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# City of Grand Island



## Tuesday, August 16, 2022 Study Session Agenda

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### City Council:

Jason Conley  
Michelle Fitzke  
Bethany Guzinski  
Chuck Haase  
Maggie Mendoza  
Vaughn Minton  
Mitchell Nickerson  
Mike Paulick  
Justin Scott  
Mark Stelk

### Mayor:

Roger G. Steele

### City Administrator:

Jerry Janulewicz

### City Clerk:

RaNae Edwards

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**7:00 PM**

**Council Chambers - City Hall  
100 East 1st Street, Grand Island, NE 68801**

## **Call to Order**

**This is an open meeting of the Grand Island City Council. The City of Grand Island abides by the Open Meetings Act in conducting business. A copy of the Open Meetings Act is displayed in the back of this room as required by state law.**

**The City Council may vote to go into Closed Session on any agenda item as allowed by state law.**

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## **Invocation**

## **Pledge of Allegiance**

## **Roll Call**

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### **A - SUBMITTAL OF REQUESTS FOR FUTURE ITEMS**

Individuals who have appropriate items for City Council consideration should complete the Request for Future Agenda Items form located at the Information Booth. If the issue can be handled administratively without Council action, notification will be provided. If the item is scheduled for a meeting or study session, notification of the date will be given.

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### **B - RESERVE TIME TO SPEAK ON AGENDA ITEMS**

This is an opportunity for individuals wishing to provide input on any of tonight's agenda items to reserve time to speak. Please come forward, state your name and address, and the Agenda topic on which you will be speaking.



# **City of Grand Island**

**Tuesday, August 16, 2022**

**Study Session**

## **Item -1**

### **Jackrabbit Run Golf Course Budget Presentation**

**Staff Contact: Todd McCoy**

# **Council Agenda Memo**

**From:** Patrick Brown, Finance Director

**Meeting:** August 16, 2022

**Subject:** JackRabbit Run Golf Course FY2023 Proposed Budget Presentation

**Presenter(s):** Devon Kastler, Regional Operations Manager,  
Landscapes Golf Management  
Patrick Brown, Finance Director

## **Discussion**

The proposed FY2023 JackRabbit Run Golf Course budget and Business Plan is below.



# Jackrabbit Run

## Business Plan – 2023



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## Mission Statement

Jackrabbit Run Golf Course strives to provide our customers and annual passholders a fantastic and friendly customer service experience alongside an exceptionally maintained public golf course.

### Overall Vision

Jackrabbit Run Golf Course will provide golfers with a memorable experience in the central Nebraska golf market by offering a well-maintained and fair golfing experience. We enjoy attracting golfers of all skills levels throughout the state and offer a comprehensive tournament and event schedule. The clubhouse offers a food and beverage menu with several options ranging from outstanding cheeseburgers to salads and several novel sandwich options. Jackrabbit Run is proud to present a complete golfing experience and a fantastic opportunity to feel a sense of community in a public golf setting.

### Brand Positioning Statement

Jackrabbit Run is a golf course that is dedicated to the customer experience and showcases excellent on-course playing conditions. Jackrabbit Run exemplifies the character and charm of central Nebraska golf. Our staff is excited to provide our customers a laid-back and friendly environment in which you feel “at home”.

### Landscapes Golf Management

Landscapes Golf Management, as the course manager, strives to provide the following:

- FISH! Service Philosophy
- A Safe Work Environment
- Cleanliness and Pride in our Facilities
- Employee Development Programs
- Resourceful Course Maintenance
- Financial Responsibility
- Professional Business Reporting
- Partners in Purchasing



## Executive Summary

Jackrabbit Run Golf Course will realize (\$25,000) in EBITDA in FY2023 by achieving the following objectives:

- **Increase rounds played by 3% (25,750 rounds)**
  - Continue to expand our course sponsored events calendar. (Scrambles, couples golf nights, junior play, league growth)
  - Continue to prioritize golf course conditions such as bunker edging, tree management, and daily maintenance practices to improve pace of play during peak playing times.
  - Marketing of targeted promotions to attract play during slow times of the week. (Senior specials, Tuesday and Wednesday morning specials)
- **Achieve a Net Promoter Score of 65**
  - Use the Fish! Service Program training with all staff upon onboarding and rehiring.
  - Monitor our survey results that are collected weekly through SurveySparrow to ensure we are addressing any areas of concern from our customers.
  - Utilize secret shoppers to evaluate our performance in several sectors of our business as they relate to daily play, tournament recruitment and administration, service expectations, and golf course conditions.
- **Implement 5% dues increase for annual passes**
  - Communicate increase and explanation for our increase a minimum of 2 months prior to typical sign-up release date.
  - Note enhancements and improvements made to the facility.
  - Discuss current economic conditions as they relate to the price increase.
- **Operate below a 42% COGS in Food and Beverage**
  - Continue weekly inventory of all F&B products
  - Evaluate current product mix and order different products if costs warrant a change
- **Recruit 5 new corporate golf outings**
  - Continue regular social media posts
  - Pursue and request meetings with local businesses to discuss our offerings and how they can benefit their organization
  - Market video testimonials from our current golf outing customers



## Jackrabbit Run GC

### Executive Budget Summary

	Budget	Actual	Actual	Actual
Selected Operational Metrics	2023	Trailing 12 Months	2021	2020
Rounds	▲ 26,000	▲ 25,893	▲ 22,599	▼ -
Revenue	▲ 855,958	▲ 756,813	▲ 717,994	▼ 451,927
EBITDA	▲ (25,047)	▲ (31,423)	▼ (115,510)	▲ (54,868)

Round Metrics	2023	Trailing 12 Months	2021	2020
Maximum Capacity	▲ 28,095	▲ 28,095	N/A	N/A
Weather Adjusted Capacity (WAC)	▲ 23,062	▲ 23,062	N/A	N/A
Capacity Rounds (WAC / Max)	▲ 82%	▲ 82%	#VALUE!	#VALUE!
Rounds Played	▲ 26,000	▲ 25,893	▲ 22,599	▼ -
Utilization Rate (Rounds / WAC)	▲ 113%	▼ 112%	#VALUE!	#VALUE!

Revenue Metrics	2023	Trailing 12 Months	2021	2020
Revenue per Round Played	▲ \$ 32.92	▼ \$ 29.23	▲ \$ 31.77	#DIV/0!
Revenue per Available Round (REVPAR)	▲ \$ 37.12	▼ \$ 32.82	#VALUE!	#VALUE!
Golf Revenue per Available Round	▲ \$ 26.23	▼ \$ 24.73	▲ \$ 25.60	#DIV/0!

Cost Metrics	2023	Trailing 12 Months	2021	2020
Cost per Round Played	▼ \$ 31.79	▲ \$ 28.74	#N/A	#N/A
Cost per Available Round	▼ \$ 35.84	▼ \$ 32.27	#N/A	#N/A

\*\* Cost includes Intr exp + Depreciation

Cash Flow Metrics	2023	Trailing 12 Months	2021	2020
Debt Service Coverage Ratio (DSCR)	▲ (0.46)	▲ (0.56)	▼ (2.46)	#DIV/0!

Payroll Metrics	2023	Trailing 12 Months	2021	2020
Total Wages as a % of Total Revenue	▲ 42%	▲ 47%	▼ 58%	▼ 63%
Total Payroll as a % of Total Revenue	▲ 53%	▲ 56%	▼ 71%	▼ 78%

Food and Beverage Metrics	2023	Trailing 12 Months	2021	2020
F&B Revenue per Round	▲ \$ 6.69	▼ \$ 6.19	▼ \$ 6.17	#DIV/0!
F&B NOI per Round	▲ \$ 2.78	▼ \$ -	▲ \$ 1.91	▼ \$ -
F&B NOI Margin %	▼ 42%	▼ 14%	▼ 31%	▲ 100%
Cost of Sales %	▼ 33%	▼ 30%	▼ 30%	▲ 0%

Gross Profit Allocation	2023	Trailing 12 Months	2021	2020
Golf Expense	12%	9%	30%	67%
Pool/Fitness Expense	0%	0%	0%	0%
Fitness Expense	0%	0%	0%	0%
Other Expense	0%	0%	0%	0%
Range Expense	0%	0%	0%	0%
Cart Expense	6%	6%	6%	0%
Maintenance Expense	38%	36%	34%	22%
Maintenance 2 Expense	0%	0%	0%	0%
F&B Expense	6%	13%	8%	0%
F&B 2 Expense	0%	0%	0%	0%
G&A Expense	42%	40%	39%	24%
Mktg/Member Expense	0%	0%	0%	0%
Lodging Expense	0%	0%	0%	0%
EBITDA	-3%	-5%	-18%	-12%

Flow Through Analysis (Excluding Real Estate/Property Taxes)			
2023 Budgeted Gross Revenue	855,958	2023 NOI	(25,047)
TTM Gross Revenue	756,813	TTM NOI	(31,423)
Increase	99,145		6,376
6% Incremental Flow Through Budgeted in 2023			
2021 Gross Revenue	717,994	2021 NOI	(115,510)
2020 Gross Revenue	451,927	2020 NOI	(54,868)
Increase	266,067		(60,641)
-23% Incremental Flow Through Acheived in 2021			

## Market Conditions



### Competitors

Public		Private	
2		1	

Over \$70 GF	\$40 - \$75 GF	Under \$40 GF
0	2	0

### Population by Age

Age Group	Population
Population1014	12,000
Population1519	11,000
Population2024	10,000
Population2529	10,000
Population3034	10,000
Population3539	10,000
Population4044	9,000
Population4549	9,000
Population5054	8,000
Population5559	6,000

With approximately 6,000 golfers within a 30-minute drive time and a stagnant total golfing household count, ensuring our service levels and golf course conditions are better than our competition is critical to our success.

## SWOT Analysis

### Strengths

- Golf Course Conditions – Leading or equal to our public competitors, specifically Indianhead.
- Leadership - Strong, service minded leaders at the property.
- Food and Beverage offerings – Our new menu has allowed our customers to enjoy food and drink not previous offered and not available at our main public competitor.
- Renovated clubhouse and improved product displays throughout the facility
- Reasonable price point for annual passes and daily golf fees
- Large driving range and practice green to help consistent range related sales

### Weaknesses

- Although we have experienced growth, we believe our golf outing round count could be improved. This is something we have battled as the previous operator wasn't pursuing this type of business.
- We do not currently have a golf professional at the facility.
- Small clubhouse capacity limits our availability to host outside events, both golf and food and beverage related.

### Opportunities

- Enhancing our golf related offerings by the hiring of a PGA professional (Private and group lessons, club repair, etc.)
- Growth of junior programming (PGA Junior League, golf camps)
- Golf outing recruitment and revenue growth
- Recruiting outside food and beverage events

### Threats

- Limited and stagnant amount of golfing households in the area.
- Average household income may make playing golf on a regular basis difficult.
- Other area golf courses with improved conditions in comparison to golf course condition challenges presented in 2022.
- Economic challenges and price increases on purchases.

## Golf Operations Objectives

Golf Operations will generate \$682,000 in revenue in FY2023. To achieve this goal, the department must meet the following objectives:

- **Recruit 5 new corporate outings**
  - Continue regular social media posts.
  - Pursue and request meetings with local businesses to discuss our offerings and how they can benefit their organization.
  - Market video testimonials from our current golf outing customers.
- **Increase merchandise sales by 5%**
  - Improve inventory mix through ordering different products through new vendors offering a lower purchase price point.
  - Continue to create new displays and regularly move product to new locations.
  - Take advantage of discount programs offered by LGM's purchasing partners.
- **Grow Junior Golf Program to 30 participants (18 participants in 2022)**
  - Social media content promoting the success of this year's program.
  - Enhance the program with new, fun activities for the participants.
- **Obtain title sponsorships for all internally created events.**
  - Attend community outreach events to promote potential exposure for prospective sponsors.
  - Calls to local businesses explaining our sponsorship program and the benefits sponsoring our events would provide their organization.

## Food & Beverage Objectives

Food & Beverage Operations will generate \$70,000 in Net Operating Income in FY2022. To achieve this goal, the department must meet the following objectives:

- **Financial Performance**
  - Monthly meetings with GM and Regional manager to discuss payroll in relation to revenue generated.
  - Completion of weekly profit and loss spreadsheet. Make timely adjustments based on reported metrics.
- **Inventory Management**
  - Continue weekly inventory counts to minimize expired product and maximize cash flow.
  - Evaluate new product purchases to replace higher priced items.
- **Banquet Recruitment**
  - Social media and email marketing to recruit grad parties and small community events.
  - Speak with the Chamber to schedule after hours events.
- **On-Course Sales**
  - Utilize beverage carts on days with over 50 rounds booked.
  - Train staff on upselling opportunities.
- **Upselling to Golf Outings**
  - Review past food selections and upsell new options for replacement to maximize our profit margin.
  - Utilize high profit margin meal packages for new golf outing clients.

## Annual Pass Sales Objectives

The Club will generate \$85,000 in annual pass revenue in FY2023. To achieve this goal, the department must meet the following objectives:

- Goal of a net of 5 new memberships in 2023
  - Create referral program for current annual passholders.
  - Social media, email, and print marketing.
  - Consider value-based incentives for current passholders such as merchandise discounts, complimentary guest passes, etc.
- Net Promoter Score goal of 65
  - Monitor surveys and act according to mentioned areas of improvement.
- Referral goal of 10 members recruited by current passholders
  - 10% credit or \$100 gift card for those who recruit a new passholder

## Golf Course Maintenance Objectives

The Club will achieve Survey Course Maintenance Score of 4.4 in FY2023 (Scale of 1-5). To achieve this goal, the department must meet the following objectives:

- **Department expense budget achievement**
  - Consistently monitor payroll dollars and staffing levels to be in congruence with current needs.
  - Regularly financial meetings with the GM and Regional manager to discuss any variances in relation to budget.
- **Achieve course maintenance score of 4.4 (Scale of 1-5)**
  - Regularly monitor SurveySparrow survey results to identify areas of concern and address them timely.
  - Take full advantage of new equipment efficiency and quality of cut.
  - Continue to monitor winter conditions and act appropriately to ensure a strong start to the season.
- **Agronomic Practices**
  - Fall aerification of greens and tees.
  - Consistent chemical and fertilizer applications.
  - Utilize vendor purchasing partners and trusted vendors for high quality products that positively impact our playing conditions.
- **Tree Management**
  - Both in-house and outsourced work to be completed to remove dead trees and stumps from storm damage and pine wilt.
  - Timely replacement of trees that outline or define doglegs and aesthetic appearance of any relevant hole.

Jackrabbit Run GC 2023 Operating Budget						
Capital Expense Input						
Description	Oct	Nov	Dec	Jan	Feb	Mar
Deferred Maintenance Projects						
#11 Irrigation Project					75,000	
New Capital Projects						
Countertops in clubhouse			7,000			
Ceiling renovation			15,000			
Clubhouse siding						30,000
On course restroom renovation - #4						20,000
New Equipment to be leased						
Range Picker Cart				15,000		
72" Rotary Mower				50,000		
Bunker Rake				15,000		
Collar Mower				30,000		

## 2022 Marketing Objectives

### Revenue Goals

The Club will achieve the following goals in 2022:

- **Goal #1 - Memberships**
  - We will grow memberships by a net of 5 that will bring in approximately \$5,000 in additional revenue.
- **Goal #2 – Golf Outings**
  - We will have 5 additional outside events that will bring in \$15,000 in revenue.
- **Goal #3 – Banquets**
  - We will have 7 banquets specific to food and beverage that will bring in \$4,000 in revenue.
- **Goal #4 – Tee Time Revenue**
  - We will have 25,750 rounds that will bring in \$685,000 revenue.

### Lead Generation Steps

The Club has a marketing budget of \$15,000 in 2023. To maximize this expense, the department must meet the following objectives:

- **Google Ads**
  - Approximately a \$100 per month expense or no more than \$2,000 annually.
  - Ads bring searches such as “Grand Island Golf Courses” bring Jackrabbit to the top of the search result listing.
- **Facebook Ads**
  - \$2,000 in total annual expense.
  - These advertisements will be in conjunction with any event upcoming such as Jackrabbit Run Scrambles, Couples Nights,
- **Print/Other Ads**
  - \$2,000 spent on print ads for the fiscal year.
  - Our print related marketing focus will be on a membership packet mailed to area homes with total household income above \$100,000.



## Competitive Analysis

Competitive Analysis				
Competitor	Distance (Miles)	Weekday 18 Hole w/Cart	Weekend 18 Hole w/Cart	Notes
Course Name				Include info on number of holes, annual passes, etc.
Indianhead	11 miles	\$49.00	\$52.00	Very similar facility and price point offering 18 holes of public golf, annual passes, range, golf outings, and food and beverage events.
Valley View Country Club	24 miles	\$39.00	\$39.00	Small 18-hole operation outside of Central City. Limited offerings outside of small food and beverage area.
Centura Hills	18 miles	\$55.00	\$65.00	High quality golf course near Cairo with a driving range. They have a small clubhouse similar to ours.
Riverside Country Club	6 miles	Private	Private	High quality private club with 18 holes, large practice area, new clubhouse and banquet space, and swimming pool.

## Proposed Rates

Fee Schedule for FY2022-23 Budget Year										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>GOLF COURSE</b>										
Landscapes Golf Management shall establish fees for miscellaneous merchandise sales, tournament and league play and special events and promotions.										
<b>Weekday Golfing</b>										
Seniors 55 and older (weekdays & after 1:00 on weekends)										
9 holes - Seniors 55 and older	12.00	13.00	13.00	13.50	14.00	14.00	14.50	14.50	15.50	\$ 16.50
18 holes - Seniors 55 and older	18.00	19.00	19.00	19.75	20.50	20.50	21.50	21.50	23.00	\$ 24.00
9 holes	14.00	15.00	15.00	15.50	16.00	16.00	16.50	16.50	17.50	\$ 18.50
Additional 9 holes (after 18 holes)	6.00	6.00	6.00	6.25	6.50	6.50	7.00	7.00	10.00	\$ 11.00
18 holes	20.00	21.00	21.00				23.50	23.50	25.00	\$ 26.00
Junior Golf-9 holes	9.00	10.00	10.00	10.50	11.00	11.00	11.50	11.50	12.50	\$ 13.50
Junior Golf-18 holes	15.00	16.00	16.00	16.75	17.50	17.50	18.50	18.50	20.00	\$ 21.00
9 holes weekend/holidays				17.75	18.50	18.50	19.00	19.00	21.00	\$ 22.00
18 holes weekend/holidays	16.00	17.00	17.00	24.00	25.00	25.00	26.00	26.00	28.00	\$ 29.00
Ages 10-15 with a paying adult				2.80	2.80	2.80	5.00	5.00	10.00	\$ 10.00
Ages 6-9 with a paying adult									5.00	\$ 5.00
Under age 6 with a paying adult									FREE	\$ -
9 Hole Twilight Rate w/cart					15.00	15.00	18.00	18.00	19.00	\$ 20.00
<b>Passes (annual) Purchased from December 1 through January 31</b>										
Adult Seven Day	490.00	490.00	490.00	510.00	530.00	530.00	550.00	550.00	585.00	\$615.00
Additional Family Member	215.00	215.00	215.00	224.00	233.00	233.00	245.00	245.00	260.00	\$275.00
Family Pass	705.00	705.00	705.00	733.00	762.00	762.00	775.00	775.00	820.00	\$850.00
Adult Five Day Pass (Mon-Fri only)	370.00	370.00	370.00	385.00	400.00	400.00	425.00	425.00	445.00	\$465.00
Junior/Student 7 day pass includes full time college students	155.00	155.00	155.00	161.00	192.00	192.00	205.00	205.00	220.00	\$230.00
Senior 7 Day Pass (55 & Older)	285.00	285.00	285.00	296.00	333.00	333.00	350.00	350.00	380.00	\$400.00
Golf Car Pass, per rider						515.00	535.00	535.00	560.00	\$590.00
										\$ -
<b>Passes (annual) Purchased from February 1 through June 30</b>										
Adult Seven Day	545.00	545.00	545.00	567.00	590.00	590.00	610.00	610.00	650.00	\$680.00
Additional Family Member	240.00	240.00	240.00	250.00	260.00	260.00	270.00	270.00	290.00	\$305.00
Family Pass	785.00	785.00	785.00	816.00	849.00	849.00	880.00	880.00	900.00	\$945.00
Adult Five Day Pass (Mon-Fri only)	410.00	410.00	410.00	426.00	443.00	443.00	465.00	465.00	495.00	\$520.00
Junior/Student 7 day pass includes full time college students	170.00	170.00	170.00	177.00	209.00	209.00	220.00	220.00	240.00	\$250.00
Senior 7 Day Pass (55 & Older)	315.00	315.00	315.00	328.00	366.00	366.00	385.00	385.00	425.00	\$450.00
Golf Car Pass, per rider				495.00	515.00	515.00	535.00	535.00	560.00	\$590.00
										\$ -
<b>Passes (annual) Purchased from July 1 through November 30</b>										
Adult Seven Day	272.50	272.50	272.50	283.00	295.00	295.00	305.00	305.00	325.00	\$340.00
Additional Family Member	120.00	120.00	120.00	125.00	130.00	130.00	135.00	135.00	145.00	\$150.00
Family Pass	392.50	392.50	392.50	408.00	424.00	424.00	440.00	440.00	450.00	\$475.00
Adult Five Day Pass (Mon-Fri only)	205.00	205.00	205.00	213.00	222.00	222.00	235.00	232.50	247.50	\$260.00
Junior/Student 7 day pass includes full time college students	85.00	85.00	85.00	88.00	117.00	117.00	125.00	110.00	120.00	\$130.00
Senior 7 Day Pass (55 & Older)	157.50	157.50	157.50	163.00	195.00	195.00	205.00	192.50	212.50	\$225.00
Golf Car Pass, per rider					258.00	258.00	270.00	267.50	280.00	\$300.00
										\$ -
Daily Access Fee (included in daily green fee)(collected from each player per round played by an individual possessing a season pass)	2.34	2.80	2.80	2.80	2.80	2.80	3.26	3.26	3.72	\$ 4.00

<b>Range</b>											\$ -
Adult Annual Range Pass*								150.00	225.00		\$235.00
Family Range Pass (In Household)								200.00	300.00		\$315.00
Youth Range Pass (18 & Under)								100.00	150.00		\$160.00
*Discount for Season Passholder									10%		10%
<b>Cart Rental</b>											
9 holes, <b>per</b> rider	9.00	10.00	10.00	10.50	11.00	11.00	11.50	11.50	12.00		\$ 13.00
18 holes, <b>per</b> rider	14.00	15.00	15.00	15.50	16.00	16.00	16.50	16.50	17.00		\$ 18.00
Golf Cart Punch Cards - 9 holes (increase punches from 17 to 20) 2022 Only Expires 12/31/2022	115.00	125.00	125.00	130.00	135.00	135.00	140.00	140.00	175.00		\$185.00
Golf Cart Punch Cards - 18 holes (increase punches from 17 to 20) 2022 Only Expires 12/31/2022	180.00	195.00	195.00	203.00	211.00	211.00	220.00	220.00	275.00		\$295.00
Ages 15 and under with paying adult				No Cost	No Cost	No Cost	No Cost	No Cost	5.00		\$ 5.00
											\$ -
<b>Golf Outings*</b>											\$ -
Outing Weekday Fee - Includes Golf & Cart								34.00	37.00		\$ 39.00
Outing Weekend Fee - Includes Golf & Cart								39.00	42.00		\$ 44.00
*Discounts may be offered for non-peak hours or group size											\$ -

JackRabbit Run Golf Course  
FY2023 Budget Draft

	Oct Period 1	Nov Period 2	Dec Period 3	Jan Period 4	Feb Period 5	Mar Period 6	Apr Period 7	May Period 8	Jun Period 9	Jul Period 10	Aug Period 11	Sep Period 12	2023 Budget Total	Trailing 12 Months	\$ Change	% Change	2021 Actual 12	2020 Actual 12
2023 Total Rounds	2,080	520	-	-	-	520	2,860	3,640	4,160	4,680	4,680	2,860	26,000	25,893	107	0%	22,599	-
2023 Golf Shop Revenue Total	21,304	7,678	500	250	500	5,660	33,376	58,735	61,241	67,103	62,824	42,366	361,537	317,856	43,680	14%	311,133	287,602
2023 Pool Revenue Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 Fitness Revenue Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 Fitness Revenue Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 Range Revenue Total	2,293	300	-	-	-	1,000	3,543	5,043	5,043	6,043	4,543	3,793	31,600	30,884	716	2%	28,150	-
2023 Cart Revenue Total	15,986	3,187	-	-	-	2,538	17,794	31,863	35,012	38,899	35,980	22,602	203,860	182,955	20,905	11%	186,847	164,153
2023 Maintenance (Dept 40) Revenue Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 Maintenance (Dept 41) Revenue Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 F&B Revenue Total	9,792	2,964	2,272	27	-	1,389	10,121	27,313	27,411	37,136	36,731	18,756	173,911	160,213	13,698	9%	139,363	173
2023 G&A Revenue Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 Membership/Mking Rev Total	12,150	-	-	-	-	-	12,150	12,150	12,150	12,150	12,150	12,150	85,050	64,905	20,145	31%	52,501	-
2023 Lodging Revenue Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 Total Revenue	61,525	14,128	2,772	277	500	10,587	76,983	135,105	140,856	161,331	152,228	99,667	855,958	756,813	99,145	13%	717,994	451,927
2023 Merchandise Cost of Sales	2,100	1,125	375	188	375	1,125	2,720	4,420	4,080	4,760	4,420	3,060	28,748	24,629	4,119	17%	16,568	-
2023 Tennis Merchandise Cost of Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 F&B Cost of Sales	3,270	986	764	12	-	479	3,378	9,106	9,238	12,361	12,298	6,330	58,222	47,416	10,806	23%	41,410	-
2023 F&B 2 Cost of Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 Total Cost of Sales	5,370	2,111	1,139	200	375	1,604	6,098	13,526	13,318	17,121	16,718	9,390	86,970	72,045	14,925	21%	57,978	-
2023 Gross Profit	56,155	12,016	1,633	77	125	8,982	70,885	121,579	127,538	144,209	135,510	90,277	768,988	684,768	84,220	12%	660,016	451,927
2023 Golf Expense	3,297	1,200	1,240	6,083	5,854	7,597	13,214	14,063	10,663	10,714	10,440	9,878	94,241	59,481	34,760	58%	196,447	300,546
2023 Pool/Fitness Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 Fitness Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 Other Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 Range Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 Cart Expense	1,256	746	-	-	-	530	6,064	7,604	7,314	7,354	6,983	6,205	44,053	41,266	2,787	7%	40,112	-
2023 Maintenance Expense	19,446	16,058	19,483	20,810	21,055	21,329	19,172	32,086	32,774	33,336	31,561	23,830	290,941	249,167	41,774	17%	226,164	98,842
2023 Maintenance 2 Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 F&B Expense	3,699	617	481	983	441	2,192	4,246	7,409	6,608	6,776	6,426	3,515	43,393	89,827	(46,433)	-52%	54,895	-
2023 F&B 2 Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 G&A Expense	25,573	21,947	30,663	23,177	23,589	24,196	25,452	26,722	25,637	27,018	25,897	41,534	321,406	276,450	44,956	16%	257,907	107,407
2023 Mktng/Member Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 Lodging Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-
2023 Total Operating Expense	53,271	40,568	51,867	51,053	50,939	55,843	68,148	87,884	82,996	85,198	81,307	84,961	794,035	716,191	77,844	11%	775,526	506,796
2023 EBITDA	2,883	(28,551)	(50,234)	(50,976)	(50,814)	(46,861)	2,737	33,695	44,542	59,012	54,203	5,316	(25,047)	(31,423)	6,376	-20%	(115,510)	(54,868)
2023 Depreciation and Amortization	3,483	3,483	3,483	3,483	3,483	3,483	3,483	3,483	3,483	3,483	3,483	3,483	41,796	41,662	134	0%	17,282	-
2023 Other Income / Expense	2,163	2,163	2,163	2,163	2,163	2,163	2,163	6,495	2,754	2,754	2,682	2,646	32,472	10,442	22,030	211%	(4,477)	13,221
2023 Net Income	(2,763)	(34,197)	(55,880)	(56,622)	(56,460)	(52,507)	(2,909)	23,717	38,305	52,775	48,038	(813)	(99,315)	(83,528)	(15,788)	19%	(128,314)	(68,089)
2021 Cash Flow from Operations	3,483	3,483	3,483	3,483	3,483	3,483	3,483	3,483	3,483	3,483	3,483	3,483	41,796					
2021 Cash Flow from Investing	(6,220)	-	(22,000)	-	(75,000)	(50,000)	-	(2,335)	(6,076)	(6,111)	(6,147)	(6,183)	(180,072)					
2021 Cash Flow from Financing	-	-	-	-	-	-	-	-	-	-	-	-	-					
2021 Net Cash Flow	(5,499)	(30,714)	(74,397)	(53,139)	(127,977)	(99,024)	574	24,865	35,713	50,146	45,373	(3,514)	(237,592)					

### Capital Expense Input

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# **City of Grand Island**

**Tuesday, August 16, 2022**

**Study Session**

## **Item -2**

### **Grand Island Public Library- Meeting the Community's Needs**

**Staff Contact: Celine Swan**

# Grand Island Public Library

## Meeting the Community's Needs



### Mission Statement

**To inspire and strengthen our community by connecting people with information, ideas, and experiences.**

8/16/2022 Study Session



Grand Island Public Library



# The Grand Island Public Library is for everyone!





# Grand Island Public Library in FY20-21

- 31,553 registered cardholders
- 97,727 items on our shelves
- 227,708 material & electronic circulations
- 10,439 new items added



# The value of GIPL programs & services

- The Library's annual expenses represent:
  - Hall County: **\$26.77** per capita
  - City of Grand Island: **\$31.69** per capita
- GIPL patrons save an average of **\$4,075.56 per year** borrowing Library items rather than purchasing items themselves.
- GIPL received **more than \$113,000** in grant funding in the year 2021.



Source: "What's Your Library Worth?" Calculator [www.ilovelibraries.org/what-libraries-do/calculator](http://www.ilovelibraries.org/what-libraries-do/calculator)

# Voices from staff and community

- Representative from the Multicultural Coalition, who holds weekly meetings with Afghan mothers and their children to study English in the Library: **"You are so accommodating to the special needs of these women with their children... Your toys are just super – what fun the children have and thus allow their moms to concentrate and study."**
- Staff member who oversees the Teen Library Council program: **"About half of these teens are homeschooled, so TLC provides an important social opportunity for them. They also get the opportunity to feel some ownership of the library and teen area by helping us with projects and collection development."**

# Grand Island Public Library cardholders

- Library cards are FREE for people with an address in Hall County
- The number of library card sign-ups is increasing!

Month (2022)	New cards added
January	87
February	112
March	155
April	164
May	186
June	242
July	318





# GIPL partners with...

- United Way
- CHI St. Francis
- Greater GI Regional Center
- Heartland Health Center
- Central District Health Dept.
- H3C
- Head Start
- GI Early Learning Center
- Grand Island Public Schools
- Northwest High School
- Trinity Lutheran
- NE State Fair
- Red Cross
- Migrant Program
- Humanities Nebraska
- Grand Island Children's Museum
- Literacy Council
- Adult Basic Education
- Central Community College
- Chamber of Commerce
- Stuhr Museum
- Hall County Historical Society
- DAR
- Prairie Pioneer Genealogical Society
- Department of Labor
- Clean Community System
- Multicultural Coalition
- Boy & Girl Scouts
- YMCA & YWCA
- Hall County agencies
- Central District Health Dept.
- Hope Harbor
- Salvation Army
- Department of Health and Human Services
- Vocational Rehab
- Goodwill
- GI Police Department
- GI Fire Department
- GI Parks & Recreation
- Hall County Convention & Visitors Bureau
- Crane Trust
- Railside
- Newcomers and More
- Teammates
- Tobacco Free Hall County
- Community Youth Council
- Hall County Extension & 4-H
- Health clinics



"Being closed on Saturday is not conducive to those who work during the week"

# Voices from the community

"If the library could be adequately staffed to be open longer hours seven days a week, it would be a huge benefit to the community!"

In 2021, when asked, "How could the Library or its services be improved, if at all?", survey respondents **overwhelmingly cited a desire for more library hours.**

- "More programs at convenient times for working adults (evenings/weekends)"
- "re-institute pre-Covid hours"
- "I would like to see extended hours."
- "It could be open in the evenings a few nights a week."
- "More new release books, longer hours"
- "more programs, more hours, a bookmobile"

**"Más horas"**

"Bring back Saturday open hours and open later in the evenings like before COVID. New hours are not conducive for working patrons."

"Please, please, please, go back to having the library open on Saturdays. Not sure why that decision was made as Sunday is only a couple of hours. It's not convenient at all."

"Extended hours and more active book clubs"

"Longer evening hours"

- "Open longer on Saturday maybe until 2pm"
- "Stay open until 5 pm Saturdays."
- "Expand use and options in makerspace"
- "just would like to see longer hours being open on the weekends"
- "open more hours"
- "open later"
- "Hours expanded. Maker space fully developed."

"It would be amazing if weekend hours were longer and available."

"More times for the makerspace. Also, need more after hours time or open later at night--I can't always go in during the day."



# The economic importance of literacy

- More than **43 million adults** in the United States cannot read, write, or do basic math above a third-grade level.
- It is estimated that bringing all adults to a sixth-grade reading level would generate an additional **\$2.2 trillion** in annual income.
- It is estimated that **\$106-\$238 billion** in annual health care costs are linked to adult low literacy skills.



Source: ProLiteracy.org [https://www.proliteracy.org/Portals/o/pdf/PL\\_AdultLitFacts\\_US\\_flyer.pdf](https://www.proliteracy.org/Portals/o/pdf/PL_AdultLitFacts_US_flyer.pdf)

# The importance of early childhood literacy

- Nationally, **two out of every 10 children** enter kindergarten with **skills two to three years lower** than their grade level. (ProLiteracy)
- Children who are behind when they start kindergarten make up the **largest portion of high school dropouts**. These students have a less than 12% chance of attending college. (Children's Reading Foundation)



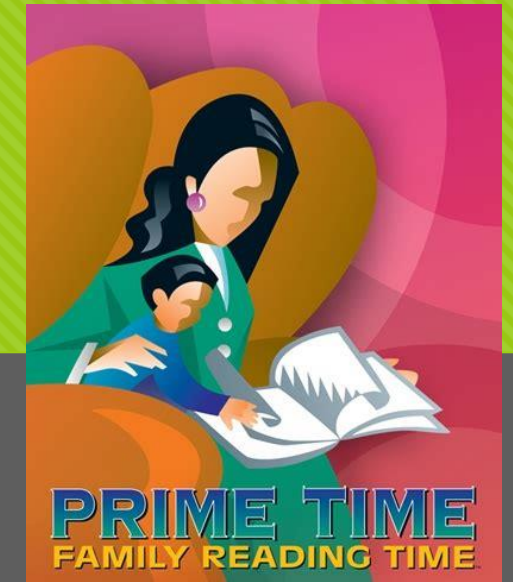


# The Importance of Family Literacy

- According to the U. S. Department of Health & Human Services, **a mother's reading skill** is the **greatest determinant of her children's future academic success**, outweighing other factors like neighborhood and family income.



# Prime Time Family Reading Time



- Longstanding Humanities Nebraska bilingual program that encourages families to read together.
- Offered only in evenings.
- A 2010 longitudinal study of Prime Time participants showed that they **outperformed their peers on standardized tests through high school.**





# More than just books

- Job seeker resources
- Citizenship resources
- Educational technology
- English Language Learning resources
- Tax assistance
- Agency referrals
- Homebound patron delivery
- Free seed library
- Dedicated art & exhibit space



# The Makerspace

- Equipment includes 3-D printer, laser cutter, embroidery machine, sublimation printer, Cricut cutting machine, and heat and mug presses.
- New Portable Digital Media Lab equipment includes cameras and recording equipment available for loan.
- Patrons can make gifts, t-shirts, livestock tags, personalized promotional materials, and more.
- The Library has offered Makerspace classes in partnership with CCC.
- Available on a limited appointment-only basis due to inadequate staffing.





# Current limitations

- Limited hours
  - Closed Saturdays
  - Only open in the evening on Mondays
- Limited meeting room availability for community groups
- Safety & security concerns (child supervision/missing children, medical emergencies, belligerent/noncompliant patrons, theft of materials)
- Limited Makerspace availability

# A 3.0 FTE increase would allow the Library to...

- Further meet the economic and educational needs of the residents of Grand Island and Hall County.
- Maintain Gold accreditation from the Nebraska Library Commission and eligibility for grant funding.
- Remain open longer hours to assist patrons who work or attend school during the day.
- Fully utilize the Makerspace with a full-time Librarian overseeing the Library's technology.



# **Council Agenda Memo**

**From:** Celine Swan, Library Director

**Meeting:** August 16, 2022

**Subject:** Adding 3.0 FTE to 2022-2023 Library Budget

**Presenter(s):** Celine Swan, Library Director

## **Background**

The Grand Island Public Library's current staffing is 18.5 FTE. An additional 0.5 FTE for Summer Temp Workers was approved by the City Council in each of the last two years, bringing the total to 18.5 FTE. The Library is requesting to add 3.0 FTE to the 2022-2023 budget including the 0.5 FTE Summer Temp Workers.

## **Discussion**

The Grand Island Public Library's historical data from 2017-2022 with statistics on patrons visits, hours open, physical and digital checkouts, and holds placed and filled.

<b>Fiscal Year</b>	<b>Patron Visits</b>	<b>Total Hours Open</b>	<b>Total Circs</b>	<b>Physical Circs</b>	<b>Digital Circs</b>	<b>Holds Placed</b>	<b>Holds Filled</b>
2017	245,526	3,321	317,812	281,576	36,236		
2018	235,412	3,146	328,850	277,132	51,718		
2019	242,020	3,146	311,926	251,055	60,871	14,148	9,253
2020*	96,334	2,024	196,712	138,357	58,355	15,112	11,191
2021	48,573	2,404	227,708	170,248	57,460	15,786	12,820
2022	84,003	2,625	248,850	200,769~	48,081~	13,855	19,217
2022 10/1/21- 12/31/21	20,931						
2022 1/1/22- 8/8/22	63,072						
<b>Average</b>	<b>158,645</b>	<b>2,778</b>	<b>271,976</b>	<b>223,674</b>	<b>52,928</b>	<b>14,725</b>	<b>13,120</b>
<b>TOTAL</b>	<b>951,868</b>	<b>16,666</b>	<b>1,631,858</b>	<b>1,118,368</b>	<b>264,640</b>	<b>58,901</b>	<b>52,481</b>

\*2020 - closed to the public 3/16/20 - 7/2/20

~through 8/9/22 at 8 AM

With increased staff, the Library will be able to:

- **Add Tuesday evening hours.** Currently the Library's only evening hours are on Monday, when it closes at 8:00 p.m. (All other weekdays the Library closes at 6:00 p.m.) Evenings are popular times for nonprofits and community organizations to book meeting rooms; however, Monday evenings are often already booked with Humanities Nebraska Prime Time Family Reading Time and Pajametime storytime for kids.



- **Add Saturday hours.** The Library is currently closed on Saturdays due to inadequate staffing. Historically, Prime Time Preschool and Adult Bygone Book Club programs have been held on Saturdays. With additional staff, the library could be open 11:00-3:00 p.m. on Saturdays.
- **Maintain accreditation.** The Nebraska Library Commission requires that libraries meet certain criteria to remain accredited in good standing and be eligible for grants. Increasing weekly open hours from 51 to 56 would enable the Library to maintain its Gold rating for a Class A city. Without accreditation, the library will not receive grants or other funding.
- **Increase Makerspace availability and services.** With current staffing levels, the Library's Makerspace can operate by appointment only. Staff have had to turn away customers who request to use the Makerspace on days when staff is unavailable.
- **Meet community needs.** In community survey responses collected in the fall of 2021 for the 2022-27 Strategic Plan, on how the library or its services could be improved, **increased hours and availability of services** was by far the most-cited topic. Additionally, many of Grand Island's underserved population benefits from the library services such as the public computers for applying for jobs, and social services referrals to organizations such as Heartland Health and the Multicultural Coalition.

### 3.0 FTE breakdown:

- **1.0 FTE Librarian I/II.** This Librarian's duties would complement the duties of the existing Librarians. In addition, this Librarian's duties would include:
  - Oversee Makerspace, Digital Media Lab, and Portable Digital Media Lab
  - Coordinate Library website and social media outreach
  - Work with technology vendors such as TLC, Bibliotheca, Comprise, Demco, and Beanstack to maintain and upgrade existing library technologies
  - Create and maintain a Library Technology Plan
  - Ensure upgrades and fixes to servers, kiosks, computers, software, etc. are completed in a timely manner
  - Evaluate and provide recommendations on Library technology updates
  - Work with City IT
  - Research technical issues, offer computer classes, Book-a-Librarian, and provide staff training.
- **1.25 FTE Part-time Library Assistant I's.** Library Assistant I's handle all day-to-day customer-facing service functions of the circulation and reference desks, in addition to:
  - Processing new materials
  - Assisting patrons in the Children's Area
  - Planning, coordinating, and providing library programs
  - Assisting with community outreach and library marketing
  - Checking in materials and answering phones

- **0.25 FTE Part-time Library Page.** Sundays, we have huge bins full of books and other materials returned. In addition to shelving, Library Pages' duties also include:
  - Shelf-reading to ensure books are in order and not missing
  - Assisting customers with directions, finding books, and using the catalog
  - Assisting customers over the phone with questions, book requests and renewals, meeting room booking requests, etc.
  - Assisting in the Children's Area
- **0.5 FTE Part-time Summer Temporary Workers.** Summer is the busiest time in the Library and in order to maintain a robust Summer Reading Program and ensure the bustling Children's Area is adequately supervised, and provide programming for children, teens, and adults, as well as outreach and partner programs with the community we must have summer help.

### A look back at staffing from 2007-2022

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Custodians	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Librarians - I & II	5	5	4	4	3	3	3	3	3	3	3	2	2	2	2	2
Assistant Director	0	0	1	1	1	0	0	0	0	0	0					
Library Assistants I & II	13.7595	14.7595	14.3595	14.3595	14.2787	14.2787	14.2787	14.2787	14.2787	15	15	15	15	15	11	11
Library Clerk	1	1	1	1	0	0	0	0	0	0	0					
Library Director	1	1	1	1	1	1	1	1	1	1	1	1	2	1	1	1
Library Page	2.135	2.2135	2.6135	2.6135	2.2769	2.2769	2.2769	0.3769	2.2769	2.5	2.5	2	1	2	1	1
Library Secretary	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Maintenance Worker	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Seasonal Worker	0.375	0.375	0.375	0.375	0	0	0	0	0	0.5	0.5	0.5	0.5	0.5		
	26.2695	27.348	27.348	27.348	24.5556	23.5556	23.5556	21.6556	23.5556	25	25	23.5	23.5	23.5	18	18

\*We added 0.5 to the 2022 budget for Summer Temp Workers

18.5

**Library FTE  
Requests  
FY23**

	Librarian 1 (0315) – (FTE1) –	Library Temp Worker – () – FTE 0.5) –	Part-time Library Assistant 1 (0326) – (FTE 3.0) –	Library Page (0346) – (FTE 1.0) –	
FTE	1.0	0.5	1.25	0.25	
Wage amount (an hour)		\$11.00			
Salaries	\$62,178.00	\$11,440.00	\$48,076.32	\$6,835.78	
FICA (7.65%)	\$4,757.00	\$875.16	\$3,677.84	\$522.94	
Work Comp (8810-.06%)		\$6.86	\$28.85	\$4.10	
Health	\$11,578.00				
Pension (6.5%)	\$4,042.00				
HRA-VEBA	\$810.00				
<b><u>Assumptions are Step 1</u></b>	\$83,365.00	\$12,322.02	\$51,783.01	\$7,362.82	\$154,832.85

**Conclusion**

This item is presented to the City Council in a Study Session to allow for any questions to be answered and to create a greater understanding of the issue at hand.

It is the intent of City Administration to bring this issue to a future council meeting for the



# City of Grand Island

Tuesday, August 16, 2022

Study Session

## Item -3

### CRA Budget Presentation

Staff Contact: Chad Nabity

# **Council Agenda Memo**

**From:** Chad Nabity, AICP, Director

**Meeting:** August 16, 2022

**Subject:** Community Redevelopment Authority 2022-2023  
Annual Budget

**Presenter(s):** Chad Nabity, Director

I am privileged to present to you the budget for the Community Redevelopment Authority (CRA) for 2022-2023 on behalf of the CRA Board, Tom Gdowski, Sue Pirnie, Jim Truell, Chris Schwieger, and Brian Mustion. This plan and budget continues the high-quality services that have enabled the CRA to partner with the City of Grand Island, private developers and businesses and with property owners in the blighted and substandard areas to make Grand Island vibrant, clean, safe and attractive. Since October of last year the City Council and the CRA have focused not only on redevelopment but partnering with local developers to approve public participation in 638 housing units ranging from senior housing at Jaxson Subdivision on Old Potash Highway to upper story residential in Railside to townhouses near Five Points, single family in northwest and southeast Grand Island and apartments near the new hospital. It is expected that these units will be developed over the next 5 to 9 years. In addition to the approved units, another 277 units will be under consideration in the next eight weeks.

The CRA budget for 2022-2023 is offered to you with a review of the responsibilities of the CRA. Those responsibilities and abilities are outlined in State Statutes and are summarized, in part, as follows:

The creation of a Redevelopment Authority was authorized by the Nebraska Legislature in order to provide communities with the ability to address certain areas of a city in need of improvement and development. Powers granted to CRAs are outlined in Chapter 18 of the Statutes and include the ability to expend funds to acquire substandard or blighted areas, make public improvements, and assist with development and redevelopment projects in specified areas. The Authority has virtually the same powers as any political subdivision, including borrowing money, issuing bonds, undertaking surveys and appraisals and asking for a levy of taxes.

A five-member board, appointed by the Mayor with the approval of the City Council, governs the CRA. The CRA is administered by a Director and devotes the overwhelming share of its resources to highly visible and effective programs. The CRA funds its programs primarily through assessments on taxable properties within the Grand Island city limits.

## **BLIGHTED AND SUBSTANDARD AREAS**

There are 35 designated Blighted and Substandard Areas within the Grand Island City Limits. The City of Grand Island has the authority to designate up to 35% of the community a blighted and substandard. At present 22.96% of the City has been designated blighted and substandard. Council has approved four blight studies during the last year for 33 (Husker Highway/Legacy 34), 34 (Claude Road Corridor), 35 (Old Engleman School) and 36 (Highland North). The proposed study for the Conestoga Mall Area (28) was pulled for consideration by the applicant in December of 2018 and an updated study may be in the works. Information about all of the Grand Island CRA Areas and TIF Projects that have been approved are available at: <https://tinyurl.com/GI-CRA>.

## **CRA MISSION**

**The CRA is charged with taking action in specified areas of the community to assist in the prevention and to inhibit physical deterioration (blighted and substandard conditions) thereby enhancing property values and creating incentives for private investment.** They do this by encouraging new investment and improved infrastructure in older areas of the community through the use of tax increment financing. They also take an active role in purchasing and demolishing properties that need to be cleared. This property is then made available for redevelopment.

Since 2019 the State of Nebraska has approved new tools for using TIF including the concept of Micro-TIF that would provide for streamlined permitting of TIF project on a small scale or for historic structures. Staff has made suggestions to the League of Municipalities and the legislature on changes to that law that would make this work fit better into the workflow and staffing capabilities of the city. In addition to seeking those changes we have been examining our processes to see how we could incorporate this under the current law and plan to bring forward these suggestions in the next fiscal year for Council consideration.

## **FISCAL RESOURCES**

### **General Revenues for 2022-2023**

The CRA is requesting property tax revenues of \$745,146 including \$197,340 for Lincoln Pool Construction and Bonds and \$548,263 for all other CRA programs. The CRA is requesting that the same amount of funding as last year so the levy will be reduced to account for valuation additions and increases across the City. There is more interest in the façade program for the upcoming year we currently have \$270,000 of applications and are expecting at least an additional \$100,000 before the end of the month so we are expecting to review façade applications of \$370,000 after budget approval. Two projects are in Railside and two on South Locust. The CRA did fund \$200,000 of other projects grants in 2022 including participation in the Railside Sculpture walk for \$10,000 for the stone statue bases that will be reused year after year that was paid out during this fiscal year. The 2021 the levy was 0.020548 per \$100 valuation. The levy will drop based on

our expected budget. The CRA is allowed a levy of up to 0.026. This will allow the CRA to meet obligations, continue with their successful programs, the levies and tax asking have been:

2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015
0.020548	0.020548	0.021661	0.02224	0.0224	0.026	0.026	0.026
\$745,146	\$700,008	\$700,008	\$700,008	\$686,000	746,691	\$732,050	\$691,245

### Program Funding

The CRA has the ability to assist private developers and governmental entities with the commercial, residential or mixed-use redevelopment projects throughout the City. Specific detail on projects is as follows:

- **Facade Development:** For the façade development program \$370,000 has been budgeted, including grants and interest buy down. Last year the CRA funded \$254,000 of façade projects (they moved some money from other projects to fund the all of the requests) and received applications and approved this expenditure for projects. It is anticipated that three of these five projects will be completed and the grants paid prior to the end of September 2021. We currently have 4 projects in line for the 2023 fiscal year. No projects will be approved until after the budget is finalized. This program has been used extensively in the Downtown part of Redevelopment Area #1 but has also been used in Areas #2 and #6. It is only available in those areas that have a generalized redevelopment plan including commercial façade development.
- **Husker Harvest Days Commitments:** Farm Progress, the City of Grand Island and the CRA entered into an agreement in November of 2017 to facilitate infrastructure improvements at the Husker Harvest Days site. The CRA has committed to transfer \$200,000 a year to Farm Progress for 10 years beginning in November of 2018. The City has agreed to transfer \$200,000 from the food and beverage tax collections to the CRA in October of each year to cover that payment. Farm Progress made more than \$7,500,000 worth of improvements to the site and will continue to hold at least a three day event on the site for the next 20 years or be subject to repayment penalties. This will be extended an additional year per the redevelopment contract due to the fact that Farm Progress did not hold a show during the 2020 year. This is the fifth of ten scheduled payments.
- **TIF Payments:** The largest portion of the CRA Budget is the payments on the TIF Bonds. These payments are funded by the tax increment created by each project. The funds are received from the County Treasurer in the month after the taxes have been paid and the CRA places those funds in a separate account for each project and send payment in the amount received from the treasurer to the bond holder of record. Accounts are set up by the finance department after the first payment is



received from the treasurer. It is expected that the CRA will make TIF payments totaling around \$6,300,000 on all projects. The TIF line item does budget \$800,000 to accommodate new projects and the possibility that a project may need to pay off prior to the end of the bond period. There are 67 active TIF projects with signed contracts and a total of 15 projects that have been paid off or canceled. The CRA paid off the Girard Veterinary Clinic and Southeast Commons. Additional projects will be paid off during the 22-23 tax year including the Procon Apartments on Capital Avenue.

- **Other Projects:** In the blighted and substandard areas \$250,000 has been reserved for other projects. This funding can be assigned to specific projects including but not limited to infrastructure improvements in the blighted and substandard areas that would support larger redevelopment plans. In 2022 the CRA assisted in participated in the Railside sculpture walk, and reserved funding for Hope Harbor to purchases and demolish 4 houses adjacent to their existing facilities, and reserved funding for an exterior remodel project for the Grand Island Chamber of Commerce. The CRA has used this funding item in the past to fund additional façade improvement projects and to make grants to fund specific projects for: the Business Improvement Districts, the Grand Island Parks Department, Fonner Park, The Central Nebraska Humane Society, St. Stephens, Habitat for Humanity, the Veterans Cemetery and the Nebraska State Fairground/Fonner Park master plan and other community groups for specific projects that meet the mission of the CRA.

## CONCLUSION

This budget provides for measured funding of redevelopment efforts during the 2022-2023 fiscal year. The investments this community has made in housing, redevelopment efforts, infrastructure and economic development bode well for the future of the community. This budget is reflective of the commitments the CRA has made and will enable them to pay off existing commitments and maintain a cash balance to guarantee payment of future commitments.

The CRA will also continue to examine the community to identify areas that might benefit from a Blighted and Substandard declaration and to review and recommend approval of redevelopment plan amendments for tax increment financing projects on both large and small scale developments. **The CRA is charged with taking action in specified areas of the community to assist in the prevention and to inhibit physical deterioration (blighted and substandard conditions) thereby enhancing property values and creating incentives for private investment.** All of the tools used by the CRA are necessary for them to accomplish this mission:

**COMMUNITY REDEVELOPMENT AUTHORITY  
2023 BUDGET**

	<b>2022 BUDGET</b>	<b>2021-2022 YE Projected</b>	<b>2023 BUDGET</b>
<b>CONSOLIDATED</b>			
Beginning Cash	548,785	755,002	946,468
<b>REVENUE:</b>			
Property Taxes - CRA	548,328	571,153	548,263
Property Taxes - Lincoln Pool	196,818	196,818	197,340
Property Taxes -TIF's	5,400,000	5,400,000	7,100,000
Loan Income (Poplar Street Water Line)	20,000	20,000	20,000
Interest Income - CRA	10,000	2,000	10,000
Land Sales	-	-	-
Other Revenue - CRA	200,000	200,000	200,000
Other Revenue - TIF's			
<b>TOTAL REVENUE</b>	<b>6,375,146</b>	<b>6,389,971</b>	<b>8,075,603</b>
<b>TOTAL RESOURCES</b>	<b>6,923,931</b>	<b>7,144,973</b>	<b>9,022,070</b>
<b>EXPENSES</b>			
Auditing & Accounting	3,000	3,000	3000
Legal Services	3,000	200	3000
Consulting Services	5,000	-	5000
Contract Services	75,000	75,000	80000
Printing & Binding	1,000	-	1000
Other Professional Services	16,000	16,000	16000
General Liability Insurance	250	-	250
Postage	200	-	250
Legal Notices	500	300	500
Travel & Training	4,000	800	4000
Other Expenditures	-	-	-
Office Supplies	1,000	300	1000
Supplies	300	100	300
Land	30,000	-	50000
Bond Principal - Lincoln Pool	185,000	185,000	190000
Bond Interest- Lincoln Pool	10,805	10,805	7340
Husker Harvest Days Payment (Year 4 of 10 Nov 2021)	200,000	200,000	200000
Façade Improvement	200,000	162,000	370000
Building Improvement (Committed Projects)	500,000	135,000	722,000
Other Projects	200,000	10,000	250000
TIF Payments	5,400,000	5,400,000	7100000
<b>TOTAL EXPENSES</b>	<b>6,835,055</b>	<b>6,198,505</b>	<b>9,003,640</b>
<b>INCREASE(DECREASE) IN CASH</b>	<b>(459,909)</b>	<b>191,466</b>	<b>(928,038)</b>
<b>ENDING CASH</b>	<b>88,876</b>	<b>946,468</b>	<b>18,430</b>

Building Improvement includes all committed projects (Life/Safety, Façade and Other Projects) that have not been paid out



# City of Grand Island

Tuesday, August 16, 2022

Study Session

## Item -4

### General Budget Discussion

Staff Contact: Patrick Brown

# **Council Agenda Memo**

**From:** Patrick Brown, Finance Director

**Meeting:** August 16, 2022

**Subject:** Budget Discussions Study Session

**Presenter(s):** Patrick Brown, Finance Director

Overall the City's receipts were stronger than anticipated and expenses were lower than budgeted. Supply line issues, and hiring challenges were some of the reasons expenses were well below budget. Inflation is creating and will continue to create challenges in the next couple of years in purchasing commodities, equipment, and contracting out capital improvement projects.

## **FY2022 Budget Projection**

FY2022 Revenues were under forecasted for FY2022. Sales Tax receipts remained strong throughout the year eclipsing FY2021 General Fund Sales Tax by \$2.5m. Property Tax receipts were steady due to the mill levy decrease. All other receipts have been steady for FY2022. Expenses are going to be well under budget mainly due to vacancy savings.

- Emergency Management projected vacant savings of \$182,272
- Finance projected vacancy savings of \$125,162
- Fire & Ambulance vacancy savings of \$804,750
- Legal vacancy savings of \$214,501
- Parks vacancy savings of \$117,484
- Police vacancy savings of \$712,341
- All other general fund departments vacancy savings of \$93,924

Operating expense savings for FY2022 is projected at \$189,694. Overall this will create a higher cash reserve going into FY2023 budget.

## **Challenges going forward**

The challenges going forward are the ones I've previously mentioned. Inflation is currently at 8.5%. Gas and Diesel prices have eased a bit recently. Supply line issues have caused shipments to be delayed months if not years. Staff is working around those challenges. Hiring has been a national issue that has affected Grand Island as well. As with every other employer in the city, the City is having a hard time filling positions. The

economy is at an incredibly volatile state which in turn makes budgeting much more difficult.

### **FY2023 Budget Overview**

*Revenue Assumptions* – Overall revenues for the General Fund increased 11.4% or \$4.7m over FY2022 budget. The major sources of revenues for the General Fund is Sales Tax and Property Tax. Sales tax are projected at 12.2% over FY2022 budget. The previous year's sales tax collection was \$2m over FY2021 budget which was not accounted for in forecasting FY2022. FY2023 has been adjusted accordingly. Property Tax is forecasting a 3% increase. This would be the first increase in three years. Legislative Bill (LB)644 limits property tax increases to real growth and 2% before mandating hearings with other local government entities. From my conversations with Hall County, 3% will probably be below real growth and 2%. If that is true and the City stays at 3% increase, the City's mill levy could still decrease. Finance recommends at least a 3% increase in Property Tax not so much for FY2023 but what will be needed to fund governmental operations in the coming years and the process it takes to increase property tax above the 2% plus real growth.

FY2023 budget encompasses changes to the In Lieu of Property Tax receipts the General Fund receives from enterprise funds. The change brings transparency to how revenues/expenses are calculated between the General Fund and Enterprise Funds. In the past the In Lieu of Property Tax receipts were limited due to bond covenants and in order to collect fees from the Enterprise Funds for General Fund services (legal, clerk, administration, etc.), the Enterprise Funds paid Administration Fees based off of some obscure calculations. Also the Enterprise Funds were paying more for employer related health care costs than General Fund. The proposed budget rebalances these costs and puts all funds on an even playing field for costs. The Electric Utility will pay a 5% In Lieu of Property Tax fee on Retail Sales and Water and Wastewater will pay a 2% fee on Retail Sales as well. Solid Waste will continue to pay an Administration Fee to the General Fund of 2%. Overall the General Fund will receive a net increase of \$450k in the rebalancing of revenues and expenses.

*Expense Assumptions* – Overall expenses are increasing 8.8% or \$3.6m over FY2022 budget. Personnel expenses are projected to increase 8.6% or \$2.8m due to several new union contracts, increases in non-union pay and benefits, reclassification and additional recommended FTE's. The FTE's currently in the FY2023 budget are below.

### **Building Department – additional FTE (General Fund)**

- Adding 0.20 FTE to Administrative Assistant Part-Time – Why is the position needed? An increase in construction activity. Last six year average revenue to expense 99%, last six year average construction valuation \$116.5 million, 2022 year to date \$10 million construction valuation above last year numbers. The department has a significant number of permits that are not getting inspections, the permit is applied for, no inspection are called for and the permit is being

voided for lack of progress only to find it was completed years ago and no inspections were made. We would have the time for the inspections if contact was made to schedule and confirm the work has proceeded. Permit systems can prepare a list of projects but cannot make the contact and scheduling. The increase in work load and revenue I believe justify the request.

- How many similar positions do you have in the department? One full time Administrative Assistant position.
- Total Cost - \$10,662

#### **Emergency Management – additional FTE’s (General Fund)**

- 2 Public Safety Dispatchers - Why is the position needed? We really need four new staff in the Emergency Center to keep our shifts at 4 seats per shift. Jon Rosenlund is asking for 2 this year. These positions are funded 50% by the County, so the City actually only pays for half of the total costs of each employee. The last time FTE’s were added to Emergency Management was 2011.
- How many similar positions do you have in the department? 13 Public Safety Dispatchers and 3 Senior Dispatchers.
- Total Cost - \$158,128 (to be split between the City and Hall County)

#### **Emergency Management – Reclassifications (General Fund)**

- Three Public Safety Dispatchers would be reclassified to Senior Public Safety Dispatchers.
- Why is the position needed? Currently, Jon has only 3 senior dispatchers, one per shift. Because they don’t work 7 days a week, that leaves almost 1/3 of shifts working without a supervisor, sometimes more when seniors take time off. We would like to reclassify three Dispatchers to become Senior Dispatchers. This would provide authorized supervision to all shifts and will also accommodate the increased load the ProQA and other call reviews will require with the new system. It is estimated that promoting 3 dispatchers to senior dispatcher will add approximately \$27k to personnel services. A small price to pay for the benefits in supervision and quality assurance.
- How many similar positions do you have in the department? 3 senior dispatchers currently on staff today.
- Total Cost - \$27,237 (to be split between the City and Hall County)

#### **Parks and Recreation – additional/Reclassification FTE’s (General Fund)**

- Parks Maintenance Worker – why is the position needed? To keep up with the growth of the department and expectations from the public and City Council.
- How many similar positions do you have in the department? 10 similar positions.
- Total Cost - \$71,189



### **Planning Department – moving FTE from Utilities to General Fund**

- Planner 1 - This is part of the rebalance of expenses/revenues between the General Fund and Electric Utility. Due to technology and personnel at the Electric Utility, this position (FTE portion) is not used for any specific utility work.
- Total Cost to General Fund is \$36,559. This position is a shared position with the County. (50%)

### **Police Department – additional FTE's (General Fund)**

- (2) Public Safety Apprentices – One full time and two part time positions. These positions were approved in April of 2022.
- Total Cost - \$158,110
- 4 Part Time Airport Police Officers – Why is the position needed? Currently one police officer goes out to the airport for departures. The additional part time airport police officers would alleviate the need to take an officer off patrol.
- Total Cost - \$71,178

### **Public Works Engineering – reclassification of FTE (General Fund)**

- Reclass an Engineering 1 PW to Engineering 1 or 2 or Senior.
- Why is the position needed? The Engineering series is necessary to attract & retain qualified Engineers.
- How many similar positions are in the department? There are currently two (2) Engineer 1 positions, one of which is vacant and has high turnover. The other is a licensed Engineer with over 20 years of experience. The Engineer II and Senior positions would be new classes but not new FTE's. These changes will allow for more flexibility in hiring and retaining Engineers in the Public Works Department. An entry level engineer would be designated as an Engineer 1 (intern) whereas experienced engineers would be put in the engineer II (required to have a PE designation) or senior (number of years of experience) category depending on experience.
- Total Cost - \$0 to \$10,076 dependent on the experience.

### **Library – additional 3 FTE's (General Fund)**

- **1.0 FTE Librarian I/II.** This Librarian's duties would complement the duties of the existing Librarians. In addition, this Librarian's duties would include:
  - Oversee Makerspace, Digital Media Lab, and Portable Digital Media Lab
  - Coordinate Library website and social media outreach
  - Work with technology vendors such as TLC, Bibliotheca, Comprise, Demco, and Beanstack to maintain and upgrade existing library technologies
  - Create and maintain a Library Technology Plan
  - Ensure upgrades and fixes to servers, kiosks, computers, software, etc. are completed in a timely manner

- Evaluate and provide recommendations on Library technology updates
- Work with City IT
- Research technical issues, offer computer classes, Book-a-Librarian, and provide staff training.
- **1.25 FTE Part-time Library Assistant I's.** Library Assistant Is handle all day-to-day customer-facing service functions of the library, in addition to:
  - Processing new materials
  - Assisting patrons at the
  - Planning, coordinating, and running library programs
  - Assisting with community outreach and library marketing
  - Checking in materials so they can be reshelfed/Answering phones
- **0.25 FTE Part-time Library Page.** Do we have stats for how many books get returned on a given day? Sundays we usually have a pile. In addition to shelving, Library Pages' duties also include:
  - Shelf-reading to ensure books are in order and not missing
  - Assisting customers with directions, finding books, and using the catalog
  - Assisting customers over the phone with questions, book requests and renewals, meeting room booking requests, etc.
  - Supervising the Children's Area
- **0.5 FTE Part-time Summer Temporary Workers.** Summer is the busiest time in the Library and in order to maintain a robust Summer Reading Program and ensure the bustling Children's Area is adequately supervised, and provide programming for children, teens, and adults, as well as outreach and partner programs with the community we must have summer help.

### **Streets Division (210 Fund) – reclassification of FTE**

- Reclass two Senior Maintenance Worker positions to Senior Equipment Operators. Why is the position needed? This position provides oversight and technical expertise in equipment operation and participates in a wide variety of road maintenance and construction operating of the heaviest and most complex pieces of equipment. This position also aids in the progress of right-of-way maintenance by operating equipment for drainway clearing, mowing, tree trimming, as well as performing additional street sweeping and fill in when extra man power is required for traffic control or large projects. A variety of other duties are performed by this position, which include operating equipment for snow plowing and salting, roadway improvements/rehabilitation, as well as cover stand-by shifts as assigned. This will help hiring and retention.
- How many similar positions do you have in the department? There are 5 FT Senior Equipment Operators currently.
- Total Cost - \$1,746

### **Solid Waste (505 Fund) – reclassification and additional FTE**

- Office Manager – SW - Why is this position needed? The position oversees all aspects of the office and assists the Superintendent with the accounting for the division. This position would oversee 3.5 division clerks (currently 2.5 FTE division clerks – see below) and seasonal workers. This would reduce overtime costs substantially.
- Total Cost - \$90,469
- Solid Waste Division Clerk – the Accounting Technician position would be eliminated and add 1 FTE to Solid Waste Division Clerk. Due to the increases in workloads and the difficulty of scheduling when employees are sick or vacation, this additional position would alleviate the issues of short staffing in different areas and/or decreasing hours at the landfill. Also with the additional scale coming online, there will be a need for additional staffing. This a front office reorganization that will improve efficiencies currently and in the future growth of the Transfer Station.
- Total Cost – (\$13,639) – together the cost would be \$77,010

### **Utility Department – (520 Fund)**

- Due to the rebalance of expenses/revenues, the 0.38 FTE will be moved to the General Fund. See above – Planner.
- Total Cost – (\$36,559)

### **Water Department – (525 Fund) – additional FTE**

- Water Maintenance Worker – Why is the position needed? Water service lines are currently owned by property owner from the water main to the point of use. For about half of the owners, this includes ownership of the service line under the street, which can add \$5,000 to the service line repair. This is a hardship for many owners and obtaining financing and finding a plumber to perform the repair can take weeks and, in many cases, the leaking water will undermine the street and adjacent utilities. Utilities management is recommending that the water utility assume ownership of water service lines in the public right of way from the property owner in to allow an equitable and timely response to service line failures. Anticipated repairs of these service lines based on building permit records will require additional staff.
- How many similar positions do you have in the department? Water maintenance worker – 6, Senior Water Maintenance worker – 3
- Total Cost - \$87,330

## **Waste Water (530 Fund) – reclassification and additional FTE**

- Reclass Accounting Technician – WW to Administrative Assistant – WW. Why is the position needed? This position is the center of the Wastewater Treatment Plant budget monitoring and daily office functions.
- How many similar positions are in the department? There was one in the past, however none at this time.
- Total Cost - \$3,111
- Reclass Engineer I – WWTP to Engineering I or II or Senior. The Engineering series is necessary to attract & retain qualified Engineers. Please see PW Engineer proposed changes for more detail.
- Total Cost - \$11,986
- Reclass Engineer Technician to Engineer Technician I or II or Senior Why is the position needed? The Engineering Technician series is necessary to attract & retain qualified Engineer Technicians.
- Total Cost - \$2,967
- One additional FTE – WWTP FOG (Fats, Oils, and Grease) Program Manager. Why is the position needed? This new position will develop Fats, Oils, and Grease policies and procedures, and ordinances in support of the Wastewater infrastructure throughout the City.
- Total Cost - \$85,936

### **Total Costs by Funds**

- General Fund - \$582,767
- Electric Fund – (\$36,559)
- Water Fund - \$87,330
- Waste Water Fund - \$104,000
- Solid Waste Fund - \$77,010
- Streets Fund - \$1,746

These adjustments are needed to keep up with the current labor market. Operating expenses are projected to increase by 9.4% or \$670k over FY2022 budget. This increase is due to the overall rising costs of commodities.