

2020 SPENDING UPDATE & YEAR-END FORECAST

December 10, 2020 Update

2020 FINANCIAL APPROACH TO PANDEMIC

Spending Plan created early in 2020 to address the unknown impacts of the Coronavirus Pandemic on City revenue sources

- ✓ Select vacant positions frozen and unfilled for 2020
- ✓ Conservative spending throughout 2020 while maintaining services
- ✓ Extended payment plans for utility customers
- ✓ Monthly updates for City Council direction

Revenue Review - Forecasted across all funds

Ad Valorem	3.3% Delinquency
Motor Vehicle	+ \$179,000, exceeds budget
Special Assessments	Certified - 8% Delinquency (\$91,150 uncollected) Budgeted – 100% collected
Sales Tax	+ 10%, exceeds budget
Franchise Fees	- 2.7% (\$16,000 uncollected)
Development Fees – General Fund	+ \$169,650, exceeds budget
Water Utility Sales	+ 7%, exceeds budget
System Development Fees - Water	On target to meet budget
Sewer Utility Sales	+ 3.5%, exceeds budget
System Development Fees - Sewer	+ \$320,000, exceeds budget



GENERAL FUND REVIEW

GENERAL FUND

STEPS IDENTIFIED TO OFFSET IMPACT

General Fund Budget Impact	\$639,420
Beginning of Year Unbudgeted Fund Balance Rollover - General Fund	\$184,785
Revenues collected above budget:	\$240,495
Position vacancies - Frozen <i>Payroll plus benefit savings</i>	\$201,220
Position vacancies unfilled and benefit savings <i>Payroll plus benefit savings</i>	\$373,930
Unbudgeted expense: 27th payroll in 2020 <i>(Estimated total expense of approximately \$140,000)</i>	(\$140,000)
Unbudgeted expense: Overtime to offset vacancies	(\$38,435)
Unbudgeted Expenditure adjustments	(\$322,575)
Aquatic Closure for 2020 season	\$140,000

Additional Adjustments Identified (not implemented):	\$238,500
Move 2019 YE Transfer from Equipment Fund back to General Fund	\$150,000
Suspend employee education reimbursement program	\$5,000
Temporarily suspend cost sharing of salt expenditure with Special Highway Fund	\$15,000
Defer 2020 equipment purchase - Steel salt spreader <i>Redirect funds to General Fund</i>	\$18,500
Budget cuts of overall budget of 5% or 10%	undecided
Redirect Special County Sales Tax from Equipment Reserve fund to General Fund	\$50,000

GENERAL FUND YEAR-END FORECAST

	2020 Budget	2020 Forecast	\$ Diff	% (under)/over
Operating Fund Balance	414,660	599,445	184,785	44.56%
Reserve Fund Balance	750,000	750,000	-	0.00%
REVENUES				
Property Taxes	2,501,380	2,531,950	30,570	1.22%
Sales Tax	1,811,450	2,004,325	192,875	10.65%
Franchise Fees	602,500	586,375	(16,125)	-2.68%
Sales & Services	35,400	41,390	5,990	16.92%
Development Fees	210,000	379,650	169,650	80.79%
Aquatic Center	134,050	-	(134,050)	-100.00%
Municipal Court	165,000	141,500	(23,500)	-14.24%
Facility Rental	24,000	31,285	7,285	30.35%
Other Tax & Revenue	34,000	41,800	7,800	22.94%
OPERATING REVENUES	\$ 5,517,780	\$ 5,758,275	\$ 240,495	4.36%
TOTAL REVENUES	\$ 5,932,440	\$ 6,357,720	\$ 425,280	

	2020 Budget	2020 Forecast	\$ Diff	% (over)/under
EXPENSES				
Personnel	4,458,600	4,023,450	435,150	9.76%
Commodities	414,915	391,850	23,065	5.56%
Contractual	812,015	983,000	(170,985)	-21.06%
Capital Outlay	230,910	250,000	(19,090)	-8.27%
Transfers Out	16,000	70,000	(54,000)	-337.50%
TOTAL EXPENDITURES	\$ 5,932,440	\$ 5,718,300	\$ 214,140	3.61%

OPERATING BALANCE	\$ 639,420
FUND BALANCE-RESERVE	\$ 750,000



FUND BALANCE REVIEW

FUND BALANCE FORECAST

	Projected 2020 Year-end Fund Balance	Budgeted Beginning Fund Balance 2021	
General Fund	\$1,389,420	\$958,265	
Debt Service	\$275,465	\$160,025	
Fire	\$83,275	\$50,965	
Cemetery	\$6,650	\$5,825	
Special Highway	\$871,085	\$594,725	
Excise Tax	\$922,880	\$974,955	*
Special Parks	\$252,100	\$201,265	
Sales Tax (Special City)	\$303,000	\$190,600	
Sales Tax (Special County)	\$35,085	\$17,885	
Water	\$789,525	\$481,750	
Sewer	\$4,424,895	\$4,234,395	

DISCUSSION