



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-2

Approving Minutes of August 17, 2015 City Council Budget Session

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL SPECIAL BUDGET MEETING

August 17, 2015

Pursuant to due call and notice thereof, a Special Budget Meeting 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 August 17, 2015. Notice of the meeting was given in the *Grand Island Independent* on August 12, 2015.

Mayor Jeremy L. Jensen called the meeting to order at 7:00 p.m. The following Councilmembers were present: Mitch Nickerson, Mark Stelk, Jeremy Jones, Chuck Haase, Julie Hehnke, Linna Dee Donaldson, Michelle Fitzke, Vaughn Minton, Roger Steele, and Mike Paulick. The following City Officials were present: City Administrator Marlan Ferguson, City Clerk RaNae Edwards, Interim Finance Director William Clingman, City Attorney Robert Sivick, and Public Works Director John Collins.

INVOCATION was given by Community Youth Council member Adan Redwine followed by the PLEDGE OF ALLEGIANCE.

Mayor Jensen commented on this being his first budget for the City of Grand Island. He stated when he ran for office he vowed transparency and what was best for the City of Grand Island. He wanted us to look long-term towards 2020 with regards to the finances of the City. By 2018 the expenses would exceed the revenue and by 2020 the City would have no cash.

SPECIAL ITEMS:

Discussion of 2016 CIP (400) Fund Budget and Beyond. Interim Finance Director William Clingman reviewed the 2016 Capital Improvement (400) Fund Budget. The forecasted ending cash balances would dwindle by 2017.

Jason Probasco, 3120 West 17th Street representing the Northwest Little League Baseball and Softball Association thanked the City for the sidewalk/trail installed at the George Park ballfield. The following future projects plans for George Park were mentioned: agrilime for the ball fields, bathroom renovation, parking lot stripping, playground equipment, and splash pad.

Discussion was held regarding projects that could be moved to a later date. Public Works Director John Collins presented several scenarios and projects that were committed. These projects were those that had already been contracted and those with the NE Department of Roads (NDOR) funding which were matched by the City. Level of service that was desired would indicate what could be saved in this budget. Mentioned was setting aside money for projects in the future. Reviewed were the projects and funding sources for those.

Comments were made regarding what the gas tax and keno funds could be used for. Councilmember Paulick recommended Administration look into increasing the sales tax by 1/2 cent. City Administrator Marlan Ferguson stated they were looking at this and that there were restrictions which were defined for infrastructure. Mayor Jensen commented that a property tax increase should be the last resort.

Discussion of General Fund 5 Year Projection, 2016-2020. Mr. Clingman gave a presentation of what the budget would look like with and without the additional 1/2 cent sales tax, keno, and food and beverage tax. The continuation of the food and beverage tax was critical to the City for short term to pay the State Fair local match in the amount of \$400,000. For the long term we would need to look for new revenue or decreased spending.

Mr. Clingman stated there was money in the General Fund that didn't get moved in 2014 to the Capital Fund which made a difference in the cash balance. Also money budgeted from the NDOR that was not received. It was recommended that a small group of Councilmembers meet with Administration to look at each fund.

Councilmember Haase stated we needed to look at the revenue that was consistent (which would go towards salaries) and then at what we could afford.

Discussion was held on the growth of the sales tax per year (at around 3%) but the expenses increased by more than 5 1/2% due to personnel costs. Comments were made that in order to cut expenses there would need to be a cut in services and where those cuts should be made.

2016 Budget - General Fund Department Review and Discussion. Mr. Clingman stated the General Fund discussion tonight would cover Public Safety which included Building Inspection, Fire, EMS, Police and Emergency Management.

Fire Chief Cory Schmidt answered questions concerning the need for a new Quint ladder truck in the amount of \$750,000. Explained was the need for new equipment due to the Yancy, three story apartment buildings, additional nursing/skilled care homes, etc. Comments were made regarding an equipment replacement plan.

Mr. Collins stated he would answer questions regarding a 24% increase in streets & transportation line item at tomorrow night's meeting.

Councilmember Haase complimented the Police Department on keeping their budget down and their vehicle rotation plan.

Emergency Management Director Jon Rosenlund commented on personnel needs with regards to the number of calls received. One additional employee was requested for the swing shift. Capital request was down from last year due to the replacement of outdoor warning sirens being lower than last year. Mr. Rosenlund stated the wireless and land line revenue was coming in flat. Mentioned was the backup 911 location at Broadwell Avenue in case of a disaster. Discussion was held regarding Federal Grants. He stated he was budgeting about \$583,000 from the County and the same amount from the City.

Mayor Jensen thanked Mr. Clingman for the job he has done on this budget.

ADJOURNMENT: The meeting was adjourned at 8:43 p.m.

RaNae Edwards
City Clerk