

LINCOLN

NEBRASKA



*Mayor Wesely addresses a candlelight vigil at the State Capitol in the wake of the September 11th terrorist attacks.*

Photo provided by the Lincoln Journal Star

# 2002 - 2003 ANNUAL OPERATING BUDGET

*Mayor's Recommended*

# To the Citizens of Lincoln



I am honored to be your Mayor. In preparing this year's budget, my top priority was to hold the line on City property taxes for the fourth year in a row. We were successful. We controlled spending through prudent fiscal management and achieved significant savings with the cooperation of the Firefighters and the National Association of Government Employees.

My second priority was to minimize cuts in City services. This budget is balanced in part through a net reduction of 35 City employee positions, small reductions in library and swimming pool hours, cutting School Resource Officer positions, the elimination of one bus route and one senior center, a freeze on discretionary travel and a hiring freeze. In these difficult economic times, these budget cuts are reasonable and responsible.

Our budget shortfall is largely due to the slowing of the national economy and its impact on our state and community. To strengthen our local economy, the City, County and Lincoln Electric System have cooperatively hired an economic development expert.

I believe our national economy will soon recover. Our nation was hit hard by the terrorist attacks of September 11th, but we are a strong nation. We can face any challenge and succeed. This terrible tragedy has brought out the best in many Americans. In Lincoln in the days that followed the attack, cars lined up at sites set up to collect donations to help the victims of the attack. As I helped collect donations, I saw the tears in the eyes of people as they drove up, put money in our buckets and then drove off without saying a word. They didn't have to. Their generosity and compassion said it all. We care about our fellow Americans. We care about our community. This is our home. We need each other. May God Bless America, Nebraska and Lincoln -- where together, all things are possible.

Sincerely,

Don Wesely  
Mayor of Lincoln

## LINCOLN, NEBRASKA

# 2002 - 2003 ANNUAL OPERATING BUDGET

*Mayor's Recommended*

Never before in the history of Lincoln have so many new facilities opened in just one year.



"F" Street Community Center



Haymarket Pedestrian Bridge



University Place Aquatics Center

## NEW FACILITIES AND PROJECTS MAKE HISTORY

Haymarket Park opened in 2001 and continues to be an extremely popular venue for the Lincoln Saltdogs baseball team and the UNL baseball and softball teams. The **Haymarket Pedestrian Bridge**, which links the ballpark to the Haymarket area, opened this summer. U.S. Congressman Doug Bereuter helped secure \$3.5 million in federal funds for the project, and the Railroad Transportation Safety District provided another \$1 million.

The opening of the **Loren Corey Eiseley Branch Library** in the new **Keech Park** and the **Bess Dodson Walt Branch Library** in the new **Densmore Park** completed a plan to have libraries in all quadrants of the City. Annual operating costs for each new library are about \$475,000. Keech Park will be completed this summer, and Densmore Park was dedicated in May. Voters approved bond issues for the new libraries and parks in November 1998.

The 34,000-square-foot **"F" Street Community Center** opened in April. Annual operating costs are about \$303,000.

The **University Place Aquatics Center** opened in June, replacing the City's oldest public swimming pool in operation. The \$2.1 million project was funded by keno proceeds. Annual operating costs are about \$100,000.

Lincoln's exceptional trail system was enhanced with the completion of the

**Bison and Tierra-Williamsburg Trails**. The **Novartis/Mopac Rest Station** is nearing completion; the **Husker Link Trail** is in the design phase; and enhancement

of the **Wilderness Park Trail** is scheduled to be completed by this fall. A new **84th Street Trail** is being built in conjunction with the 84th Street water and street project.

## CITY PARTNERS WITH UNIONS TO LIMIT LAY-OFFS AND CONTROL COSTS

City government's most valuable assets are its employees, and personnel costs account for 71 percent of the City's tax-funded budget. In December, Mayor Wesely initiated discussions with the five City unions about potential savings. The Mayor proposed that City employees continue to receive comparability pay increases (about four percent), but that merit and step increases (one to six percent) be frozen for one year. The unions were also given the opportunity to propose alternative plans which would result in comparable savings. The Firefighters Association's agreement saves about \$414,000 in the next fiscal year. The National Association of Government Employees' agreement saves about \$818,000. Overall, about 35 positions are eliminated, but due to a hiring freeze and vacancies, less than ten city employees will lose their jobs.

Health care insurance premiums have risen 16 to 30 percent a year over the past three years. By asking for proposals and making changes in the health care plan, the actual change this year is just 5.8 percent. The total savings are about \$825,000.

### Staffing Changes

Full-time equivalent positions (FTEs)  
Dollar figures approximate

#### Reductions:

Existing positions	-49.0 FTEs
Total savings	\$1,870,375
Tax fund savings	\$1,311,398

#### Additions:

▶ For current programs partially funded in 2001-2002 that are funded for a full fiscal year in 2002-2003	5.9 FTEs
▶ For other new facilities	2.6 FTEs
▶ Other	5.2 FTEs

Total additions	13.7 FTEs
Total cost of additions	\$613,000
Tax fund cost	\$226,000

### TOTAL CHANGES **-35.3 FTEs**

Total savings	\$1,257,375
Tax fund savings	\$1,085,398

**2002 - 2003 ANNUAL OPERATING BUDGET**

# CITY PROJECTS MOVE FORWARD

*Priorities: Improving Traffic Flow and Environmental Protection*

The community took a major step forward this spring with the adoption of the new **Comprehensive Plan**, a guide for the growth of Lincoln and Lancaster County. It includes a number of "firsts:"

- ▶ a chapter on future business growth and economic development;
- ▶ the integration of pedestrians, bicyclists, trail users and public transit customers; and
- ▶ a chapter on environmental and natural resource planning.

The key to adding land for development in Lincoln is paying for new infrastructure through a plan that is fair to taxpayers and developers. One proposal would establish impact fees to help pay for new sewers, streets, utilities and parks.

Progress has been made on the **South and East Beltway Project**, a long-term effort to take traffic around Lincoln. After public hearings, the City Council and County Board approved the recommended routes. A construction timetable has not been set, but the south beltway will be built first. The cost of completing both beltways is about \$250 million, and federal funding is being sought.



Haymarket Parking Garage

Construction began in March on the **East "O" Street Widening Project**, which will decrease congestion and increase safety on the City's main east-west route. "O" Street was designed to handle 32,000 vehicles daily but now carries about 37,000, and volume could increase to 45,000 by 2020. Phase I of the project involves widening "O" Street to three lanes in each direction from 52nd Street to Eastridge Drive as well as work on adjoining streets. This stretch is scheduled to be open by October 15th. Phase II, from Eastridge Drive to Wedgewood Drive, begins in 2003.

The **84th Street Water Main and Street Improvement Project** is needed to meet Lincoln's increasing water and transportation needs. A new water main was installed from the Vine Street reservoir to a new reservoir at Yankee Hill Road. To prevent the street from being closed twice, street work began immediately after the water main was installed, an example of the City's project coordination. Weather permitting, 84th is scheduled to reopen in August. Future phases that will take the project south to Highway 2 will be built in 2003 and 2004.

Construction began this year on the largest flood control, traffic and redevelopment project in the history of Lincoln-- the **Antelope Valley Project**. The City's partners are the University of Nebraska, the Lower Platte South NRD and the federal government. Ground was broken July 2 on the 29.5-acre Northeast Community Park. Phase One Priority Projects are scheduled to be completed over a six- to ten-year period.



East "O" Street Widening Project

**2002 - 2003 ANNUAL OPERATING BUDGET**

The **Haymarket Parking Garage** will provide 420 parking spaces at 9th and "Q." The \$5.1 million project is being funded through parking fees. The design includes commercial space on the ground floor, and the garage is expected to open by September.

The passage of a storm sewer bond issue in 2001 has allowed for further implementation of the **Beal Slough Stormwater Master Plan**, an effort to decrease flooding and increase water quality. Projects include stream

stability, wetlands, stormwater retention ponds, erosion and sediment control, a storm drain inventory and other programs to help the City comply with a stormwater permit from the State.

The **Salt Valley and Beal Slough Relief Trunk Sewer Projects** will relieve overloading of the existing trunk system and provide greater capacity to meet the growth needs in south Lincoln.

The **Holmes Lake and Park Restoration Project** will provide a higher quality lake for the environment and park users.

Development in the watershed over the past 40 years has brought excessive amounts of sediment and nutrients into the lake. In the first phase, a Watershed Management Plan was developed to better protect the lake's water quality.

In the second phase, the lake level will be lowered and sediment removed to increase the lake depth and enhance fishing. Local, state and federal agencies are partnering on the project, which is scheduled to be finished in late summer 2004.

## CITY GROWTH PROMPTS BOND ISSUE PROPOSALS

*As Lincoln continues to grow, bond issues are needed to fund projects important to the City's future.*

An \$8 million bond issue would help the Fire Department maintain and improve fire protection in all parts of the City. It would fund two new fire stations, one in the north and one in the south, along with apparatus and equipment; two aerial pumpers; improvements to existing stations; water tankers to transport water to fires in areas with no hydrants; relocating Station 11 in northwest Lincoln to better serve the area; technology to allow the 911

Center to track all emergency vehicles; and other repairs and equipment. If approved, the two new fire stations would be operational in about two years. About 30 firefighters would be hired to begin operations, and another 25 would be hired over a five-year period.

A \$4 million bond issue would provide \$3 million for sidewalk repair and \$1 million for the trail system. In 1992, Lincoln voters passed a charter amendment transferring the responsibility for sidewalk repair costs from

property owners to the City. The annual sidewalk repair budget has changed little since then, and a 40-year backlog exists. The bond issue would provide \$1 million a year over three



years for repairs in neighborhoods across the city. Lincoln's trail system is recognized as one of the nation's best, but many sections are aging, and some no longer meet design standards. The bond issue would provide for trail renovation, maintenance and upgrading throughout the City.

A \$6.7 million stormwater bond issue would help protect public and private property from flooding during storms, improve water quality and protect degrading channels.

City Council approval is required to place bond issues on the ballot.

# BALANCING THE BUDGET

# UNITED WE STAND

## PROPOSED PROGRAM REDUCTIONS

### Police Department: \$314,400

Eliminate five School Resource Officer positions in the elementary schools and two other Officers. Officers in the middle schools and high schools continue and one Officer added at new high school, with most of costs paid by the school district.

### Health Department: \$170,200

Discontinue funding Nuisance Program, rodent complaints handled by Animal Control - \$91,000. Eliminate 1.8 vacant nursing positions and close six under-utilized health stations - \$79,200.

### Aging Services: \$126,734

Eliminate one LIFE Counselor position, positions in inter-generational programming and one Senior Center.

### Libraries: \$111,000

Open Bennett Martin Public Library at 10 a.m. instead of 9 a.m., Monday through Saturday - \$34,000.

Reduce hours at South Branch Library from 64 to 48 - \$77,000.

### Public Works/Utilities: \$108,000

Eliminate 48th Street Shuttle bus route due to low use (43 passengers in 12 hours of operation).

### Parks and Recreation: \$106,500

Reduce evening pool hours, closing seven pools from 6 p.m. instead of 8 p.m. Four pools, one in each quadrant of the city, would remain open until 8 p.m. - \$46,000.

Close six pools two weeks earlier in August. Five to stay open until the normal closing date - \$60,500.

### Personnel Department and Aging Services: \$8,400

Eliminate printing of Personnel Department's newsletter and Aging Services' annual report.

## PROPOSED REVENUE CHANGES

Expand sales tax base to include certain services (authorized by 2002 Nebraska Legislature) - \$634,091.

Increase certain Parks and Recreation Department rates (including shelter rentals, pool admissions, day camps, before- and after-school programs), and add revenue from concessions and field rental for baseball and soccer at Densmore Park - \$154,644

Provide Police Department criminal histories for fee on City-County web site - \$90,000.

Increase Animal Control fees for dogs and cats - \$75,000.

Increase immunization reimbursements for childhood immunizations for income levels of clients that can afford to pay - \$28,350.

Implement a new fee for \$100 for each hazardous waste storage site - \$18,207.

**Total Revenue Impact to the tax-funded budget - \$1,000,292.**

## PROPOSED INITIATIVES

### Libraries/Parks and Recreation: \$251,000

Operating costs are budgeted for a full fiscal year for Walt and Eiseley Branch Libraries and "F" Street Community Center. All three opened in the current fiscal year.

### Public Works and Utilities: \$613,800

Operating costs for Haymarket parking garage, scheduled to open in this fall. Covered by parking revenue.

### Aging Services/Urban Development: \$372,334

Future rent costs and one-time moving costs associated with relocating City departments from the Old Federal Building.

### Police and Fire Departments: \$250,000

Additional funds for the Police and Fire Pension Plan to continue effort to bring funding level closer to actuarial costs.

## CITY PROPERTY TAX BILL

For a house  
currently valued  
at \$110,000

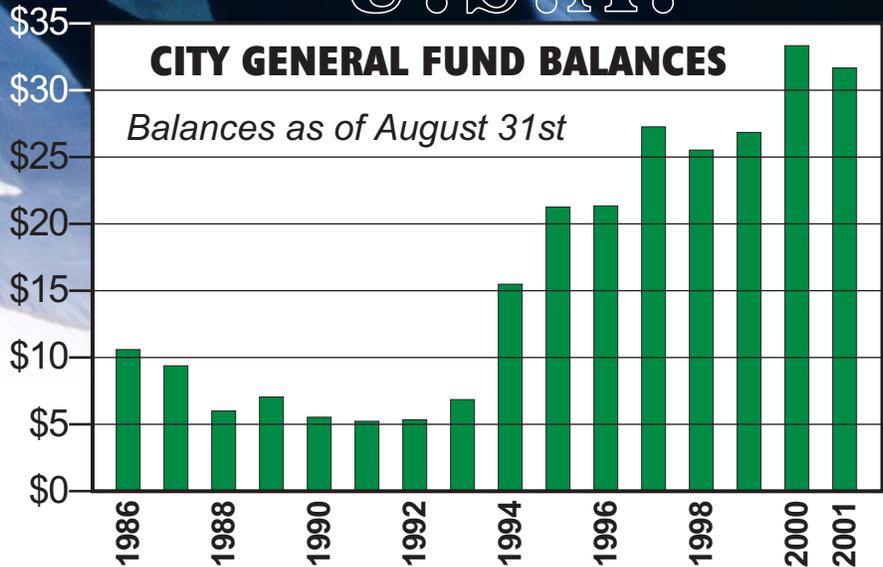
Property Tax Bill	2001-2002	2002-2003	Change	% Change
	\$345.97	\$345.40	-\$0.57	-.2%
Tax Rate per \$100	.31452	.31400	-.00052	-.2%

# LINCOLN NEBRASKA U.S.A.

## BOND RATINGS

The general fund balance (shown in the chart at right) remains strong and helps ensure the City maintains a strong bond rating. Lincoln's consistently high ratings from the nation's bond rating agencies are a key to keeping interest costs low on money borrowed by the City. In May 2002, Standard and Poor's reaffirmed Lincoln's AAA bond rating, citing the large, growing diversified tax base; very strong local economy, anchored by the State government; excellent financial performance with strong reserves; and low debt burden with limited capital needs.

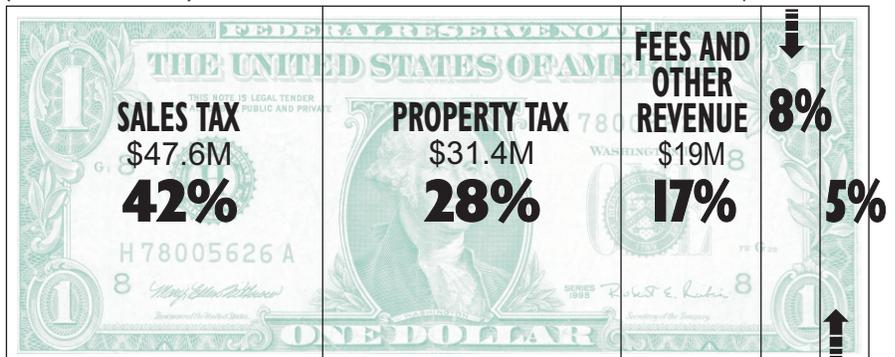
Millions



## REVENUES *(Where the money comes from)*

(Total: \$113M)

**OCCUPATION TAX**  
\$8.7M



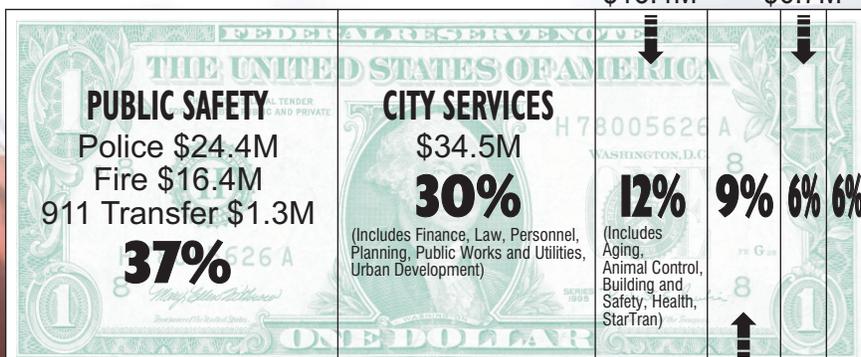
## EXPENDITURES *(Where the money goes)*

(Total: \$113M)

**TRANSFERS**  
\$13.4M

**LIBRARY**  
\$6.7M

**APPROPRIATED BALANCES**  
\$6.2M



**PARKS AND RECREATION**  
\$9.7M

**2002 - 2003 ANNUAL OPERATING BUDGET**



## MAYOR DON WESELY

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## LINCOLN CITY COUNCIL



Front row from left - Annette McRoy, Northwest District; Jonathan Cook, Chair, Southwest District; Jon Camp, Vice Chair, Southeast District. Back row from left - Glenn Friendt, At Large; Coleen Seng, Northeast District; Ken Svoboda, At Large; Terry Werner, At Large.

## FISCAL YEAR 2002 - 2003 BUDGET CALENDAR

### MONDAY, AUGUST 12TH

The City Council holds a public hearing on the proposed budget at 5:30 p.m.

### WEDNESDAY, AUGUST 14TH

The City Council votes on changes to the Mayor's recommended budget at 9:00 a.m.

### MONDAY, AUGUST 26TH

The City Council adopts the budget at 1:30 p.m.

*The meetings August 12th and 26th are in the City Council Chambers. The meeting August 14th is next door in Room 113. Both rooms are on the first floor of the County-City Building, 555 S. 10th Street.*

*The City Council will hold a public hearing and adopt the final tax rate prior to October 15.*

## DEPARTMENTS

### Affirmative Action

Director Joyce Quinn - 441-3871

### Aging Services

Director Gina Dunning - 441-6157

### Building and Safety

Director Mike Merwick - 441-7521

### Citizen Information Center

Manager Diane Gonzolas - 441-7375

### Finance

Director Don Herz - 441-7411

### Fire and Rescue

Chief Mike Spadt - 441-7363

### Health

Director Bruce Dart - 441-8000

### Human Rights

Director Larry Williams - 441-7624

### Law

City Attorney Dana Roper - 441-7281

### Library

Director Carol Connor - 441-8500

### Parks and Recreation

Director Lynn Johnson - 441-7847

### Personnel

Director Georgia Glass - 441-7517

### Planning

Director Marvin Krout - 441-7491

### Police

Chief Tom Casady - 441-7204

### Public Works and Utilities

Director Allan Abbott - 441-7548

### Urban Development

Director Marc Wullschlegler - 441-7606

### Women's Commission

Director Bonnie Coffey - 441-7716



Visit the City web site at [www.ci.lincoln.ne.us](http://www.ci.lincoln.ne.us).

To make comments or ask questions about the City budget or City operations, contact the Mayor's Office at the address or phone listed above.