



City of Grand Island

Tuesday, March 12, 2013

Council Session

Item G2

Approving Minutes of March 5, 2013 City Council Study Session

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL STUDY SESSION

March 5, 2013

Pursuant to due call and notice thereof, a Study Session of the City Council of the City of Grand Island, Nebraska was conducted in the Council Chambers of City Hall, 100 East First Street, on March 5, 2013. Notice of the meeting was given in the *Grand Island Independent* on February 27, 2013.

Mayor Jay Vavricek called the meeting to order at 7:00 p.m. The following Councilmembers were present: Scott Dugan, John Gericke, Mitch Nickerson, Chuck Haase, and Bob Niemann. Councilmembers Peg Gilbert, Vaughn Minton, Mike Paulick, Julie Hehnke, and Linna Dee Donaldson were absent. The following City Officials were present: City Administrator Mary Lou Brown, City Clerk RaNae Edwards, City Attorney Robert Sivick, and Finance Director Jaye Monter.

INVOCATION was given by Community Youth Council member Emma Kreutzer followed by the PLEDGE OF ALLEGIANCE.

Mayor Vavricek introduced CYC member Emma Kreutzer.

SPECIAL ITEMS:

Presentation by Almquist, Maltzahn, Galloway, & Luth for Fiscal Year 2012 City Single Audit and General Purpose Financial Statements and Electric and Water Audit Reports. Finance Director Jaye Monter introduced Terry Galloway representing Almquist, Maltzahn, Galloway, & Luth who presented a PowerPoint presentation on the Fiscal Year 2012 Audit. He stated they were giving the City a clean opinion and complimented the City on their finances.

Grand Island's Outstanding Debt decreased by \$10,046,377 (18.8%) during the current fiscal year due to scheduled principal payments. Total net assets were \$601,335,686.

Discussion was held concerning the adjustment from restricted to unrestricted cash and net assets in the amount of \$956,305 for the landfill. The need for the closure/post closure liability was \$3,054,567. Currently \$4,010,872 was set aside for the closure/post closure. Landfill Superintendent Jeff Waiter answered questions concerning the life of the landfill. Currently Phase 1 was 35 years, but they had the capacity for 100 years. Mr. Galloway stated there was \$1 million in excess.

Net assets were increased \$3,191,337 as of September 30, 2011, to reflect City infrastructure paid for directly by the State of Nebraska. Business-type net assets were increased and discretely presented component unit net assets were decreased \$8,854,061 to reclassify the landfill from a component unit to an Enterprise Fund.

Reviewed was the budgetary comparison schedule. Total general government was under budget \$240,374, public safety was under budget \$1,109,731, public works was under budget \$362,783, environment and leisure was under budget \$116,971 and non-departmental was under budget

\$404,326 for a total under budget amount of \$2,234,185. Personnel and equipment were the reasons these funds were not spent.

Comments were made about budget authority and using the money that was budgeted if needed. City Administrator Mary Lou Brown mentioned most of the savings was in open personnel positions. She stated she would be sitting down with the Department Director's to more closely monitor their budget needs.

Cash reserves were at 30.69% for 2012 which was the level they needed to be. Mr. Galloway stated we were in great financial shape in the General Fund and our outstanding debt was very good at 0.76%.

The top 5 sources of revenues were: sales tax; property taxes; grants and contributions; state allocation; and charges for services. Levy rates were reviewed over the last eight years with the 2012 levy rate at 0.324425. Governmental expenses per capita based on 48,520 population were as follows: General Government - \$75; Public Safety - \$347; Public Works - \$116; and Environment and Leisure - \$107.

Mr. Galloway stated the City was better off today than they were a year ago and it was the best report he had ever given to the City. Ms. Brown complimented the Finance staff for the work they had done.

Scott Kuehl, 1419 Independence Avenue spoke in opposition of transferring funds from the Fire Reserve to the General Fund because of State, Federal and IRS rules. He stated the Police and Fire funds should be kept separate.

Ms. Monter stated the City was currently funding General Fund Firefighter employer contributions to the defined contribution plans with the excess contributions in the Fire Reserve 810 Fund. Pending Council approval, the following funding uses were under consideration:

- General Fund contributions in fiscal year 2013 for the two recent pre-84 Police retirees as well as future pre-84 Police retirees
- Future pension disability payments for both Police Officers and Firefighters
- General Fund Police Officer employer contributions to the defined contribution plans

ADJOURNMENT: The meeting was adjourned at 8:20 p.m.

RaNae Edwards
City Clerk