

**Kearney, Nebraska**  
**September 4, 2024**  
**5:30 p.m.**

A special meeting of the City Council of Kearney, Nebraska, was convened in open and public session at 5:30 p.m. on September 4, 2024, in the Council Chambers at City Hall. Present were: Stanley A. Clouse, President of the Council; Peggy Eynetich, City Clerk; Council Members Bruce Lear and Tami James Moore. Absent: Randy Buschkoetter and Jonathan Nikkila. Council Member Jonathan Nikkila arrived at 5:51 p.m. Brenda Jensen, City Manager; Michael Tye, City Attorney; Kayla James, Director of Finance; Andy Harter, Director of Public Works; Bryan Waugh, Chief of Police; Scott Hayden, Director of Recreational Services; Eric Hellriegel, Director of Parks; Nate Mollring, Director of Information Tech; Matt Williams, Library Director; Sarah Sawin, Director of Utilities; Shawna Erbsen, Administrative Services Director; Jim Lynaugh, Airport Manager; Lauren Brandt, SportsPlex Manager; Brad DeMers, Assistant to the City Manager, and Taylor Jaeger, Assistant Director of Finance, were also present. Members of the media present included: Mike Konz, Kearney Hub.

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.

## **I. ROUTINE BUSINESS**

### **ANNOUNCEMENT**

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 on the wall of the Council Chambers.

### **CONDUCT A PUBLIC HEARING ON THE CITY OF KEARNEY BUDGET FOR THE 2024-2025 FISCAL YEAR**

Mayor Clouse opened the public hearing on the City of Kearney Budget for the 2024-2025 Fiscal Year.

Kayla James, Finance Director, presented the 2024-2025 budget that addressed Expenditures, Personnel, Capital Outlay, Debt Service, Revenues, Property Taxes, Sales Tax Revenues, Fund balance and Miscellaneous items.

Ms. James stated the proposed total expenditures for Fiscal Year 2025 are down 17.1% from last year; the General fund increased approximately 4.1% or approximately \$1,459,000. Other funds, which are comprised of: Special Revenue, Capital Projects, Debt Service, Enterprise, Internal Service, and Fiduciary, decreased by approximately \$27,204,000, primarily due to Capital Project expenditures that the City will not have next

year.

**Proposed Expenditures By Fund**

	<u>FY 24</u>	<u>FY25</u>
<b>General Fund</b>		
Personal Services	\$21,254,525	\$22,741,787
Supplies & Materials	12,447,628	13,110,158
Capital Outlay	2,076,152	1,386,208
Debt Service	<u>0</u>	<u>0</u>
	<b>\$35,778,305</b>	<b>\$37,238,153</b>
<b>Other Funds</b>	<b><u>\$123,662,857</u></b>	<b><u>\$94,998,556</u></b>
<b>Total</b>	<b>\$159,441,162</b>	<b>\$132,236,709</b>

**Personnel Services**

Ms. James stated there would be a 3% pay plan adjustment and reviewed the position additions and reductions for the upcoming fiscal year. Ms. James noted there will be an estimated 10-15% increase in employee and employer health and dental premiums and stated the increase is due to several high-dollar claims and increased premiums.

**HIGHLIGHTS**

3.0% Pay Plan Adjustment – Governmental Funds	\$517,503
3.0% Pay Plan Adjustment – Proprietary Funds	<u>\$215,133</u>
<b>Total</b>	<b>\$732,636</b>

<u>Number of Employees</u>	<u>FY24</u>	<u>Mid-Year Add/Del</u>	<u>New</u>	<u>FY25</u>
Full-Time	303	8.67	5.33	317.00
Part-Time	<u>43</u>	<u>0.00</u>	<u>3.00</u>	<u>46.00</u>
<b>Total</b>	<b>346</b>	<b>8.67</b>	<b>8.33</b>	<b>363.00</b>

**FY24 Position Additions/Reductions:**

**Additions**

Assistant to City Manager (1)  
 Police Officer (1) – 1 over complement  
 Fire Engineer (1)  
 Assistant Facilities Supervisor - Public Works Fac Maintenance (1)  
 Facilities Maintenance Worker (Horticulture) – Park (1)  
 Equipment Operator – Sanitation (1)  
 Landfill Assistant (1)  
 Wastewater Treatment Plant Operator (1)  
 Water Utilities Maintenance Workers – (5)

**Reductions**

Deputy City Manager (1)  
 Assistant Director of Development Services (1)  
 Park Supervisor (.33)  
 Water - Inventory Control Clerk (1)  
 Water – Maintenance Worker (1)

**FY25 Position Additions/Reductions:**

Director of Development Services (1)  
 SportsPlex – Coordinator, Admin Asst, Fac Maint Workers (2) – Total (4)  
 Facilities Maintenance Work – Park (1)

**Reductions**

Assistant Park Supervisor/Forester (.67)

**10 - 20% Increase in Employee and Employer Health/Dental Premiums**

### Capital Outlay by Fund

Ms. James noted that Capital Expenditures will decrease overall, approximately 46% or \$36,000,000, due to the near completion of large projects, including the Sportsplex and Waste Water Treatment Plant.

	<u>FY24</u>	<u>FY25</u>
General Fund	\$1,736,888	\$1,386,208
Special Revenue Funds	\$2,984,500	
	\$807,000	
Capital Project Funds	\$42,279,558	\$19,682,354
Enterprise Funds	\$30,023,755	\$19,418,929
Internal Service Funds	\$31,000	\$50,000
<b>Total</b>	<b>\$77,055,701</b>	<b>\$41,344,491</b>

### Top 9 Capital Improvement Projects

Ms. James reviewed the top nine Capital Improvement Projects, including their funding source, and noted the City's share of funding for those projects that are shared with other entities. The projects will account for 67.5% of the total capital expenditures for all funds.

	<u>Project / Funding Source</u>	<u>Cost</u>	<u>FY25 Expenditures</u>
1.	Kearney SportsPlex Voter approved GO Bonds/Other Funds	(\$46,500,000)	\$10,183,888
2.	Airport Reconstruct Apron Federal CDF Funds / BIL Funds	(\$8,750,000)	\$5,947,002
3.	WWTP Upgrade 1% Clean Water SRF Loan / Combined Utilities Revenue Bond	(\$39,000,000)	\$5,000,000
4.	Highway 30 & University Drive UNK Funds / NDOT Funds / Special Sales Tax City's Share is \$301,316	(\$3,256,580)	\$3,256,580
5.	30 <sup>th</sup> Avenue Overpass Repairs Special Sales Tax	(\$1,770,000)	\$1,770,000
6.	Cottonmill Road Replacement County Funds / General / Special Sales Tax County's share \$275,000	(\$552,792)	\$552,792
7.	Lead Service Line Replacement 0% Drinking Water SRF Loan / NDEE Grant	(\$4,066,550)	\$495,000
8.	Centennial Park Playground Upgrade Donation	(\$400,000)	\$400,000
9.	Memorial Field Turf Replacement Special Sales Tax	(\$307,158)	\$307,158
	<b>Total</b>		<b>27,912,420</b>

**Debt Service (Principal Only)**

Ms. James described the various Bonds and stated new debt is not anticipated in the coming year.

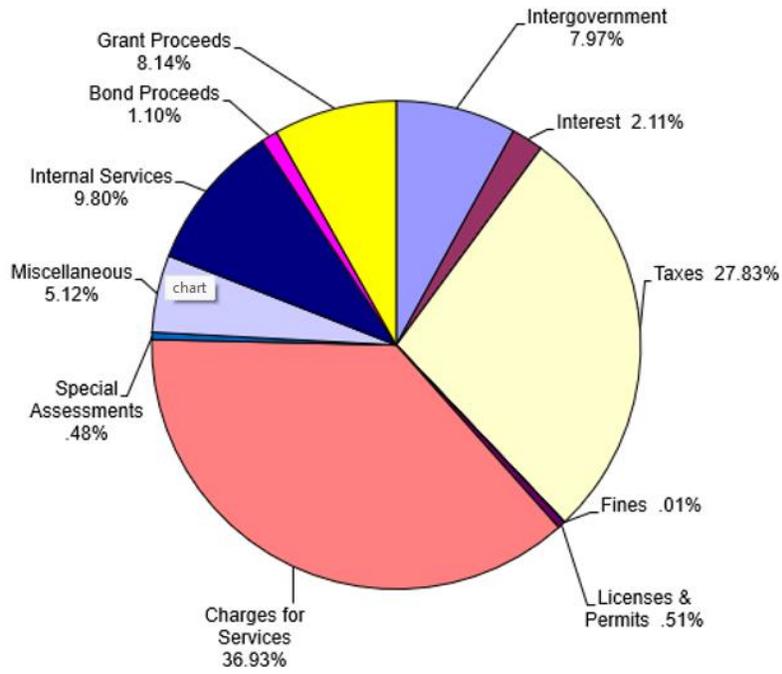
	<u>Public Safety Bonds</u>	<u>Various Purpose Bonds</u>	<u>Revenue Bonds</u>	<u>Total</u>
Beginning	\$2,820,000	\$51,927,403	\$62,291,624	\$117,039,027
Payments	(\$240,000)	(\$1,806,083)	(\$3,081,466)	(\$5,127,549)
New Debt	\$0	\$0	\$0	\$0
Ending	\$2,580,000	\$50,121,320	\$59,210,158	\$111,911,478
Net Change	(\$240,000)	(\$1,806,083)	(\$3,081,466)	(\$5,127,549)

**Projected Revenues by Source**

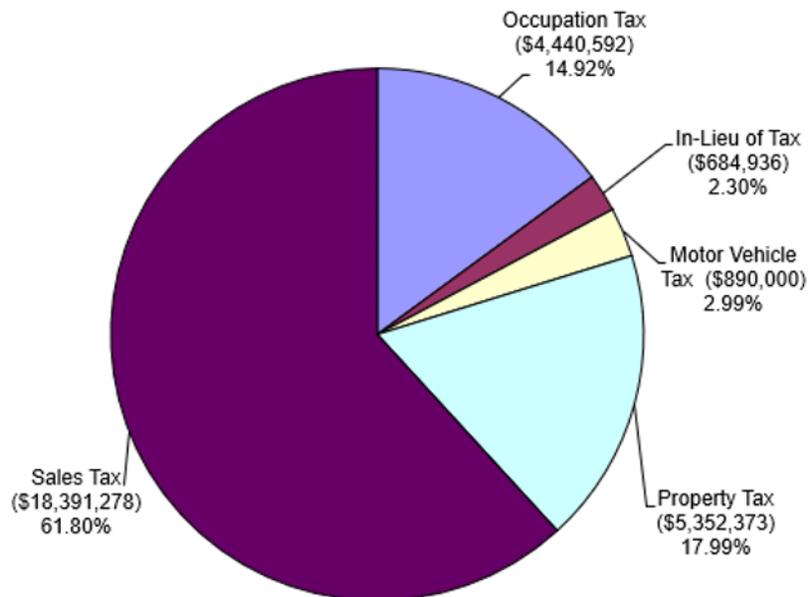
Ms. James reviewed the Projected Revenues for the upcoming fiscal year and stated they are estimated to decrease by 5.2% or \$5,800,000.

	<u>FY24</u>	<u>FY25</u>
Taxes	\$27,861,058	\$29,759,179
Licenses & Permits	\$508,955	\$540,550
Charges for Services	\$37,523,471	\$39,487,934
Fines	\$12,200	\$12,200
Special Assessments	\$522,100	\$510,160
Interest	\$2,525,775	\$2,258,193
Internal Services	\$9,355,304	\$10,473,990
Miscellaneous	\$5,496,943	\$5,476,758
<u>Intergovernmental – State</u>	<u>\$6,003,203</u>	<u>\$8,523,830</u>
Subtotal	<u>\$89,809,009</u>	<u>\$97,042,794</u>
Bond Proceeds	\$19,378,805	\$1,174,400
<u>Grants</u>	<u>\$3,609,821</u>	<u>\$8,702,243</u>
Total	\$112,797,635	\$106,919,437

**City of Kearney Revenues by Source**  
**2024-25**



**City of Kearney Tax Revenues by Source**  
**2024-2025**





**Sales Tax Revenue**

	Actual	Est. Actual	Proposed
	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>
<b>One Cent Sales Tax:</b>	\$11,325,170	\$11,894,072	\$12,260,852
(Property Tax Relief)			
<b>½ Cent Sales Tax:</b>	\$5,662,585	\$5,947,036	\$6,130,426
(Capital Impr/Equip)			
<b>Total</b>	\$16,987,755	\$17,841,108	\$18,391,278

**Fund Balance**

Ms. James noted the City strives to maintain fund balances at no less than 25% of the proposed operating budgeted expenses; all applicable funds met this policy for the FY24-25 budget except the Health Insurance Fund.

**Comprehensive Fee Schedule Changes**

Ms. James reviewed the Comprehensive Fee Schedule, noting the fees that will not increase in the upcoming fiscal year and those that will.

Landfill

Tipping Fee (uncompacted waste)	
\$42.00 per ton	No Increase
Tipping Fee (compacted waste)	
Increased City from \$27.50 to \$35.00 per ton	27.3% Increase
Other Commercial Haulers \$35.00 per ton	No Increase

Sanitation – Collection

Increased from \$16.00/month to \$17.00/month	6.0% Increase
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Sanitary Sewer

Year 3 of 5 to pay for Wastewater Treatment Plant Upgrade	7.5% Increase
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Water

<u>Stormwater Utility</u>	7.5% Increase
	No Increase

### **Other Notable Items**

Ms. James discussed other notable items that make Kearney different including operating with the same levy limit for the past seven years; continuing to operate without state aid or municipal equalization funding; no separate/additional tax levy for the airport; Kearney's local sales tax being .015 compared to many other cities .02 local sales tax; and outstanding community support through donations and grants.

Mayor Clouse and Council Members thanked staff for their work on the budget.

There was no one present in opposition to this hearing.

Moved by Nikkila seconded by Moore to close the public hearing on the City of Kearney Budget for the 2024-2025 Fiscal Year. Roll call resulted as follows: Aye: Clouse, Lear, Nikkila, Moore. Nay: None. Buschkoetter absent. Motion carried.

### **CONDUCT A PUBLIC HEARING ON THE SETTING THE 2024 CITY OF KEARNEY PROPERTY TAX LEVY AT A DIFFERENT AMOUNT THAN THE PRELIMINARY PROPERTY TAX LEVY**

Mayor Clouse opened the public hearing on setting the 2024 City of Kearney property tax levy at a different amount than the preliminary property tax levy set for the City of Kearney by the Buffalo County Clerk.

Kayla James, Finance Director, presented this matter to the Council. Ms. James stated that State Statute requires the City hold a public hearing to set the actual property tax requirement if it will be different than the current year.

There was no one present in opposition to this hearing.

Moved by Moore seconded by Lear to close the public hearing on setting the 2024 City of Kearney property tax request at a different amount than the preliminary property tax request set for the City of Kearney by the Buffalo County Clerk. Roll call resulted as follows: Aye: Clouse, Nikkila, Moore, Lear. Nay: None. Buschkoetter absent. Motion carried.

### **CONDUCT A PUBLIC HEARING ON THE CITY OF KEARNEY OFFSTREET PARKING DISTRICT NO. 1 BUDGET FOR THE 2024-2025 FISCAL YEAR**

Mayor Clouse opened the public hearing on the City of Kearney Offstreet Parking District No. 1 Budget for the 2024-2025 Fiscal Year.

Kayla James, Finance Director, presented this matter to the Council. The ending fund balance will be approximately \$170,303 with total revenues for next year estimated to be approximately \$67,064. Ms. James stated the Offstreet Parking District No. 1 is requesting the yearly maximum allowable tax request of 2.5% for the upcoming budget year.

There was no one present in opposition to this hearing.

Moved by Lear seconded by Clouse to close the public hearing on the City of Kearney Offstreet Parking District No. 1 Budget for the 2024-2025 Fiscal Year. Roll call resulted as follows: Aye: Clouse, Moore, Lear, Nikkila. Nay: None. Buschkoetter absent. Motion carried.

**VIII. ADJOURN**

Moved by Clouse seconded by Nikkila that Council adjourn at 6:20 p.m. Roll call resulted as follows: Aye: Clouse, Moore, Lear, Nikkila. Nay: None. Buschkoetter absent. Motion carried.

**ATTEST:**

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

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**PEGGY EYNETICH  
CITY CLERK**