



City of Grand Island

Tuesday, July 15, 2014

Study Session - Updated

Item -1

Planning for Today and Tomorrow City of Grand Island 5,000 Foot View

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CITY OF

Grand Island

NEBRASKA

2014-2015
Planning for Today and Tomorrow

City of Grand Island
5,000 Foot View

GENERAL FUND

7-15-14

Goal

Financial sustainability of City policies and services to best serve the people of Grand Island.

Council Retreat January 22, 2011

Purpose of the Budget

- Meet service expectations based on prioritization
- Identify the financial needs for the next 12 months
- Lay the groundwork for long-term financial sustainability

The Budget is driven by prioritization, backed by citizen awareness and approved by Council.

2015 Budget Summary

Existing revenue sources and current levels of taxation enable the City to:

- Continue the funding of ICMA public safety recommendations
- Maintain existing or improved levels of service to the community
- Meet State statute regarding employee wage and salary increases
- Address necessary infrastructure maintenance, improvements and construction with a \$9.5 million capital program

all while maintaining

A strong financial position with adequate cash reserves to function through a three month financial disaster

Revenue Projection

	2014 Budget	2014 Forecast	2015 Budget	Growth
Sales Tax	15,225,000	15,319,000	15,702,000	2.50%
Property Tax	7,112,000	7,000,000	7,453,000	6.47%
Fees & Services	5,019,000	5,101,000	5,225,000	2.43%
Intergovernmental	2,965,000	2,917,000	3,083,000	5.69%
Municipal Equalization	591,000	552,000	425,000	(23.01)%
Gas Tax/Other Transfers In	4,523,000	4,623,000	4,690,000	1.45%
Food & Beverage Tax	1,504,000	1,516,000	1,584,000	4.49%
Occupation/Other Taxes	2,628,000	2,633,000	2,652,000	0.72%
Licenses & Permits	507,000	622,000	635,000	2.09%
Other Revenue/Interest	1,123,000	2,338,000	1,092,000	(53.29)%
Total Revenue	41,197,000	42,621,000	42,541,000	(0.19)%

General Fund Property Tax

Mill Levy	
General Fund	0.28243
Debt Service	0.04167
City Total	0.3241

- Current valuation of \$2,574,553,789
- 2015 budget valuation estimated increase of 2.5%
- Resulting in General Fund property tax revenue of \$7,453,000

Normalized Revenue

	2014 Forecast	2015 Budget	Growth
Total Revenue	\$42,621,000	\$42,541,000	(0.2)%
Asset Sales	(1,251,000)	(25,000)	
Transfers In	(4,623,000)	(4,690,000)	
Municipal Equalization	(552,000)	(425,000)	
Normalized Revenue	\$36,195,000	\$37,401,000	3.3%

Safer Community - Police

- Total positions added since 2013
 - 10 additional “feet-on-the-street”
 - 4 additional community service officers
 - 1 crime analyst
 - 1 records clerk
- Over \$1 million incremental expenses in salaries and operating expenses

Safer Community - Fire

- Shift Commander positions implemented
- Life Safety Officer for the full year
- Second Life Safety Officer included in FTE requests

Metropolitan Statistical Area (MSA)/Comparability Rules (CIR)

- New city comparisons utilized
 - Cities outside of Nebraska (50,000-100,000)
- Wages reflect impact of MSA/CIR for all seven union contracts and the non-union employee group
- \$1,059,000 impact for union and non-union wage increases

General Fund FTEs

EMERGENCY MANAGEMENT		
Communications		
(0.50)	Sr. Public Safety Dispatcher from 21520006 to 10022601	(41,455.00)
1.00	Sr. Public Safety Dispatcher 100% to 10022601	81,376.00
0.50	TOTAL EMERGENCY MANAGEMENT	39,921.00
BUILDING		
(1.00)	Building Secretary FT (vacant since 2011)	0.00
0.25	Building Secretary PT	8,891.00
(0.75)	TOTAL BUILDING	8,891.00
FIRE		
1.00	Life Safety Inspector (start 12 1-2014, benefits 2-1-2015) (Life Safety Inspector full year with benefits = \$75,915.00)	57,441.00
1.00	TOTAL FIRE	57,441.00
PARKS		
Operations		
0.50	Seasonal Park Maintenance	11,325.00
Heartland Shooting Park		
1.00	Heartland Shoot Park Safety Range Officer (start 1-1-2015, with benefits 3-1-2015) (HSP Safety Range Officer full year with benefits = \$75,285.00)	51,445.00
1.50	TOTAL PARKS	62,770.00
2.25	TOTAL GENERAL FUND INCREASE	\$ 169,023.00

2014-2015 Operating Expense

Pavement repair program	(104,020.00)
Salary survey program	(22,000.00)
One stop building program	(10,000.00)
Administrative Legal programs	(8,000.00)
Total Reductions	(144,020.00)

2014-2015 Operating Expense

Asset Management software maintenance	76,000.00
Net increase from growth at the Heartland Public Shoot Park and other Park & Rec operations	14,368.00
Net increase related to building permit software maintenance	5,500.00
Phone alert system contract	5,000.00
Fuel costs for additional Police vehicles	5,000.00
Legal notices for meetings	3,000.00
Utility expense for City Hall	2,000.00
Information Technology chargeout	69,442.00
Total Increases	180,310.00

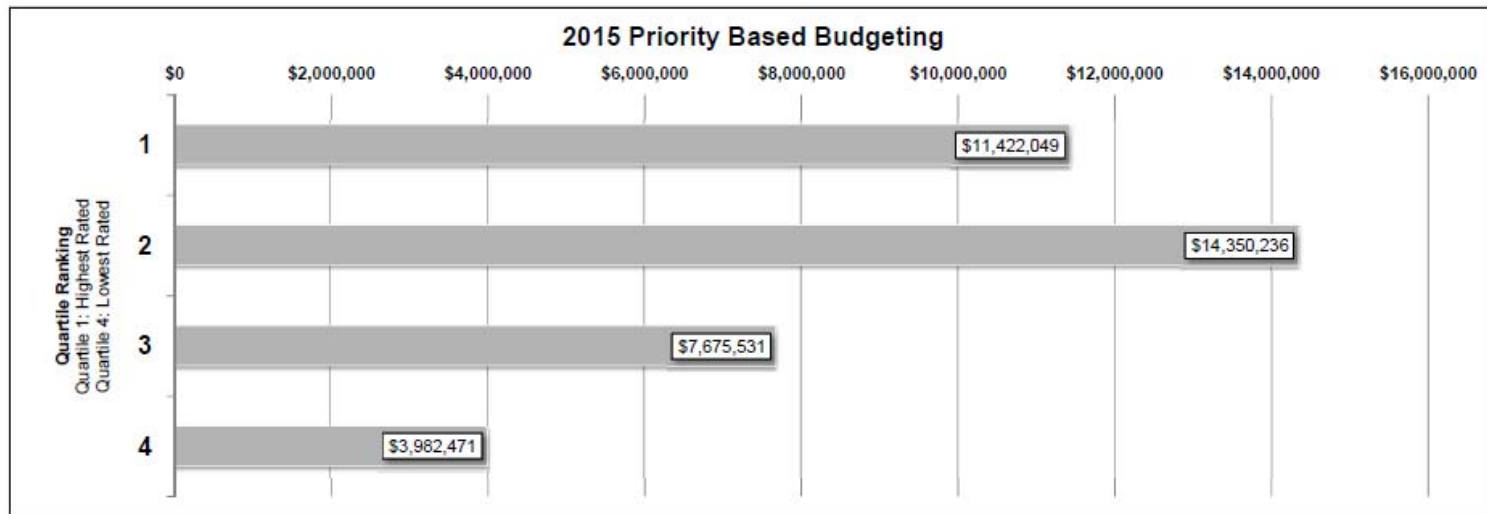
2014-2015 Operating Expense

Total Reductions	(144,020.00)
Total Increases	180,310.00
Net Increase	36,290.00

Less than ½ of a percent increase

Increased Appropriations

CITY OF GRAND ISLAND
 Budget Analysis - ALL (Personnel and Operating)



Quartile Ranking	2013 Budget	2014 Budget	Increase / Reduce Percentage	Impact	2015 Budget
1	10,225,657	11,184,001	2.13%	238,048	11,422,049
2	12,913,692	13,731,049	4.51%	619,187	14,350,236
3	6,471,224	7,357,989	4.32%	317,542	7,675,531
4	3,476,360	3,784,654	5.23%	197,817	3,982,471
Total	33,086,933	36,057,693	3.81%	1,372,594	37,430,287

Debt

	Various Purpose S . Locust Street	Public Safety Center	Heartland Event Center	Library Expansion	State Fair Building	Total
Pmt for 2014	\$ 374,508	\$ 822,550	\$ 518,751	\$ 794,580	\$ 753,112	\$ 3,263,501
Balance at 9/30/2014	\$ 1,390,000	\$ 3,080,000	\$ 4,925,000	\$1,560,000	\$2,100,382	\$13,055,382
Pmt for 2015	\$ 366,753	\$ 815,790	\$ 520,795	\$ 794,948	\$ 753,112	\$ 3,251,397
Balance at 9/30/2015	\$ 1,060,000	\$ 2,340,000	\$ 4,515,000	\$ 785,000	\$1,426,484	\$10,126,484
Pmt for 2016	\$ 372,629	\$ 815,990	\$ 522,080	\$ 792,261	\$ 753,112	\$ 3,256,072
Balance at 9/30/2016	\$ 715,000	\$ 1,585,000	\$ 4,100,000	\$ -	\$ 729,769	\$ 7,129,769
Pmt for 2017	\$ 367,288	\$ 823,625	\$ 517,204		\$ 753,112	\$ 2,461,228
Balance at 9/30/2017	\$ 365,000	\$ 805,000	\$ 3,685,000		\$ -	\$ 4,855,000
Pmt for 2018	\$ 370,931	\$ 828,345	\$ 520,684			\$ 1,719,960
Balance at 9/30/2018	\$ -	\$ -	\$ 3,260,000			\$ 3,260,000
Pmt for 2019			\$ 517,450			\$ 517,450
Balance at 9/30/2019			\$ 2,830,000			\$ 2,830,000
Pmt for 2020			\$ 522,484			\$ 522,484
Balance at 9/30/2020			\$ 2,385,000			\$ 2,385,000
Pmt for 2021			\$ 516,070			\$ 516,070
Balance at 9/30/2021			\$ 1,935,000			\$ 1,935,000
Pmt for 2022			\$ 513,553			\$ 513,553
Balance at 9/30/2022			\$ 1,475,000			\$ 1,475,000
Pmt for 2023			\$ 519,798			\$ 519,798
Balance at 9/30/2023			\$ 995,000			\$ 995,000
Pmt for 2024			\$ 514,758			\$ 514,758
Balance at 9/30/2024			\$ 505,000			\$ 505,000
Pmt for 2025			\$ 513,459			\$ 513,459
Balance at 9/30/2025			\$ -			\$ -

State Fair Building Debt

- 🌊 Food and Beverage Occupation Tax is calculated to end December 31, 2015
- 🌊 Debt retirement scheduled for July 1, 2017
- 🌊 \$425,000 State of Nebraska Lottery Match will need new general fund revenue source beginning October 1, 2016

2015 Capital Improvements Budget Summary

Streets:	\$6,132,990
Parks:	\$1,712,932
Drainage:	\$1,175,000
Fire/Emergency Center:	\$ 250,000
Grand Generation:	\$ 100,000
GITV:	\$ 100,000
<u>Information Technology Dept:</u>	<u>\$ 40,000</u>

Total Capital Requests: \$9,510,922

- *\$665,000 of capital dollars is mandated*
- *\$2,400,922 of capital dollars is funding Federal Aid projects*
- *\$2,150,000 of capital dollars is assessable*
- *\$1,300,311 is to be reimbursed for Federal Aid projects*

General Fund Cash Balance Summary

Beginning Cash Balance 9-30-14	10,843,193
Unrestricted Cash	9,697,703
Restricted Cash - Food & Drink	1,145,490
Revenue	42,541,000
Expenses	
Personnel (net of contingency)	27,946,098
Operating	9,538,153
Subtotal	37,484,251
Transfers Out	1,760,000
General Fund Capital	1,369,052
Debt Payments	1,273,907
Debt Retirement	1,579,950
Total Expenses	43,467,160
Ending Cash Balance 9-30-15	9,917,033
Unrestricted Cash	8,365,338
Restricted Cash - Food & Drink	1,551,695
Unrestricted Cash as a % of operating	22.3%

Budget Accomplishments

- Maintains current level of services within the normalized revenue growth of 3.3%
- Safer and cleaner community
- Economic growth
- Salary increases resulting from state laws governing public employees
- Operational growth – additional full-time equivalents (FTE) and minimal operational expense growth
- Funding for new and current infrastructure
- Unrestricted cash reserve to personnel and operating expense remains at adequate levels (ratio of 22.3%)
- Tax rates are unchanged

Future Planning

Capital Projects

- 50-year-old Fire Station #2
- Alternative 911 Center
- Improve ISO rating with fire training tower addition
- 20-year-old Island Oasis
- Complete development of Veteran's Athletic fields
- Fieldhouse turf replacement
- Downtown redevelopment
- Cemetery expansion

Community Objectives

- Community visioning process
- Community marketing

2014-2015 Budget Meeting Schedule

Week of July 27, 2014

Budget Books distributed to Council
Copies available online and at the Grand Island Library

Thursday, August 14, 2014 – Study Session

Budget Study Session

Thursday, August 21, 2014 – Study Session

Budget Study Session

Thursday, August 28, 2014 – Study Session

Budget Study Session

Tuesday, August 12, 2014 - Council Meeting

Public hearing on City Budget opens

Public hearing on CRA Budget opens

Approve budgets and assessments for BIDs

Set date for Board of Equalization

Tuesday, August 19, 2014 - Special Meeting

Budget and salary ordinance approval

Tuesday, August 26, 2014 – Council Meeting

Potential Budget study session

Tuesday, September 9, 2014 - Council Meeting

Approve 2014-2015 Budget

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**Thank you
and
Let's move our community forward together**