

**Minutes of the  
New Castle County Financial Advisory Council  
Via Zoom Webinar  
October 27, 2020**

**Attendance:**

<b>Member</b>	<b>Present</b>
Mark Oller	Yes
Kayode Abegunde	Yes
Michael Butler	Yes
Richard F. Davis	Yes
Jill Floore	Yes
Edward Milowicki	Yes
Ronald Simms	No
Richard Schneider	No
Bill Smith	Yes

**Members in Attendance:** 7

**Members Absent:** 2

**Others Attending:** George Smiley, Michael Smith, Vicki Ford, Russ Morris, Bob Wasserbach, Rinku Banerji, Lynne McIntosh, Karen Gordy, Joe Szczechowski

**Opening Business:**

Chairman Mark Oller called the meeting to order at 8:21 a.m.

Mr. Oller introduced new member Bill Smith and welcomed him to the Financial Advisory Council. Mr. Smith made a few remarks about his background.

Rich Davis made a motion to approve the minutes from the May 12, 2020 meeting. Ed Milowicki seconded the motion, and the minutes were approved as submitted.

**General and Sewer Fund Revenues by Major Categories for FY2020:**

Russ Morris reviewed the details of Exhibit A – New Castle County’s General and Sewer Funds Revenue Summary as of June 30, 2020 (Unaudited). He noted that the exhibit includes columns for the original 2020 Budget (B), the April 2020 Estimate (C), the June 2020 Estimate (D), comparisons of the April and June Estimates in dollars (E), the June Estimate over the 2020 Budget in dollars (F), and the June Estimate over the 2020 Budget by percentage (G).

In April, the General Fund estimate was \$211,818.7. As of June 30, that unaudited estimate was increased \$643.6 to \$212,362.4. Mr. Morris noted that the estimate is \$1,863.1 over the original budget of \$210,499.3. He noted that the shutdown caused by the COVID-19 pandemic did have a negative impact on revenue, but the impact was not a severe overall as originally anticipated.

Mr. Morris continued reviewing the line items in the General Fund listed on pages 2 to 4 of Exhibit A, highlighting the areas that have been impacted by COVID-19.

Karen Gordy covered the Sewer Fund Revenues listed on page 5 of Exhibit A. In the Sewer Fund, the June 30 estimate of \$82,116.0 is down \$47.1 from the original budget of \$82,163.1.

**General and Sewer Fund Revenues for FY2021 as of September 30, 2020:**

Russ Morris reviewed the details of Exhibit B – New Castle County’s General and Sewer Funds Revenues for FY2021 as of September 30, 2020. He noted that generally we don’t make many changes in the first few months of a fiscal year, but the COVID-19 shutdowns have

forced the Budget staff to make adjustments in some areas, while other areas have been virtually unaffected. For example, in Real Estate Taxes and RTT, our estimates remain unchanged.

Mr. Morris continued reviewing the line items in the General Fund listed on pages 2 to 4 of Exhibit B. Overall, the September 30 FY2021 General Fund revenue estimate is \$209,482.7, which is \$3,234.0 below the original budget of \$212,716.6.

Karen Gordy reviewed the details of page 5 of Exhibit B, which covered Sewer Fund revenue estimates. She noted that there were very few changes in the Sewer Fund estimates, the largest one being a \$200.0 increase in Capitol Recovery fees. Overall, the September 30 FY2021 Sewer Fund revenue estimate is \$83,296.9, which is \$200.0 above the original budget of \$83,096.9.

Mr. Morris reviewed the supporting charts found on pages 6 -10 of Exhibit B.

#### **General and Sewer Fund Expenditures for FY2020:**

Mr. Morris reviewed the details of Exhibit C – New Castle County’s General and Sewer Fund Expenditures FY2020 Budget vs. FY2020 Actual as of June 30, 2020.

In the General Fund, Mr. Morris noted that FY2020 actual expenditures were \$201.3, which was \$11.6 less than the FY2020 adjusted budget and \$6.3 less than the original budget of \$207.7.

In the Sewer Fund, actual expenditures were \$79.2, which was \$4.3 below the original budget of \$83.5.

#### **General and Sewer Fund Expenditures for FY2021:**

Mr. Morris reviewed the details of Exhibit D – New Castle County’s General and Sewer Fund Expenditures FY2021 Budget vs. FY2021 Actual as of September 30, 2020.

In the General Fund, Mr. Morris stated that the \$209.0 approved budget has been adjusted to \$208.7 as of September 30. This was due to a transfer of \$452,380 from the Operating Budget to the Emergency Management Grant, which is the Annual County match.

There were no changes in the approved \$84.3 approved budget in the Sewer Fund.

#### **General and Sewer Fund Financial Projections by Major Categories for FY2021 and Succeeding Fiscal Years (Unaudited):**

Chief Financial Officer Michael Smith reviewed the details of Exhibit E – General and Sewer Fund Financial Projections As of 9/30/2020 for Fiscal Years 2021-2024. He noted that in the General Fund the Tax Stabilization Reserve increased \$13.3 since July 1. It was created by increased revenues as well as decreased expenditures, especially in Salaries and Benefits.

While current projections show expenditures outpacing revenues, Mr. Smith noted that some of the revenue areas should improve as the economy continues to reopen.

In the Sewer Fund, the Sewer Rate Stabilization Reserve increased \$6.2 since July 1, again due to a small increase in revenues and savings in expenditures, mostly in Personnel Costs.

**Memorandum:**

The NCCFAC members in attendance were polled regarding their approval of the Memo to the County Executive, the CAO, the CFO, and the members of Council, signifying the information reviewed at this meeting.

**Schedule Date for Next Meeting:**

The next meeting date will be Tuesday, February 9, 2021, and will take place at 8:15 a.m. via Zoom webinar.

There being no further business, Chairman Oller adjourned the meeting at 9:29 a.m.