



City of Grand Island

Tuesday, June 14, 2016

Council Session

Item I-1

#2016-148 - Consideration of Approving Resolution Regarding Food and Beverage Funds prior to 7-1-16

Staff Contact: Jerry Janulewicz

Council Agenda Memo

From: Renae Griffiths, Finance Director

Meeting: June 14, 2016

Subject: Approving Use of Surplus Food and Beverage Occupation Use Tax

Presenter(s): Jerry Janulewicz, City Attorney

Background

Ordinance No. 9315, adopted August 11, 2011, in regards to tax receipts received from the City's food services and drinking places occupation privilege tax were designated to be utilized: (i) To make the City's required debt payments on the fieldhouse and the Recreational Field development as required by Grand Island City Code §23-79(A) and (B). If any surplus remains after meeting these obligations then that surplus shall be designated; and (ii) To make the City's quarterly payments to the Nebraska State Fair Support and Improvement Fund as required by Neb Rev. Stat. §2-108-110. If any surplus remains after meeting the obligations as stated in Grand Island City Code §23-65(C)(i) and (ii) then that surplus shall be designated.

Discussion

It is currently estimated after the final payment (June 30, 2016) on the Grand Island Fieldhouse that we'll have \$1 million in surplus on the food and beverage occupation tax. Pursuant to the ordinance, we can designate how those funds will be spent. The artificial turf at the fieldhouse needs changed and we'd also like to pay for design and construction of restrooms at the Veteran's Sports Complex. The remaining money will then be designated to cover future quarterly payments to the Nebraska State Fair for the City's match. The surplus funds would also be transferred to a special revenue fund to ensure they are reserved for payment of these three items.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the resolution designating use of the surplus money.
2. Take no action on the resolution.

3. Refer to committee.

Recommendation

City Administration recommends that the Council approve the designation of the surplus food and beverage occupation tax money.

Sample Motion

Move to approve the resolution designating the use of the surplus food and beverage occupation tax money.

RESOLUTION 2016-148

WHEREAS, pursuant to Ordinance No. 9315, adopted August 11, 2011, tax receipts received from the City's food services and drinking places occupation privilege tax were designated to be utilized: (i) To make the City's required debt payments on the fieldhouse and the Recreational Field development as required by Grand Island City Code §23-79(A) and (B). If any surplus remains after meeting these obligations then that surplus shall be designated; and (ii) To make the City's quarterly payments to the Nebraska State Fair Support and Improvement Fund as required by Neb Rev. Stat. §2-108-110. If any surplus remains after meeting the obligations as stated in Grand Island City Code §23-65(C)(i) and (ii) then that surplus shall be designated; and

WHEREAS, On June 30, 2016, the City's debt for construction of the Grand Island Fieldhouse and Recreational Field development will be fully paid; and

WHEREAS, the City's obligation to make quarterly payments to the Nebraska State Fair Support and Improvement Fund is paid to date and a surplus currently remains after meeting this obligation; and

WHEREAS, future payments to the Nebraska State Fair Support and Improvement Fund will be paid from the City's food and beverages retailer occupation tax receipts; and

WHEREAS, Council desires to designate use of surplus funds remaining in the City's food services and drinking places occupational privilege tax account.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, the surplus funds remaining in the City's food services and drinking places occupation privilege tax fund should be and are hereby designated to be used for the following purposes:

1. To pay expenses to be incurred for removal and replacement of artificial field turf at the Grand Island Fieldhouse;
2. To pay expenses to be incurred for design and construction of restrooms at the City's Veterans Sports Complex; and
3. The remainder to pay future quarterly payments to the Nebraska State Fair Support and Improvement Fund as required by Neb Rev. Stat. §2-108-110.

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Adopted by the City Council of the City of Grand Island, Nebraska, June 14, 2016.

Jeremy L. Jensen, Mayor

Attest:

Approved as to Form	▣ _____
June 10, 2016	▣ City Attorney

RaNae Edwards, City Clerk

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