

*Kearney, Nebraska  
July 10, 2008  
7:00 a.m.*

A Special Meeting of the City Council of Kearney, Nebraska, was convened in open and public session at 7:00 a.m. on July 10, 2008, in the 2<sup>nd</sup> Floor Conference Room at City Hall. Present were: Stanley A. Clouse, President of the Council; Michaelle Trembly, City Clerk; Council Members Randy Buschkoetter, Don Kearney, Bruce Lear and Bob Lammers. Absent: None. Michael Morgan, City Manager; Wendell Wessels, Director of Finance and Administration; Julie Steffensmeier, Administrative Assistant; Kirk Stocker, Director of Utilities; Rod Wiederspan, Director of Public Works; Matthew Williams, Library Director; Neal Lewis, Director of Park & Recreation; Ken Tracy, Fire Administrator; Dan Lynch, Chief of Police; Jim Lynaugh, Airport Manager; and Luke Olson, Management Assistant were also present. Sara Giboney from Kearney Hub was also present.

Notice of the meeting was given in advance thereof by publication in the Kearney Hub, the designated method for giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to the City Council and a copy of their acknowledgment or receipt of such notice is attached to these minutes. Availability of the Agenda was communicated in the advance notice and in the notice to the Mayor and City Council. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

Mayor Clouse announced that in accordance with Section 84-1412 of the Nebraska Revised Statutes, a current copy of the Open Meetings Act is available for review and is posted towards the back of the Council Chambers.

### **BUDGET INTRODUCTION**

Director of Finance and Administration presented the proposed budget to the Council.

**General Fund Property Tax** - The General Fund property tax requirement for the 2008-2009 proposed budget is \$1,895,611.00 and the proposed property tax levy for 2008 is \$.12347 per \$100.00 of valuation. The General Fund property tax requirement for the 2007-2008 adopted budget was \$1,850,605.00 and the actual tax levy was \$.12777. Therefore, the General Fund property tax requirement for 2008-2009 is \$45,006.00 more than the 2007-2008 General Fund property tax requirement and the General Fund tax levy for 2008-2009 is \$.00430 less than the 2007-2008 General Fund tax levy. The General Purpose Property Tax is deposited in the General Fund for the purpose of paying operational expenses of the City.

**Special Property Tax** - The special property tax requirement for the 2008-2009 proposed budget is \$390,027.00 and the estimated special property tax levy for 2008 will be \$.02540 per \$100.00 of valuation. The special property tax requirement for the 2007-2008 adopted budget was \$305,712.00 and the actual tax levy was \$.02111. Therefore, the special property tax requirement for 2008-2009 is \$84,315.00 more than the 2007-2008 special property tax requirement and the special property tax levy for 2008-2009 is \$.00430 more than the 2007-2008 special property tax levy. The special

property tax is deposited in the Public Safety Tax Anticipation Bond Fund for the purpose of paying principal and interest on bonds issued for public safety resources.

Therefore, the proposed combined property tax levy for 2008 is .14887 per \$100.00 of valuation, which is the same property tax levy that was approved by City Council for 2007. It appears that Kearney will continue to enjoy having one of the lowest property tax levy among all first class cities in the State of Nebraska again next year.

**Capital Improvements/Equipment**

The 2008-2009 proposed budget includes \$20,337,425.65 of capital improvements/equipment in the following funds:

- General Fund \$1,156,254.00
- Special Revenue Funds \$369,646.00
- Capital Projects Funds \$10,916,036.65
- Enterprise Funds \$7,801,989.00
- Internal Service Funds \$93,500.00

**Compensation, Benefits and Staffing**

The 2008-2009 budget includes an addition of one full-time position as follows: one Equipment Operator.

Funds have been included to allow for a three percent adjustment to employees' salaries to keep their compensation comparable with similar positions and help offset increases in the cost of living.

**Fiscal Summary**

The 2008-20089 proposed budget is \$59,146,215.20 and the 2007-2008 adopted budget was \$60,362,259.01. Therefore, the 2008-2009 proposed budget is \$1,216,043.81 lower than the 2007-2008 adopted budget. The following is a summary listing of the budget for each of the fund groups contained in the 2007-2008 and 2008-2009 budgets:

	<b><u>2007-2008</u></b>	<b><u>2008-2009</u></b>
General Fund	\$14,924,316.00	\$15,787,586.00
Special Revenue Funds	\$ 4,109,461.01	\$ 4,122,933.55
Capital Project Funds	\$15,566,311.00	\$11,296,014.65
Debt Service Funds	\$ 2,067,021.00	\$ 2,185,824.00
Enterprise Funds	\$18,625,990.00	\$20,150,097.00
Internal Service Funds	\$ 4,568,750.00	\$ 5,103,350.00
Fiduciary Funds	<u>\$ 500,410.00</u>	<u>\$ 500,410.00</u>
<b>TOTALS</b>	<b><u>\$60,362,259.01</u></b>	<b><u>\$59,146,215.20</u></b>

The City of Kearney uses seven fund groups: General Fund, Special Revenue Funds, Capital Projects Funds, Debt Service Funds, Enterprise Funds, Internal Service Funds, Pension (and other Employee Benefit) Trust Funds, and Agency Funds.

The following is the City's Major Revenue Source Descriptions for the 2006-2007

budget (includes all revenue line items exceeding \$100,000):

**GENERAL FUND**

Amount	Description
\$264,000.00	<u>Cable TV occupation tax</u> - For the privilege of a cablevision company to construct, install, operate or maintain in or along streets, alleys and public right of ways or elsewhere within the corporate limits of the City, the cablevision company is required to pay the City an occupation tax of five percent of gross revenues of the company from all sources of operations within the City. The amount budgeted is based on past trends and experience relative to this revenue source.
\$320,000.00	<u>Hotel Occupation tax</u> - Hotels, motels, tourist hotels, campgrounds, courts, lodging houses, inns and nonprofit hotels operating within the City of Kearney are required to pay an occupation tax to the City of Kearney in the amount of two percent of the basic rental rates charged per occupied room. The occupation taxes collected are remitted to the Kearney Area Chamber of Commerce for the purposes set forth in Neb. Rev. Stat. (13-305). The Hotel Occupation Tax terminates on December 31, 2014 pursuant to the ordinance establishing the occupation tax. The amount budgeted is based on past trends and experience relative to this revenue source.
\$406,000.00	<u>In lieu of tax</u> - Includes amounts paid to the City by certain entities that are exempt from property taxes. These entities include the City's Water and Sewer Departments, Nebraska Public Power District and the City of Kearney Housing Authority. The City's Water and Sewer Departments pay the City an amount of five percent of the Water and Sewer Division's gross revenue. Nebraska Public Power District and the City of Kearney Housing Authority pay the City an amount as required by Nebraska Statutes.
\$550,000.00	<u>Motor vehicle tax</u> – Section 60-3003, Reissue Revised Statutes of Nebraska, 1943, as amended, provides that the City shall receive 18% of the motor vehicle tax proceeds collected by the County Treasurer. The county and the local school system each receive 22% and 60% respectively of the motor vehicle tax.
\$181,000.00	<u>Natural gas occupation tax</u> - For the privilege of natural gas companies to construct, install, operate or maintain in or along streets, alleys and public right of ways or elsewhere within the corporate limits of the City, natural gas companies doing business in the City are required to pay an occupation tax to the City in an amount equal to \$0.0175 per therm for gas delivered to residential and commercial customers within the City on the natural gas

company's distribution system. The amount budgeted is based on past trends and experience relative to this revenue source.

\$1,895,611.00

Property tax - Section 16-702, Reissue Revised Statutes of Nebraska, 1943, as amended, provides that the City shall have the power to levy and collect taxes for all municipal purposes on all real estate and personal property within the corporate limits of the City which is taxable according to Nebraska law. State law further provides that the maximum tax which may be levied for the City's municipal purposes shall not exceed \$0.4500 on each \$100 of taxable value on all the taxable property within the City. The City's tax levy for municipal purposes as described herein for the 2008-2009 fiscal year is \$0.12347 based on an estimated taxable value of \$1,535,324,956 on all taxable property within the City. Property valuations are established by the Buffalo County Board of Supervisors by August 20 of each year. Taxes are then levied by the Buffalo County Board of Supervisors in September. First installments of real estate taxes are due the following May 1 and the second installment is due September 1. Personal property taxes are due December 1 and July 1.

\$4,880,000.00

Sales tax - The sales tax is imposed upon the gross receipts from all sales, leases or rentals of tangible personal property, warranties, guarantees, or service maintenance agreements made at retail in Nebraska, the gross receipts of every person providing telephone, gas, electricity, sewer and water service, the gross receipts from the sale of admissions, and the gross receipts from renting or furnishing accommodations or lodging for periods of less than thirty days. Major exemptions from sales tax include motor vehicle fuels, prescription medicines and food, but not meals, for human consumption. Sales tax revenues are collected by the Nebraska Department of Revenue and remitted to each City levying the tax on a monthly basis. City voters approved a sales tax of one percent in 1990 for the purpose of property tax relief. Actual collections since the implementation of the sales tax are as follows:

1990-1991 (8 months)	1,495,770.00
1991-1992	2,553,467.00
1992-1993	2,727,953.00
1993-1994	3,129,703.00
1994-1995	3,209,089.00
1995-1996 (14months)	4,058,662.00
1996-1997	3,626,586.00
1997-1998	3,930,363.00
1998-1999	4,164,563.00
1999-2000	4,440,184.00
2000-2001	4,686,072.00
2001-2002	4,892,804.00
2002-2003	5,151,255.00

2003-2004	5,328,941.00
2004-2005	5,531,394.00
2005-2006	5,718,233.00
2006-2007	5,886,479.00
2007-2008(estimated)	6,100,000.00
2008-2009 (budgeted)	6,100,000.00

A portion of the sales tax collected each year is placed in the General Fund and a portion of the sales tax collected each year is allocated between the Various Purpose Bond Fund and Street Improvement Fund.

\$410,000.00     Telephone Co. occupation tax - For the privilege of telephone companies to construct, install, operate or maintain in or along streets, alleys and public right of ways or elsewhere within the corporate limits of the City, telephone companies doing business in the City are required to pay an occupation tax to the City in an amount equal to three percent of the gross receipts from legally established monthly basic charges collected for local exchange telephone service to subscribers within the City. The amount budgeted is based on past trends and experience relative to this revenue source.

\$270,000.00     Building permits - Building permit revenues include the following: Residential and accessory buildings - twelve cents per square foot plus six cents per square foot for all floors above the second floor. All other buildings or structures - sixteen cents per square foot for the first ten thousand square feet and twelve cents per square foot above ten thousand square feet. Demolition permits - business or commercial building is one hundred dollars and residential or accessory building is forty dollars. Remodeling fees - the fee structure is based on the value of the remodeling project. The fee ranges from a minimum of forty dollars to three hundred twenty dollars plus two dollars for each one thousand dollars after the first fifty thousand dollars. Fence permit fees - forty dollars. Plan review fees - this fee ranges from fifty to sixty-five percent of the cost of a building permit fee. Re-inspections – fifty dollars. The amount budgeted is based on building permit trends that have developed over the last several years.

\$199,081.00     County-bookmobile - Buffalo County has contracted with the City to provide bookmobile library services for Buffalo County. Buffalo County has agreed to reimburse the City for all expenses incurred in connection with the operation of the bookmobile, including operation, maintenance and repair of the bookmobile. The amount included in the budget for reimbursement from Buffalo County has been agreed to by Buffalo County and the City.

- \$150,323.00      County-Cottonmill - The City and Buffalo County jointly fund the operation of Cottonmill Park. Buffalo County contributes fifty percent of the revenues and the City contributes fifty percent of the revenues required to operate and maintain Cottonmill Park. The amount included in the budget for reimbursement from Buffalo County has been agreed to by Buffalo County and the City.
- \$101,440.00      County-Data Processing Services – The City and Buffalo County jointly fund the operation of the Law Enforcement Facility Data Processing Division. The Buffalo County Sheriff’s Office contributes one third of the revenues plus an additional \$10,000.00 for hardware depreciation to operate the Law Enforcement Facility Data Processing Division. Additionally, the Buffalo County Attorney’s Office contributes six percent of the revenues plus an additional \$6,000.00 for hardware depreciation to operate the Law Enforcement Data Processing Division. The amount included in the budget for reimbursement from Buffalo County has been agreed to by Buffalo County and the City.
- \$151,900.00      County-Police Records Services - The City and Buffalo County jointly fund the operation of the Law Enforcement Facility Records Division. Buffalo County contributes one third of the revenues and the City contributes two thirds of the revenues required to operate the Law Enforcement Facility Records Division. The amount included in the budget for reimbursement from Buffalo County has been agreed to by Buffalo County and the City.
- \$301,000.00      Interest - The City pools its available cash and invests in various instruments allowed by State Statutes. The City’s investments are primarily certificates of deposits which are purchased from local financial institutions. The City has estimated that the average rate of return on investments will be three percent for this fiscal year.
- \$167,000.00      Administration Fee – Utility Department – The Utility Department is charged an annual administrative fee to cover a portion of the costs of the City Manager’s Office, City Clerk’s Office, and City Attorney’s Office. The annual operating costs of the three offices are prorated to the Utilities Department based on the number of employees.
- \$242,000.00      State aid - State aid is a partial reimbursement to the City for property tax revenue lost due to property tax exemptions granted to special interest groups by past Nebraska Legislatures. The Nebraska Department of Revenue calculates the City’s state aid based on the City’s population and each year provides the City an estimated amount that the city should expect for state aid payments. The City receives seven monthly payments for the Nebraska Department of Revenue beginning in December and ending in June.

**SPECIAL REVENUE FUND**

Amount	Description
\$1,608,082.00	<p><b><u>Transportation:</u></b>  <u>Highway use fee</u> - The City is allocated a share of revenues derived from the Nebraska Department of Roads Highway User Revenue Fund each year. The Nebraska Department of Roads calculates the City's share of the revenue each year and provides the City an estimated amount that the City should receive for highway user revenue. The City receives payments on a monthly basis from the Nebraska Department of Revenue. The Highway use fee is currently allocated between the Transportation Fund, the Various Purpose Bond Fund and the Street Improvement Fund.</p>
\$195,000.00	<p><u>Motor vehicle fee</u> – The City receives a motor vehicle fee on a quarterly basis from the State of Nebraska. The fee ranges from \$15.00 on new vehicles to \$5.00 on older vehicles. The fee is collected by all Nebraska counties at the time the vehicles are licensed and submitted to the State of Nebraska for subsequent distribution back to counties and municipalities based on the Highway Allocation formula and are to be used only for road, bridge, and street purposes.</p>
\$174,145.00	<p><b><u>Economic Development Grant:</u></b>  <u>Community development grants</u> – The City received a three-year Community Development Revitalization Block Grant for the purpose of revitalizing sidewalks, streets, and accessible sidewalk ramps at intersections.</p>
\$406,000.00	<p><b><u>Lottery Trust:</u></b>  <u>Gross handle</u> - The City contracted with Kearney Keno, Inc. to operate a keno-type lottery on behalf of the City. The operator is required to make prize pay-outs in an amount not less than seventy-two percent of the total amount wagered. The operator is also entitled to fourteen percent of the total amount wagered to cover operating expenses. The City receives the difference between the total amount wagered and the prize pay-outs and operators commission which is deposited to this line item. The amount budgeted is based on past trends and experience relative to this revenue source.</p>

**CAPITAL PROJECTS FUND**

Amount	Description
\$2,246,500.00	<p><b><u>Park &amp; Recreation Development:</u></b>  <u>Donations</u> – This line item includes \$2,166,500.00 that will be provided by the Yanney Heritage Park Foundation for the purpose of constructing the Peterson Senior Activity Center and \$80,000.00</p>

that will be provided by the NRD as their contribution for the construction of Cottonmill Trail Phase V.

\$1,070,000.00 Federal Grants – This line item includes a \$670,000.00 HUD grant for constructing the Peterson Senior Activity Center and a \$400,000.00 T-21 grant for construction of Cottonmill Trail Phase V.

\$200,000.00 State Grants – This line item includes Recreational Trails Program (RTP) funds from a grant that will be applied for to extend the hike/bike trail east of Lighthouse Point Subdivision.

**Street Improvement:**

\$620,178.12 Sales tax - The sales tax is imposed upon the gross receipts from all sales, leases or rentals of tangible personal property, warranties, guarantees, or service maintenance agreements made at retail in Nebraska, the gross receipts of every person providing telephone, gas, electricity, sewer and water service, the gross receipts from the sale of admissions, and the gross receipts from renting or furnishing accommodations or lodging for periods of less than thirty days. Major exemptions from sales tax include motor vehicle fuels, prescription medicines and food, but not meals, for human consumption. Sales tax revenues are collected by the Nebraska Department of Revenue and remitted to each City levying the tax on a monthly basis. City voters approved a sales tax of one percent in 1990 for the purpose of property tax relief. A portion of the sales tax collected each year is placed in the General Fund and a portion of the sales tax collected each year is allocated between the Various Purpose Bond Fund and Street Improvement Fund.

\$1,460,000.00 Bond proceeds - This line item includes bond proceeds received by the City from the issuance of General Obligation Various Purpose Bonds. The bond proceeds will be used for the purpose of paying for the cost of reconstructing 30<sup>th</sup> Avenue, north of 39<sup>th</sup> Street for ½ of a mile and for the purpose of widening 56<sup>th</sup> Street west of 2<sup>nd</sup> Avenue to 4<sup>th</sup> Avenue.

\$250,000.00 Grant proceeds – This line item includes proceeds for a Safe Routes to School grant.

**Special Sales Tax – Capital Improvement/Equipment:**

\$3,050,000.00 Sales tax – The sales tax is imposed upon the gross receipts from all sales, leases or rentals of tangible personal property, warranties, guarantees, or service maintenance agreements made at retail in Nebraska, the gross receipts of every person providing telephone, gas, electricity, sewer and water service, the gross receipts from the sale of admissions, and the gross receipts from renting or furnishing accommodations or lodging for periods of less than thirty days. Major exemptions from sales tax include motor vehicle fuels, prescription medicines and food, but not meals, for human

consumption. Sales tax revenues are collected by the Nebraska Department of Revenue and remitted to each City levying the tax on a monthly basis. City voters approved a sales tax of one percent in 1990 for the purpose of property tax relief. Actual collections since the implementation of the sales tax are as follows:

2005-2006 (4 months)	925,308.00
2006-2007	2,943,239.00
2007-2008 (estimated)	3,050,000.00
2008-2009 (budgeted)	3,050,000.00

**DEBT SERVICE FUNDS**

Amount	Description
\$390,027.00	<p><b><u>Public Safety Tax Anticipation Bond:</u></b>  <u>Property tax</u> - Pursuant to Section 18-1201, Reissue Revised Statutes of Nebraska, 1943, as amended, the City may levy a special tax of not more than \$.05 per \$100.00 of taxable value on all the taxable property within the City for the purpose of making principal and interest payments on Public Safety Tax Anticipation Bonds. In 2008, the City will levy approximately \$0.02540 per \$100.00 of taxable value which will generate \$390,027.00 of special tax revenue based on an estimated taxable value of \$1,535,324,956.00.</p>
\$599,821.88	<p><b><u>Various Purpose Bond:</u></b>  <u>Sales tax</u> - The sales tax is imposed upon the gross receipts from all sales, leases or rentals of tangible personal property, warranties, guarantees, or service maintenance agreements made at retail in Nebraska, the gross receipts of every person providing telephone, gas, electricity, sewer and water service, the gross receipts from the sale of admissions, and the gross receipts from renting or furnishing accommodations or lodging for periods of less than thirty days. Major exemptions from sales tax include motor vehicle fuels, prescription medicines and food, but not meals, for human consumption. Sales tax revenues are collected by the Nebraska Department of Revenue and remitted to each City levying the tax on a monthly basis. City voters approved a sales tax of one percent in 1990 for the purpose of property tax relief.</p>
\$291,918.00	<p><b><u>Highway Use Fee</u></b> – The City is allocated a share of revenues derived from the Nebraska Department of Roads Highway User Revenue Fund each year. The Nebraska Department of Roads calculates the City’s share of the revenue each year and provides the City an estimated amount that the City should receive for highway user revenue. The City receives payments on a monthly basis from the Nebraska Department of Revenue. The Highway use fee is currently allocated between the Transportation Fund and the Various Purpose Bond Fund.</p>

**ENTERPRISE FUNDS**

Amount	Description
\$220,000.00	<p><b><u>Golf:</u></b>  <b><u>Cart Rental</u></b> –The City Council establishes fees for Meadowlark Hills Golf Course on an annual basis. On February 14, 2006 the Council established the following fees: Golf cart rate (18 holes) - \$24.00. Golf cart rate (nine holes) - \$18.00. Pull cart rate - \$2.00 per 9 holes. Pull cart rate - \$4.00 per 18 holes. Punch card (25 @ 1/2 cart for 18 holes) - \$240.00. Punch card (25 @ 1/2 cart for 9 holes) - \$180.00. The City anticipates that 10,593 18-hole rounds and 9,778 9-hole rounds will be played using golf carts during the fiscal year.</p>
\$152,000.00	<p><b><u>Concessions</u></b> – Meadowlark Hills Golf Course provides concession services at the clubhouse. The City anticipates that \$4.40 will be spent per round for concessions. The City anticipates that 33,340 rounds will be played during the fiscal year.</p>
\$428,000.00	<p><b><u>Greens fee</u></b> - The City Council establishes fees for Meadowlark Hills Golf Course on an annual basis. On February 14, 2006 the Council established the following fees: Single Season Pass Card (seven days) - \$615.00 (additional passes are \$268.00 for family members under the age of 18 or spouse). Senior Season Pass Card - \$583.00. Regular rates (18 holes) - \$20.00. Regular rates (9 holes) - \$15.00. Weekend rates (18 holes) - \$22.00. Weekend rate (9 holes) - \$17.00. Senior/Student rate (18 holes) - \$18.00. Senior/Student rate (9 holes) - \$13.00. Junior rate (17 and under) (18 holes) - \$14.00. Junior rate (17 and under) (9 holes) - \$10.00. Punch card (25 @ 18 holes) - \$400.00. Punch card (25 @ 9 holes) - \$300.00. The City anticipates that 33,340 rounds will be played during the fiscal year.</p>
\$300,000.00	<p><b><u>Lottery trust fund</u></b> - The City accepts applications for grants from the Lottery Trust Fund on an annual basis. The grant awards must be used for community betterment purposes as defined in the Nebraska Statutes. Meadowlark Hills Golf Course applied for, and was awarded \$300,000.00 from the Lottery Trust Fund. The grant monies are needed to subsidize Meadowlark Hills Golf Course due to an anticipated revenue shortfall during this fiscal year.</p>
\$737,000.00	<p><b><u>Sanitation Collection:</u></b>  <b><u>Commercial charges</u></b> - Section 5-212 of the City Code requires that all commercial and industrial businesses pay \$38.50 per container/ per pickup each month for 2 &amp; 3 cubic yard containers of \$77.00 per container/per pickup each month for a 6 &amp; 8 cubic yard container. A reduced fee of \$25.00 per container each month for once a week pickup for containers that include cardboard refuse</p>

only is available. The City collects approximately 2,000 commercial containers each week.

\$453,000.00 Multi family charges - Section 5-212 of the City Code requires that all multiple residential units pay \$8.30 per month per apartment for weekly refuse collection. The City collects approximately 2,400 multiple residential unit containers each week.

\$878,000.00 Residential charges - Section 5-212 of the City Code requires that all residential units pay \$9.50 per month for weekly refuse collection. The City collects approximately 8,500 containers each week.

**Solid Waste Disposal Facilities Operation & Maintenance Fund:**

\$600,000.00 Tipping fee-Kearney - The Kearney Area Solid Waste Agency was formed by the City and Buffalo County in a cooperative manner to provide solid waste disposal facilities to the citizens of Kearney and Buffalo County. The following rate schedule has been implemented by the Agency: Tipping fee - \$27.50 per ton for compacted waste (\$4.00 minimum) or \$32.50 per ton for uncompacted waste (\$4.00 minimum). Tires - \$125.00 per ton. Ten or less tires - \$1.00 each. Appliances - \$10.00 each. Wood pallets - \$1.00 each. Clean concrete - \$10.00 per ton. Clean asphalt - \$10.00 per ton. Trees - \$4.00 per pickup. Trees - \$10.00 per ton. Special waste - \$46.00 per ton. This line item includes the revenues generated from refuse charges assessed against the City Sanitation Division. It is estimated that 20,000 tons of refuse will be delivered by the City's Sanitation Division during the fiscal year.

\$745,000.00 Tipping fee-others - The Kearney Area Solid Waste Agency was formed by the City and Buffalo County in a cooperative manner to provide solid waste disposal facilities to the citizens of Kearney and Buffalo County. The following rate schedule has been implemented by the Agency: Tipping fee - \$27.50 per ton for compacted waste (\$4.00 minimum) or \$32.50 per ton (\$4.00 minimum). Tires - \$125.00 per ton. Ten or less tires - \$1.00 each. Appliances - \$10.00 each. Wood pallets - \$1.00 each. Clean concrete - \$10.00 per ton. Clean asphalt - \$10.00 per ton. Trees - \$4.00 per pickup. Trees - \$10.00 per truck. Special waste - \$46.00 per ton. This line item includes the revenues generated from refuse charges assessed against all haulers except the City Sanitation Division. It is estimated that 22,000 tons of refuse will be delivered by haulers other than the City's Sanitation Division during the fiscal year.

**Sanitary Sewer Retained Revenue:**

\$779,000.00 Commercial charges - Section 10-207 of the City Code states that each and every commercial user shall be billed a minimum monthly charge of \$2.50 plus \$1.40 per 100 cubic feet of water used.

\$1,825,000.00	<u>Electrical dist. system</u> - The City is provided retail electric service by Nebraska Public Power District (NPPD). The City's electric system is leased to NPPD under the terms and provisions of a Professional Retail Operations Agreement. The current leasing agreement or Professional Retail Operations Agreement between NPPD and the City continues until January 1, 2029. The agreement requires NPPD to pay the City an amount equal to twelve percent of the retail revenues from the City's electric distribution system. Fifty percent of the lease payment is deposited into this line item and the remaining fifty percent is deposited into the Water Retained Revenues Fund. The amount budgeted is based on past trends and experiences relative to this revenue source.
\$477,000.00	<u>Multi family charges</u> - Section 10-207 of the City Code states that each and every multiple residential unit or apartment house user shall be billed a minimum monthly charge of \$2.50 per meter plus \$1.50 per 100 cubic feet of water consumed based on the average water usage for the months of January, February and March.
\$1,143,000.00	<u>Residential charges</u> - Section 10-207 of the City Code states that each and every residential user shall be billed a minimum monthly charge of \$2.50 plus \$1.50 per 100 cubic feet of water consumed based on the average water usage for the months of January, February and March.
\$577,000.00	<b><u>Water Retained Revenue:</u></b> <u>Commercial charges</u> - Section 10-317 of the City Code states that each and every commercial user shall be billed a minimum monthly charge ranging from \$5.81 for a 5/8" meter to \$109.45 for a 12" meter plus an additional \$1.05 for each 100 cubic feet of water metered.
\$1,825,000.00	<u>Electrical dist. system</u> - The City is provided retail electric service by Nebraska Public Power District (NPPD). The City's electric system is leased to NPPD under the terms and provisions of a Professional Retail Operations Agreement. The current leasing agreement or Professional Retail Operations Agreement between NPPD and the City continues until January 1, 2029. The agreement requires NPPD to pay the City an amount equal to twelve percent of the retail revenues from the City's electric distribution system. Fifty percent of the lease payment is deposited into this line item and the remaining fifty percent is deposited into the Sewer Retained Revenues Fund. The amount budgeted is based on past trends and experiences relative to this revenue source.
\$474,000.00	<u>Multi family charges</u> - Section 10-317 of the City Code states that each and every multi family user shall be billed a minimum monthly

charge of \$7.00 per meter plus an additional \$1.15 for each 100 cubic feet of water metered.

\$1,957,000.00 Residential charges - Section 10-317 of the City Code states that each and every residential user shall be billed a minimum monthly charge of \$6.75 plus an additional \$1.15 for each 100 cubic feet of water metered.

\$120,000.00 Miscellaneous - Section 10-305 of the City Code requires that a tap fee be paid to the City whenever an application for water service is presented to the City. For the tap fee, the City will furnish all material and labor to bring the water service from the commercial main to a point at or near the curb line where the stop box is placed. The tap fee includes tapping the main, running the service to the curb stop at the property line, and setting an outside meter pit or installing an inside meter. The charge for a 1” service is \$850.00 for residential purposes. The cost of commercial water services vary widely depending on meter size and the time involved installing the meter. The amount budgeted is based on past trends and experiences relative to this revenue source.

\$207,000.00 **Kearney Regional Airport:**  
Agriculture lands & leases - The primary source of revenue for the Kearney Regional Airport is provided from agriculture lease payments. The Airport currently leases approximately 1,600 acres of crop land to six different tenants. All of the cash farm rent received from the lease arrangements is deposited to this line item.

\$1,355,924.00 FAA & NDA proceeds - The Kearney Regional Airport budget includes two grants from the Federal Aviation Administration (FAA). The budget includes a \$135,174.00 grant for the Airport Master Plan update, a \$541,500.00 grant for a seal coat project, a \$370,500.00 grant for a parking lot resurfacing project, and \$308,750.00 to replace the P-Series Oshkosh snow plow.

\$3,000,000.00 Loan proceeds – This line item includes proceeds received by the City from the issuance of bonds. The bond proceeds will be used for the purpose of paying for the cost of constructing a new Airport terminal.

**INTERNAL SERVICE FUNDS**

Amount                      Description

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\$2,200,000.00 **Health Insurance:**  
City & employee contr. - On January 26, 1988, the City Council authorized the establishment of a self-funded health and dental plan. The plan is in compliance with the Nebraska Political Subdivision Self-Funding Act. The revenues included within this line

item represent employee and employer contributions to the plan. Employees currently contribute \$203.55 for family or \$43.12 for employee health insurance each month. The City currently contributes \$814.20 for family or \$431.25 for employee health insurance each month. Employees currently contribute \$13.07 for family or \$2.42 for employee dental insurance each month. The City currently contributes \$52.27 for family or \$24.20 for employee dental insurance each month. The health and dental premiums are adjusted as of January 1 of each year in order to ensure adequate funding of the Health Insurance Fund. The amount budgeted in this line item is determined based on the number of employees covered by insurance and the coverage selected by the employees.

**Property & Casualty Insurance:**  
 \$386,754.00 Charges for internal services – All City Departments and Divisions are charged for their proportionate share for property and casualty insurance. The amount budgeted is based on past trends and experiences relative to the cost of property and casualty insurance.

**Workers' Compensation Insurance:**  
 \$389,598.26 Charges for internal services – All City Departments and Divisions are charged for their proportionate share for workers compensation insurance. The amount budgeted is based on past trends and experiences relative to the cost of workers' compensation insurance.

**Central Stores:**  
 \$1,325,450.00 Sale of shop supplies - All City Departments and Divisions are charged for maintenance and repair to their vehicles and equipment. Charges include costs for parts and fuel. No overhead costs are included in the charge. The amount budgeted is based on past trends and experience relative to this revenue source.

**Vehicle Maintenance:**  
 \$350,000.00 Labor charges for service - All City Departments and Divisions are charged for maintenance and repair to their vehicles and equipment. Charges include labor and overhead costs. The amount budgeted is based on past trends and experience relative to this revenue source.

**AGENCY FUNDS**

Amount	Description
\$470,000.00	<b><u>Sales and Use Tax:</u></b> <u>Sales tax collected</u> - The revenues included within this line item include sales tax collected at the City's golf course, from water and sewer bills, and other miscellaneous taxable transactions. The City

is required to collect a 5½ cent sales tax on taxable transactions on behalf of the State of Nebraska as well as a 1½ sales tax on the same transactions on behalf of the City. The amount budgeted in this line item is determined by taking the sales tax rates times the estimated taxable sales that the City will have during the fiscal year.

The fees set forth in the Comprehensive Fee Schedule will reflect a three percent increase in the fees in the Building and Zoning Division with the amounts being rounded to the nearest even amount. The Fee Schedule reflects other minor changes which will be adopted in September.

The following is the City’s Recapitulation of Capital Outlay for the 2008-2009 budget:

<b>General Fund</b>		Amount
<b>Administration</b>		
Carpet/wall paper Administration and Finance		\$25,000.00
<b>Information Technology</b>		
Administration – personal computers		\$6,000.00
I.T. – replace servers		\$12,000.00
Police – personal computers		\$12,000.00
Police – MDTs		\$30,000.00
Fire – personal computers		\$6,000.00
Engineering Support – personal computers		\$5,000.00
P.W. Administration – personal computers		\$5,000.00
Library – personal computers		\$12,000.00
I.T. – update wireless connectivity devices		\$20,000.00
I.T. – establish Storage Area Network (SAN)		\$20,000.00
I.T. – UPS for City Hall		\$28,000.00
I.T. – redundant wireless links for fiber		\$6,000.00
Fire – laptops/GPS for Engine 33		\$6,500.00
Engineering Support – GPS for 3 vehicles		\$5,000.00
Engineering Support – large scale copier		\$12,000.00
Library – self checkout equipment		\$25,000.00
IBM AS/400 (save for year 2 of 4)		\$20,000.00
<b>Police - Services</b>		
Two investigator vehicle		\$39,000.00
Five patrol vehicles		\$170,000.00
CSO vehicle		\$17,500.00
Radar equipment		\$7,000.00
Light bar replacements		\$8,000.00
K-9 Program		\$8,000.00
In-car mobile video equipment		\$10,000.00

Fatality accident investigation hardware	\$8,000.00
Police – Records	
Desk workstation improvements	\$20,000.00
Police – Data Processing	
LEC Server 2	\$5,000.00
Looking Glass software	\$8,470.00
Police – Building	
Interview recording system	\$10,000.00
Door security system	\$15,000.00
Fire	
Traffic light controller	\$9,000.00
Bunker gear washing machine	\$12,000.00
Emergency Management	
New siren	\$20,000.00
Development Services	
Replace 1989 Chevrolet pickup	\$20,000.00
Software	\$30,000.00
Public Works – Administration/Engineering Support	
Replace large plotter scanner	\$10,000.00
Cemetery	
Avenue N irrigation replacement	\$8,000.00
Irrigation in old tree nursery	\$5,000.00
Replace 2002 Grasshopper mower	\$12,500.00
Backhoe lease payment (5 of 5)	\$6,550.00
Library	
Kearney Hub digitalization	\$22,680.00
TLC computer desks	\$6,000.00
Save for Bookmobile (4 of 10)	\$40,000.00
Park – North	
Concrete improvements to park facilities	\$5,000.00
Replace 2000 Toro 325D 72" mower	\$20,000.00
Cottonmill	
Boat replacement	\$6,000.00
Replace 72" front deck mower/accessories	\$19,000.00
Replace 2001 Kawaski utility vehicle	<u>\$9,500.00</u>
<b>Total General Fund</b>	<b>\$858,200.00</b>

***Special Revenue Funds***

	Amount
Transportation	
Replace Bobcat skid loader/accessories	\$25,000.00
Replace ¾ ton pickup	\$25,000.00
Front-end loader	\$180,000.00
Tractor	\$25,000.00
Bucket truck	\$20,000.00
Tractor mounted mower	\$5,000.00
2006 dump truck least (3 of 5)	\$22,825.00

2006 Elgin sweeper lease (3 of 5)	\$31,654.00
2004 Vac-Con lease (5 of 5)	\$33,222.00
2006 Caterpillar loader lease (2 of 5)	\$33,364.00
2008 Elgin sweeper lease (1 of 5)	<u>\$44,909.00</u>

**Total Special Revenue Funds** **\$445,974.00**

***Capital Projects Fund***

	Amount
<b>Park &amp; Recreation Development</b>	
Centennial pool – paint tub	\$10,000.00
Centennial pool – replace floatables	\$5,000.00
Trail – east of Lighthouse Point	\$200,000.00
Trail – Cottonmill Trail Phase IV	\$10,000.00
Trail – Cottonmill Trail Phase V	\$500,000.00
Yanney Park Peterson Senior Center	\$2,700,000.00
Yanney Park landscaping	\$135,500.00
<b>Street Improvement</b>	
Miscellaneous paving districts	\$500,000.00
39 <sup>th</sup> Street & 17 <sup>th</sup> Avenue intersection	\$300,000.00
Safe Routes to School Project (grant)	\$250,000.00
Cemetery roads (phase 6 of 6)	\$140,000.00
30 <sup>th</sup> Avenue, north ½ mile (bond)	\$900,000.00
56 <sup>th</sup> Street, west to 4 <sup>th</sup> Avenue (bond)	\$560,000.00
Gravel street program (50% of cost)	\$200,000.00
<b>Special Sales Tax – Capital Improvements/Equipment</b>	
Budgeted/unallocated	\$152,500.00
RYDE bus	\$36,000.00
Downtown improvements	\$50,000.00
Firefighter training complex improvements	\$50,000.00
Fire Station #2 improvements	\$480,000.00
Dumptruck	\$116,500.00
Curbs and sidewalks (grant match)	\$149,400.00
25 <sup>th</sup> Street, Avenue B to Avenue E & Avenue I to Avenue L	\$255,703.00
CDBG Revitalization Grant (Phase III)	\$162,145.00
Miscellaneous street repairs	\$210,000.00
Asphalt street replacement program	\$105,000.00
Gravel street program (50% of cost)	\$200,000.00
Curb and sidewalks	\$75,000.00
30 <sup>th</sup> Avenue, north ½ mile – design	\$63,000.00
56 <sup>th</sup> Street, west to 4 <sup>th</sup> Avenue – design	\$39,200.00
Debt service – 39 <sup>th</sup> Street, 2 <sup>nd</sup> Avenue to Pony Express	\$339,978.00
Library expansion (save for)	\$2,091,000.00
Trail development (Lighthouse Point)	\$47,250.00
Park sidewalks	\$50,000.00
Centennial Park ballfield lights	<u>\$100,000.00</u>
<b>Total Capital Project Funds</b>	<b>\$11,183,176.00</b>

**Enterprise Funds**

	Amount
Golf – Maintenance	
Complex mower	\$29,000.00
Groundmaster 72" mower	\$20,000.00
Complex mower lease (5 of 5)	\$3,322.00
Greens mower lease (4 of 5)	\$4,156.00
Golf – Services	
Replace carpet	\$5,000.00
Golf cart lease (1 of 5)	\$33,239.00
Sanitation – Collection	
GPS software/hardware	\$80,000.00
Replace 1991 Ford ½ ton pickup	\$25,000.00
Replace 1998 Volvo front load truck	\$200,000.00
Replace 1997 Ford automated truck	\$215,000.00
Replace 1993 Bobcat (grant)	\$50,000.00
Mechanical warehouse floor sweeper	\$5,000.00
2006 Sterling truck lease (3 of 5)	\$35,245.00
SWDF – Operation and Maintenance	
Cell construction sinking fund	\$511,400.00
Replace 2002 John Deere loader	\$225,000.00
Replace 1993 Wildcat compost turner	\$150,000.00
Air compressor	\$5,000.00
Sanitary Sewer – Operation and Maintenance	
All terrain vehicle	\$6,000.00
Two Sigma samplers	\$12,000.00
Replace autoclave	\$5,000.00
Replace spectrophotometer	\$5,000.00
Replace BOD incubator	\$5,000.00
Replace fecal coliform incubator	\$5,000.00
Replace ph meter and digital titrator	\$5,000.00
Replace disinfection building air unit	\$18,800.00
Security DVR, cameras, etc.	\$5,000.00
Concrete parking lot	\$20,000.00
Save for future real estate purchase	\$50,000.00
GIS software	\$10,000.00
Sanitary Sewer – Retained Revenues	
Miscellaneous sewer districts	\$300,000.00
Manhole rehabilitation program	\$150,000.00
Trunk sewer Bel Air Third	\$200,000.00
Water – Operation and Maintenance	
Northwest Wellfield fencing	\$7,000.00
Replace John Deere tractor	42,500.00
Concrete parking lot	\$20,000.00
Save for future real estate purchase	\$50,000.00
Replace 1994 Case front end loader	\$165,000.00
Replace 2002 Chevrolet ½ ton pickup	\$25,000.00
Impact wrench	\$7,000.00

Hydraulic valve operator	\$8,000.00
Boring equipment	\$5,000.00
Tapping equipment	\$5,000.00
Water – Retained Revenues	
Miscellaneous water districts	\$200,000.00
Replace UPRR water mains	\$150,000.00
Water mains, east of Avenue Q on 56 <sup>th</sup> Street	\$100,000.00
Kearney Regional Airport	
Airport Layout Plan (95% FAA)	\$142,289.00
Sealcoat project (FAA 95%)	\$570,000.00
Parking lot resurfacing (95% FAA)	\$390,000.00
Upgrade A taxiway lighting	\$65,000.00
Terminal building (bond)	\$2,950,000.00
Replace multi service hangar door	\$60,000.00
Well and pivot replacement	\$20,000.00
Replace Oshkosh snow plow (95% FAA)	\$325,000.00
Replace 3 John Deere mower decks	\$40,000.00
2005 tractor lease (4 of 5)	\$12,104.00
<b>Total Enterprise Funds</b>	<b><u>\$7,752,055.00</u></b>

***Internal Service Funds***

	Amount
Central Stores	
Replace 1985 forklift	\$30,000.00
Replace fuel dispensers	\$30,000.00
Vehicle Maintenance	
Shop air compressor	\$10,000.00
CFA upgrade to MS-SQL	\$15,000.00
Replace used oil heater	<u>\$7,500.00</u>
<b>Total Internal Service Funds</b>	<b>\$92,500.00</b>
<b>Total Capital Outlay – All Funds</b>	<b><u>\$20,331,905.00</u></b>

**All Funds by Source 2008-2009**

- 4.62% Intergovernmental
- 1.55% Interest
- 26.29% Taxes
- .10% Fines
- 9.65% Fund Balance
- .68% Licenses and Permits
- 31.81% Charges for Services
- 12.92% Miscellaneous
- 8.56% Bond Proceeds
- 3.22% Grant Proceeds
- .60% Special Assessments

**Tax Revenues by Source 2008-2009**

- 9.37% Occupation Tax
- 2.97% In-Lieu of Tax
- 4.02% Motor Vehicle Tax
- 16.82% Property Tax
- 66.82% Sales Tax

**All Funds by Object 2008-2009**

- 9.44% Debt Service
- .01% Equipment Rent
- 34.38% Capital Outlay
- 27.74% Personnel
- 28.43% Supplies and Materials

**Budget by Function 2008-2009**

- 5.82% General Government
- 17.52% Public Safety – Police and Fire
- 1.60% Public Safety – Other
- 14.18% Public Works – Streets
- 1.48% Public Works – Other
- .73% Public Health and Social Services
- 21.68% Culture and Recreation
- 10.92% Airport
- 4.13% Solid Waste – Disposal
- 2.16% Miscellaneous
- 7.22% Solid Waste – Collection
- 4.86% Wastewater
- .67% Community Development
- 7.02% Water

**Property Tax Distribution 2007**

- 7.86% City of Kearney
- 1.15% Agricultural Society
- 4.23% Technical School
- .79% Education Service Unit
- 61.39% Kearney Public Schools
- 21.00% Buffalo County
- 3.10% Natural Resource District
- .48% Community Redevelopment Authority

CITY OF KEARNEY  
ALL FUNDS REVENUE AND EXPENSE RECONCILIATION  
2008 - 2009 BUDGET

FUND	Actual Fund Balance 9-30-07	Estimated Fund Balance 9-30-08	Budgeted Revenues 2008 - 2009	Budgeted Expenditures 2008 - 2009	Intra-City Transfer In	Intra-City Transfer Out	Budgeted Fund Balance 9-30-09
<b><u>GOVERNMENTAL FUNDS</u></b>							
<b>General Fund</b>	4,160,244.35	4,047,306.35	11,349,484.00	15,787,586.00	3,650,000.00	691,377.00	2,567,827.35
<b>Special Revenue Funds:</b>							
Transportation	497,424.94	548,289.94	1,878,682.00	2,620,794.00	490,000.00	0.00	296,177.94
Economic Development Grant	246,833.04	92,342.04	230,145.00	322,487.04	0.00	0.00	0.00
Lottery Trust	465,599.74	437,197.74	425,000.00	564,637.00	0.00	0.00	297,560.74
Natural Disaster	365,553.51	466,354.51	0.00	466,354.51	0.00	0.00	0.00
Offstreet Parking District No. 1	123,850.00	87,661.00	81,000.00	148,661.00	0.00	0.00	20,000.00
<b>Capital Projects Funds:</b>							
Police Reserve	586.34	0.00	0.00	0.00	0.00	0.00	0.00
Fire Reserve	(124,371.35)	28,684.65	0.00	28,684.65	0.00	0.00	0.00
Cemetery Reserve	60,184.50	78,284.50	19,000.00	0.00	0.00	0.00	97,284.50
Park & Recreation Development	234,409.09	54,083.21	3,551,100.00	3,604,654.00	50,877.00	50,877.00	529.21
Street Improvement	2,876,761.58	410,338.58	2,495,695.12	2,890,000.00	0.00	0.00	16,033.70
Special Sales Tax - Capital Impr./Equipment	1,788,946.52	2,898,388.52	3,130,000.00	4,772,676.00	0.00	0.00	1,255,712.52
<b>Debt Service Funds:</b>							
Public Safety TAB's	139,808.67	118,030.67	386,165.00	397,968.00	0.00	0.00	106,227.67
<b>Various Purpose Bonds</b>	1,525,610.12	1,151,382.12	1,176,473.88	1,787,856.00	0.00	0.00	540,000.00
<b><u>PROPRIETARY FUNDS</u></b>							
<b>Enterprise Funds:</b>							
Golf	98,742.32	128,949.32	1,274,000.00	1,278,229.00	0.00	0.00	124,720.32
Sanitation	629,756.61	607,211.61	3,034,000.00	3,488,299.00	300,000.00	0.00	452,912.61
SWDF Operation & Maintenance	4,460,900.59	3,199,763.59	1,466,000.00	1,976,554.00	0.00	300,000.00	2,389,209.59
Sanitary Sewer O. & M.	0.00	0.00	0.00	1,651,725.00	1,651,725.00	0.00	0.00
Sanitary Sewer Retained Revenues	2,173,459.36	1,823,045.16	4,603,000.00	674,000.00	0.00	4,815,704.74	936,340.42
Sanitary Sewer Revenue Bonds	586,341.29	554,812.49	41,245.00	1,379,053.00	1,338,979.74	0.00	555,984.23
Sanitary Sewer Bond Reserve	1,222,017.15	992,362.15	0.00	0.00	0.00	0.00	992,362.15
Water Operation & Maintenance	0.00	0.00	0.00	2,792,461.00	2,792,461.00	0.00	0.00
Water Retained Revenues	1,818,716.26	3,448,444.72	5,414,900.00	559,000.00	50,877.00	5,487,610.96	2,867,610.76

Water Revenue Bonds	168,599.17	596,506.71	10,775.00	1,100,843.00	870,149.96	0.00	376,588.67
Water Bond Reserve	259,877.85	259,877.85	0.00	0.00	0.00	0.00	259,877.85
Kearney Regional Airport	28,026.20	352,044.20	4,880,778.00	5,249,933.00	120,000.00	0.00	102,889.20
<b>Internal Service Funds:</b>							
Health Insurance	1,642,998.58	1,195,998.58	2,206,000.00	2,680,000.00	0.00	0.00	721,998.58
Property & Casualty Insurance	49,345.91	203,445.91	386,754.09	415,200.00	0.00	0.00	175,000.00
Workers Compensation Insurance	40,701.74	140,601.74	389,598.26	330,200.00	0.00	0.00	200,000.00
Central Stores	75,000.00	75,000.00	1,327,950.00	1,327,950.00	0.00	0.00	75,000.00
Vehicle Maintenance	25,000.00	25,000.00	350,000.00	350,000.00	0.00	0.00	25,000.00
<b><u>FIDUCIARY FUNDS</u></b>							
Pension Trust Funds:							
Police Pension	553.16	143.16	0.00	30,410.00	30,500.00	0.00	233.16
<b>Agency Funds:</b>							
Sales & Use Tax	10,957.83	10,957.83	470,000.00	470,000.00	0.00	0.00	10,957.83
<b>BALANCE ALL FUNDS</b>	<b>25,652,435.07</b>	<b>24,032,508.85</b>	<b>50,577,745.35</b>	<b>59,146,215.20</b>	<b>11,345,569.70</b>	<b>11,345,569.70</b>	<b>15,464,039.00</b>

**CITY OF KEARNEY ALL FUNDS COMBINED  
2008 - 2009 BUDGET**

	Actual 2005 -06	Actual 2006 - 07	Budget 2007 - 08	Estimated Actual 2007 - 08	Proposed Budget 2008 - 09
<b>EXPENDITURES</b>					
Administration	2,172,535.04	2,598,748.87	2,390,907.00	2,407,977.00	2,643,027.00
Information Technology	296,517.73	320,616.39	348,485.00	325,685.00	593,447.00
Police - Services	4,634,101.95	4,908,028.27	5,496,579.00	5,376,281.00	5,639,547.00
Police - Records	345,410.46	360,554.83	450,375.00	402,250.00	490,900.00
Police - Data Processing	242,129.10	305,220.63	288,173.00	229,872.00	336,769.00
Police - Evidence	27,048.01	43,603.47	54,885.00	40,525.00	57,550.00
Police - Building	74,037.23	100,190.29	131,785.00	112,500.00	127,350.00
Fire	1,002,331.94	1,079,909.64	1,113,755.00	1,075,355.00	1,144,135.00
Emergency Management	4,236.69	25,157.42	6,750.00	4,500.00	26,150.00
P.W. - Building & Zoning	374,726.95	392,298.52	434,200.00	431,800.00	737,900.00
Code Enforcement	0.00	0.00	98,600.00	88,900.00	0.00
P.W. - Engineering Support	40,366.90	188,619.04	256,750.00	245,050.00	465,300.00
P.W. - Administration	347,037.37	270,532.92	346,245.00	293,000.00	0.00
P.W. - Facilities Maintenance	212,827.57	247,020.41	233,270.00	227,270.00	241,219.00
Cemetery	326,763.67	331,582.18	343,975.00	340,300.00	357,695.00
Library	964,671.05	1,048,123.95	1,204,267.00	1,156,487.00	1,199,577.00
Park & Recreation - Admin.	943,979.09	342,561.65	351,140.00	337,915.00	317,870.00
Recreation	146,367.90	301,877.45	362,227.00	350,760.00	403,017.00
Park - North	387,636.15	693,201.47	808,200.00	795,100.00	844,350.00
Aquatics	139,766.81	143,830.29	149,325.00	148,325.00	161,580.00
Cottonmill	284,472.88	281,701.43	293,500.00	281,988.00	331,330.00
Park - South	166,932.59	349,624.78	337,800.00	331,800.00	360,250.00
Transportation	2,314,053.36	2,421,721.42	2,438,831.00	2,398,544.00	2,620,794.00
Economic Development Grant	318,006.00	181,686.69	400,330.92	370,192.00	322,487.04
Lottery Trust	404,687.77	421,206.56	522,354.00	545,850.00	564,637.00
Natural Disaster	520.96	275,613.58	576,580.84	127,000.00	466,354.51
Offstreet Parking District No. I	56,317.42	80,601.83	171,364.25	102,864.00	148,661.00
Police Reserve	0.00	0.00	0.00	586.34	0.00
Fire Reserve	91,653.35	149,774.24	1,483,232.00	760,800.00	28,684.65
Cemetery Reserve	141,000.00	0.00	0.00	0.00	0.00
Park & Recreation Development	611,190.40	168,161.51	387,955.00	1,296,224.00	3,655,531.00
Street Improvement	8,627,594.56	3,580,842.57	10,030,500.00	9,845,500.00	2,890,000.00
Special Sales Tax - Capital Impr./Equip.	62,844.25	2,101,269.23	3,715,501.00	2,030,558.00	4,772,676.00
Public Safety TAB's	318,690.00	311,835.00	315,820.00	1,512,360.00	397,968.00
Various Purpose Bonds	1,755,855.99	1,841,264.81	1,751,201.00	1,751,201.00	1,787,856.00
Golf	1,178,133.15	1,484,004.66	1,400,053.00	1,371,273.00	1,278,229.00
Sanitation	2,802,288.83	3,091,947.00	3,202,345.00	3,287,545.00	3,488,299.00
SWDF Operation & Maintenance	1,409,329.40	1,272,012.08	3,003,200.00	2,781,137.00	2,276,554.00
SWDF Retained Revenues	1,409,329.40	4,123,636.73	0.00	0.00	0.00
Sanitary Sewer Op. & Mainl.	1,289,535.60	1,517,732.33	1,895,325.00	1,713,324.00	1,651,725.00
Sanitary Sewer Retained Revenues	4,829,808.62	5,178,643.07	5,611,070.20	5,319,069.20	5,489,704.74
Sanitary Sewer Revenue Bonds	1,413,164.29	1,416,812.94	1,418,636.00	1,418,636.00	1,379,053.00
Sanitary Sewer Bond Reserve	0.00	0.00	0.00	229,655.00	0.00
Water Operation & Maintenance	2,301,803.71	2,229,729.57	2,877,981.00	2,453,026.00	2,792,461.00
Water Retained Revenues	6,509,798.19	8,356,729.39	8,047,039.54	10,878,084.54	6,046,610.96
Water Revenue Bonds	482,046.89	481,638.24	768,138.00	547,426.00	1,100,843.00
Water Bond Reserve	0.00	0.00	0.00	0.00	0.00
Kearney Regional Airport	2,580,353.04	1,095,500.11	1,379,812.00	743,436.00	5,249,933.00
Health Insurance	1,702,222.05	1,775,685.54	2,370,000.00	2,493,000.00	2,680,000.00
Property & Casualty Insurance	0.00	528,754.09	390,000.00	380,300.00	415,200.00
Workers Compensation Insurance	0.00	382,498.26	310,000.00	300,300.00	330,200.00
Central Stores	921,562.79	907,259.56	1,159,650.00	1,149,150.00	1,327,950.00
Vehicle Maintenance	326,443.47	312,926.26	339,100.00	329,000.00	350,000.00
Police Pension	30,409.60	30,409.60	30,410.00	30,410.00	30,410.00
Sales & Use Tax	429,141.29	421,127.40	470,000.00	450,000.00	470,000.00
<b>TOTAL EXPENDITURES</b>	<b>57,451,681.46</b>	<b>60,474,028.17</b>	<b>71,967,622.75</b>	<b>71,620,141.08</b>	<b>70,491,784.90</b>

**CITY OF KEARNEY  
ALL FUNDS COMBINED  
2008 - 2009 BUDGET**

	Actual 2005 - 06	Actual 2006 - 07	Budget 2007 - 08	Estimated Actual 2007 - 08	Proposed Budget 2008 - 09
<b>REVENUES</b>					
Taxes	10,257,218.67	12,780,562.25	12,733,966.7	13,425,000.00	13,692,008.00
Licenses and Permits	404,992.86	311,001.75	448,430.00	343,300.00	353,400.00
Charges for Services	15,452,640.34	15,609,225.19	16,008,370.0	16,055,610.00	16,566,632.00
Fines	44,615.41	50,351.48	37,600.00	50,600.00	50,600.00
Special Assessments	1,277,655.91	1,790,088.69	225,000.00	1,193,000.00	312,900.00
Interest	1,221,933.44	1,317,548.72	1,083,000.00	1,220,737.00	807,420.00
Miscellaneous	13,476,392.41	10,621,859.24	21,901,064.0	23,470,137.12	15,932,300.35
Intergovernmental - State	4,124,910.00	3,101,247.20	2,901,101.00	2,963,768.00	2,862,485.00
Transfers	10,990,597.75	14,262,186.36	11,605,363.7	11,278,062.74	11,345,569.70
<b>TOTAL REVENUES</b>	<b>57,250,956.79</b>	<b>59,844,070.88</b>	<b>66,943,895.4</b>	<b>70,000,214.86</b>	<b>61,923,315.05</b>
Beginning fund balance	26,319,045.04	26,160,707.25	18,813,574.9	25,507,274.93	23,905,508.85
County Treasurer's balance	164,071.99	121,685.11	126,000.00	145,160.14	127,000.00
Total cash available	83,734,073.82	86,126,463.24	85,883,470.4	95,652,649.93	85,955,823.90
Less total expenditures	57,451,681.46	60,474,028.17	71,967,622.7	71,620,141.08	70,491,784.90
Ending fund balance	26,282,392.36	25,652,435.07	13,915,847.6	24,032,508.85	15,464,039.00

**CITY OF KEARNEY  
LID COMPUTATION CALCULATION**

	<b>2007-2008 Budget</b>	<b>2008-2009 Budget</b>
<b><u>Calculation of "Restricted Funds":</u></b>		
<b>"Restricted Funds":</b>		
Personal and Real Property Tax	2,156,316.40	2,285,638.08
Motor Vehicle Tax	535,000.00	550,000.00
In-Lieu of Tax Payments	390,000.00	406,000.00
Sales Tax	8,550,000.00	9,150,000.00
Transfers of Surplus Fees	.00	0.00
Pro-Rate Motor Vehicle Tax	8,000.00	9,000.00
Highway Allocation	1,900,000.00	1,900,000.00
Municipal Infrastructure Redevelopment Fund (M.I.R.F.)	.00	0.00
Motor Vehicle Fee	190,000.00	195,000.00
State Aid	242,000.00	242,000.00
Prior-year capital expenditures budgeted, but not spent	<u>196,751.00</u>	<u>.00</u>
<b>Subtotal</b>	<b>14,168,067.40</b>	<b>14,738,638.08</b>
<b>Less: "Restricted Funds" budgeted for</b>		
Capital Imp. (real property acquisition, constr., or extensions)	(3,572,168.62)	(3,611,055.12)
Retiring bonded indebtedness	(1,261,374.23)	(1,281,766.53)
Supporting an Interlocal Cooperative Agreement	(1,315,948.00)	(1,442,438.00)
Interest-free loan payments to Department of Aeronautics	(11,940.00)	(11,940.00)
Natural disaster repairs (infrastructure only)	0.00	0.00
Judgments	<u>0.00</u>	<u>0.00</u>
<b>Subtotal</b>	<b>(6,161,430.85)</b>	<b>(6,347,199.65)</b>
<b>Total "Restricted Funds"</b>	<b>8,006,636.55</b>	<b>8,391,438.43</b>
<b><u>Calculation of "Total Budget Authority"</u></b>		
<b>2007-2008 "Restricted Funds"</b>	<b>8,006,636.55</b>	
<b>Plus:</b>		
Unused "Budget Authority" carryover from prior years	<u>2,093,722.69</u>	
<b>Subtotal - 2007-2008 "Restricted Funds"</b>	<b><u>10,100,359.24</u></b>	
<b>Allowable Increases:</b>		
2½% increase allowed for "Base Limitation"	252,508.98	
1% increase allowed by governing body (75% vote of governing body)	101,003.59	
Increase for "Allowable Growth" (real prop., new const., annex)		
0.00% - 2.5%)	0.00	
Special election increase	<u>0.00</u>	
<b>Total "Budget Authority" for 2008-2009</b>	<b><u>10,453,871.81</u></b>	<b><u>10,453,871.81</u></b>
<b>Unused "Budget Authority" carryover to 2009-2010</b>		<b><u><u>2,062,433.38</u></u></b>

<b>Unused "Budget Authority" carryover history:</b>	<b>Annual Change</b>	<b>Cumulative Balance</b>
1995-1996	22,618.75	22,618.75
1996-1997	322,711.56	345,330.31
1997-1998	614,853.57	960,183.88
1998-1999	462,084.99	1,422,268.87
1999-2000	(289,594.30)	1,132,674.57
2000-2001	(340,128.54)	792,546.03
2001-2002	(480,511.05)	312,034.98
2002-2003	(179,709.02)	132,325.96
2003-2004	141,377.61	273,703.57
2004-2005	917,631.99	1,191,335.56
2005-2006	1,451,504.41	2,642,839.97
2006-2007	394,629.24	3,037,469.21
2007-2008	(943,746.52)	2,093,722.69
2008-2009	(31,289.31)	2,062,433.38

**CITY OF KEARNEY**  
**COMPARATIVE VALUATIONS, TAXES AND LEVIES**  
**2008 - 2009 BUDGET**

	Adopted 2001 - 02	Adopted 2002 - 03	Adopted 2003 - 04	Adopted 2004 - 05	Adopted 2005-06	Adopted 2006-07	Adopted 2007-08	Proposed 2008-09	Change Over Previous Year Amount
<b>City of Kearney Valuation</b>	981,876,468	1,030,357,438	1,089,788,988	1,179,498,453	1,269,120,654	1,344,798,633	1,448,419,770	1,535,324,956	86,905,186
<b>GENERAL FUND</b>									
Taxes	681,377	853,847	1,088,908	1,280,266	1,455,321	1,665,721	1,850,605	1,895,611	45,006
Levy (per \$100.00)									
(Allowed .45 per \$100)	0.06940	0.08287	0.09992	0.10854	0.11467	0.12386	0.12777	0.12347	0.00430
<b>PUBLIC SAFETY TAB FUND</b>									
Taxes	153,292	325,414	263,748	297,942	303,121	298,741	305,712	390,027	84,315
Levy (per \$100.00)									
(Allowed .05 per \$100)	0.01561	0.03158	0.02420	0.02526	0.02388	0.02221	0.02111	0.02540	0.00430
<b>TOTAL PROPERTY TAXES</b>									
Taxes	834,669	1,179,261	1,352,656	1,578,208	1,758,442	1,964,462	2,156,316	2,285,638	129,322
Levy (per \$100.00)	0.08501	0.11445	0.12412	0.13380	0.13856	0.14608	0.14887	0.14887	(0.00000)
<b>Taxes on a \$100,000 home:</b>									
General Fund	69.40	82.87	99.92	108.54	114.67	123.86	127.77	123.47	(4.30)
Public Safety TAB Fund	15.61	31.58	24.20	25.26	23.88	22.21	21.11	25.40	4.30
Total	85.24	114.65	124.33	133.89	138.61	146.16	148.91	148.84	0.00

**CITY OF KEARNEY FUND BALANCE REQUIREMENT  
2008-2009 BUDGET**

FUND	Fund Balance Requirement									Fund Balance Surplus (Deficit)
	Budgeted Operating	Operating Fund Balance	Budgeted Operating Revenues	Operating Fund Balance	Operating Reserves	Capital Fund Balance	Debt Fund Balance	Total Fund Balance Requirement	Total Budgeted Fund Balance	
	Expenses	(Two Percent)		(Ten Percent)						
<b>GOVERNMENTAL FUNDS</b>										
<b>General Fund</b>										
General	15,322,709.00	306,454.18	14,999,484.00	1,499,948.40	1,806,402.58	0.00	0.00	1,806,402.58	2,567,827.35	761,424.77
<b>Special Revenue Funds:</b>										
Transportation	2,334,794.00	46,695.88	2,368,682.00	236,868.20	283,564.08	0.00	0.00	283,564.08	296,177.94	12,613.86
Lottery Trust	0.00	0.00	0.00	0.00	297,560.74	0.00	0.00	297,560.74	297,560.74	0.00
Natural Disaster Offstreet Parking	0.00	0.00	0.00	0.00	.00	0.00	0.00	0.00	0.00	0.00
District No. 1	65,015.00	1,300.30	40,000.00	4,000.00	5,300.30	0.00	0.00	5,300.30	20,000.00	14,699.70
<b>Capital Projects Funds:</b>										
Police Reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fire Reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cemetery Reserve	0.00	0.00	0.00	0.00	0.00	97,284.50	0.00	97,284.50	97,284.50	0.00
Park & Recreation Development	0.00	0.00	0.00	0.00	0.00	529.21	0.00	529.21	529.21	0.00
Street Improvement	0.00	0.00	0.00	0.00	0.00	16,033.70	0.00	16,033.70	16,033.70	0.00
Special Sales Tax, Capital Imp/Equipment	0.00	0.00	0.00	0.00	0.00	1,255,712.52	0.00	1,255,712.52	1,255,712.52	0.00
<b>Debt Service Funds:</b>										
Public Safety TAB's	0.00	0.00	0.00	0.00	0.00	0.00	106,227.67	106,227.67	106,227.67	0.00
Various Purpose Bonds	0.00	0.00	0.00	0.00	0.00	0.00	540,000.00	540,000.00	540,000.00	0.00
<b>PROPRIETARY FUNDS</b>										
<b>Enterprise Funds:</b>										
Golf	1,224,229.00	24,484.58	1,274,000.00	127,400.00	151,884.58	0.00	0.00	151,884.58	124,720.32	(27,164.26)
Sanitation Solid Waste Disposal Facility	2,907,299.00	58,145.98	3,334,000.00	333,400.00	391,545.98	61,366.63	0.00	452,912.61	452,912.61	0.00
Sanitary Sewer	1,382,154.00	27,643.08	1,466,000.00	146,600.00	174,243.08	2,214,966.51	0.00	2,389,209.59	2,389,209.59	0.00
Sewer Revenue Bonds	1,512,925.00	30,258.50	2,762,000.00	276,200.00	306,458.50	649,881.92	0.00	956,340.42	956,340.42	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	555,984.23	555,984.23	555,984.23	0.00

Sewer Bond Reserve	0.00	0.00	0.00	0.00	0.00	0.00	992,362.15	992,362.15	992,362.15	0.00
Water	2,553,961.00	51,079.22	3,635,877.00	363,587.70	414,666.92	2,469,943.84	0.00	2,884,610.76	2,884,610.76	0.00
Water Revenue Bonds	0.00	0.00	0.00	0.00	0.00	0.00	259,877.85	376,588.67	376,588.67	0.00
Water & Sewer Bond Reserve	0.00	0.00	0.00	0.00	0.00	0.00	259,877.85	259,877.85	259,877.85	0.00
Airport	587,644.00	11,752.88	644,854.00	64,485.40	76,238.28	26,650.92	0.00	102,889.20	102,889.20	0.00
<b>Internal Service Funds:</b>										
Health Insurance	2,680,000.00	53,600.00	2,206,000.00	220,600.00	274,200.00	0.00	0.00	274,200.00	721,998.58	447,798.58
Property & Casualty	415,200.00	8,304.00	386,754.09	38,675.41	46,979.41	0.00	0.00	46,979.41	175,000.00	128,020.59
Workers Compensation	330,200.00	6,604.00	389,598.26	38,959.83	45,563.83	0.00	0.00	45,563.83	200,000.00	154,436.17
Central Stores	1,267,950.00	25,359.00	1,327,950.00	132,795.00	158,154.00	0.00	0.00	158,154.00	75,000.00	(83,154.00)
Vehicle Maintenance	350,000.00	7,000.00	350,000.00	35,000.00	42,000.00	0.00	0.00	42,000.00	25,000.00	(17,000.00)
<b><u>FIDUCIARY FUNDS</u></b>										
<b>Pension Trust Funds:</b>										
Police Pension	0.00	0.00	0.00	0.00	233.16	0.00	0.00	233.16	233.16	0.00
<b>Agency Funds:</b>										
Sales Tax	0.00	0.00	0.00	0.00	10,957.83	0.00	0.00	10,957.83	10,957.83	0.00
<b>Totals</b>	<b>32,934,080.00</b>	<b>658,681.60</b>	<b>35,185,199.35</b>	<b>3,518,519.94</b>	<b>4,485,953.27</b>	<b>6,792,369.75</b>	<b>2,831,040.57</b>	<b>14,109,363.59</b>	<b>15,501,039.00</b>	<b>1,391,675.42</b>

The Council members thanked Administration on putting the budget together and that it is a continuous working document in progress.

**ADJOURN**

Moved by Clouse seconded by Kearney that Council adjourn at 8:20 a.m. Roll call resulted as follows: Aye: Clouse, Lear, Lammers, Kearney, Buschkoetter. Nay: None. Motion carried.

**ATTEST:**

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**STANLEY A. CLOUSE  
PRESIDENT OF THE COUNCIL  
AND EX-OFFICIO MAYOR**

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**MICHAELLE E. TREMBLY  
CITY CLERK**