
City of Grand Island



Tuesday, February 18, 2014 Study Session Packet

City Council:

Linna Dee Donaldson
John Gericke
Peg Gilbert
Chuck Haase
Julie Hehnke
Kent Mann
Vaughn Minton
Mitchell Nickerson
Mike Paulick
Mark Stelk

Mayor:

Jay Vavricek

City Administrator:

Mary Lou Brown

City Clerk:

RaNae Edwards

7:00 PM
Council Chambers - City Hall
100 East 1st Street

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.

Invocation

Pledge of Allegiance

Roll Call

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.

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, February 18, 2014

Study Session

Item -1

Presentation by Almquist, Maltzahn, Galloway, & Luth for Fiscal Year 2013 City Single Audit and General Purpose Financial Statements and Electric and Water Audit Reports

Terry Galloway from Almquist, Maltzahn, Galloway & Luth will present the Fiscal Year 2013 City Single Audit and General Purpose Financial Statements and Electric and Water Audit Reports.

Staff Contact: Jaye Monter, Finance Director

City of Grand Island

Financial statements and
supplementary information

Almquist, Maltzahn,
Galloway & Luth, P.C.

Independent Auditors' Report

- In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, and the fiduciary funds of the City of Grand Island, Nebraska, as of September 30, 2013, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Outstanding Debt

City of Grand Island's Outstanding Debt

	Year Ended September 30, 2013			Year Ended September 30, 2012		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
General Obligation Bonds	\$ 5,535,000	\$ -	\$ 5,535,000	\$ 6,585,000	\$ -	\$ 6,585,000
Revenue Bonds	-	54,870,000	54,870,000	-	24,585,000	24,585,000
Capital Lease	10,729,082	-	10,729,082	12,175,429	-	12,175,429
Total	<u>\$ 16,264,082</u>	<u>\$ 54,870,000</u>	<u>\$ 71,134,082</u>	<u>\$ 18,760,429</u>	<u>\$ 24,585,000</u>	<u>\$ 43,345,429</u>

The City of Grand Island's total debt increased by \$27,788,653 (64.1 percent) during the current fiscal year due primarily to the issuance of \$35,430,000 of Wastewater Revenue Bonds.

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Statement of Net Position

CITY OF GRAND ISLAND, NEBRASKA STATEMENT OF NET POSITION

September 30, 2013

	Primary Government		
	Governmental	Business-type	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
NET POSITION			
Net investment in capital assets	309,743,759	219,761,269	529,505,028
Restricted for:			
Debt service	257,298	6,245,086	6,502,384
Landfill closure/post-closure costs	-	2,466,140	2,466,140
Perpetual care - permanent	622,227	-	622,227
Street improvements	2,680,954	-	2,680,954
Capital projects	805,559	-	805,559
Economic development	914,832	-	914,832
Other purposes	3,011,480	-	3,011,480
Unrestricted	18,594,119	57,205,563	75,799,682
Total net position	<u>\$ 336,630,228</u>	<u>\$ 285,678,058</u>	<u>\$ 622,308,286</u>

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Statement of Net Position – Fiduciary Funds

CITY OF GRAND ISLAND, NEBRASKA

STATEMENT OF NET POSITION - FIDUCIARY FUNDS

September 30, 2013

	<u>Employee Reserve Funds</u>
ASSETS	
Cash	\$ 8,765
Investments	5,309,028
Accounts receivable	-
Special assessments receivable	-
Total assets	<u>5,317,793</u>
LIABILITIES	
Agency liabilities	-
Pension liability	2,467,642
Total liabilities	<u>2,467,642</u>
NET POSITION	
Held in trust for pension benefits	<u>\$ 2,850,151</u>

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Net Position Restatement

GASB 65 was adopted effective October 1, 2012, at which time unamortized bond discounts/issuance costs were written off, as bond discounts/issuance costs are considered period costs rather than assets under GASB 65. As a result, the 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).

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Budgetary Comparison Schedule - General Fund

CITY OF GRAND ISLAND, NEBRASKA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

Year ended September 30, 2013

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Total resources	\$ 35,419,336	\$ 35,783,039	\$ 363,703
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Total general government	4,024,209	3,867,951	(156,258)
Total public safety	18,880,930	17,831,175	(1,049,755)

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Budgetary Comparison Schedule - General Fund, Continued

CITY OF GRAND ISLAND, NEBRASKA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND, Continued

Year ended September 30, 2013

CHARGES TO APPROPRIATIONS (OUTFLOWS), continued	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
Total public works	6,357,842	6,050,426	(307,416)
Total environment and leisure	5,404,235	5,169,518	(234,717)
Non-departmental	2,433,403	2,468,567	35,164
Total charges to appropriations	37,100,619	35,387,637	(1,712,982)

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Budgetary Comparison Schedule - General Fund, Continued

CITY OF GRAND ISLAND, NEBRASKA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND, Continued

Year ended September 30, 2013

CHARGES TO APPROPRIATIONS (OUTFLOWS), continued	Budget (Original and Final)	<u>Actual</u>	Variances - Actual Over (Under) Final Budget
<hr/> OTHER FINANCING SOURCES (USES) <hr/>			
Net transfers	<u>1,724,174</u>	<u>2,472,906</u>	<u>748,732</u>
RESOURCES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) CHARGES TO APPROPRIATIONS	<u>\$ 42,891</u>	<u>\$ 2,868,308</u>	<u>\$ 2,825,417</u>

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City of Grand Island

September 30,

	Audit Report Page Reference	2013	2012	2011	2010	2009
1) Unrestricted Net Position/Total Net Position						
Government Wide	Page 17	12.18%	12.63%	12.77%	12.81%	11.93%
Governmental Activities	Page 17	5.52%	5.12%	5.37%	5.92%	6.01%
Business-Type Activities	Page 17	20.02%	21.59%	22.06%	21.56%	19.56%

City of Grand Island

September 30,

		Audit Report Page Reference	2013	2012	2011	2010	2009
2)	Unassigned Fund Balance/General Fund Expenditures	Page 19	27.95%	30.69%	17.96%	17.47%	14.54%



City of Grand Island

September 30,

	Audit Report Page Reference	2013	2012	2011	2010	2009
3) Outstanding GO Debt/Valuation	Page 14	0.65%	0.76%	0.93%	1.06%	1.21%

City of Grand Island

September 30,

		Audit Report Page Reference	2013	2012	2011	2010	2009
4)	Debt Service Coverage Ratio						
	Electric	Pages 24-25	2.68	2.70	3.32	2.78	2.70
	Water		16.53	14.05	4.58	4.57	4.76
	Sewer		1.12	2.09	1.90	1.95	2.20

City of Grand Island

September 30,

	Audit Report Page Reference	2013*	2012*	2011*	2010	2009
5) Top 5 Sources of Revenues - Governmental Activities						
Sales Tax	Page 10	311	300	281	311	313
Property Taxes		168	161	137	149	134
Grants and Contributions		135	131	232	159	123
State Allocation		99	89	86	89	92
Charges for Services		191	181	173	188	190

* Per Capita based on 48,520 population
Prior to 2011 – Per Capita based on population 42,961

City of Grand Island

September 30,

		Audit Report Page Reference	2013	2012	2011	2010	2009
6)	Cash, Investments & Treasurer Cash		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
	General Fund:	Page 19/21/55					
	Operating						
	Replacement						
	Total		11,878,627	9,197,089	7,070,724	5,609,657	4,171,679
	Business-type Activities	Page 23/24/57					
	Operating						
	Replacement						
	Restricted						
	Total		86,792,083	56,073,069	50,408,234	45,475,572	42,611,808

City of Grand Island

September 30,

	Audit Report Page Reference	2013	2012	2011	2010	2009
7) Net Depreciable Capital Assets/Original Cost						
Governmental Activities	Page 55	61.19%	62.33%	63.75%	64.82%	67.51%
Business-type Activities	Page 57	42.93%	43.47%	45.44%	47.33%	48.80%

City of Grand Island

September 30,

	Audit Report Page Reference	2013	2012	2011	2010	2009
8) Operating Income/Total Operating Revenue						
Electric Fund	Page 24	19.77%	21.58%	16.82%	10.80%	12.67%
Water Fund		47.72%	47.49%	26.76%	27.63%	30.10%
Sewer Fund		8.42%	10.75%	8.90%	8.67%	13.49%
Landfill Fund		3.25%	41.00%	-2.62%	6.53%	11.26%
Golf Fund		-3.00%	9.80%	5.37%	0.26%	7.05%

City of Grand Island

September 30,

	Audit Report Page Reference	2013	2012	2011	2010	2009
9) Months Expense in Street Cash Reserve	Pages 104 & 106	7.4	9.2	2.1	2.2	8.3

City of Grand Island

September 30,

	Audit Report Page Reference	2013*	2012*	2011*	2010	2009
10) Levy Rates						
General		0.275751	0.272074	0.205189	0.207553	0.186935
		\$ 143	\$ 138	\$ 101	\$ 114	\$ 100
Debt Service		0.048667	0.052351	0.067645	0.065287	0.063459
		\$ 25	\$ 27	\$ 33	\$ 36	\$ 34
Total Levy		0.324418	0.324425	0.272834	0.272840	0.250394

* Per Capita based on 48,520 population
Prior to 2011 – Per Capita based on population 42,961

City of Grand Island

September 30,

	Audit Report Page Reference	2013*	2012*	2011*	2010	2009
11) State Allocations						
Highway Allocation		85	81	72	76	76
Municipal Equalization		7	1	-	-	-

* Per Capita based on 48,520 population
Prior to 2011 – Per Capita based on population 42,961

City of Grand Island

September 30,

	Audit Report Page Reference	2013*	2012*	2011*	2010	2009
12) Governmental Expenses						
General Government	Page 97/98	80	75	79	87	87
Public Safety		368	347	367	434	410
Public Works		125	116	125	144	149
Environment and leisure		107	107	124	145	148

* Per Capita based on 48,520 population
Prior to 2011 – Per Capita based on population 42,961



QUESTIONS

Best City in Nebraska



City of Grand Island

Tuesday, February 18, 2014

Study Session

Item -2

Overview of 2013 General Fund Financial Results

Staff Contact: Jaye Monter, Finance Director

CITY OF

Grand Island

NEBRASKA

Overview of 2013 General Fund Financial Results

February 18th, 2014

General Fund Unrestricted Cash Reserve

2013 Forecast

\$9,307,264



2013 Actual

\$10,528,593





General Fund - Cash Position

	Forecast 9/30/13	Actual 9/30/13	Over (Under) Forecast
Revenue	35,094,664	35,783,038	688,374
Expenditures	37,508,811	37,000,664	(508,147)
Unrestricted Cash	9,307,264	10,528,593	1,221,329

General Fund - Revenues

	Forecast 9/30/13	Actual 9/30/13	Over (Under) Forecast
Total Revenues	35,094,664	35,783,038	688,374
Property Tax	6,736,334	7,129,166	392,832
Sales Tax	14,853,631	14,989,584	135,953
Building Permits	385,000	497,517	112,517

General Fund – Property Tax Revenue

2013 Valuation \$2,517,067,460

	Forecast 9/30/13		Actual 9/30/13		Over (Under) Forecast
2013	5,943,900	86%	6,173,862	89%	
2012	792,494	97%	942,434	99%	
2011	0	0%	12,870	99%	
TOTAL	6,736,334		7,129,166		392,832



General Fund - Revenues

	Forecast 9/30/13	Actual 9/30/13	Over (Under) Forecast
Total Revenues	35,094,664	35,783,038	688,374
Property Tax	6,736,334	7,129,166	392,832
Sales Tax	14,853,631	14,989,584	135,953
Building Permits	385,000	497,517	112,517

Sales Tax Receipts 2013

	Actual FY 2012-2013	% Increase Prior Year
October	1,272,483	
November	1,202,344	
December	1,183,421	
January	1,221,489	
February	1,494,415	
March	1,114,075	
April	1,107,087	
May	1,321,338	
June	1,101,937	
July	1,348,470	
August	1,330,851	
September	1,291,674	
Total Receipts	14,989,584	2.98%
2013 Budget	15,041,777	
YTD Percent Collected	99.65%	

General Fund - Revenues

	Forecast 9/30/13	Actual 9/30/13	Over (Under) Forecast
Total Revenues	35,094,664	35,783,038	688,374
Property Tax	6,736,334	7,129,166	392,832
Sales Tax	14,853,631	14,989,584	135,953
Building Permits	385,000	497,517	112,517

Building Permit Revenue

2012-2013	Actual Revenue
October	35,759
November	40,161
December	15,391
January	53,391
February	11,178
March	32,879
April	39,897
May	26,781
June	52,642
July	26,307
August	111,266
September	51,865
TOTAL	497,517



General Fund - Cash Position

	Forecast 9/30/13	Actual 9/30/13	Over (Under) Forecast
Revenue	35,094,664	35,783,038	688,374
Expenditures	37,508,811	37,000,664	(508,147)
Unrestricted Cash	9,307,264	10,528,593	1,221,329



General Fund - Expenditures

	Forecast 9/30/13	Actual 9/30/13	Over (Under) Forecast
Personnel	23,615,576	23,423,718	(191,858)
Operating	8,881,724	8,497,355	(384,369)
Capital / Transfers	5,011,511	5,079,591	68,080
Totals	37,508,811	37,000,664	(508,147)

General Fund - Operating Expenditures

	Forecast 9/30/13	Actual 9/30/13	Over (Under) Forecast
Operating	8,881,724	8,497,355	(384,369)
Repair Storm Sewer	170,500	36,953	(133,547)
Contract Services	411,059	328,096	(82,963)
Street Resurfacing	621,000	582,837	(38,163)
Fuel	406,441	369,106	(37,335)
Repair & Maint Building	165,672	135,496	(30,176)
Materials	500,300	478,774	(21,526)
Travel & Training	155,826	138,344	(17,482)

General Fund Unrestricted Cash Reserve

2013 Forecast

\$9,307,264



2013 Actual

\$10,528,593



General Fund 90 Day Unrestricted Cash Reserve

	Forecast 9/30/13	Actual 9/30/13	2014 Adjusted Budget
Appropriations (Excludes Capital)	34,565,957	33,534,100	38,334,754
Reserve (25% of Appropriations)	8,641,489	8,383,525	9,583,688
Cash Balance	9,307,264	10,528,593	8,548,640
Reserve %	26.93%	31.40%	22.30%

CITY OF

Grand Island

NEBRASKA

Thank You



City of Grand Island

Tuesday, February 18, 2014

Study Session

Item -3

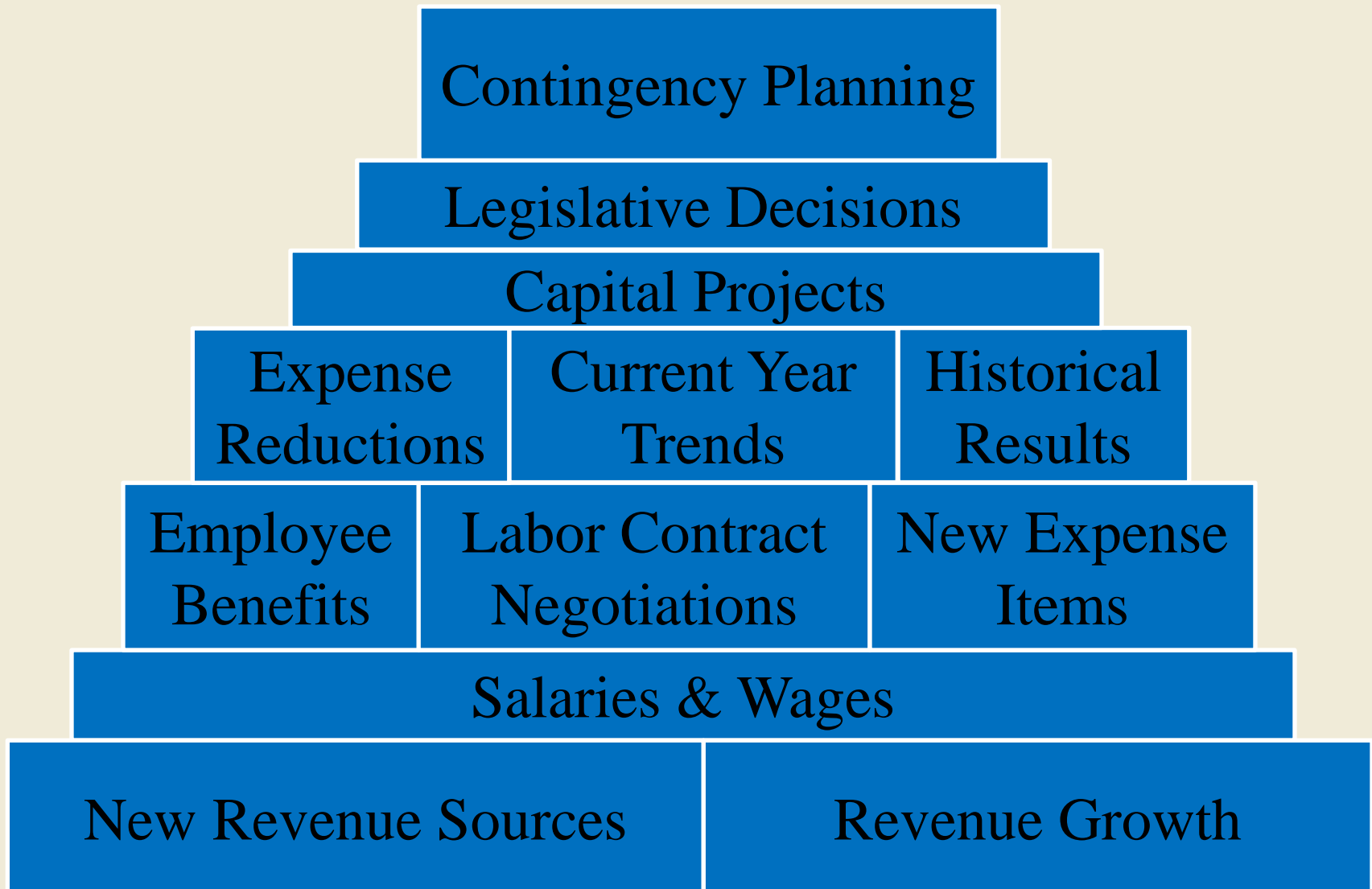
2015 Budget Development

Staff Contact: Mary Lou Brown, City Administrator

2015 Budget Development

February 18, 2014

Budget Foundation



Proposed Budget Calendar

	2014/2015		2009/2010
Payroll expense developed w/FTE requests changes	4/1/2014		4/1/2009
Revenue budget/forecast completed	5/2/2014		5/15/2009
Capital - 400 Fund and General Fund prioritization completed	5/5/2014		5/4/2009
Departments submit initial budget request to City Administrator	5/23/2014		5/15/2009
Finance completes initial roll-up of budget	5/30/2014		6/5/2009
Administration reviews	6/13/2014		5/18-22/09
Council Study Session - FTE and Fee Schedules			6/16/2009
Council adopts FTE & Fee Schedules			6/23/2009
Incorporate Budget review changes	7/11/2014		7/14/2009
Budget books distributed to Council	7/25/2014		7/24/2009

Proposed Budget Calendar

	2014/2015		2009/2010
Budget books distributed to Council	7/25/2014		7/24/2009
Council approves BID budgets, assessments and sets date for Board of Equalization			7/28/2009
Publish notice of public hearing on City & CRA budgets			8/7/2009
Public hearing on City & CRA budgets			8/11/2009
Presentation of preliminary budget			8/18-20/09
Salary ordinance approval			8/18/2009
County certifies valuation	8/20/2014		8/20/2009
Publish notice on final budget			8/21/2009
Publish notice of public hearing on tax requests and levys			9/6/2009
Approve Mill Levy, Parking Dist, BIDs, Annual Appropriations Ordinance - Adopt Budget	9/9/2014		9/8/2009
Submit official budget to State Auditor/County	9/20/2014		9/8/2009

Discussion

CITY OF GRAND ISLAND
 Budget Analysis - Public Works

Program Type Quartile		2010 Actual	2011 Actual	2012 Actual	2012 Budget	Over/(Under) 2012 Budget	2013 Budget	2013 Forecast	2014 Budget		% Growth 2014 Budget v. 2013 Budget	% Growth 2014 Budget v. 2013 Forecast
Pavement Repair-Concrete												
Public Works [Streets]												
	Revenue	13,894	17,613	58,952	16,834	42,118	15,735	17,837	21,095		34.06%	18.27%
	Personnel Services	288,601	264,034	283,341	293,407	(10,066)	309,580	307,097	271,296	24%	-12.37%	-11.66%
	Operating Expense	895,474	1,048,334	837,702	1,131,474	(293,772)	1,116,907	964,216	1,225,931	76%	9.76%	27.14%
	Total Expense	1,184,075	1,312,368	1,121,043	1,424,881	(303,838)	1,426,487	1,271,313	1,497,227		4.96%	17.77%
	Full Time Equivalent Employees	4.27	3.81	4.02	4.02		4.08	4.08	3.35			
Pavement Repair-Asphalt, Milling and Hauling												
Public Works [Streets]												
	Revenue	99,384	26,834	43,734	10,042	33,692	5,263	5,263	29,998		469.98%	469.98%
	Personnel Services	245,069	224,263	210,156	217,622	(7,466)	225,004	223,199	248,215	20%	10.32%	11.21%
	Operating Expense	679,478	1,109,092	794,896	866,465	(71,569)	866,894	883,319	996,934	80%	15.00%	12.86%
	Total Expense	924,547	1,333,355	1,005,052	1,084,087	(79,035)	1,091,898	1,106,518	1,245,149		14.04%	12.53%
	Full Time Equivalent Employees	3.62	3.23	2.98	2.98		2.97	2.97	3.06			
Pavement Repair-Concrete	1	1,184,075	1,312,368	1,121,043	1,424,881	(303,838)	1,426,487	1,271,313	1,497,227		4.96%	17.77%
Pavement Repair-Asphalt, Milling and Hauling	1	924,547	1,333,355	1,005,052	1,084,087	(79,035)	1,091,898	1,106,518	1,245,149		14.04%	12.53%
TOTAL		2,108,622	2,645,723	2,126,095	2,508,968	(382,873)	2,518,385	2,377,831	2,742,376		8.89%	15.33%
TOTAL - Public Works												
	Revenue	113,278	44,447	102,686	26,876	75,810	20,998	23,100	51,093		143.32%	121.18%
	Personnel Services	533,670	488,297	493,497	511,029	(17,532)	534,584	530,296	519,511	22%	-2.82%	-2.03%
	Operating Expense	1,574,952	2,157,426	1,632,598	1,997,939	(365,341)	1,983,801	1,847,535	2,222,865	n/a	12.05%	20.32%
	Personnel / Operating Expense	-	-	-	-	-	-	-	-	0%	n/a	n/a
	Total Expense	2,108,622	2,645,723	2,126,095	2,508,968	(382,873)	2,518,385	2,377,831	2,742,376		8.89%	15.33%
	Full Time Equivalent Employees	7.89	7.04	7.00	7.00		7.05	7.05	6.41			

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City of Grand Island					
Streets					
2014 Budget					
		Object			
Division	Name	Number		Streets - Pavement Repair - Concrete Quartile 1	Streets - Pavement Repair - Asphalt, Milling & Hauling Quartile 1
10033503	Contract Services	85213		160	320
	Utility Services	85305			-
	Curbs, Gutters & Sidewalks	85318		-	-
	Repair Bridge - Over/Under	85320			-
	Repair & Maint - Mach & Equip	85325			-
	Repair & Maint - Vehicles	85335		44,000	86,940
	Gasoline	85515		1,500	2,500
	Diesel Fuel	85520		14,000	32,000
	Misc Operating Equipment	85540		7,000	7,000
	Street Repair Materials	85547		262,000	90,000
	Other General Supplies	85590		2,000	2,000
	Total Operating Expense			330,660	220,760
	Total Street Maintenance			330,660	220,760
10033504	Contract Services	85213			
	Storm Sewer Repair	85318			
	Repair & Maint - Vehicles	85335			
	Gasoline	85515			
	Diesel Fuel	85520			
	Misc Operating Equipment	85540			
	Safety Materials	85549			
	Other General Supplies	85590			
	Total Operating Expense			-	-
	Total Drainage Maintenance			-	-
10033505	Contract Services	85213			
	Utility Services	85305			
	Repair & Maint - Mach & Equip	85325			
	Repair & Maint - Vehicles	85335			
	Gasoline	85515			
	Diesel Fuel	85520			
	Misc Operating Equipment	85540			
	Traffic Paint, PSTIC	85545			
	Other General Supplies	85590			
	Total Traffic Control			-	-
	Total Drainage Maintenance			-	-
10033506	Contract Services	85213		7,500	7,500
	Contracted Concrete Repair	85351		854,020	-
	Miscellaneous Paving	85352			-
	Road & Street Modifications	85353		15,000	-
	Street Resurfacing	85354			750,000
	Total Operating Expense			876,520	757,500
	Total Non-Capital Projects			876,520	757,500

City of Grand Island					
Streets					
2014 Budget					
	Object				
Division	Name	Number		Streets - Pavement Repair - Concrete Quartile 1	Streets - Pavement Repair - Asphalt, Milling & Hauling Quartile 1
	Total Revenue			21,095	29,998
	Total Personnel Streets Only			271,296	248,215
	Total Operating Streets Only			1,225,931	996,934
	Total Personnel & Operating Streets Only			1,497,226	1,245,149
	FTE by Program			3.3489	3.0640