

**BUDGET TRANSMITTAL LETTER**



City Manager's Office  
City of Kearney  
18 East 22<sup>nd</sup> Street  
P. O. Box 1180  
Kearney, NE 68848-1180



TELEPHONE · (308) 233-3214  
FAX · (308) 234-6399  
E-MAIL · [bjensen@kearneygov.org](mailto:bjensen@kearneygov.org)  
WEBSITE · [www.cityofkearney.org](http://www.cityofkearney.org)

---

September 4, 2024

**Mayor and City Council Members  
City of Kearney  
18 East 22<sup>nd</sup> Street  
Kearney, NE 68847**

***RE: 2024-2025 City of Kearney Budget***

Dear Mayor and City Council Members:

Pursuant to the Nebraska Budget Act, I am pleased to transmit to you the 2024-2025 Annual Operating Budget and Program of Services for the City of Kearney. This comprehensive financial plan serves as a roadmap for the coming year, reflecting our shared priorities and the strategic direction necessary to enhance the quality of life for our residents. The budget is more than just numbers; it reflects our collective vision, fiscal responsibility, and commitment to effective governance. Our goal is to continue providing a high level of service for all residents and visitors of Kearney to ensure we remain a desirable place to live, work, and play.

The annual budget is crucial for several reasons. It provides a financial framework that supports the delivery of essential services, infrastructure development, and community programs. It also ensures that we allocate resources efficiently and transparently, addressing both immediate needs and long-term objectives. Moreover, the budget serves as a communication tool, helping to align the expectations of the City Council, staff, and the community. By prioritizing key initiatives and managing expenditures, we uphold our commitment to fiscal stewardship and sustainable growth.

The budget document is the single most important report presented to the City Council during the year. Although it is primarily intended for City Council policy determination, it also serves as an aid to the citizens in providing a better understanding of the City's operating fiscal programs. The budget has been built on conservative financial principles that reflect staff commitment to maintaining necessary services, improving the quality of the City's operation, and keeping expenditures and taxpayer load to a minimum.

The 2024-2025 fiscal year promises to be a year of challenge as the City of Kearney continually strives to improve service delivery and expand operations to serve our growing community. Therefore, this Annual Operating Budget and Program of Services document is once again the result of a careful and objective evaluation of every facet of the City of Kearney organization. This budget seeks to continue an emphasis on fulfilling the goals of the Council and the citizens of Kearney, while striving to keep property taxes as reasonable as possible.

**Property Taxes**

**General Fund Property Tax** - The General Fund property tax requirement for the 2024-2025 proposed budget is \$5,055,801 and the proposed property tax levy for 2024 is \$0.14081 per \$100.00 of valuation. The General Fund property tax requirement for the 2023-2024 adopted budget was \$4,679,087 and the actual tax levy was \$.14022. Therefore, the General Fund property tax requirement for 2024-2025 is \$376,715 more than the 2023-2024 General Fund property tax requirement and the General Fund tax levy for 2024-2025 is \$0.00059 more than the 2023-2024 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 2024-2025 proposed budget is \$289,330 and the proposed special property tax levy for 2024 is \$0.00806 per \$100.00 of valuation. The special property tax requirement for the 2023-2024 adopted budget was \$288,529 and the actual tax levy was \$.00865. Therefore, the special property tax requirement for 2024-2025 is \$801 more than the 2023-2024 special property tax requirement and the special property tax levy for 2024-2025 is \$0.00335 less than the 2023-2024 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 fiscal year 2025 is \$0.14887 per \$100.00 of valuation. It appears that Kearney will continue to enjoy having one of the lowest property tax levies among all cities in the State of Nebraska again next year. During FY25, the City will bring the SportsPlex online, which adds an additional department to oversee operations of the 209,000 square foot indoor sports complex. We will also complete several other large capital projects including finalization of the Water Resource Recovery Facility upgrade and expansion, structure improvements to the 30<sup>th</sup> Avenue overpass, an airport apron reconstruction, and the addition of a roundabout on Highway 30 at University Drive.

**Capital Improvements/Equipment**

The 2024-2025 proposed budget includes \$41,344,491 of capital improvements/equipment in the following funds:

General Fund	\$1,386,208
Special Revenue Funds	\$807,000
Capital Projects Funds	\$19,682,354
Enterprise Funds	\$19,418,929
Internal Service Funds	\$50,000

Detail of the specific projects included in the above funds can be found on pages 67 through 72 of the budget documents.

**Compensation, Benefits and Staffing**

The 2024-2025 budget includes a net increase of five full-time positions as follows:

**Development Services**

- Added 1 Director

SportsPlex

- Added 1 Coordinator, 1 Administrative Assistant and 2 Facility Maintenance Workers

Funds have been included to allow for a 3.0% adjustment to employee's salaries to keep their compensation comparable with similar positions and help offset increases in the cost of living.

Fiscal Summary

The 2024-2025 proposed budget is \$132,236,709 and the 2023-2024 adopted budget was \$159,441,162. Therefore, the 2024-2025 proposed budget is \$27,204,453 less than the 2023-2024 adopted budget. The following is a summary listing of the budget for each of the fund groups contained in the 2023-2024 and 2024-2025 budgets:

	<u>2023-2024</u>	<u>2024-2025</u>
General Fund	\$35,778,305	\$37,238,153
Special Revenue Funds	\$10,826,670	\$10,363,900
Capital Project Funds	\$47,644,032	\$25,923,973
Debt Service Funds	\$1,222,548	\$985,397
Enterprise Funds	\$53,458,260	\$46,004,299
Internal Service Funds	\$9,799,417	\$11,009,056
Fiduciary Funds	\$711,930	\$711,930
<b>Totals</b>	<b>\$159,441,162</b>	<b>\$132,236,709</b>

Conclusion

The 2024-2025 proposed budget represents our dedication to thoughtful planning and responsible management of the City's resources. It is designed to meet the diverse needs of our community while laying the groundwork for a prosperous and sustainable future. I extend my gratitude to the Department Heads and staff who have contributed to the development of this budget. Their collaboration and hard work are invaluable.

Additionally, I would like to thank and commend the Council for their policy direction and support throughout the budget process. I look forward to working with you to implement this budget and to achieve our shared goals for the City of Kearney. Thank you for your continued support and commitment to our community.

Sincerely yours,

**CITY OF KEARNEY**

  
Brenda Jensen  
City Manager