photo by Corinne Burger, University of Nebraska-Lincoln

CITY OF LINCOLN
NEBRASKA
MAYOR CHRIS BEUTLER
lincoln.ne.gov

2010-2011 *Mayor's Recommended* CITY OF LINCOLN ANNUAL OPERATING BUDGET

Monday, Aug. 9

The City Council holds a public hearing on the proposed budget from 2:30 to 6 p.m. and 6:30 to 10:30 p.m.

Wednesday, Aug. 11

The City Council votes on changes to the Mayor's recommended budget at 5:30 p.m.

Monday, Aug. 23

The City Council adopts the budget at its 3 p.m. meeting.

These meetings are in the City Council Chambers on the first floor of the County-City Building, 555 S.10th St.

photo by Farooq Baloch, University of Nebraska-Lincoln

photo by Diane Gonzolas, City of Lincoln

photo by Corinne Burger, University of Nebraska-Lincoln

Dear Citizens of Lincoln,

Seven days of smiles. That's the best description I can find for this summer's Special Olympics USA National Games. The pure joy shown by the athletes as they arrived by jet, entered the arena for the opening ceremonies, competed in sports venues across the City and stood proudly on the medal stand captured the hearts of the entire community.

When the call went out for financial support and volunteers, our City and State responded in a big way. I am proud of how Lincoln pulled together, with more than 8,000 volunteers and tens of thousands more who cheered on the athletes and so warmly welcomed them to our community. We showed the nation that Lincoln is up to the task when it counts.

Now we face a new challenge, and we must come together with the same spirit and commitment that Lincoln demonstrated in hosting the Special Olympics.

The continuing national recession has created hard times for cities across the country. In other cities, Police Officers and Firefighters are being laid off, and parks, pools and libraries have been seriously cut back or eliminated. Fortunately, Lincoln has fared much better, in part because of our hard work the last three years to make cuts, create new efficiencies and generally do more with less. But we haven't escaped tough budget choices.

The Special Olympics experience contributed another layer to the sense of place that defines our community. The event reminded us that we must never take our high quality of life for granted, and we must never put it at risk.

That's why I decided that our quality of life outweighed the downside of using one-time money in the 2010-2011 budget, a practice I tried to avoid in the past. It's also why I made some tough budget cuts that helped us preserve our parks, pools and other amenities that make our community a great place to live, work and raise families.

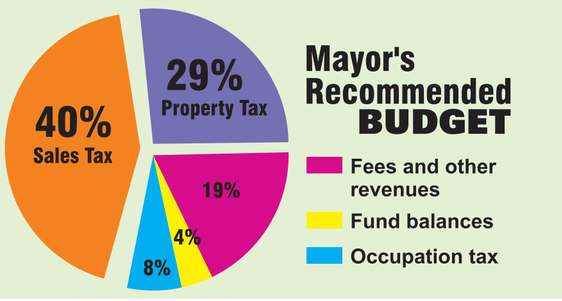
We have done our part again this year to make government more affordable for you. Three of the City's four labor unions have accepted a reduction in the City's two-to-one retirement match for new employees. We have reorganized for greater efficiency and made cuts in lower priority services.

Lincoln's future is bright. A new arena is on the horizon, generating economic growth and new revenues. National publications continue to extol our outstanding business climate and high quality of life. As we united for the Special Olympics, we can come together on a vision for our future and get through these tough budget times. Get involved in helping Lincoln become the world-class city we know it can be.

Sincerely,

Chris Beutler
Mayor of Lincoln

REVENUES



Where the money comes from (tax funds only):

Sales tax - 40%	$56,317,014
Property tax - 29%	$41,001,791
Occupation tax - 8%	$11,747,201
Fund balances - 4%	$4,744,482
Fees and other revenue - 19%	$26,156,226
TOTAL REVENUES:	$139,966,714

This year's budget is a 3.8% increase over the 2009-2010 budget of $134,811,929.

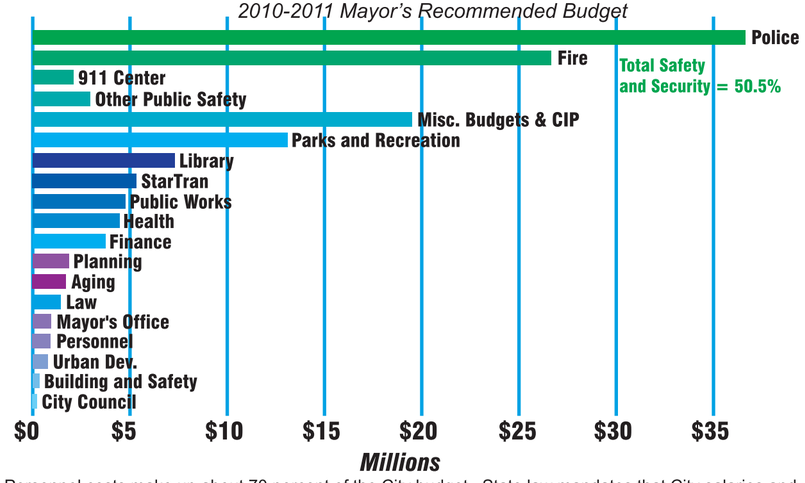
EXPENDITURES

Where the money goes (tax funds only):

Police - 27%	$37,911,390
Fire - 19%	$27,148,738
Transfers - 12%	$16,177,275
Parks and Rec - 10%	$13,413,940
Debt service - 6%	$8,450,717
Libraries - 5%	$7,478,701
CIP - 0%	$150,600
Other departments - 21%	$29,235,353
TOTAL EXPENDITURES:	$139,966,714

TAX DOLLARS BY DEPARTMENT

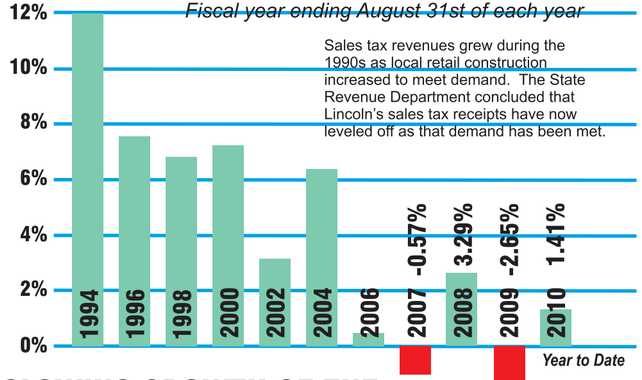
2010-2011 Mayor's Recommended Budget



Personnel costs make up about 70 percent of the City budget. State law mandates that City salaries and benefits be comparable to those of other cities our size.

STRUCTURAL PROBLEMS

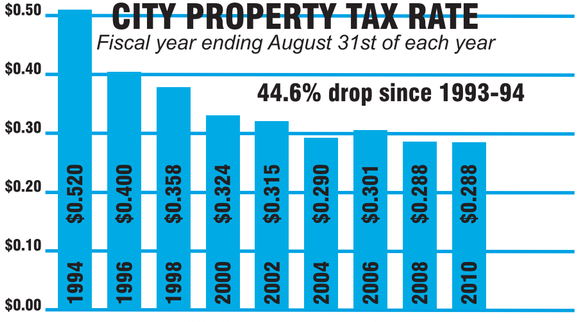
PERCENTAGE CHANGE IN SALES TAX



Sales tax revenues grew during the 1990s as local retail construction increased to meet demand. The State Revenue Department concluded that Lincoln's sales tax receipts have now leveled off as that demand has been met.

CITY PROPERTY TAX RATE

Fiscal year ending August 31st of each year

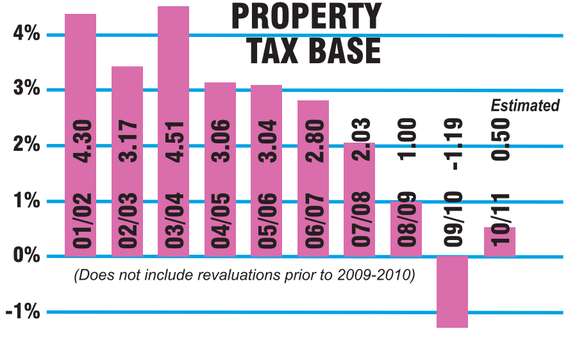


All increases since 1994-95 have been for voter-approved bond issues. Of the State's top 15 largest cities, Lincoln's property tax rate ranks 14th when rates are adjusted for power grid rental revenue.

BOND RATINGS

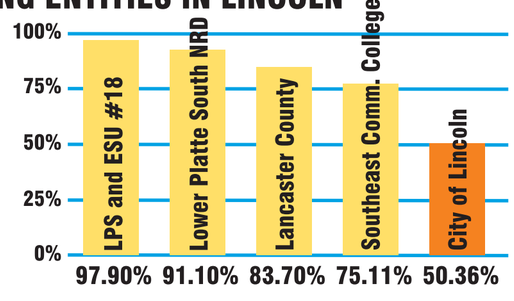
Lincoln is one of about 50 cities in the nation to have the highest ratings from the two major bond rating agencies – Moody's and Standard and Poor's. The triple-A bond ratings help Lincoln borrow at the lowest possible interest rate. One reason for the City's high rating is the City's policy for maintaining a General Fund reserve balance. The City follows a formal policy of maintaining a General Fund reserve of at least 15 percent over the five-year forecast.

SLOWING GROWTH OF THE PROPERTY TAX BASE



(Does not include revaluations prior to 2009-2010)

PERCENT OF LEVY AUTHORITY USED BY TAXING ENTITIES IN LINCOLN



DOING MORE WITH LESS

	CITY STAFFING		CITY GROWTH	
Fiscal Year	Fire, Police, 911 FTEs	All Other FTEs	Population	Area
1990 - 1991	589	1,435	191,972	63.5 sq. miles
Recommended 2010 - 2011	738	1,366	254,001	90.6 sq. miles
Percentage Change	25.3%	(4.81%)	32.3%	42.7%

2010 - 2011 STAFFING CHANGES

In full-time equivalents (FTEs)

	Tax-funded	Non tax-funded	Total
Additions	12.74*	12.95	25.69
Reductions	(9.07)	(4.03)	(13.10)
Changes	3.67	8.92	12.59

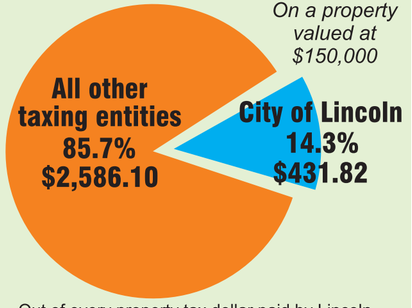
Over the last four years, 5.7 percent of the City workforce has been cut. The number of tax-funded positions eliminated is 142. Some positions were added, so the net number of positions eliminated is 123. The overall total savings is $5.4 million, including $3.6 million savings in tax funds.

FEEDBACK

The City of Lincoln wants to hear from you. You can express your opinion by sending an e-mail to mayor@lincoln.ne.gov or by contacting the Mayor, City Council or City Departments at the phone numbers and addresses listed on the back page.

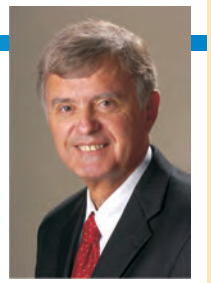
CURRENT YEAR BREAKDOWN OF PROPERTY TAX LEVY

On a property valued at $150,000



Out of every property tax dollar paid by Lincoln homeowners, only 14.3 cents goes to support City government. An individual's total property tax bill is determined by the budget actions of all governmental entities, including Lancaster County (13.3 cents) and the Lincoln Public Schools/ESUs (63.0 cents). Each elected body sets its tax rate independently.

BALANCING THE BUDGET



MAYOR CHRIS BEUTLER
555 South 10th Street / Suite 301 / Lincoln, NE 68508
Phone: 402 / 441-7511 / Fax: 402 / 441-7120
e-mail: mayor@lincoln.ne.gov
Economic Development - Mike Lang
Ombudsman - Lin Quenzer

MAYOR'S PROPOSALS:

Cuts/Efficiencies: $2,118,965

- Privatize and reorganize downtown parking enforcement, eliminate positions of 5.5 Public Service Officers and shift costs to the Parking Fund - $497,285
- Delay hiring of new Police Officers - $375,000
- Reduce currently mandated normal cost contribution to the Police and Fire Pension fund for one year to delay impact of one-time actuarial adjustment - $300,000 *(The annual contribution will still increase by $191,838.)*
- Implement Cleaner Greener Lincoln energy savings programs - $200,000
- Eliminate StarTran neighborhood north and south routes - $168,000
- Reorganize the Human Rights Division - $96,200
- Reduce Lincoln Fire and Rescue expenses - $75,000
- Discontinue one year of City funding for the Star City Holiday Parade - $70,224
- Reduce StarTran administrative expenses - $65,000
- Reduce Public Works and Utilities expenses - $50,000
- Discontinue one year of City funding for 4th of July celebration - $46,750
- Reorganize Forestry division - $46,000
- Reduce Health Department expenses - $42,000
- Discontinue Willard Community Center maintenance - $35,588
- Reduce Library expenses - $31,000
- Reduce mosquito control - $11,918
- Discontinue funding for one municipal band concert - $9,000
- Move Middle School Resource Officers to other duties - no budget impact

Proposed revenue changes:

- User fee cost recovery, rate increases (Parks and Recreation and Health departments) and other revenue changes - $343,452
- Transfer $3.8 million from the Special Assessment Revolving Fund to the Cash Reserve Fund, which was established to "provide a budget contingency which will help preserve City services in difficult economic times."

These cuts and revenue changes allow for the continuation of these services:

- Many police services performed by 64 officers - $3.5 million
- Community forestry program - $1,225,631
- Maintenance in 25 community parks (1,700 acres) - $1,170,281
- Maintenance in 78 neighborhood parks - $768,258
- Kenneling contract with Capital Humane Society - $450,000
- Healthy Homes Outreach program to help women with high-risk pregnancies - $218,733
- Therapeutic Recreation Program for individuals with intellectual disabilities - $195,928
- Star City Shores and University Place, Woods and Highlands pools - $133,000
- Recreation center evening and weekend hours - $81,629

CITY COUNCIL'S PROPOSED CHANGES TO MAYOR'S RECOMMENDED BUDGET

- Restore one Public Service Officer to provide one per quadrant at a cost of about $50,000.
- Restore $17,000 to the Willard Community Center to provide a transition period for the neighborhood to assume operations.

These changes are to be funded with $67,000 in cuts or revenue to be identified by the Mayor's Office.

LINCOLN CITY COUNCIL

555 South 10th St., Room 111, Lincoln, NE 68508
Phone: 402 / 441-7515 Fax: 402 / 441-6533
e-mail: council@lincoln.ne.gov

Front row from left - Gene Carroll, Vice Chair, At Large; John Spatz, Chair, Northwest District; Jon Camp, Southeast District.
Back row from left - Jayne Snyder, At Large; Jonathan Cook, Southwest District; Adam Hornung, At Large; Doug Emery, Northeast District.

DEPARTMENTS/DIVISIONS

Aging Partners
Director June Pederson - 441-7070

Building and Safety
Interim Director Chuck Zimmerman - 441-7521

Citizen Information Center
Manager Diane Gonzolas - 441-7375

Development Services Center
Manager Fred Hoke - 441-3444

Finance
Director Don Herz - 441-7411

Fire and Rescue
Chief Niles Ford - 441-7363

Health
Director Bruce Dart - 441-8000

Law
City Attorney Rod Confer - 441-7281

Library
Director Pat Leach - 441-8500

Parks and Recreation
Director Lynn Johnson - 441-7847

Personnel
Director Mark Koller - 441-7597

Planning
Director Marvin Krout - 441-7491

Police
Chief Tom Casady - 441-7204

Public Works and Utilities
Director Greg MacLean - 441-7548

Urban Development
Director David Landis - 441-7606

VISIT lincoln.ne.gov

The City website features include public records, interactive maps, forms, permits and traffic cameras. Other services include:

- ACTION (Acting with Citizens to Improve our Neighborhoods), an interactive system that allows citizens to request non-emergency services or express concerns online.
- Online animal license renewals.
- Payment of parking tickets, property taxes, pool passes and water/sewer bills.
- Criminal history checks.
- Reserved event parking and two pre-paid parking card options.
- Online applications for City and County job openings.
- A local government calendar listing all meetings open to the public.
- Online tee time reservations at City-owned golf courses.
- Ball field reservations.

The County-City Building at 555 South 10th Street is equipped with free wireless connectivity to the Internet. Two cable channels – 5 CITY-TV (government access) and 21 Education Access are available on the website, with live video-streaming. Many programs also are available through video-on-demand.

Produced by Citizen Information Center 7/2010