Fund, Community Development Block Grant Fund, Building Fund, Stormwater Utility Fund and Bayfront Community Redevelopment Agency Fund), all other departments with vehicles are assessed both charges.



- Replacement Charges – This revenue stream is based on the anticipated replacement cost divided by the useful economic lifespan of each vehicle. This revenue stream has not been funded since FY 2012.
- Town of Malabar – This revenue stream is based on anticipated maintenance and repair on the Town of Malabar's vehicles which is performed by City personnel.
- City of Melbourne Beach – This revenue stream is based on anticipated maintenance and repair on the City of Melbourne Beach's vehicles which is performed by City personnel.



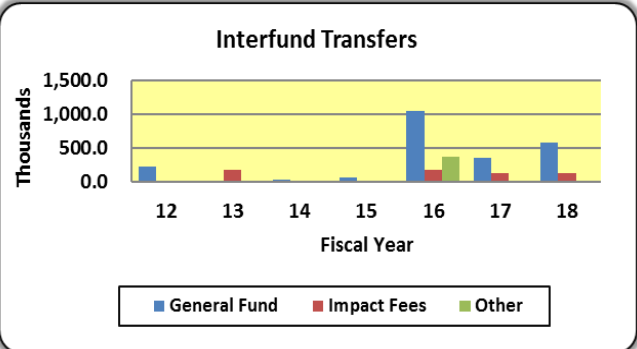
FY 17 projected receipts of \$2,913,477 are \$65,286 or 2.2% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$3,115,850 is \$202,373 or

6.9% higher. Future growth in this revenue stream is hard to predict since it is tied to the fiscal health of other funds and the desired number of replacement vehicles in any given year.

- Interfund Transfers – Revenues to the Fleet Service Fund from other City Funds outside of Fleet Charges are made through interfund transfers. Specific transfers budgeted and/or anticipated over the five-year Program are specified below.

- Transfer from General Fund – FY 17 had lease payment for two new Fire Apparatus due.

General Fund covers one in full for replacement vehicle and covers half for the other since new vehicle and half is covered using Fire Impact Fee Fund. For all transfers, FY 17 year-end estimate of \$468,179 is \$1,091,802 or 70.0% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$695,365 is \$227,186 or 48.5% higher.

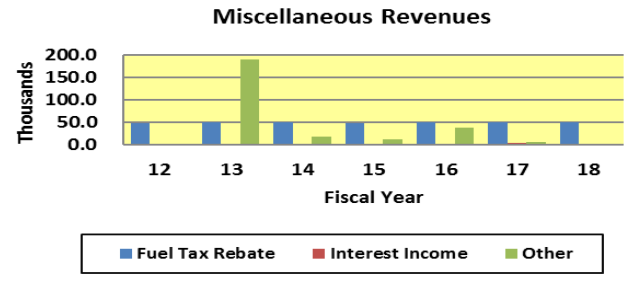


- Transfer from Impact Fee Fund – Covers a half of lease payment due \$121,666 on new Fire Apparatus purchase in FY 15.

- Miscellaneous Revenues – Revenues derived from the following sources:

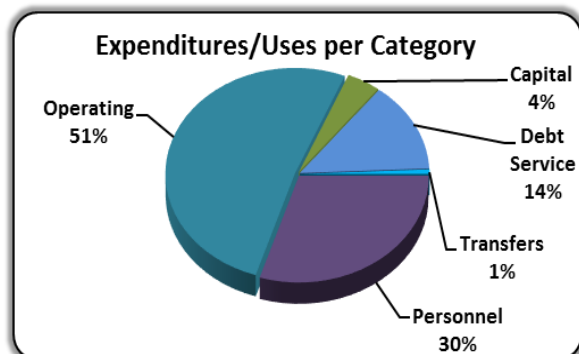
1. Motor Fuel Tax Rebates received by the City for previously purchased diesel fuel in which a state fuel tax was paid
2. Interest Income
3. City Auction Proceeds
4. Gains (Losses) on Fuel Hedging

FY 17 projected receipts of \$60,692 are \$29,883 or 33.0% lower than the FY 16 Actuals. When compared to the FY 17 estimated year-end receipts, the FY 18 Budget of \$53,000 is \$7,692 or 12.7% lower.



### Expenditures/Uses

FY 18 Total Budget of \$3,864,215 is \$301,377 or 7.2% lower than the FY 17 year-end estimates of \$4,165,592. FY 17 projected Total Expenditures/Uses are \$503,529 or 13.7% higher than the FY 16 Actuals. The chart to the right illustrates the majority of the FY 18 expenditures are in the operating category.



### Change in Fund Balance

FY 18 ending Fund Balance projected at \$39,835 is the same as the FY 17 projected Year-end Estimated Fund Balance.