



City of Grand Island

Tuesday, February 25, 2014

Council Session

Item G-2

Approving Minutes of February 18, 2014 City Council Study Session

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL STUDY SESSION

February 18, 2014

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 February 18, 2014. Notice of the meeting was given in the *Grand Island Independent* on February 12, 2014.

Mayor Jay Vavricek called the meeting to order at 7:00 p.m. The following Councilmembers were present: Vaughn Minton, Mike Paulick, Mark Stelk, John Gericke, Peg Gilbert, Mitch Nickerson, Julie Hehnke, Chuck Haase, Linna Dee Donaldson, and Kent Mann. The following City Officials were present: City Administrator Mary Lou Brown, City Clerk RaNae Edwards, City Attorney Robert Sivick, City Treasurer and Finance Director Jaye Monter, and City Engineer and Public Works Director John Collins.

INVOCATION was given by Community Youth Council member Hannah Sugita followed by the PLEDGE OF ALLEGIANCE.

Mayor Vavricek introduced Community Youth Council member Hannah Sugita.

SPECIAL ITEMS:

Presentation by Almquist, Maltzahn, Galloway, & Luth for Fiscal Year 2013 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 ending September 30, 2013 Audit. He stated they were giving the City a AAA rating.

Grand Island's Outstanding Debt increased by \$27,788,653 (64.1%) during the current fiscal year due primarily to the issuance of \$35,430,000 of Wastewater Revenue Bonds. Total net assets were \$622,308,286.

Discussion was held regarding the pension liability for police and fire. Currently there were \$2,850,151 additional funds above the liabilities.

Business-type activities net position was reduced \$423,850 (Electric Fund - \$252,225, Water Fund - \$50,839, and Sewer Fund - \$120,786) and the component units net position was decreased \$27,337 (all in the Grand Island Facilities Corporation).

Reviewed was the budgetary comparison schedule. Total general government was under budget \$156,258, public safety was under budget \$1,049,755, public works was under budget \$307,416, environment and leisure was under budget \$234,717 and non-departmental was over budget \$35,164 for a total under budget amount of \$1,712,982 for year ended September 30, 2013. Personnel and equipment were the reasons these funds were not spent.

Mr. Galloway stated we were in great financial shape in the General Fund and our outstanding general obligation debt was very good at 0.65%. General fund cash reserves were at \$11,878,627 an increase over the last four years. Business-type activities had a reserve of \$86,792,083. Mr. Galloway stated we currently had almost four months in cash reserves which were very good.

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 five years with the 2013 levy rate at 0.324418. Governmental expenses per capita based on 48,520 population were as follows: General Government - \$80; Public Safety - \$368; Public Works - \$125; and Environment and Leisure - \$107.

Mr. Galloway stated there were a lot of positive things going on in the City of Grand Island and we were in great shape.

Overview of 2013 General Fund Financial Results. Finance Director Jaye Monter presented the 2013 General Fund Financial results. General fund unrestricted cash reserve 2013 forecast was \$9,307,264 with the 2013 actual cash reserve coming in at \$10,528,593. General fund revenues had come in higher than forecasted and the expenditures had come in lower than forecasted. Property tax, sales tax, and building permits all came in higher than forecasted. Actual cash reserve as of September 30, 2013 was 31.40%.

Discussion was held regarding future spending and projecting future needs. Comments were made concerning the excess money left over from the 2013 budget.

2015 Budget Development. City Administrator Mary Lou Brown presented the proposed 2014/2015 budget calendar.

Discussion was held regarding more information to Council of major changes in the 2014-2015 budget. Ms. Brown commented on future year budgets that would be discussed with Council. Mentioned was there would be six union negotiations this year that would affect the wages in the budget.

A lengthy discussion was held regarding the number of meetings and on what days. Study Sessions were requested early on in the process. No specific direction was given by Council to Administration. City Administration will complete a budget calendar in the near future and send to Councilmembers.

ADJOURNMENT: The meeting was adjourned at 9:31 p.m.

RaNae Edwards
City Clerk