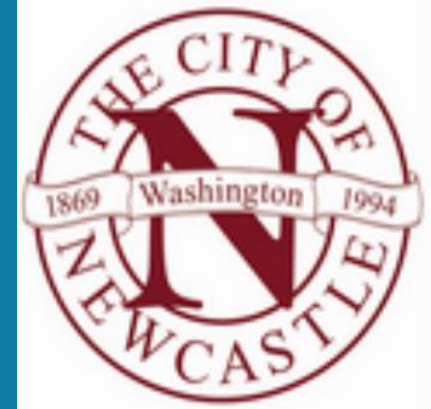


Newcastle Finance 2020 Review



February 2, 2020

Presented by

Don Palmer, Finance Director

A General Fund
Summary of
2020 Financial
Results

General Fund #001		
	2020	
	Final Budget	Actuals as of 12/31/2020
BEGINNING BALANCE	\$4,953,970	\$5,316,078
TOTAL REVENUE & TRANSFERS	\$9,813,025	\$10,087,548
TOTAL EXPENDITURES & TRANSFERS	\$10,709,285	\$10,077,216
ENDING BALANCE	\$4,057,710	\$5,326,410
Net Operating Surplus / (Deficit)	(\$896,260)	\$10,332

The 2020 General Fund Budget

- March 3rd amending General Fund budget deficit was \$896K
- May 5th Staff provided City Council with three scenarios of potential impacts based upon State and Regional economic analysis including options to reduce services and impacts to revenue.
- September 18th Budget Retreat General Fund 2020 projected a deficit of \$665K.
- November 10th General Fund 2020 projected a deficit of \$438K.
- December 15th General Fund 2020 projections would be close to balanced.

Major General Fund revenues.

Property tax was 99.5% collected.

General Fund CARES grant of \$564K

Sales Tax higher with on-line sales exceeding estimates by \$225K offsetting development revenue shortfall of \$280K

CARES grant
helped
offset
operating
expenses.

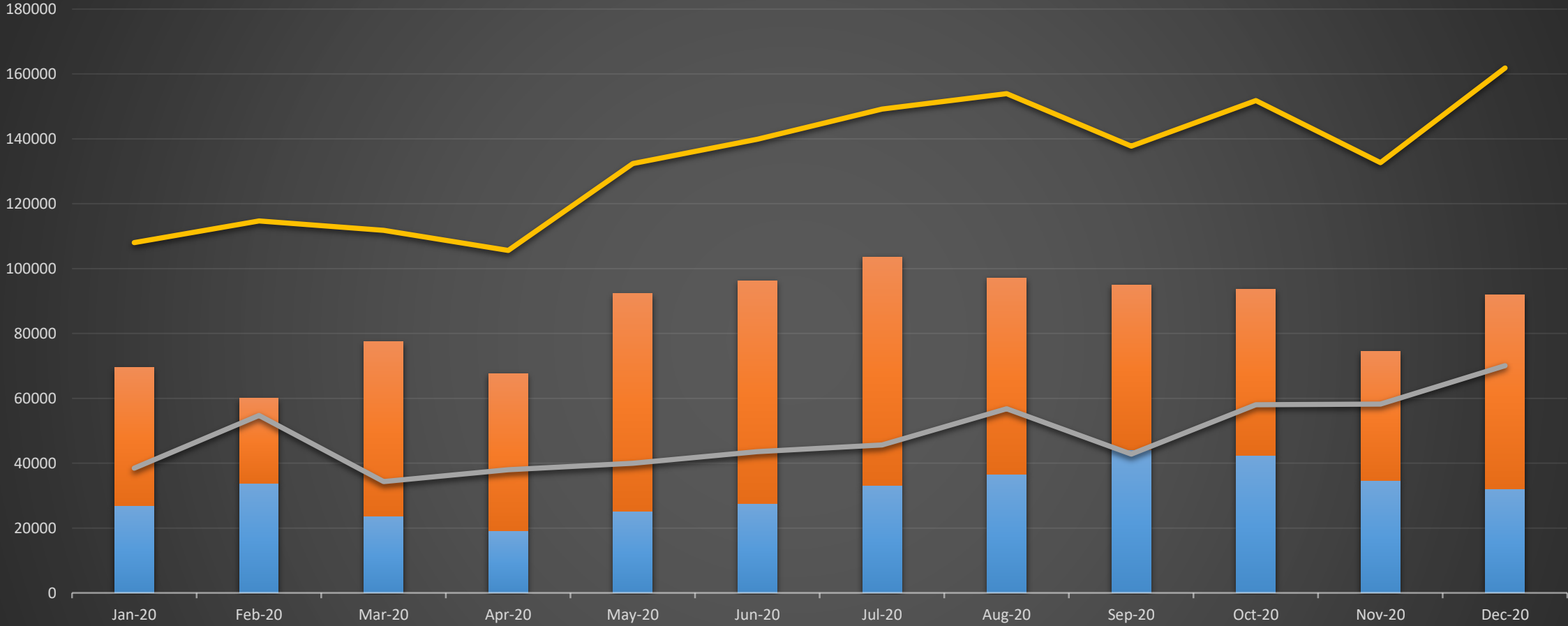
General Fund CARES grant of \$564K

Offsetting \$100,700 in budgeted operating expenses which includes \$79K for payroll that was redeployed to administer the grant plus \$21,700 of IT equipment that was in the 2020 budget and was also redeployed as telecommuting all offset by CARES.

Business Grants provided to Newcastle businesses totaling \$195K

Supplies and services contains \$268,300 of CARES reimbursable expenses.

Sales Tax by Type



On line sales Retail Construction Total Sales Tax

The City 2020 General Fund Expenditure Summary

Fund #	Description	Amended Budget	YTD	\$ Variance
001	General Fund Expenditures			
	Salaries + Benefits	\$2,659,650	\$2,290,334	\$369,316
	Supplies	116,005	228,733	(112,728)
	Services	1,010,375	895,275	115,100
	Professional Services	664,025	605,487	58,538
	Public Art	7,500	500	7,000
	Historic Preservation	5,500	250	5,250
	Travel & Meetings	51,750	5,800	45,950
	Intergovernmental	5,264,480	5,052,903	211,577
	Other Financing Uses	750,000	817,934	(67,934)
	Transfer Out	180,000	180,000	-
	Total General Fund Expenditures	\$10,709,285	\$10,077,216	\$632,069

General Fund Service Reductions are \$815K

The General Fund reductions of \$815K consist of the following:

- Personnel savings of \$369k in the General Fund from two unfilled positions, two vacant maintenance positions, city clerk not filled for ¼ of the year and a ROW inspector leaving during the year. Not included is the SWM Technician.
- Police Officer vacant, lower jail cost and prosecution is lower for the year by \$177.2K
- Community Events for July 4th, concert in the parks, Newcastle Days did not occur overall reduction \$72K.
- Parks Maintenance was reduced by \$107K.
- Other financing uses contains expenses related to developer cost flowing through Community Development to cover development.
- Other reductions to historic preservation, public art, professional development and other total \$90K.