



City of Grand Island

Tuesday, May 20, 2014

Study Session

Item -2

2014/2015 General Fund Budget Preview

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CITY OF

Grand Island

NEBRASKA

**2014/2015
Budget Preview
30,000 Foot View**

GENERAL FUND

5-20-2014

Budget Calendar

- 400 Fund Capital requests prioritized and potential funding identified by 5/16/14
- Departmental operating expense submissions due 5/23/14
- Departmental reviews of requests completed and potential funding scenarios determined for July 1 study session

Summary

Budget Provides for:

- Continued emphasis on a safer community
 - Effect of council approved additional expense - \$638,886 in 2013, \$1,124,122 in 2014 and \$1,132,002 in 2015
- Metropolitan Planning Organization - John Adams hired as MPO Program Manager
- Effects of becoming a Metropolitan Statistical Area (MSA) and unanimous legislative approve of LB397
 - Increased personnel costs as dictated by laws of comparability
 - \$674,388 in 2014 – Fraternal Order of Police and non-union
 - Estimated \$1,185,320 in 2015

Initial Budget Progress to Date

- Forecasted 2014 revenue complete
2.5% normalized growth
- 2015 budget revenue built from forecast
2.6% normalized growth
- Departments have been provided targets
6.4% overall personnel cost increase driven by
comparability
0% operation increase

Normalized Revenue

	2014 Forecast	2015 Budget	Growth
Total Revenue	\$42,718,000	\$42,154,000	(1.3)%
Asset Sales	(1,251,000)	(25,000)	
Transfers Out	(4,623,000)	(4,475,000)	
Municipal Equalization	(552,000)	(425,000)	
Normalized Revenue	\$36,292,000	\$37,229,000	2.6%

Revenue Projection

	2014 Budget	2014 Forecast	2015 Budget	Growth
Sales Tax	15,225,000	15,319,000	15,702,000	2.5%
Property Tax	7,112,000	7,000,000	7,210,000	3.0%
Fees & Services	5,019,000	5,134,000	5,277,000	2.8%
Intergovernmental	2,965,000	3,019,000	3,110,000	3.0%
Municipal Equalization	591,000	552,000	425,000	(23.0)%
Gas Tax/Other Transfers	4,523,000	4,623,000	4,475,000	(3.2)%
Food & Beverage Tax	1,504,000	1,524,000	1,592,000	4.5%
Occupation/Other Taxes	2,628,000	2,608,000	2,655,000	1.8%
Licenses & Permits	507,000	602,000	615,000	2.2%
Other Revenue/Interest	1,123,000	2,337,000	1,093,000	(53.2)%
Total Revenue	41,197,000	42,718,000	42,154,000	(1.3)%

2015 Budget Summary

Incremental Cash Needs:		
	Revenue Decline	955,000
	Personnel costs including MSA impact	1,734,000
	Debt retirement - Library	1,590,000
	Capital Improvement Projects 400 Fund	556,000
	TOTAL	4,835,000
Incremental Funding:		
	Reduced debt payment	795,000
	Reduced transfers	1,300,000
	Unspent appropriations 2014 Budget	1,150,000
	Cash reserve usage to pay Library debt	1,590,000
	Total	4,835,000

Conclusion

Based on the assumptions used to date the 2014/2015 budget provides for:

- Emphasis on safe community
- Continued implementation of Metropolitan Planning Organization
- Ongoing effects of becoming a Metropolitan Statistical Area

Budget Timeline

6/17/2014	FTE and Fee schedule changes – Study Session
7/01/2014	5,000 foot view of 2014/2014 budget – Study Session
Week of 7/27/2014	Budget books distributed
7/22/2014	Approval of BID budgets, assessments and set date for Board of Equalization – Regular Meeting
8/12/2014	Public hearing on City and CRA budgets opens – Regular Meeting
8/14/2014	Study Session / Special Meeting
8/19/2014	Study Session / Special Meeting
8/21/2014	Study Session / Special Meeting
8/26/2014	Regular Meeting / Study Session
8/28/2014	Study Session
9/09/2014	Budget approval – Regular Meeting