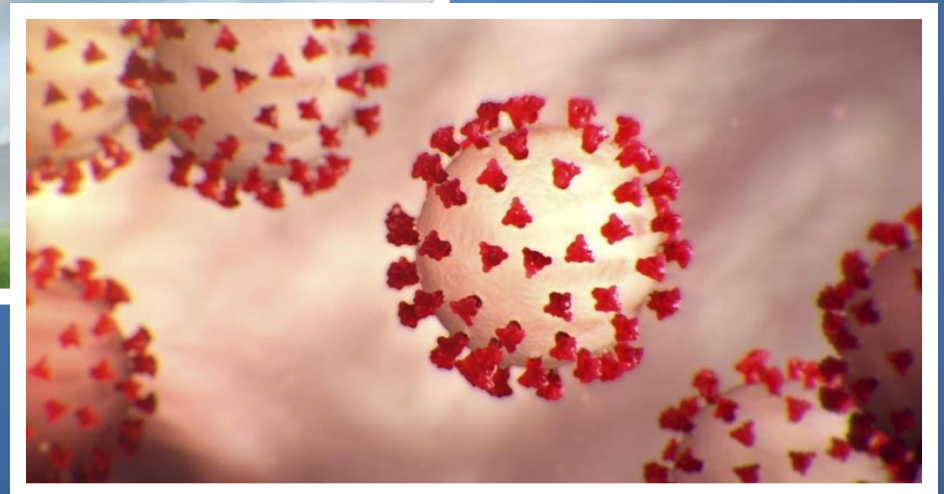




CITY OF NEWARK FY 2019-20 GENERAL FUND BUDGET PROJECTIONS UPDATE



April 23, 2020

AGENDA

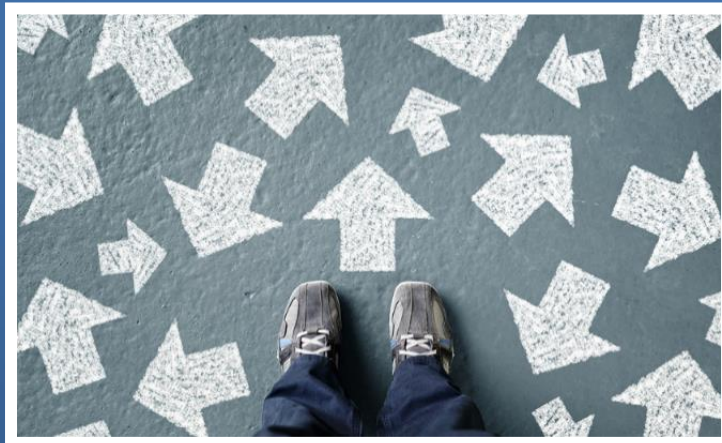


- Review Feb. 13 general fund projections for FY 2019-20
- Discuss COVID-19 economic impacts
- Update FY 2019-20 general fund projections
- Update 2020 – 2022 budget process

2019-20 PROJECTIONS ASSUMPTIONS



- Current economic conditions continue
- Current suspended and limited services continue
- Hiring freeze on non-essential positions continues



COVID-19 Economic Impacts



Unprecedented

Severe hit

UNKNOWN

Uncertainty

Recession

Freefall

FY 2019-20 General Fund Projections

as presented February 13, 2020



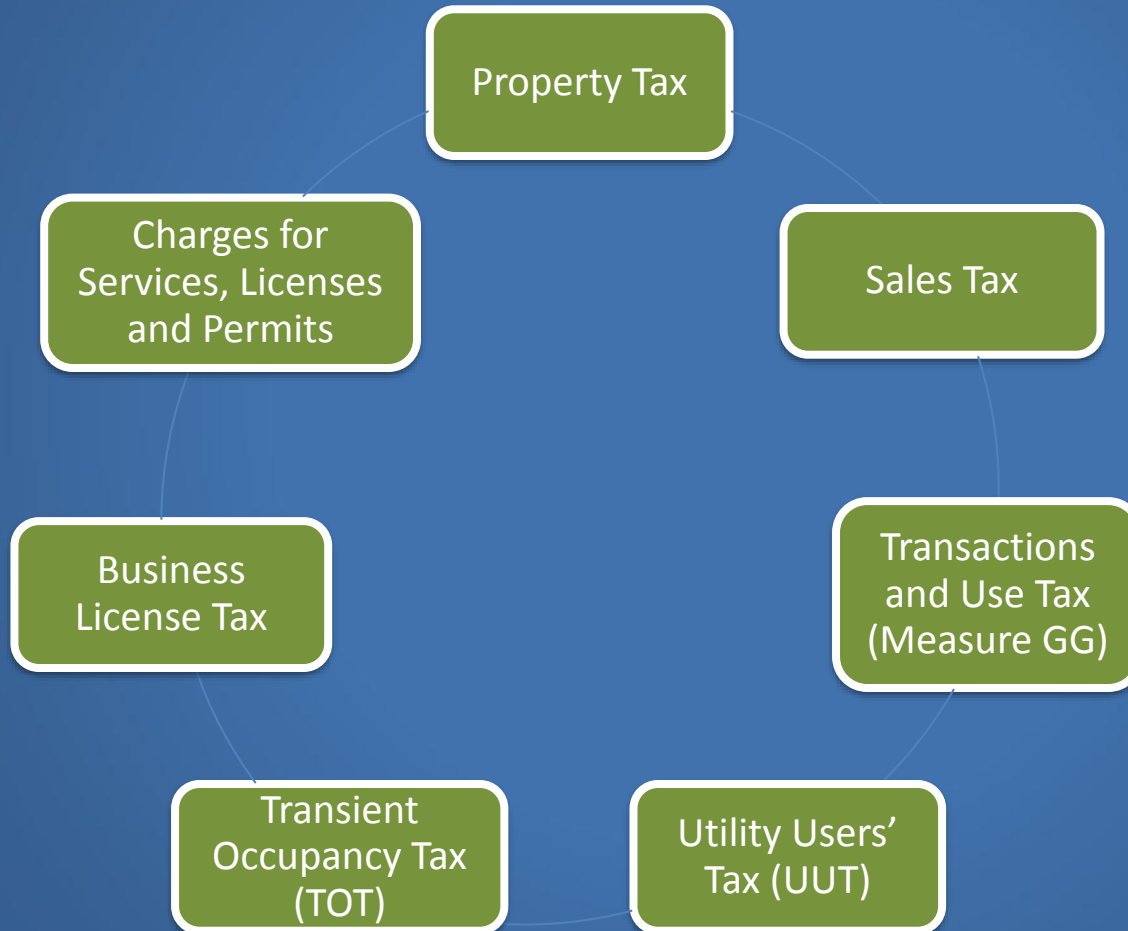
FY 2019-20 General Fund	1/23/20 Adjusted Budget	2/13/20 Projections
Taxes	52,849,100	51,079,000
Licenses, Permits & Fees	7,830,000	7,929,000
Charges for Services	5,759,000	5,086,000
Other	3,205,117	3,082,000
Total Revenues	69,643,217	67,176,000
Personnel	35,511,765	33,780,633
Non-Personnel	25,894,597	26,537,419
Civic Center Project	5,493,000	4,653,000
Total Expenditures	66,899,362	64,971,052
Ending Fund Balance	2,743,855	2,204,948
Balance After Budgeted or Approved Reserve Contributions	293,855	404,948

COVID-19 Economic Impacts

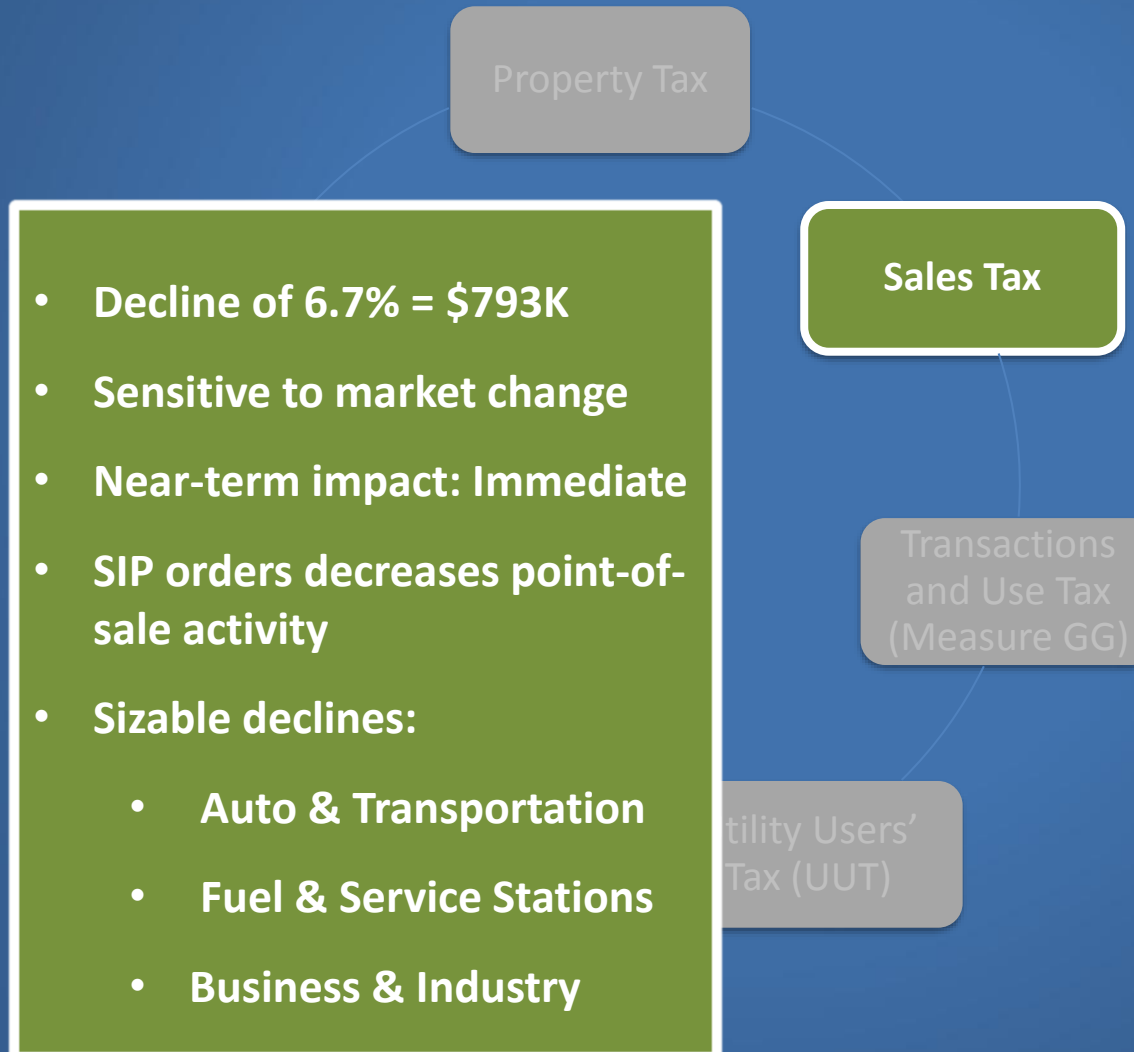


2019-20 General Fund	2/13/20 Projections	4/23/20 Projections	Difference
Taxes	51,079,000	46,841,000	(4,238,000)
Licenses, Permits & Fees	7,929,000	7,039,000	(890,000)
Charges for Services	5,086,000	3,233,000	(1,853,000)
Other	3,082,000	3,769,000	687,000
Total Revenues	67,176,000	60,882,000	(6,294,000)
Personnel	33,780,633	31,819,000	(1,961,633)
Non-Personnel	26,537,419	25,194,000	(1,343,419)
Civic Center Project	4,653,000	4,242,000	(411,000)
Total Expenditures	64,971,052	61,255,000	(3,716,052)
Ending Fund Balance	2,204,948	(373,000)	
Balance After Approved Reserve Contributions	404,948	(2,823,000)	

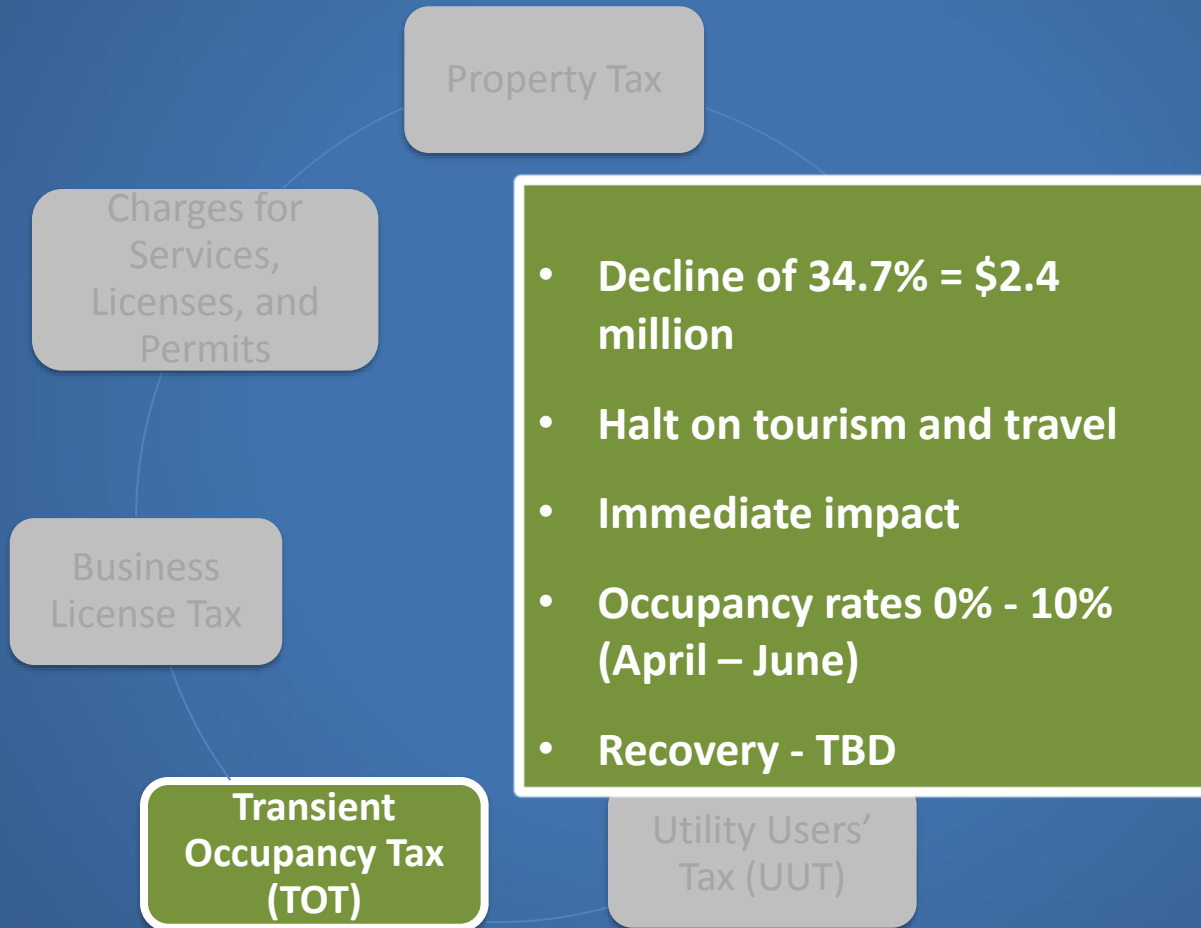
COVID-19 Impacts to City Revenues



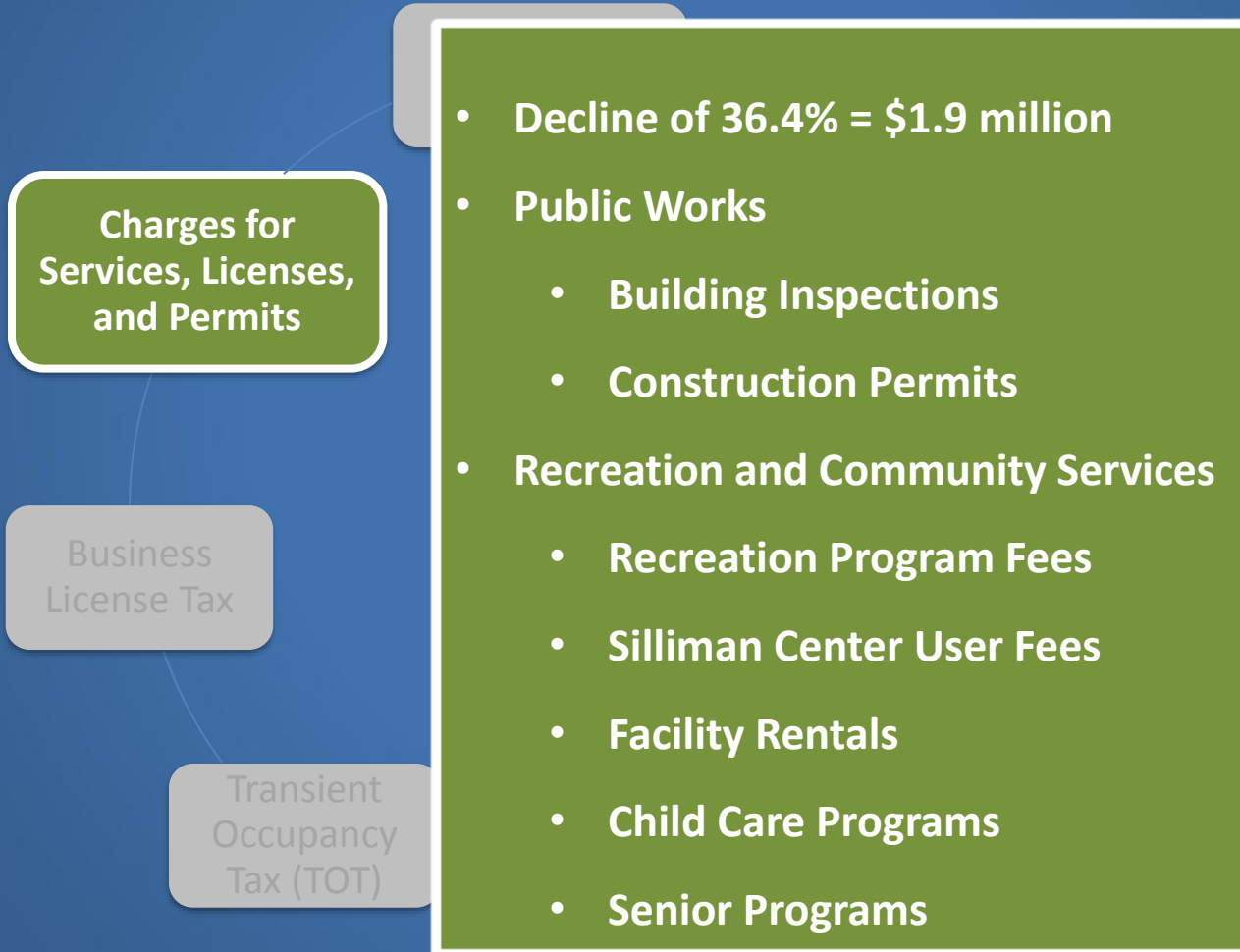
COVID-19 Impacts to City Revenues



COVID-19 Impacts to City Revenues



COVID-19 Impacts to City Revenues



Expenditure Reductions



- Reduced expenditures by \$3.7 million
 - Suspension or reduction of hours of temporary staff
 - Hiring freeze for non-essential positions
 - Reduction of contractual services
 - Cancellation of non-essential trainings and travel
 - Reduction of citywide purchases

2020 – 2022 Budget Process Timeline



Updated tentative City Council meeting dates

May 14

- CIP project recommendations

May 28

- Budget work session
- Draft CIP document review

June 11

- Detail review of five year forecast and biennial budget document

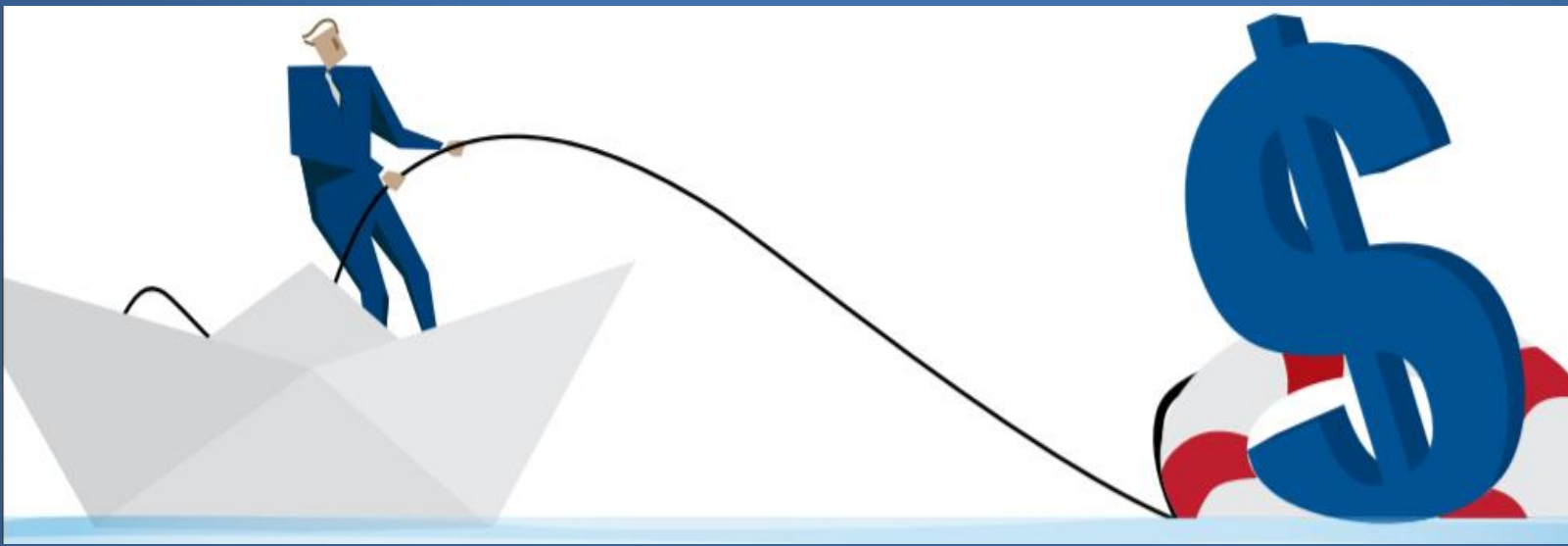
June 25

- Adoption of 2020-2022 budget and five year forecast

Key Takeaways



- Unprecedented time of economic uncertainty
- City continues with conservative fiscal policies
- Monitor, measure, and make course corrections
- Present a 2020 – 2022 balanced budget



QUESTIONS?