

**CITY OF COLUMBUS**  
**2016 - 2017 BUDGET**  
**BUDGET OVERVIEW**

Budget Message from City Administrator

Budget Overview from Finance Director

Abbreviations

# The City of **Columbus**

RESPONSIBLE

• RESPONSIVE

• REPUTABLE

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July 18, 2016

To: Mayor Moser, City Council President Bahr and  
Members of the Columbus City Council  
From: Joseph A. Mangiamelli, City Administrator  
Subject: 2016-2017 Recommended Budget

Following is a brief overview of the recommended budget for 2016-2107 and the items included therein. The budget is comprised of the Capital Improvements under separate cover and the operating budget and line items for the respective service departments. The important items included in the budget follow.

**Wage adjustment** – As has been presented to you, overall salary ranges of city employees are about 9% below those of similar position in cities with which we compare. This is in spite of the effort to gain ground on that disparity over the last several years. The recommended budget includes a 2% adjustment for employees – unionized police and fire employees wage adjustments will be determinable based on actual comparability numbers from those cities but a 2% adjustment has been included for these employees, as a starting point.

**Personnel** – The recommended budget includes an additional park maintenance worker for next year. The city is adding two new parks to the system, the park around Lake Esther on property comprising the borrow pit for Columbus Community Hospital which has been previously given to the city and a new park west of the Readiness Center that was surplus land acquired when the Readiness Center was constructed, all in addition to the trail system extensions completed and in process. In addition, the city is being asked by the private group overseeing the Higgins Memorial area to take over maintenance responsibility for that parcel. As of the date of this communication we are attempting to ascertain the level of service expected and will provide that information at the budget meetings next week.

The budget does not include a potential full time fire chief position. That, again, is subject to review and recommendation at the Committee of the Whole meeting this evening. One of the critical elements discussed in a previous meeting on this subject was that the recommendation not negatively impact the relationship with the city's volunteer fire team – in any case reviewed as part of the assessment, the volunteer program ceased or was significantly altered as to require a hefty cost for fire/rescue services in the responding communities. Accordingly, this change is not recommended. Questions were raised at

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the recent Committee of the Whole meeting regarding the status of our volunteer force. The Fire Chief is analyzing the current makeup and will report at the upcoming meeting on Wednesday, July 27.

**Fees** – There are several minor changes recommended in certain fees included in the proposed fee schedule. Notably is the every other year review and adjustment of aquatics and golf fee structures, as well as fees for rescue serves. The former are recommended with cost of living adjustments and the latter based on review of charges being made by rescue forces in our comparable cities.

In addition, it has been more than a year since the Transfer Station was opened. Staff advised at that time that we would allow a “shake down” period before considering any changes in fees. The employees have progressed to the point of being proficient in their new roles and responsibilities and have developed efficiencies in the new operations. It is necessary to now reflect the appropriate cost of those operations so an increase in the availability fee and tip fee are recommended herein.

**Recycling Services** – One proposal was received in response to our solicitation. The Public Finance, Judiciary and Personnel Committee is being asked to review the proposal in an attempt to gain a recommendation to the City Council in the budget reviews meeting as to how to proceed with this proposal and, if accepted, how to pay for the cost of the services.

**Housing Coordinator** – At the recent Committee of the Whole meeting, the proponents of this request were asked to provide more information as to oversight and accountability if city funds are pledged to this effort. So you are all on the same page, some history is in order. In 2010, the Attorney General handed down an opinion that cities cannot provide public dollars to local chambers of commerce. The opinion did, however, allow for agreements with chambers to be executed for services rendered. The City Council did approve an agreement in 2011 to provide for the city contribution of \$8,000 for chamber efforts in economic development activities. That agreement was amended a few years later to increase the contribution to \$10,000 to cover a portion of Drive For Five efforts which included housing recruitment.

Similarly, following the success of the Bradshaw Place partnership the city budget has included \$15,000 in annual contributions to NeighborWorks Northeast Nebraska to further housing efforts. This is in addition to the administrative charges associated with each grant project they assist the city in providing oversight and grant administration. The question is: Do we continue these contributions if a Housing Coordinator position is funded, in part, with city tax dollars? Mrs. McPhillips indicated the requested \$40,000 could be modified – that should be a consideration.

I would still suggest the use of city tax dollars better spent in the hiring of a City Planner proving a real resource to the community in both housing and other economic development inquiries and projects development.

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The schedule of budget reviews is split this year into two evenings with the first night dedicated to the Capital Improvement Program portion of the budget so we can have a better, more detailed discussion of projects and major equipment purchases undertaken. This is important because a lot of staff time and effort is expended in design and research of appropriate specifications in bringing forward projects and purchases to the agenda for review in the request to advertise for bids process. To have equipment purchases or projects rejected after that effort has occurred is not a wise use of tax dollars. If a project is not supported or piece of equipment not recommended for purchase, staff should be advised of any reservations early on to avoid this development cost and effort spent. Staff is hopeful that a detailed discussion now will allow for justification to be presented and alleviate some of this "wasted" effort in the upcoming budget year.

The second night of discussion will involve the operations side of the budget, focusing on each department so Councilmembers can gain a better understanding of the services staff provides to the community, the costs involved and why/how the services are provided. This might include regulatory or legislative demands for compliance. This will also give Councilmembers an idea as to what services are deemed essential and what might be reduced in scope or removed if city taxes are to be reduced. The agenda will include that discussion as well.



## MEMORANDUM

**DATE:** July 20, 2016

**TO:** Joseph Mangiamelli, City Administrator

**FROM:** Anne Kinnison, Finance Director

**SUBJECT:** Fiscal Year 2016 – 2017 Budget Overview

### Budget Overview

Staff is presenting the proposed 2016-2017 Budget to the Mayor and Council starting at the July 26, 2016 Committee of the Whole meeting, where we will review next year's Capital Improvement Program with a second Committee of the Whole meeting on July 27, 2016 to review the rest of the Budget.

There is a tremendous amount of data in the Budget Books. Please review the Capital Improvement Program book for the meeting on July 26<sup>th</sup>. We are planning to go through Section 2 of the Budget book at the meeting on July 27<sup>th</sup>, so concentrating on Section 1 for an overview and Section 2 may be the best way to review this information. The Council may also want to review the sales tax worksheets in Section 7 and the tax structure, including property taxes, in Section 3. Included in Section 7 is the 2016-2017 Capital Outlay by Source which details the anticipated funding sources for the various capital projects.

The approved Budget for fiscal year 2015-2016 was \$76,931,730. The proposed Budget for fiscal year 2016-2017 is \$99,929,335. In the proposed Budget for fiscal 2016-2017 are \$53,628,050 of capital items, which can be compared to \$33,387,150 for the 2015-2016 Budget.

### What is Not Included?

The July 5 and 6 storm has not been fully projected in the numbers presented in the Actual and Estimated Column presented in the Budget. We don't know the full cost of the storm and most numbers were projected prior to the storm. We are continuing to compile data, investigating possible insurance claims for damages and looking

into a possible request for storm funding from the State of Nebraska. Before the end of the current fiscal year, I plan to come to the Council and ask for approval of a transfer from the General Fund to reimburse the Solid Waste Fund for the cost of disposal of all the tons of storm debris that was taken in with no fee, as the Transfer Station is a fund that is supported by user charges and does not have the funds to take care of this expense.

## Property Tax

For the last nine years the City Council has kept the levy rate the same as the previous year, so staff has prepared this Budget using this same assumption. When the assessed valuation is available on August 20, 2016, the numbers will be adjusted to keep the levy rate the same and compute the calculation of the amount of property taxes attributed to growth within the City of Columbus.

For 2015-2016 the City share of property tax for a house with a \$100,000 assessed value was \$325.19. For the same \$100,000 house, the property tax in the proposed Budget would be the same at \$325.19.

An early estimate from the Platte County Assessor of the City's assessed valuation is \$1,428,484,000. Using that number at a levy rate of 32.5186 cents per hundred of valuation means each cent change in levy rate is equal to \$142,848 of property taxes to the City.

We are continuing to use property taxes to make the debt service payment of \$507,500 on the Drainage Bonds for the Loup Levee improvements, rather than sales tax. The General Fund balance continues to be good, so we have decreased the amount of property taxes going into the General Fund and increased the amount of property taxes going to the Debt Service Fund.

## Sales Tax

Sales tax receipts for 2014-2015 amounted to \$6,362,609. For 2015-2016 we budgeted \$6,000,000 of sales tax receipts and have proposed \$6,400,000 for the 2016-2017 fiscal year, as follows:

Capital Improvements, including Streets	\$4,282,550
Progress and Jobs Growth (LB 840)	257,533
Pawnee Plunge Operations/Capital	296,700
Aquatic Center Operations/Capital	337,150
Public Safety/Police and Fire Facilities	700,000
Library /Cultural Arts Center	400,000
Unallocated amount	126,067
Total	\$6,400,000

Above is the new money for fiscal 2016-2017, but we have also budgeted to spend the following money from the Sales Tax Fund, which is where we place unspent sales tax at the end of each year, as follows:

Stadium Visitor Bleachers/Restrooms	\$800,000
Pawnee Park Baseball Storage	50,000
Library/Cultural Arts Center	300,000
Solid Waste Bonds	100,000
Engineering Services for Street Projects	35,000
Asphalt Paving Resurfacing	450,000
3 <sup>rd</sup> Ave Viaduct and 18 <sup>th</sup> Ave Pedestrian	1,100,000
<b>Total</b>	<b>\$2,835,000</b>

Sales tax receipts are very good for fiscal year 2015-2016, estimated to be \$6,600,000 after nine months of operation. One may wonder why we did not anticipate more than \$6,400,000 for next year. We budget conservatively as sales tax receipts vary based upon the local economy, possible changes in sales tax law by the Nebraska Legislature and how many economic development incentives are awarded by the State.

### **Library/Cultural Arts Project**

This is a complex project with a lot of moving pieces, which makes it difficult to budget. Before we go to a vote to issue bonds, the picture will become clearer. I have tried to allow for various possibilities, as the Budget document is the instrument that gives the City permission to spend taxpayer's funds. You may have noted that the project appears in both the new sales tax receipts and the spending of the prior funds. In the old half cent sales tax it was anticipated we would spend \$500,000 for the design for the library. There is \$300,000 left of this money in the Sales tax fund that we are budgeting to spend. There will also be \$400,000 from the renewed sales tax that can be spent on this project, figuring that we could use the sales tax that comes in to reduce the amount that will be asked for in a voted bond issue. In the proposed Budget we have \$15,000,000 for the cost of a new library, including design. That is proposed to be funded as follows:

Old half cent sales tax	\$ 300,000
New half cent sales tax	400,000
Voted bonds	9,300,000
Library Foundation with donations and grants	5,000,000
<b>Total</b>	<b>\$15,000,000</b>

The \$9.3 million is more than half of the project and may not be what Council wants us to use in the proposed Budget. I used that number thinking that the Foundation

may need time to come up with their half of the contributions, if donors are paying for them over three years. The bonds can always be called early with the contributions, as they come in, if this is the direction that is chosen.

## **Receipts Other Than Property Taxes**

The City receives Motor Vehicle Tax from the personal property tax paid when licensing vehicles. It is used to support the General Fund. I have anticipated that the City will receive \$430,000 for 2016-2017 based upon historical numbers. This is a number that may not be totally realized, as driving habits and vehicle purchases may be changing.

Motor Vehicle Fuel Tax is used to support the Street Fund. Due to a law change in 2008 this source of revenue was down for a few years, but this seems to have worked its way through the system and the Nebraska Department of Roads told us to anticipate \$2,259,000 of assistance in 2016-2017.

Over the last several years the State of Nebraska has eliminated quite a few State Aid programs. For next year we will receive no State Aid or Municipal Equalization Aid.

## **Expenditure Assumptions**

In the proposed Budget we did not use the same percentage increase across the board for very many items, as department needs were handled more on an individual basis. In the Executive Budget Summary document, Salaries and Wages, Group Insurance and Workers Compensation are included in "Personnel Services", Insurance is included in "Contractual Services" and Fuel, Natural Gas, and Electricity are included in the group entitled "Supplies/Other".

We would like to thank the Mayor, City Council Members, and all Staff for the many hours that were devoted to the budget process. We appreciate your continued support as Staff works to focus on the levels of services that are being provided with these budgeted dollars.

# ABBREVIATIONS

<b>ADA</b>	<b>Americans with Disabilities Act</b>
<b>AED</b>	<b>Automated External Defibrillator</b>
<b>AFG</b>	<b>Assistance to Firefighters Grant</b>
<b>ALS</b>	<b>Advanced Life Support</b>
<b>AMR</b>	<b>Automated Meter Reading</b>
<b>APWA</b>	<b>American Public Works Association</b>
<b>ATV</b>	<b>All-Terrain Vehicle</b>
<b>AVL</b>	<b>Automatic Vehicle Location</b>
<b>AWWA</b>	<b>American Water Works Association</b>
<b>AYSO</b>	<b>American Youth Soccer Organization</b>
<b>BAN</b>	<b>Bond Anticipation Notes</b>
<b>BKMB</b>	<b>Bookmobile</b>
<b>BLS</b>	<b>Basic Life Support</b>
<b>BMP</b>	<b>Best Management Practice</b>
<b>BOD</b>	<b>Biological Oxygen Demand</b>
<b>CA</b>	<b>Constitutional Amendment</b>
<b>CAD</b>	<b>Computer Aided Drafting</b>
<b>CAD</b>	<b>Computer Aided Dispatch</b>
<b>CAT</b>	<b>Columbus Area Transit</b>
<b>CAMFO</b>	<b>Columbus Area Midget Football Organization</b>
<b>CART</b>	<b>Columbus Area Recreational Trails</b>
<b>CBA</b>	<b>Columbus Baseball Association</b>
<b>CCC</b>	<b>Central Community College</b>
<b>CCR</b>	<b>Consumer Confidence Report</b>
<b>CCTV</b>	<b>Closed Circuit Television</b>
<b>CD</b>	<b>Certificate of Deposit</b>
<b>CDA</b>	<b>Community Development Agency</b>
<b>CDBG</b>	<b>Community Development Block Grant</b>
<b>CE</b>	<b>Construction Engineering</b>
<b>CIP</b>	<b>Capital Improvement Projects/Program</b>
<b>CIP</b>	<b>Cured-in Place</b>
<b>CMMS</b>	<b>Computerized Maintenance Management System</b>
<b>CMS</b>	<b>Construction Manager at Risk</b>
<b>CPM</b>	<b>Critical Path Method</b>
<b>COPS</b>	<b>Community Oriented Policing Services</b>
<b>CPL</b>	<b>Columbus Public Library</b>
<b>CPS</b>	<b>Columbus Public Schools</b>
<b>CR</b>	<b>Community Revitalization</b>
<b>CSA</b>	<b>Columbus Softball Association</b>
<b>CTA</b>	<b>Columbus Tennis Association</b>

<b>CYBL</b>	<b>Columbus Youth Baseball League</b>
<b>CYSA</b>	<b>Columbus Youth Softball Association</b>
<b>DB</b>	<b>Design Build</b>
<b>DHHS</b>	<b>Department Health &amp; Human Services</b>
<b>DHS</b>	<b>Department Homeland Security</b>
<b>DPW</b>	<b>Department of Public Works</b>
<b>EA</b>	<b>Environmental Assessment</b>
<b>EMS</b>	<b>Emergency Medical Services</b>
<b>EPA</b>	<b>Environmental Protection Agency</b>
<b>FAA</b>	<b>Federal Aviation Association</b>
<b>FBI</b>	<b>Federal Bureau of Investigation</b>
<b>FBO</b>	<b>Fixed Base Operator</b>
<b>FCC</b>	<b>Federal Communications Commission</b>
<b>FEMA</b>	<b>Federal Emergency Management Agency</b>
<b>FFPP</b>	<b>Federal Funds Purchase Program</b>
<b>FHWA</b>	<b>Federal Highway Administration</b>
<b>FTE</b>	<b>Full Time Equivalent</b>
<b>FY</b>	<b>Fiscal Year</b>
<b>GAAP</b>	<b>Generally Accepted Accounting Principles</b>
<b>GASB</b>	<b>Governmental Accounting Standards Board</b>
<b>GFOA</b>	<b>Governmental Finance Officers Association</b>
<b>GIS</b>	<b>Geographic Information Systems</b>
<b>GMP</b>	<b>Guarenteed Maximum Price</b>
<b>GPS</b>	<b>Global Positioning System</b>
<b>HAZMAT</b>	<b>Hazardous Materials</b>
<b>HHW</b>	<b>Household Hazardous Waste</b>
<b>HOME</b>	<b>Home Investment Partnership Act</b>
<b>HUD</b>	<b>Housing and Urban Development</b>
<b>HVAC</b>	<b>Heating Ventilating and Air Conditioning</b>
<b>IRS</b>	<b>Internal Revenue Service</b>
<b>IS</b>	<b>Information Systems</b>
<b>ISO</b>	<b>Insurance Service Organization</b>
<b>IT</b>	<b>Information Technology</b>
<b>KW</b>	<b>Kilowatt</b>
<b>LA</b>	<b>Lift Assist</b>
<b>LARM</b>	<b>League Association of Risk Management</b>
<b>LB</b>	<b>Legislative Bill</b>
<b>LC</b>	<b>LID Computation</b>
<b>LDH</b>	<b>Large Diameter Hose</b>

<b>LED</b>	<b>Liquid Emitting Diodes</b>
<b>LEOP</b>	<b>Local Emergency Operations Plan</b>
<b>LLC</b>	<b>Limited Liability Corporation</b>
<b>LLNRD</b>	<b>Lower Loup Natural Resources District</b>
<b>LMI</b>	<b>Low to Moderate Income</b>
<b>LPA</b>	<b>Local Public Agency</b>
<b>LR</b>	<b>Legislative Resolution</b>
<b>LS</b>	<b>Lift Station</b>
<b>MIS</b>	<b>Management of Information Systems</b>
<b>MSA</b>	<b>Mine Safety Appliances</b>
<b>MS4`</b>	<b>Municipal Separate Storm Sewer System</b>
<b>MG</b>	<b>Million Gallons</b>
<b>MGD</b>	<b>Million Gallons per Day</b>
<b>MOU</b>	<b>Memorandum of Understanding</b>
<b>MUTCD</b>	<b>Manual on Uniform Traffic Control Devices</b>
<b>NDA</b>	<b>Nebraska Department of Aeronautics</b>
<b>NDED</b>	<b>Nebraska Department of Economic Development</b>
<b>NDEQ</b>	<b>Nebraska Department of Environmental Quality</b>
<b>NDHHS</b>	<b>Nebraska Department of Health and Human Services</b>
<b>NDOR</b>	<b>Nebraska Department of Roads</b>
<b>NEMA</b>	<b>Nebraska Emergency Management Agency</b>
<b>NENAAA</b>	<b>Northeast Nebraska Area Agency on Aging</b>
<b>NENEDD</b>	<b>Northeast Nebraska Economic Development District</b>
<b>NENSWC</b>	<b>Northeast Nebraska Solid Waste Coalition</b>
<b>NEPA</b>	<b>National Environmental Protection Act</b>
<b>NFPA</b>	<b>National Fire Protection Association</b>
<b>NIMS</b>	<b>National Incident Management System</b>
<b>NPDES</b>	<b>National Pollutant Discharge Elimination System</b>
<b>NRIN</b>	<b>Nebraska Regional Interoperability Network</b>
<b>NPPD</b>	<b>Nebraska Public Power District</b>
<b>NRD</b>	<b>Natural Resources District</b>
<b>NWS</b>	<b>National Weather Service</b>
<b>OMB</b>	<b>Office of Management and Budget</b>
<b>OPAC</b>	<b>Online Public Access Catalogues</b>
<b>PC</b>	<b>Personal Computer</b>
<b>PCA</b>	<b>Production Credit Association</b>
<b>PCA</b>	<b>Platte County Attorney</b>
<b>PCLS</b>	<b>Platte County Library Service</b>
<b>PSAP</b>	<b>Public Safety Answering Point</b>
<b>PVHS</b>	<b>Platte Valley Humane Society</b>
<b>PVLA</b>	<b>Platte Valley Literacy Association</b>

<b>RC</b>	<b>Responsible Charge</b>
<b>RFI</b>	<b>Request for Informaiton</b>
<b>RFID</b>	<b>Radio Frequency Identification</b>
<b>RFP</b>	<b>Request for Proposal</b>
<b>ROW</b>	<b>Right-Of-Way</b>
<b>RPZ</b>	<b>Runway Protection Zone</b>
<b>S&amp;ID</b>	<b>Sanitary and Improvement District</b>
<b>SCADA</b>	<b>Supervisory Control and Data Acquisition</b>
<b>SCBA</b>	<b>Self-Contained Breathing Apparatus</b>
<b>SID</b>	<b>Street Improvement District</b>
<b>SNARE</b>	<b>Specialized Narcotics Abuse Reduction Effort</b>
<b>SOG</b>	<b>Standard Operating Guideline</b>
<b>SOP</b>	<b>Standard Operating Procedure</b>
<b>SRP</b>	<b>Summer Reading Program</b>
<b>SS</b>	<b>Suspended Solids</b>
<b>STP</b>	<b>Surface Transportation Program</b>
<b>SUV</b>	<b>Sport Utility Vehicle</b>
<b>TIF</b>	<b>Tax Increment Financing</b>
<b>VoIP</b>	<b>Voice over Internet Protocol</b>
<b>UPRR</b>	<b>Union Pacific Railroad</b>
<b>USACE</b>	<b>United States Army Corps of Engineers</b>
<b>USGS</b>	<b>United States Geological Survey</b>
<b>UTV</b>	<b>Utility Vehicle</b>
<b>WPOC</b>	<b>Wilderness Park Operating Committee</b>
<b>WWTF</b>	<b>Wastewater Treatment Facility</b>