



City of Grand Island

Tuesday, August 10, 2004

Council Session

Item E1

Public Hearing on Proposed FY 2004-2005 City Single Budget

Staff Contact: David Springer

Budget in Brief

For 2004-05

An Overview of the
City of Grand Island's
2004-05 Operating Budget &
Capital Improvement Program

CITY OF **GRAND ISLAND**

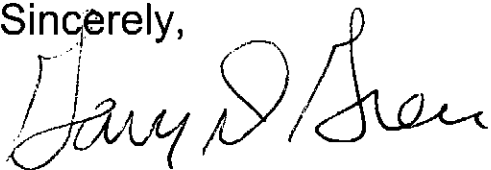
July, 2004

Citizens:

We are pleased to present this "Budget in Brief" to the community in order to provide a reader friendly, concise summery version of the 2004-05 City of Grand Island Budget. It is the hope of City Administration that this condensed version of the budget will create greater understanding of the city's fiscal plan.

There are many different laws, rules and regulations that require the actual city budget to be cumbersome and complicated to read for the average citizen. We have attempted to cut through the complexities of the budget process to provide an easy to read version. Further, more in depth information can be found in this official budget document or by contacting the Finance Department.

Sincerely,



Gary D. Greer
City Administrator

City of Grand Island, Nebraska

Elected Officials

Mayor
Jay Vavricek

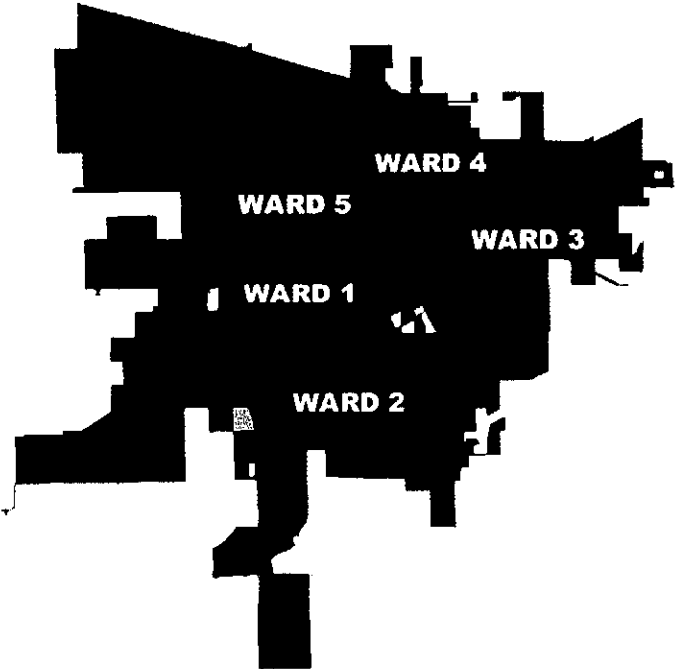
Ward 1
City Council Members
Carole Cornelius
Scott Walker

Ward 2
City Council Members
Margaret Hornady
Peg Gilbert

Ward 3
City Council Members
Fred Whitesides
Robert Meyer

Ward 4
City Council Members
Jackie Pielstick
Mitch Nickerson

Ward 5
City Council Members
Don Pauly
Joyce Haase



Appointed Officials

City Administrator

Gary D. Greer

City Clerk

RaNae Edwards

City Treasurer

Dave Springer

City Attorney

Dough Walker

City Engineer

Steven Riehle

Department Managers

Building Department

Craig Lewis

Emergency Department

Howard Maxon

Finance Department

David Springer

Fire Department

Jim Rowell

Legal Department

Doug Walker

Library

Steve Fosselman

Parks & Recreation

Steve Paustian

Personnel Department

Brenda Sutherland

Police Department

Kyle Hetrick

Public Works Department

Steven Riehle

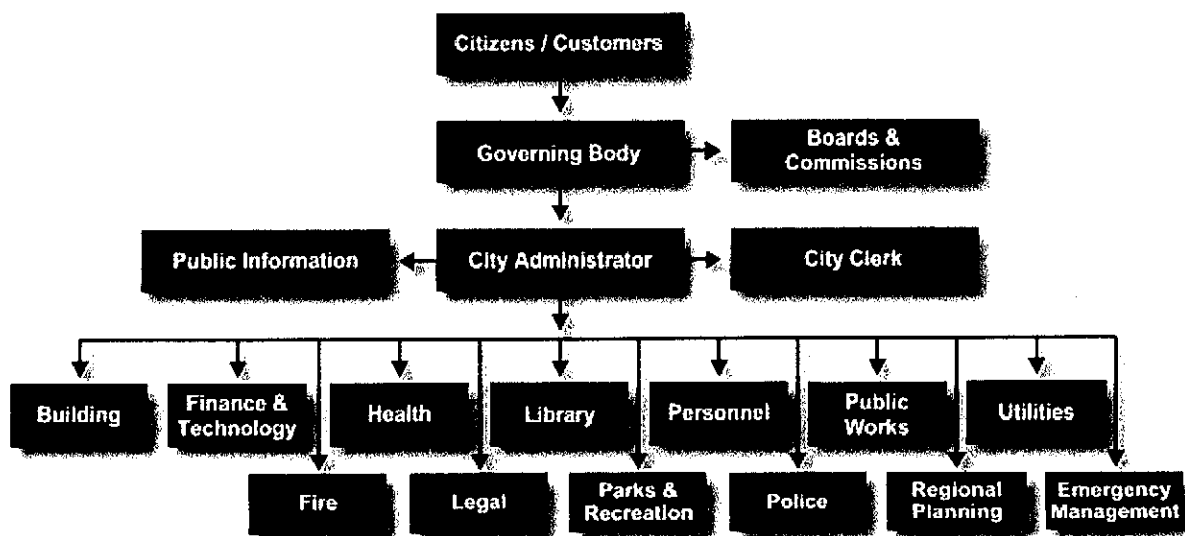
Regional Planning & Community Development

Chad Nabity

Utilities Department

Gary Mader

City of Grand Island Government Organizational Chart



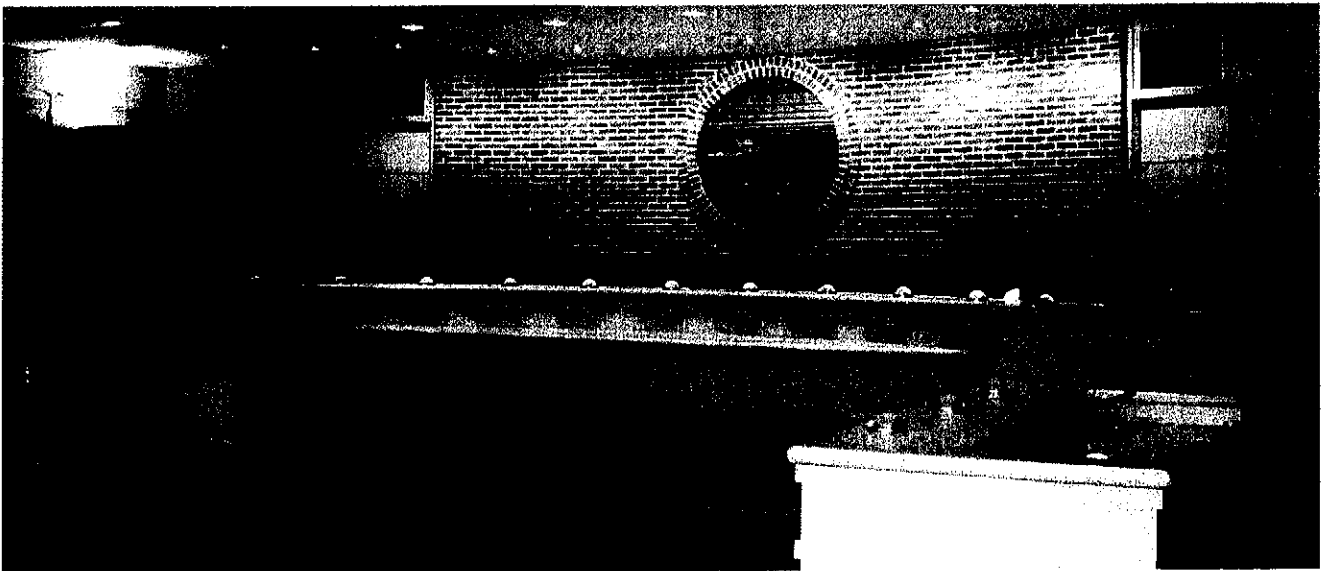
Grand Island

Governing Body Overview

Grand Island has a Mayor-Council form of government. The City Council, as the governing body, adopts ordinances and determines policy which directs City government. The ten member City Council is composed of two representatives from each of the five voting wards and are elected to four-year, staggered terms. A City Council President is elected by the Council each year. The Council meets in regular session on the second and fourth Tuesdays of each month at 7 p.m. in the Council Chambers of City Hall.

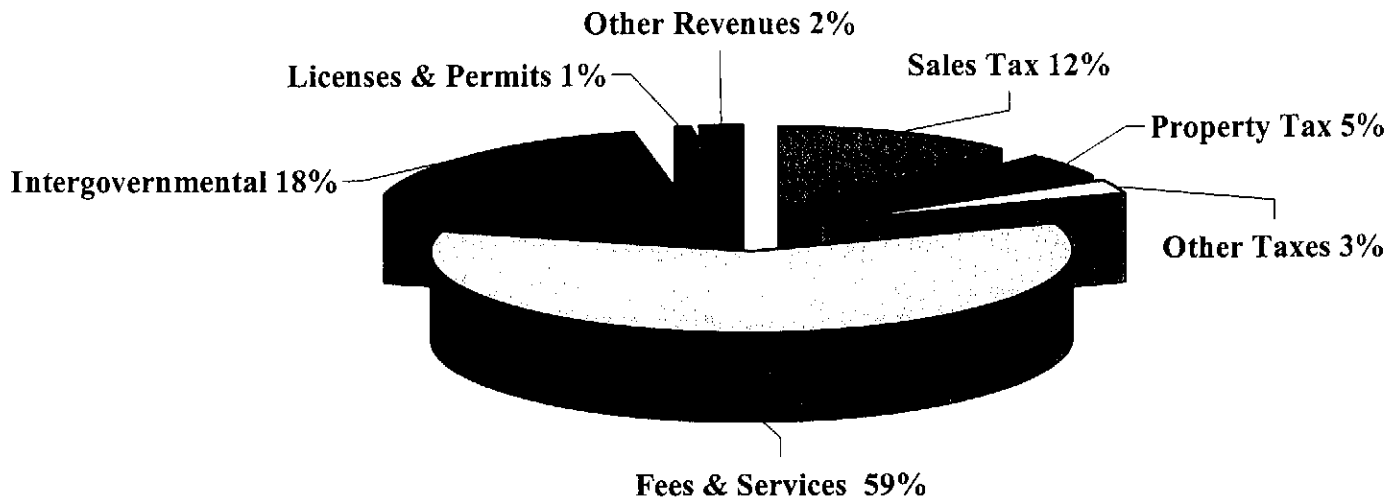
The Mayor works together with the City Council to establish goals and objectives for the city and to formulate policy to achieve them. Meetings are called to order by the Mayor, and conducted in an orderly, parliamentary manner. Grand Island's Mayor is elected at large for a four-year term. The Mayor presides over official meetings, serving as the executive officer for the City. The mayor votes, only when his/her vote is the deciding vote. The Mayor has the power to veto any ordinance or resolution.

The City Administrator reports to the Mayor, and is responsible for carrying out established policies and providing for the efficient administration of City activities. City staff provides information to assist in the Council deliberations. City staff is available to answer questions regarding agenda items.



2004 – 05 Revenues

Budgeted 2005 revenues are \$97,130,331. The City budget is financed through a wide variety of revenue sources. The property tax supported funds receive funding from various sources including taxes, user fees, licenses, permits and grants. The enterprise funds are supported mainly by user fees.



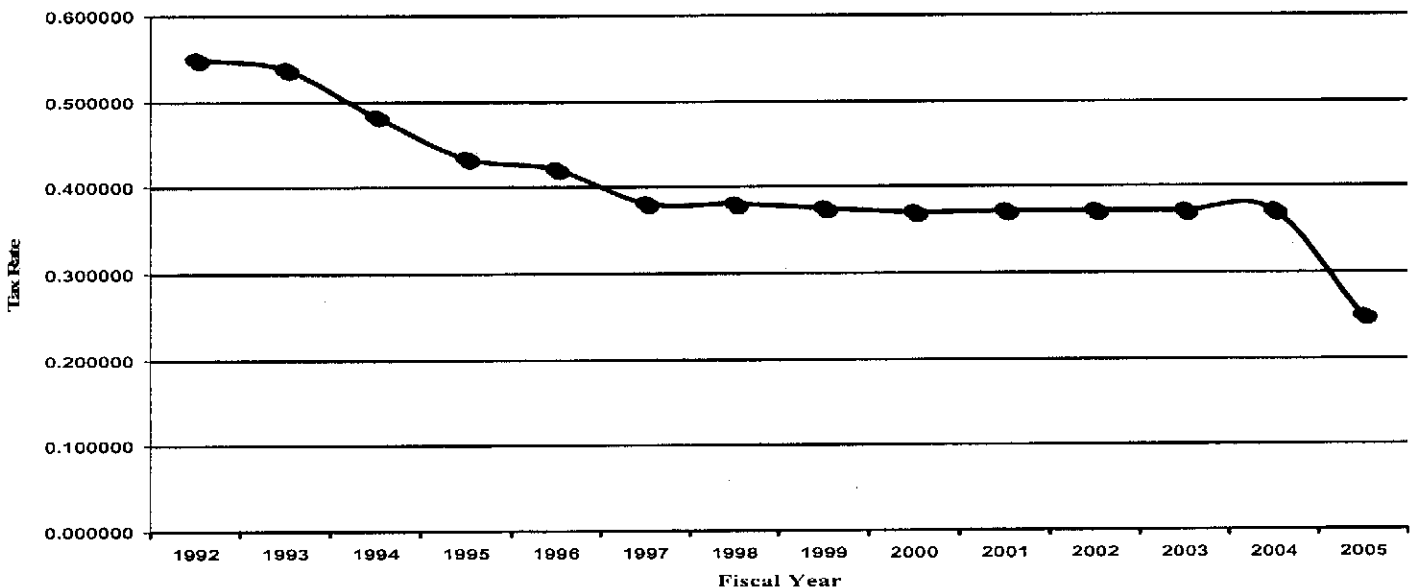
Sales Tax	\$11,850,000
Property Tax	\$4,573,903
Other Taxes	\$2,704,909
Fees & Services	\$57,678,058
Intergovernmental	\$17,440,934
Licenses & Permits	\$631,600
Other Revenues	\$2,250,927
Total City Revenue	\$97,130,331

Summary of Property Tax Levy

Fiscal Year	Valuation	Rate	Tax	Rate Change	Tax Change
2004-2005					
General	1,829,562,627**	0.188440	3,447,623		
Debt Service	1,829,562,627	0.041178	753,383		
Inter-locals	1,829,562,627	0.020382	372,897		
2003-2004 Total		0.250000	4,573,903	-32.70%	-30.69%
2003-2004					
General	1,776,274,395	0.313385	5,566,570		
Debt Service	1,776,274,395	0.042223	750,000		
Inter-locals	1,776,274,395	0.015932	283,000		
2003-2004 Total		0.371540	6,599,570	0.00%	1.85%
2002-2003	1,746,977,924	0.371540	6,480,000	-0.30%	7.11%
2001-2002	1,627,889,323	0.371648	6,050,018	-0.40%	3.25%
2000-2001	1,574,307,749	0.371796	5,853,209	0.42%	6.00%
1999-2000	1,491,474,306	0.370231	5,521,895	-1.30%	2.79%
1998-1999	1,432,085,273	0.375107	5,371,853	-1.31%	6.36%
1997-1998	1,328,728,768	0.380100	5,050,487	-0.26%	3.29%
Valuation excludes motor vehicle from tax base valuation (LB271) 1997 legislative session					
1996-1997	1,399,421,981	0.381080	5,333,015	-9.40%	6.13%
1995-1996	1,350,855,644	0.420600	5,681,151	-2.91%	20.98%
1994-1995	1,084,055,614	0.433200	4,695,773	-10.22%	2.70%
1993-1994	947,713,703	0.482500	4,572,320	-10.27%	-8.43%
1992-1993	928,739,460	0.537700	4,993,275	-2.13%	5.00%
1991-1992	865,804,620	0.549300	4,755,500	2.86%	5.00%
1990-1991	848,049,994	0.534000	4,528,587	-24.50%	-22.19%
1989-1990	822,776,516	0.707400	5,820,321	35.90%	36.21%

**Estimate

Tax Rate History

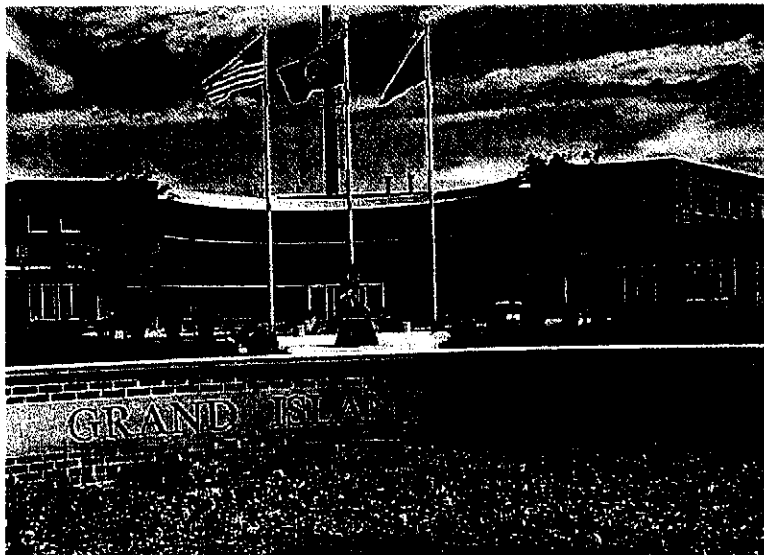


Division of the Tax Dollar

	FY2004	FY2005*
Hall County	0.378822	0.378822
School District	1.262905	1.262905
City of Grand Island	0.371540	0.250000
Airport Authority	0.023381	0.023381
Educational Service Unit	0.015000	0.015000
Natural Resources District	0.033498	0.033498
Community College	0.079063	0.079063
Agricultural Society	0.005261	0.005261
CRA	0.025325	0.025325
Parking District #2	0.001576	0.001576
Consolidated Total Levy	2.196371	2.074831
Municipal Valuation	1,776,274,395	1,829,562,627**

*City levy is proposed, all other levies are from prior year

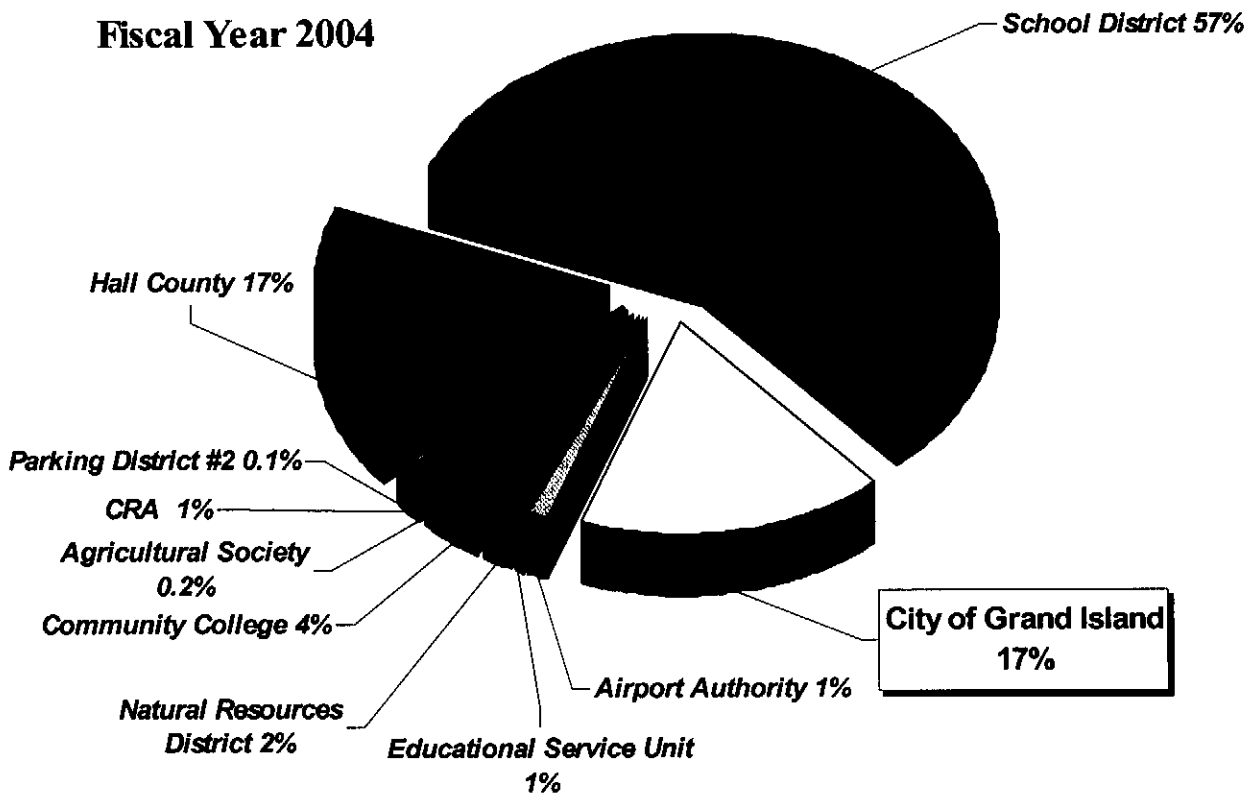
**Estimate



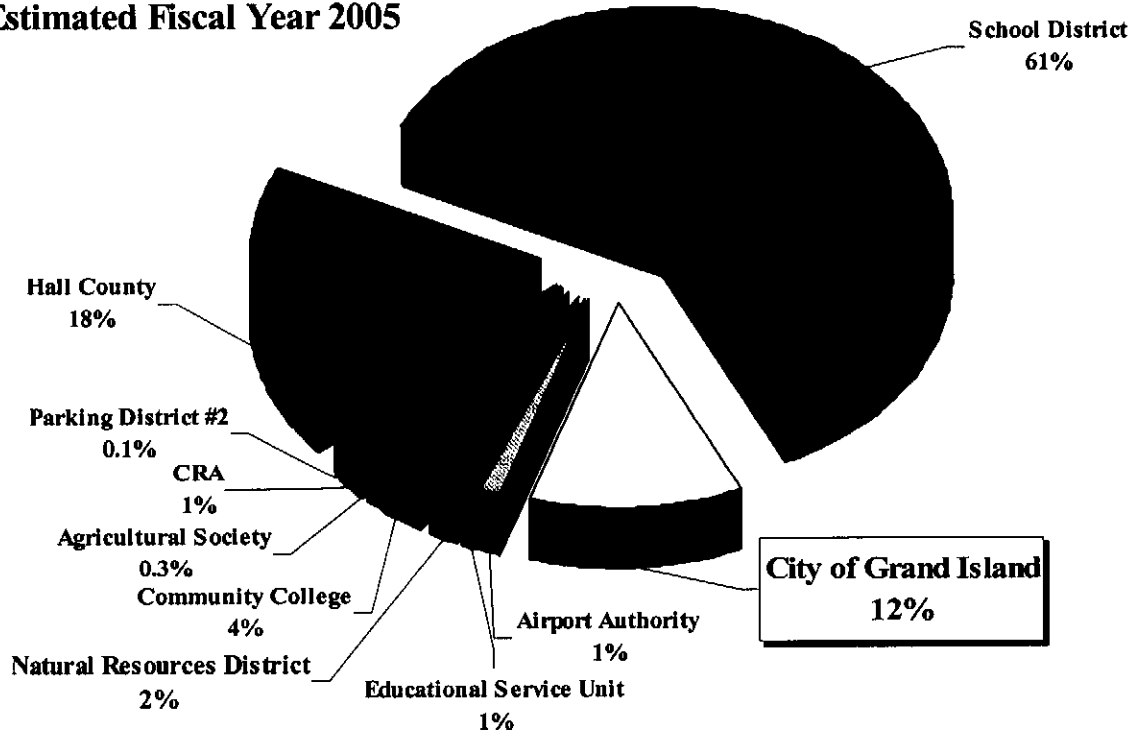
A levy indicates the amount of tax property owners pay for each \$100 valuation of their property.

*Property Tax = (Assessed Valuation / 100) X Levy

Fiscal Year 2004



Estimated Fiscal Year 2005



2004 - 05 Budgeted Appropriation

By Fund

General Fund	2004 Revised Budget	2005 Budget
General Government		
City Administrator's Office	\$275,150	\$322,714
Economic Development	\$855,200	\$802,250
Mayor's Office	\$21,295	\$24,095
Legislative	\$93,715	\$98,590
City Clerk	\$89,290	\$92,373
Finance	\$1,845,344	\$1,788,138
Legal	\$337,922	\$336,014
Purchasing	\$60	\$0
Code Compliance	\$64,306	\$68,188
Community Projects	\$157,725	\$0
City Hall	\$388,628	\$362,589
Human Resources	\$374,320	\$381,738
Total General Government	\$4,502,955	\$4,276,689
Public Safety		
Building Inspection	\$533,079	\$527,950
Fire Services	\$3,915,517	\$4,157,131
Emergency Medical Service	\$1,531,757	\$1,566,246
Police	\$6,441,796	\$6,870,289
Emergency Management	\$840,384	\$841,908
Total Public Safety	\$13,262,533	\$13,963,524
Public Works		
Engineering	\$781,508	\$809,297
Streets & Transportation	\$4,742,179	\$4,498,428
Total Public Works	\$5,523,687	\$5,307,725
Environment & Leisure		
Planning	\$170,391	\$182,759
Library	\$1,456,064	\$1,522,242
Parks	\$1,512,690	\$1,416,650
Cemetery	\$429,621	\$445,177
Recreation	\$246,599	\$231,906
Aquatics	\$622,091	\$658,065
Public Information	\$127,473	\$237,280
Environment & Leisure	\$4,564,929	\$4,694,079

Non-Department

Non-Department	\$849,123	\$1,629,558
Total Non-Department	\$849,123	\$1,629,558

Total General Fund Appropriation	\$28,703,227	\$29,871,575
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Special Revenue Funds	2004 Budget	2005 Budget
Infrastructure Fund	\$0	\$0
Gas Tax	\$0	\$0
Enhanced 911	\$364,907	\$412,090
Keno	\$0	\$0
Family Preservation Grant	\$48,722	\$48,722
Revolving Loan	\$220,000	\$100,000
Economic Development	\$450,000	\$472,500
Homestead Loans	\$45,000	\$100,100
Community Development	\$194,020	\$193,667
Community Grants	\$645,300	\$648,206
Police Grants	\$105,636	\$78,638
Parking District #1	\$84,680	\$64,914
Parking District #2	\$44,322	\$37,617
Business Improvement District #2	\$88,759	\$0
Business Improvement District #3	\$47,466	\$0
Business Improvement District #4	\$5,560	\$0
Business Improvement District #5	\$0	\$0
Backflow	\$61,215	\$57,804
Local Assistance	\$78,900	\$85,500
TOTAL SPECIAL REVENUE FUNDS	\$2,484,487	\$2,299,758

2004 - 05 Capital Improvements

Capital Improvements By Department

Public Works Projects	2005
Drainage Projects	\$180,000
Street Construction Projects	\$545,000
Bonded Street & Sewer Projects	\$3,018,000
Miscellaneous Public Works Projects	\$205,000
Total Public Works Projects	\$3,948,000
Parks and Recreation Projects	
CAPP Land Development	\$500,000
Hiker/Biker Trails	\$625,000
Arboretum	\$100,000
Miscellaneous Parks and Recreation Projects	\$215,000
Total Parks and Recreation Projects	\$1,440,000
Building & Capital Planning	
Fiber Optic Connections	\$75,000
Grand Generation Center	\$210,000
Infrastructure Emergency Funds	\$60,000
Half Cent Sales Tax:	
Site Acquisition & Clearing	\$1,900,000
Planning & Design	\$399,000
Construction	\$1,500,000
Total Building & Capital Planning	\$4,144,000
TOTAL PROJECTS	
Total Public Works Projects	\$3,948,000
Total Parks Projects	\$1,440,000
Total Building & Capital Planning	\$4,144,000
TOTAL CAPITAL PROJECTS	\$9,532,000

ENTERPRISE FUNDS	2004 Budget	2005 Budget
Solid Waste		
Personnel Services	\$596,212	\$631,082
Operating Expense	\$597,521	\$617,270
Debt Services	\$366,150	\$366,150
Capital Outlay	\$492,000	\$580,000
Total Solid Waste	\$2,051,883	\$2,194,502
Golf Course		
Personnel Services	\$290,989	\$292,368
Operating Expense	\$370,312	\$372,811
Capital Outlay	\$40,000	\$0
Total Golf Course	\$701,301	\$665,179
Electric Utility		
General Admin. Service Expense	\$3,557,140	\$4,477,375
Operating Expense	\$30,764,820	\$33,236,368
Total Capital Expenses	\$29,873,000	\$10,020,000
Less Depreciation	(\$8,436,000)	(\$8,634,000)
Total Electric Utility	\$55,758,960	\$39,099,743
Water Utility		
General Admin. Service Expense	\$678,100	\$785,630
Operations Expense	\$2,016,000	\$2,310,958
Total Capital Expenses	\$2,720,000	\$1,660,000
Less Depreciation	(\$522,000)	(\$527,600)
Total Water Utility	\$4,892,100	\$4,228,988
Wastewater Utility		
Personnel Services	\$1,432,216	\$1,474,863
Operating Expenses	\$6,359,106	\$12,947,130
Capital Outlay	\$9,042,838	\$9,394
Total Wastewater Utility	\$16,834,160	\$14,431,387
TOTAL ENTERPRISE FUNDS	\$80,238,404	\$60,619,799

Total Budgeted City Expenditures	2004 Revised Budget	2005 Budget	Difference
General Fund	\$28,703,225	\$29,871,575	\$1,168,350
Special Revenue	\$2,484,487	\$2,299,658	(\$184,829)
Debt Service	\$5,890,593	\$944,388	(\$4,946,205)
Capital Projects	\$10,366,804	\$9,532,000	(\$834,804)
Enterprise Funds	\$80,238,404	\$60,619,799	(\$19,618,605)
Internal Service	\$9,573,329	\$10,112,982	\$539,653
Agency	\$1,393,973	\$903,797	(\$490,176)
Pension & Trust	\$233,990	\$2,181,879	\$1,947,889
Grand Total	\$138,884,805	\$116,466,078	(\$22,418,727)

Outstanding Debt As of September 30, 2004

Issue	2004 - 05 Budgeted Debt Service PMT	Budgeted Balance	Maturity Date
Wood River Flood Control Bonds	\$291,498	\$2,415,000	12/15/14
Various Purpose Paving Bonds	\$56,215	\$330,000	12/15/10
Various Purpose-South Locust Street Project	\$407,170	\$4,150,000	12/15/17
Total General Obligation Bonds	\$754,883	\$6,895,000	
Various Purpose Paving Bonds	\$139,505	\$385,000	10/01/07
Total General Obligation & Assessment Bonds	\$894,388	\$7,280,000	
Sanitary Landfill Bonds	\$376,150	\$2,490,000	10/15/12
Sanitary Sewer Bonds	\$1,711,635	\$14,720,000	04/01/14
Water Revenue	\$406,420	\$3,170,000	07/01/14
Electric Revenue Bonds	\$1,198,588	\$4,020,000	08/15/16
Electric Turbine Project	\$5,115,870	\$48,775,000	08/15/16
Total Enterprise Bonds	\$8,808,663	\$73,175,000	
Total City of Grnad Island Debt	\$9,703,051	\$80,455,000	

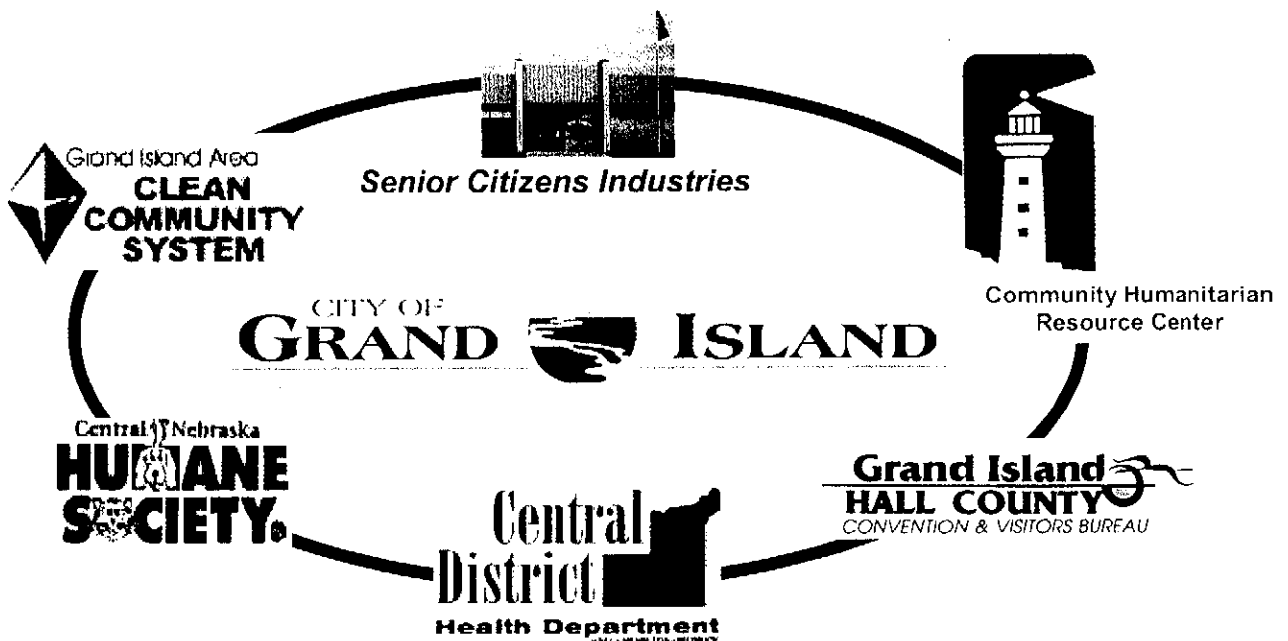
Anticipated Ending 2004 Cash Balances

General	\$5,909,327	
Library Trust	\$18,237	
Cemetery Trust	\$325,861	
Infrastructure	\$306,347	
Gas Tax	\$188,258	
Enhanced 911	\$7,436	
Keno	\$234,262	
Family Preservation Grant	\$17,542	
Revolving Loan	\$166,535	
Economic Development	\$144,516	
Homestead Loans	\$24,529	
Community Development	\$16,186	
Community Grants	\$12,794	
Police Grants	\$43,378	
Parking District #1	\$17,000	
Parking District #2	\$78,623	
Backflow	-\$1,043	
Local Assistance	\$89,125	
Debt Service	\$2,381	
Capital Projects	\$24,513	
Special Assessments	\$242,750	Total General Government
Solid Waste	\$4,379,521	\$7,868,557
Golf Course	\$30,466	
Electric Utility	\$9,408,110	
Water Utility	\$1,102,873	
Wastewater Utility	\$1,218,643	
Information Technology	\$26,860	
Equipment Reserve	\$100,000	
Fleet Services	\$12,003	
General Insurance	\$707,004	Total Proprietary
Employee Benefits	\$5,000	\$16,985,480
Cafeteria Plan	\$13,496	
Outside Agencies	\$16,010	
BID Assessments	\$1,000	
Police and Fire Pension	\$31,357	
Police Pension	\$161,721	
Employee Benefit Trust	\$77,822	
Fire Pension Employee Benefits Trust	\$7,186,123	Total Fiduciary
		\$7,492,529
TOTAL OF ALL FUNDS	\$32,346,566	\$32,346,566

Outside Agencies

The City of Grand Island has funding within the General Fund for the following agencies in 2004 - 05:

Agency	2004	2005
Community Humanitarian Resource Center	\$4,500	\$4,500
Retired Senior Volunteer Program	\$10,000	\$10,000
Multicultural Coalition	\$5,000	\$10,000
Council for International Visitors	\$1,000	\$1,000
Hooked on Fishing Derby	\$2,000	\$2,000
Crisis Center	\$12,000	\$12,000
Convention & Visitors Bureau	\$10,000	\$10,000
Senior Citizens Industries	\$15,000	\$15,000
Clean Community Systems	\$20,000	\$20,000
Central Nebraska Health Department	\$135,000	\$135,000
Central Nebraska Humane Society	\$150,000	\$150,000
Total	\$364,500	\$369,500





*Working Together for a
Better Tomorrow. Today.*

Honorable Mayor and City Council,

It is an honor and privilege for City Administration to present the 2004-05 budget for the City of Grand Island. It was the intent of the Management Team to prepare an efficient and effective budget that follows the policy direction of the Mayor and City Council. Additionally, it is our goal to meet the highest standards regarding delivery of services to Citizens. A great deal of prioritizing, analyzing and scrutinizing has gone into the preparation of the budget in order to assure that expenditures bring about the best return on the Citizens' investment.

Grand Island is a vibrant, dynamic community that is experiencing growth in several areas. It appears that the community is poised to change over the next decade in an unprecedented manner. A City budget which sets progressive direction for the community is critical to orderly, positive change. The Budget document is the single most important report presented to the Mayor and Council. It determines how resources will be allocated and how revenues will be invested for the future.

On May 11th, 2004, the voters of Grand Island passed an additional ½ % sales tax to pay for needed capital projects and reduce the City property tax levy. The new revenue from sales tax is the most significant change in the budget from last year. City Administration has reduced the levy/ property tax asking as directed by the voters.

There are also organizational changes in the administrative area of the City. The Community Projects department has been eliminated and its functions dropped or re-allocated to other departments. The GITV division has been re-aligned and scope expanded to allow for greater and more integrated communication with the community. Its new title of Public Information Department will better reflect this mission.

A cost included in the budget is the proposed increase in the charges the City is incurring for licenses and use of the integrated public safety technology system. The 2003-04 budget cost for this service was \$187,000 and the 2004 actual cost is projected to be \$198,106. In 2004-05 the budget calls for \$244,051, which is 30% higher than last years budget. The increase is the result of the Police Department's pro-rated share for the Information Technology Manager hired by the County and for critical infrastructure updates and equipment replacement required to maintain the system. Although this cost only reflects 3.55% of the total Police Department budget, there is a need to engage in cost containment activities concerning this expenditure.

Overall, it appears that the financial health of Grand Island will continue to be strong for the next year. Growth in the community is going to continue to require that capital improvement spending be maintained at similar levels as it has over the last few years. It is critical to allocate resources in the most efficient and effective way in order to bring about the best return on the City's dollar. The 2004-05 budget attempts to maximize our position and set the table for future prosperity.

Following are summary sections geared to provide an understanding of the priorities of the budget along with highlights of the fiscal plan.

Fiscal Summary

The total 2004-05 budget is projected to be \$116,466,078. This is \$15,685,911 or 11.9% less than was proposed (\$132,151,989) in the 2003-04 budget. Following is a summary of the budget for each of the fund groups contained in the 2004-05:

General Fund	\$ 29,871,575
Permanent Funds	\$0
Special Revenue Funds	\$2,299,658
Debt Service Fund	\$944,388
Capital Projects Fund	\$9,532,000
Special Assessments Fund	\$0
Enterprise Funds	\$60,619,799
Internal Service Fund	\$10,112,982
Agency Fund	\$903,797
Trust Fund	\$2,181,879

Property Taxes

The proposed property tax requirement for the 2004-05 budget year is \$4,573,903 or 30.69 % **less** than the 2003-04 requirement of \$ 6,599,570. The City of Grand Island certified valuation for 2004 is estimated at \$1,829,562,627; therefore, the proposed property tax levy for the 2004-05 budget year is \$.25 per \$100 of valuation. This is approximately \$.12154 per \$100 of valuation, or 32.7%, **less** than the 2003-04 levy.

User Fees

A great deal of scrutiny has taken place on User Fees to assure proper revenue for the Departments that collect fees for their services. In reviewing the various fee based departments some concerns arose that are being addressed in the 2004-05 budget. There are adjustments to fees planned to offset increased cost of operation, regulation, and demand regarding Building Permits, Ambulance, Cemetery, Aquatics, Planning, Wastewater, Water and Solid Waste activities.

Additionally, the City is engaged in a comprehensive study of rates for the Electric Department as the costs have risen significantly due to the cost of raw materials and

federal regulation over the last few years. Rate increases are not proposed in the Budget, but, will most likely be implemented during the budget year after the study is complete. Electrical rates have not been increased in Grand Island since 1980.

Another area of concern is Jackrabbit Run Golf Course. It appears that revenues continue to erode and are not meeting the needs of the Golf Course. Increases are included in the budget to correct the problem and maintain the operation's profitability. After reviewing the market and financial position of the enterprise fund, golf rounds will incrementally increase (\$1.00 to 1.25) beginning January 1, 2005.

Compensation, Benefits, and Staffing

Compensation

In order to keep salaries competitive, comparable and in accordance with agreed upon contracts the following salary adjustments are included in the 2004-05 budget:

Non Union Employees	3%
IBEW	2.5%
FOP	3.5%
AFSCME	2.5
IAFF	1.35% (average)

Benefits

There are two notable changes in Benefits for City Employees.

The City has been fortunate to experience less than market increases in Health Insurance premiums over the last few years due to using cost savings methods. However, the 2004-05 budget will have to respond to increases in health care cost by increasing employee and employer premiums 10%. Additionally, employees will experience increased out of pocket costs to further contain costs.

The City has also requested proposals for life insurance on behalf of City Employees. During the 2004-05 budget year, City Administration is proposing to increase coverage from \$30,000 to \$50,000 per employee. Also proposed is increasing the dependent coverage from \$5,000-spouse and \$2,500 for children to \$10,000 for spouse and \$5,000 for children. The cost for this increased benefit is approximately \$18,000.

Staffing

It was the attempt of City Administration to only allow changes in personnel when they were overwhelmingly justified, increased efficiency, or were connected to a revenue stream. After reviewing all positions of the City and making some changes there will be a 1.55 decrease in FTE's for the 2004-05 budget year. Following are the key position changes included in the 2004-05 Budget by department:

Fire Department

- Reclassification of 3 Fire Fighter/EMT positions to Fire Fighter/ Paramedic positions to align with the activity of the department. This results in no increase in FTE's.

Police Department

- Reclassification of three Captains positions to respond to last year's departmental reorganization. This results in no increase in FTE's.
- Realignment of crossing guard positions reducing FTE's by .96.
- Reduction of hours for the Downtown parking attendant as requested by the Downtown Board resulting in a reduction of .125 FTE's.
- Deleting the Deputy Police Chief position and filling it with a Victim Assistance Coordinator. This results in no increase in FTE's.

Library Department

- Addition of .173 FTE for a Library Assistant to be funded by the Grand Island Public School District through the 21st Century Community Learning Center Grant for after-school reading enrichment programs at five elementary schools.

Finance/ IT Department

- Addition of one Computer Technician to eliminate cost of contracts and provide better service resulting in the addition of 1 FTE.
- Elimination of a Controller Position and replacing with an Accountant. No FTE changes but a cost reduction will be experienced.
- Elimination of a Senior Accounting Clerk resulting in a reduction of 1 FTE.

Emergency Management Department

- Elimination of 1 Telecommunicator position to adjust to the workload, resulting in a reduction of 1 FTE.

Solid Waste Department

- Realignment of a Maintenance Worker 1 position to a Solid Waste Clerk, resulting in a .15 addition in FTE's.

Cash Balance

It is extremely important to maintain cash balances in the City Budget to assure cash flow strength, promote prudent spending and to have adequate reserves in case of an emergency. Grand Island's conservative approach to budgeting and spending has allowed for proper levels of cash balance over the last decade. The 2004-05 budget again includes \$ 32,346,567 in cash balance in all funds and \$ 5,909,327 in the general fund. The budgeted cash balance in 2003-04 was \$30,710,280 for all funds and \$7,016,346 for the General Fund. Strong economic conditions and conservative spending should allow the City to maintain an appropriate level of contingency.

Notable Projects/Expenditures

Following is a list of Notable Projects/Expenditures by department that have been included in the 2004-05 budget:

General Fund

- \$750,000 is included to fund economic development activities as determined by the Cities LB 840 plan.
- Bond Payments for the Heartland Events Center are included in the amount of \$350,000, \$500,000 for a State Grant, and \$150,000 pass through of the County's contribution.
- 2 unmarked (\$38,000) and 6 marked (\$156,000) Police vehicles are included to replace aging units.
- \$244,051 is included in the Police Department budget to continue to contract with the County for use of the computerized law enforcement management system.
- A replacement vehicle for the Engineering Department in the amount of \$20,000 is included.
- The Street Department will conduct a de-watering study for \$110,000, purchase a replacement snow blower \$46,000, and backhoe, \$85,000.
- The Library will continue the automation system enhancement program for \$35,000.
- The Parks Department plans to purchase a replacement mower, \$17,500 and a Utility Truck for \$15,500.
- The Cemetery will replace a ¾ ton Pickup for \$28,000.
- Public Information will upgrade several pieces of equipment for \$20,000 to upgrade GITV and will update the City's website for \$65,000.
- A 3 year program to update the City's information network will be commenced for \$30,000.

Capital Improvement Fund

- The Street Department is planning to pave Claude Road for \$210,000; Replace the Wood River Bridge at Blaine for \$45,000; Finalize Stolley Park Road construction west of Highway 281 for \$240,000.
- There are several street related bonded projects in the budget. They include; South Locust bridges 4125R, \$1,095,000; 4120R, \$1,060,000; and annual paving projects, \$400,000. 75% of this cost will be reimbursed by the State of Nebraska.
- \$50,000 is included for annual sidewalk projects.
- The continued funding of the CAAP land development project is included for \$500,000; \$625,000 for various Hike/Bike trails, and \$100,000 for the Stolley Park Arboretum.
- There are funds included for the initial stages of Site Acquisition & Clearing \$1,900,000; Planning & Design \$399,000 and Design \$1,500,000 for projects associated with the ½ % sales tax capital projects. These numbers are preliminary cash costs for the initial projects. Figures above and beyond these will have to be bonded as Fire Station #1, Fire Training Facility, Law Enforcement Center, and Library projects are developed.

Enterprise Funds

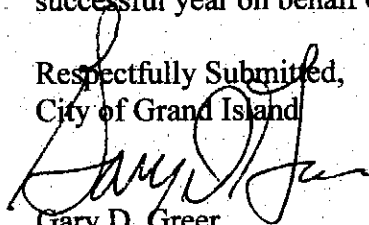
- The Solid Waste Transfer Station is planning to add a truck storage bay for \$90,000 and improve the main building for \$20,000.
- \$450,000 is included to purchase a replacement compactor at the Landfill.
- The Electric Department will continue to upgrade the electrical system by investing \$100,000 to increase the capacity of two sections of the 115kV transmission line to meet load growth and engaging in substation modifications for a total of \$300,000. Additionally, building improvements will begin at the newly acquired Thompson building for \$200,000 and Coal handling improvements will be completed to enhance operations, improve fire protection, and assure compliance with applicable laws for \$400,000.
- Two replacement pick-ups, for \$25,000 and \$35,000 for electrical operations and the dispatch center are planned.
- An Integrated Resources Planning and Rate Study will commence to determine possible electrical rate changes for \$100,000.
- Expansion of electrical distribution substations E (north of the Swift facility) and F (north of Menard's) are planned for a cost of \$200,000.
- The water department includes \$30,000 for a used dump truck and new electrical switchgear at the well field pumping station for \$100,000.
- \$620,000 is planned in trunk line expansion for the water department and \$250,000 for the Rogers pumping station expansion, which will allow for greater pumping capacity in Northwest Grand Island.
- The Sewer Department plans to purchase a compost spreader, \$30,000 and two replacement loaders for \$65,000. Additionally, a compost spreader truck, \$70,000 and a pick up, \$30,000 will be replaced.

Acknowledgments

A great deal of time and hard work has gone into the construction of the 2004-05 budget. Special thanks go to David Springer, Finance Director for his undying effort to present a professional budget. Jaye Monter, Senior Accountant, and Yolanda Rayburn, Senior Accounting Clerk were very dedicated in their efforts to assist Mr. Springer. Paul Briseno, Executive Assistant was also instrumental in the process. The City Directors should also be given compliments for their hard work, conservative and pragmatic approach to creating their budgets. Working with their staffs, they responded to every request and met the challenges put before them.

Finally, City Administration would like to thank the Mayor and City Council for their policy direction and support. We look forward to working together for another successful year on behalf of the Citizens of Grand Island.

Respectfully Submitted,
City of Grand Island



Gary D. Greer
City Administrator