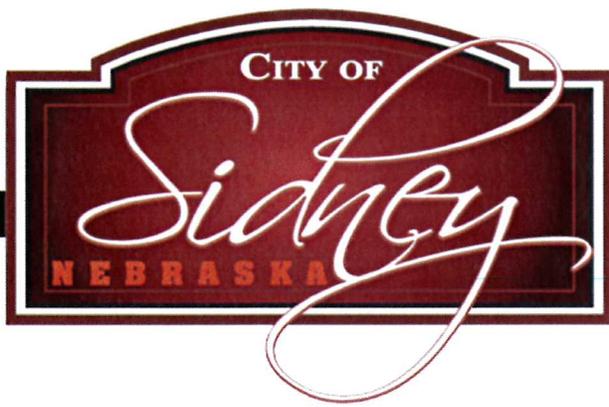


CITY OF SIDNEY

BUDGET HEARING

Fiscal Year 2013-2014

September 10, 2013



SMALL TOWN VALUES BIG TIME OPPORTUNITIES

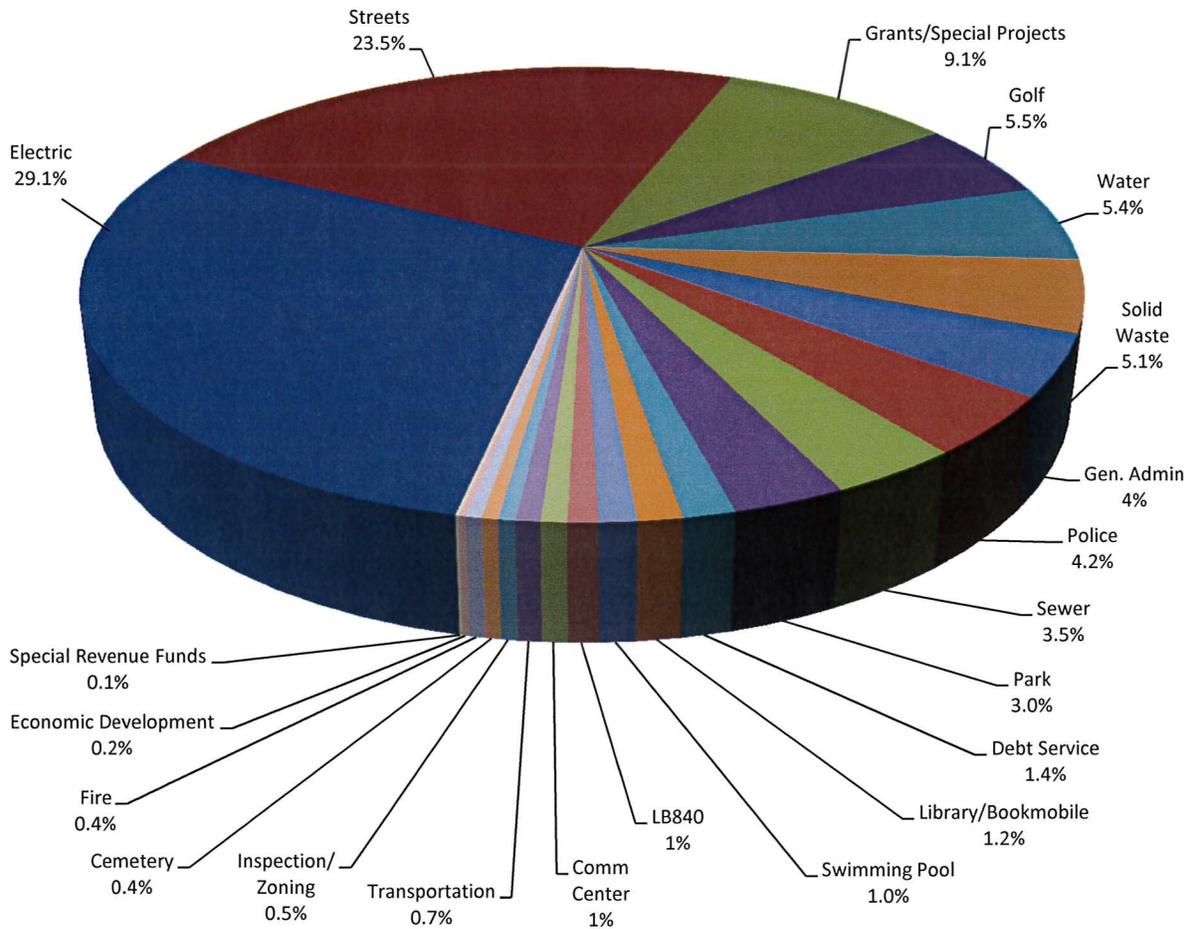
BUDGETED EXPENSES

2013 - 2014 Budget

Electric	10,876,895
Streets	8,779,289
Grants/Special Projects	3,390,867
Golf	2,055,826
Water	2,029,680
Solid Waste	1,899,711
General Admin	1,590,488
Police	1,559,798
Sewer	1,325,045
Park	1,138,638
Debt Service	524,006
Library/Bookmobile	444,305
Swimming Pool	376,953
Econ Dev / LB 840 Plan	300,000
Communications Center	256,438
Public Transportation	243,000
Inspection/Zoning	174,570
Cemetery	158,994
Fire	152,714
Economic Development	75,000
Special Revenue Funds	31,568
TOTAL	37,383,785

BUDGETED EXPENSES

2013 - 2014 Budget

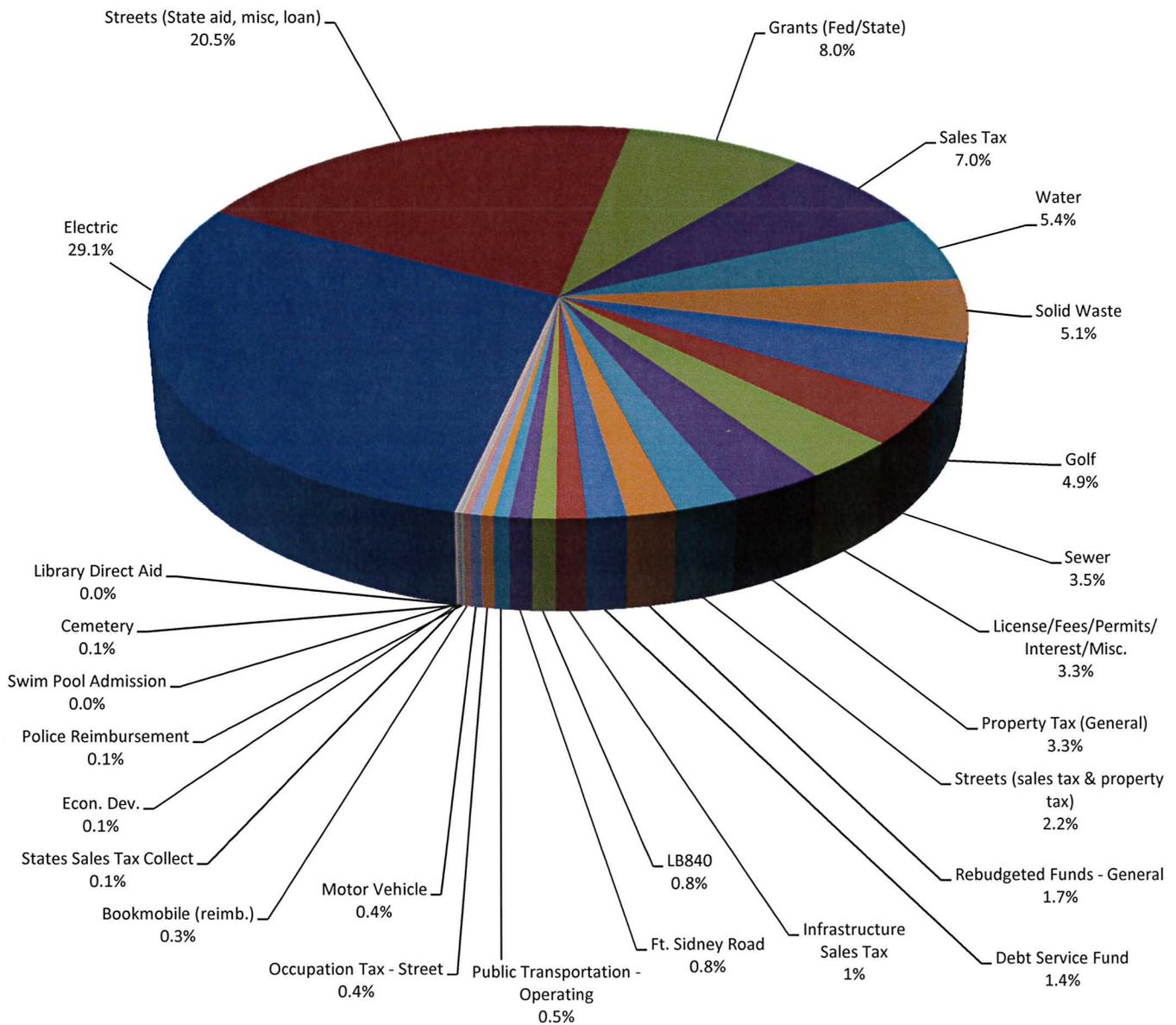


REVENUE 2013 - 2014

Electric	10,876,895
Streets (State aid, misc, loan)	7,654,246
Grants (Fed/State)	3,000,000
Sales Tax	2,606,668
Water	2,029,682
Solid Waste	1,899,711
Golf	1,834,073
Sewer	1,325,045
License/Fees/Permits/Interest/Misc.	1,238,720
Property Tax (General)	1,224,025
Streets (sales tax & property tax)	825,043
Rebudgeted Funds - General	646,341
Debt Service Fund	524,006
Infrastructure Sales Tax	394,650
LB840	300,000
Ft. Sidney Road	300,000
Public Transportation - Operating	197,946
Occupation Tax - Street	163,000
Motor Vehicle	138,934
Bookmobile (reimb.)	98,400
Police Reimbursement	30,000
Cemetery	21,900
States Sales Tax Collect	21,000
Econ. Dev.	20,000
Swim Pool Admission	10,500
Library Direct Aid	3,000
State Aid to Municipalities	0
Muni Equalization	0
TOTAL	37,383,785

City of Sidney – REVENUE

Fiscal Year 2013 - 2014



**GENERAL FUND
MILL LEVY
City of Sidney**

**GENERAL FUND
Property Tax Rate**

State Levy Limit 45 cents per \$100 of value
(excludes intergovernmental agreements)
50 cents per \$100 of value
(includes intergovernmental agreements)

Total allowed 57.933 cents
(includes bonded indebtedness)

.332792 general
.079328 bonded indebtedness

0.412120 (2013-14)

0.417759 (2012-13)

0.417854 (2011-12)

0.418573 (2010 -11)

0.420347 (2009-10)

0.16721 below lid

34% below State lid

PROPERTY TAX REQUEST

2013 - 2014 Budget Year

General Fund Budget

TOTAL CITY REQUEST 2013-2014

\$ 1,220,747 – General

\$ 151,000 – Street

\$ 331,043 – Bonded

\$ 17,028 – Collection Fee

\$ 1,719,818 – Total

State Lid (50 cents per \$100 of valuation)

\$2,066,549

Bonded Indebtedness

\$331,043

TOTAL ALLOWED BY LAW

\$2,417,592

UNUSED RESTRICTED FUND TOTAL

\$697,774 – Below State Tax Lid formula

\$2,416,121 – Total unused restricted fund authority

PROJECTED SALES TAX REVENUE

1 Cent Sales Tax (Adopted 1980)

	Budget	Received (After Refunds)
1999-2000	\$ 901,035	\$1,158,708
2000-2001	\$1,102,241	\$1,627,456
2001-2002	\$1,296,250	\$1,289,170
2002-2003	\$1,309,196	\$1,234,516
2003-2004	\$1,451,879	\$1,386,830
2004-2005	\$1,517,369	\$1,524,305
2005-2006	\$1,546,385	\$1,281,636
2006-2007	\$1,610,411	\$1,401,387
2007-2008	\$1,541,027	\$1,487,805
2008-2009	\$1,450,000	\$1,253,393
2009-2010	\$1,300,000	\$1,162,734
2010-2011	\$1,229,633	\$1,321,327
2011-2012	\$1,462,992	\$1,695,262
2012-2013	\$1,718,133	\$1,939,463
2013-2014	\$1,939,463	

½ Cent Sales Tax (minus LB840 - \$300,000)

(Adopted 1988 for Community & Economic Development)

	Budget	Received (After Refunds)
1999-2000	\$222,810	\$311,612
2000-2001	\$302,794	\$561,509
2001-2002	\$387,677	\$393,747
2002-2003	\$407,098	\$368,168
2003-2004	\$478,439	\$444,081
2004-2005	\$511,185	\$531,135
2005-2006	\$525,696	\$392,357
2006-2007	\$555,183	\$482,878
2007-2008	\$470,514	\$442,787
2008-2009	\$410,000	\$316,622
2009-2010	\$350,000	\$281,367
2010-2011	\$314,666	\$339,666
2011-2012	\$431,449	\$547,631
2012-2013	\$559,078	\$667,205
2013-2014	\$669,732	

PROJECTED SALES TAX REVENUE, cont.

LB840 Adopted by voters 1997 for Job Creation)

1998-99	\$247,500
1999-00	\$247,500
2000-01	\$247,500
2001-02	\$247,500
2002-03	\$247,500
2003-04	\$247,500
2004-05	\$247,500
2005-06	\$247,500
2006-07	\$247,500
2007-08	\$300,000
2008-09	\$300,000
2009-10	\$300,000
2010-11	\$300,000
2011-12	\$300,000
2012-13	\$300,000
2013-14	\$300,000

Infrastructure ½ Cent – 2013-14

\$969,732

SALES TAX REVENUES

2013 – 2014

1980 VOTE

1 CENT

\$1,939,463

2007 VOTE

¼ CENT

**LB 840 / Job Creation Fund
\$300,000**

1988 VOTE

½ CENT (minus LB 840 funds)

**Community & Economic
Development
\$669,732**

Sales Tax

**Street Fund
\$191,693**

2012 VOTE

½ CENT

**Infrastructure
\$969,732**

\$ 120,000 – Community Center / Recreational Services
55,000 – Economic Development Department
70,716 – Ambulance Services
20,000 – Cheyenne County Chamber of Commerce
10,000 – Fireworks Display
4,000 – Memorial Gardens
81,828 – Swim Pool Operation subsidy
5,000 – Gold Rush
100,000 – Landscaping 11th & Old Post
53,188 – Fire Department Equipment & Improvements
150,000 – Hickory Street Square Improvements

\$ 669,732 – TOTAL

Comparison of Nebraska MUNICIPAL STATE AID

Communities of the 1 st Class	State Aid MEF 2013-2014 Eligibility	State Aid 1998-2014
Hastings	1,023,111	\$14,746,986
Lexington	933,609	4,662,090
South Sioux City	614,754	6,564,620
Grand Island	595,760	8,456,382
Beatrice	493,010	4,513,135
Fremont	481,097	7,660,100
Crete	469,481	6,547,937
Wayne	429,222	5,636,244
Chadron	406,130	6,028,208
McCook	365,876	5,365,055
Falls City	352,448	5,631,309
North Platte	337,986	9,973,498
Bellevue	332,236	11,289,784
Fairbury	329,080	4,784,689
Alliance	317,999	6,041,627
Plattsmouth	306,515	4,576,232
Holdrege	250,726	4,258,973
Gering	155,527	4,270,267
Schuyler	123,845	4,913,544
Ogallala	113,135	2,392,778
Norfolk	110,089	4,196,138
Scottsbluff	47,558	2,575,039
Nebraska City	44,951	3,125,360
Seward	26,573	1,520,675
York	15,193	1,551,509
Kearney	6,033	4,612,227
Columbus	0	5,443,753
Papillion	0	2,883,362
LaVista	0	2,596,435
Ralston	0	1,455,603
Blair	0	1,273,238
Sidney	0	1,267,550

*In addition, Sidney has lost nearly \$2 million in local sales tax revenue in past 25 years due to a 3 percent surcharge from State to pay other first class cities receiving equalization funding. This year, Sidney will lose \$120,000 from this surcharge

City of Sidney
Local Sales Tax **LOST** to State Incentives
\$ 5,249,303.98
to State Employment & Investment Growth Act

Oct. 1 – Sept. 30 Fiscal Year	LOCAL SIDNEY Sales Tax Refunded to NE Dept. of Revenue
2012-13	204,240.52
2011-12	429,478.60
2010-11	520,887.26
2009-10	773,970.05
2008-09	650,822.67
2007-08	405,286.57
2006-07	409,200.81
2005-06	411,427.79
2004-05	304,234.25
2003-04	215,467.91
2002-03	142,792.69
2001-02	83,679.17
2000-01	52,454.47
1999-00	116,369.25
1998-99	150,194.49
1997-98	113,142.64
1996-97	42,764.87
1995-96	56,091.06
1994-95	3,647.10
1993-94	3,051.62
1992-93	19,026.79
1991-92	3,529.72
1990-91	2,353.06
1989-90	1,037.78
1988-89	2,701.41

**Property Taxes
Projected by Major
Political Subdivisions
2013 - 2014**

Sidney Public Schools	\$ 6,639,333
Bond – New High School	776,628
Cheyenne County	\$ 5,643,630
City of Sidney	
General Fund	\$ 1,388,774
Bonded Indebtedness	\$ 331,043
South Platte NRD	\$ 1,312,759
Educ. Service Unit	\$ 1,330,780
(Cheyenne County \$ 172,135)	
WNCC	\$ 9,906,793
(Cheyenne County \$ 1,179,205)	
Airport	\$ 163,136
Historical Society	\$ 20,000

2013 - 2014

Property Tax Breakdown For Sidney Taxpayers

	% of Tax Dollar	Levy
SCHOOL	46.1%	1.071534
SCHOOL BOND	5.4%	0.125001
WNCC	4.4%	0.102757
ESU	0.6%	0.015000
COUNTY	21.2%	0.491791
CITY GEN.	14.3%	0.332792
CITY BOND	3.4%	0.079328
SPNRD	2.7%	0.063589
AIRPORT	1.7%	0.039092
HISTORICAL	0.1%	0.001743
	100%	2.322627

Levy equals dollars and cents per \$100 of value

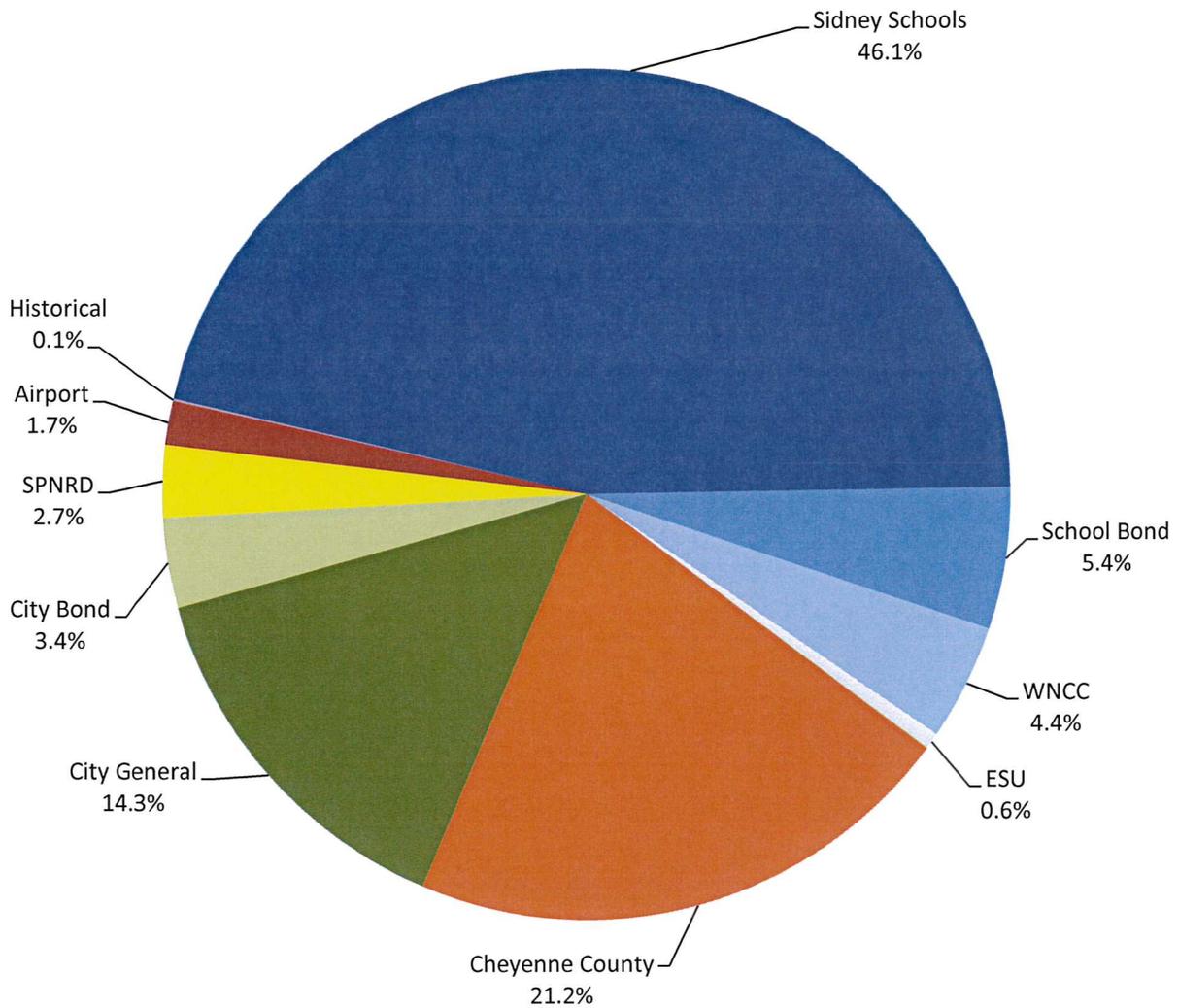
2010-2011 levy 2.330235

2011-2012 levy 2.321706

2012-2013 levy 2.342050

2013-2014 levy 2.322627

2013 – 2014 Property Tax Breakdown For Sidney Taxpayers



If your home is valued at \$100,000 in Sidney,
in 2013 you would pay:
\$2322 TOTAL in Property Taxes

TOTAL EDUCATION \$1314	{	\$ 1072	-- Sidney Public Schools	
		125	-- High School Bond	
		102	-- Western Nebraska Community College	
		15	-- Educational Service Unit	
			492	-- Cheyenne County
			332	-- City of Sidney
			79	-- City Bonded Indebtedness
			64	-- South Platte NRD
			39	-- Airport
			2	-- Historical Society

\$411 of the **\$2,322** property taxes (based on a \$100,000 home) goes to the City of Sidney.

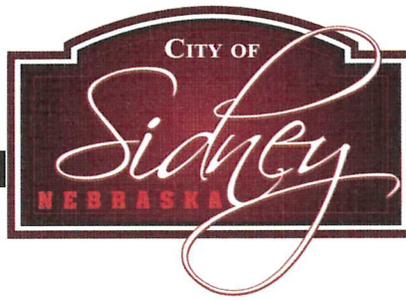
Portion of a \$100 bill that goes to the different entities for property tax requirements



Tax Comparisons Over 30 Years

Where was your property tax dollar going then, compared to now if you lived in Sidney, Nebraska?

Government	1980	2013
School (includes bond)	63.0%	51.5%
City (includes bond)	24.0%	17.7%
County	8.1%	21.2%
WNCC	2.1%	4.4%
Airport	1.0%	1.7%
SPNRD	.7%	2.7%
All others	1.1%	.8%



SMALL TOWN VALUES

1115 13TH AVENUE PO Box 79
SIDNEY NEBRASKA 69162

BIG TIME OPPORTUNITIES

PHONE (308) 254-5300 FAX (308) 254-3164
www.cityofsidney.org

Memo to: City Council, Staff & Public
From: City Manager

RE: Highlights of 2013-2014 Budget

The 2012-13 budget includes many financial decisions that will help the City of Sidney continue to move the community forward in a very positive manner, yet slightly **reduce the property tax levy rate for the fifth consecutive year**. The general fund is roughly 33 cents per \$100 of Valuation with an additional 8 cents for bonded indebtedness for a total of 41.21 cents a half cent reduction from last year's 41.77 levy rate. Property tax revenues represent less than 5 percent of the total city budget at \$1.7 million

The City of Sidney also remains **34 percent below the property tax lid** allowed by the State of Nebraska, despite the fact we get \$ 0 assistance from Municipal State Aid formula and also endure significant local sales tax reductions from other state mandated laws and programs (see charts). Some first class cities receive over or near \$1 million in state municipal equalization aid with the average close to \$500,000.

To add injury to insult, the legislature actually places a 3 percent fee on our local sales tax to pay to the other communities, several of which have far more resources than we do. This has amounted to over \$2 million over the past 25 years. The penalty this year is \$120,000.

The \$37.3 million budget includes a lot of - revenue in, expenditures out - in regards to city utility services in our proprietary funds. The significant increase in the bottom line over last year's \$28 million is primarily reflected from the additional major street projects proposed for construction during the fiscal year. We were able to keep many fees and rates stable, with some slight adjustments in solid waste, electric, cemetery and golf green fees. All necessitate specific action by the council in adopting this year's budget.

Our electric suppliers through our association with the Municipal Energy Agency of Nebraska continue to raise rates to meet the increasing environmental compliance standards set forth by the federal government, but because our reserves are healthy, only slight adjustments up and down in certain categories are being made as suggested by our electrical consultant. The MEAN pass through cost adjustment this year was slightly over a 6 percent raise in rates. Underground conversion projects will continue in this year's budget, including in the downtown area, and the major expenditure item will be a proposed \$3 million substation that will assist with our expanding electrical needs in east and southeast Sidney.

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It should also help shore up some issues we have in the downtown area. Our power plant can now only be used in emergency situations because of new emission regulations and the high cost of trying to get the plant into compliance.

Because an old bond debt was retired this past year that was a combination water / wastewater treatment bond, the current revenue streams are anticipated to cover our anticipated operational costs and bonded indebtedness. The Wastewater debt assessment monthly fee was also sunset with last year's rate schedule. Our total existing bonded indebtedness currently stands at \$16.5 million including principal and interest. Total valuation for the City of Sidney now stands at \$417 million, up \$7 million over last year. Cheyenne County continues to also grow in valuation due to the strong economic development efforts in the Sidney area with a new value of \$1,147,566,479, a \$72 million increase over last year's \$1,075,611,138.

The golf course budget includes membership rates remaining stable after two previous consecutive years of increases, but daily green fees were adjusted upwards for all categories. A major \$1.5 million golf course irrigation project will be decided upon by the City Council prior to the budget hearing, but the improvement is included in the budget and was primarily funded by the new half cent infrastructure sales tax that went into effect on July 1, 2013.

We are in a much healthier financial picture ending the previous year and heading into this budget cycle due to economic growth and fewer local sales tax refunds recaptured from our local sales tax this year. Sales tax refunds to cover Nebraska incentive programs only impacted the City to the tune of \$204,240 in 2012-13 fiscal year, our lowest refund total in 11 years. We've had refunds as high as \$773,970 in 2009-10 and averaged over \$500,000 the previous 7 years.

Employee health insurance rates through our previous carrier Coventry was scheduled to go up 30 percent, so the decision was made by our city employee health insurance committee to go with a self-insurance plan that went into effect on Sept. 1, so employee health insurance premiums will remain the same in this year's budget as opposed to others. All other area government entities, and many municipalities across Nebraska saw significant increases in premiums. A wellness plan will also be implemented as part of the new health insurance program and more attractive premiums will likely be implemented in the near future for healthy lifestyles.

All departments reflect the standard employee merit increases, some previously vacant positions being re-established, and general comprehensive insurance and workman's comp insurance increases.

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A department by department breakdown follows:

FIRE DEPARTMENT - Total request is \$152,714, slightly up from \$150,117. The budget request is fairly standard with some minor equipment upgrades, including 10 sets of bunker gear for \$18,000 and a refurbished jaws of life at \$10,100.

LIBRARY - The request is pretty similar in nature with the projected increase primarily associated with personnel costs. The \$44,305 compares to \$433,822 request of last year. The cost-share contribution for the bookmobile services from Cheyenne County is projected at \$98,400. The Library has a governing board, rather than an advisory board, so they do have some autonomy from other city departments, as the personnel issues are handled by the board.

INSPECTION - ZONING - This department's budget request is \$174,570, up from \$153,941 reflecting some additional dollars for property demolition issues and part-time help with the pending growth pattern expected this next spring and summer. A one year agreement was extended with the Village of Potter to provide Chief Building Official services. The Village of Lodgepole has made a similar request, but the council wants to continue to monitor the time commitment at Potter prior to any further consideration of adding more responsibilities to the services. The department previously handled the zoning requirements for Cheyenne County, but the county has chosen to give those responsibilities to a person employed by the county in the next fiscal year.

POLICE - The Police Department is now fully staffed at 14 sworn officers and 2 civilians officers. The total budget request is \$1,559,798 as compared to \$1,488,823. It does include a proposed \$20,000 feasibility study on a different or new law enforcement building. The other building, which was rehabilitated from a former fast food restaurant continues to have some issues and is cramped for space, so the study will help us look at some short and long term planning issues and location advantages. It includes continuing our intergovernmental agreement with the Western Intelligence and Narcotics Group (WING) and the Sidney Public Schools for a school resource officer are still in place where we get reimbursed for costs by those two entities. There are a couple of vehicle replacements and equipment upgrades also budgeted.

PUBLIC TRANSPORTATION - Public Transportation has many funding partners involved including: State (25% total cost reimbursement) and federal (50% total cost reimbursement) and the Cheyenne County Visitors Committee is continuing its financial support for the second bus line (Sidney Stage Coach) and wants to continue the fixed bus route, but keeping future options open to maybe considering changing to a second dial-a-ride with extended hours. We continue to deal with the absence of the Transportation Director due to an injury,

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(Public Transportation, cont.) but the part-time drivers have went above and beyond to rally to the cause to cover all the bus routes. The total budget request is \$243,000, up from \$218,908 due primarily to the purchase of a new replacement bus on the Stagecoach Line. The Visitors Committee did authorize its purchase and old stagecoach wrapping like the one currently being used. Roughly only 20 percent of the total costs are covered by the City of Sidney local revenue sources.

POOL - The swimming pool overall budget rose significantly in anticipation of building up the swimming pool fund from the new half cent sales tax for the eventual replacement of the pool. We are anticipated finalizing a plan going forward to constructing a new pool during this fiscal year and then will budget for its construction in 2014-2015. We will maintain the status quo in the existing pool going forward. Sidney has the lowest swim rates of any first class community and does not anticipate raising rates until the new pool is built. The overall budget of \$376,952 includes \$285,025 projected from the first 13 months of revenue from the new sales tax. Last year's \$105,386 budget request had reflected a \$30,000 feasibility study line item.

CEMETERY - returns to a more normal budget request of \$158,994 compared to last year's \$184,821, which included an automated digital touch screen kiosk directory upgrade, which was paid (\$29,000) through the perpetual care fund, which is funded by lot purchases and an occasional donation. The addition has been well received by the public. A small gazebo for the directory kiosk is planned this year, along with a mower replacement. A slight rate increase is proposed on fees, which have not risen for 15 years.

PARKS - budget does reflect a significant increase to \$1,138,638 compared to \$904,270 of a year ago. The budget includes \$120,000 for ballfield lighting improvements (field yet to be determined); \$100,000 to replace the tennis courts; \$107,500 for parks equipment; \$120,000 for continued support of recreational services through the Cheyenne County Community Center; one additional full-time employee to help cover the expanding parks services. Other costs are associated primarily with the general operations, maintenance and upkeep.

STREETS - The Street Department will have a very ambitious and aggressive year seeing a very significant jump in its overall budget because of all the anticipated major street projects to be completed or get a good start towards completion in the next fiscal year. These projects include engineering, design and construction of East Toledo Street Extension and improvement, Greenwood Road improvement and extension, both of which will accommodate the future growth in the East Sidney Development as major arterial streets. In addition Fort Sidney Road will have an overlay project, 10th Avenue will be reconstructed, the 13th & 14th Avenue Illinois Street intersections and road improvements will

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(Streets cont.) be completed and six streets, curb, gutter and sidewalks will be improvement on the north side. Because the \$520,000 north side projects are Community Development Block Grant funds and local LB840 Economic Development funds that expenditure is not reflected the regular street budget. Storm Drainage projects will total \$257,478 primarily 7th Avenue. Some of the projects will be paid by state and federal aid resources, carryover funds from previous budget years built up to complete projects, others through the annual revenue sources and new half cent infrastructure tax and others will be borrowed funds on the short term and when completed will be bonded. Fort Sidney Road and part of the 13th Avenue, 14th Avenue and Illinois Street improvements benefitting from tax increment financing. Concrete surfacing project funds for panel replacement and general maintenance includes \$196,558 and \$75,000 of crack sealing will again be authorized. A used tractor will be purchased at \$100,000 to replace a 1995 tractor for mowing and grading of alleys.

ELECTRIC - Two years ago the City consolidated the administrative duties and employees of the Electrical Distribution Department and the Power Plant department because of its minimal use and standby capacity. As we continue to head towards non-compliance deadlines with the new EPA standards on the power plant, only one remaining employee is in charge of the day to day maintenance of the plant and back-up support is provided by the electric linemen. Every electric utility provider in the country is going through purchase price cost increases due to a number of factors nationwide and tougher compliance standards. Because the City has maintained a healthy reserve base in its electric department, this year's budget is able to absorb a projected \$3 million new substation that will help accommodate the continued growth in the City and help strengthen some troubled areas. It is also able to absorb most of the 6 percent increase in rate from the Municipal Energy Agency of Nebraska, our primary wholesale provider with only slight adjustments in a couple of categories. Underground conversion projects estimated at \$400,000 will continue including in the heart of the downtown area. A replacement \$200,000 digger/derrick truck; \$160,000 for a third feeder breaker and \$40,000 main breaker at the north substation are also planned. With the construction of the new \$300,000 substation, the overall budget jumped from last year's \$7.7 million to \$10.7 million. With all of the expanding projects, the electric department will fill an existing vacant position in the department beginning in the new fiscal year.

ELECTRIC ADMINISTRATION - this includes the Public Services Director, the GIS position and adding an administrative assistant position that will fill a number of roles at city hall, including also assisting with the general offices. Overall budget is \$250,108 for all office expenses, operations and personnel.

WATER- At least one good thing came out of the hot dry summer that was another decent year of revenues for the water department. Projected sales the current year should exceed the budget once again, but not equal last year's record revenue year. Sales projections for

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(Water, cont.) next year are based off historic year averages because of the unpredictability of water use. The overall budget is \$2.03 million compared to \$2 million a year ago. A an overall master plan review of the system along with the implementation of a variable frequency drive system on the northwest well field water wells for better control of energy conservation of avoiding peak electric demand impact fees. The City spends over \$200,000 a year for electric rates to run the wells. Water sales are projected at \$1.3 million that handles the general operational expenses and some debt payments on the new well field and the he Water Debt Assessment Fee paid by residents and businesses projected to generate \$648,000 also to help pay the 17 year loan, now on Year 8. are \$1.362 million this year and may even exceed that if the hot weather persists compared to \$1.137 of actual sales last year. We finally retired the water debt from the northwest well field (near UPS building along U.S. 385) developed in the early 1990's in this fiscal year. A small portion of the bond also affected the sewer department. We based our water debt assessment and increased water rates for our 2005 well project and 20 mile distribution line on the northeast well field hoping to reach this stage of time when the earlier debt would be retired and we could adjust those payments towards the shortfall in the WDA bonds and for future water improvement projects, of which there are many throughout the community. That goal will now be realized during this budget year.

SEWER - No further rate adjustments are needed with the budget projected at \$233,291 compared to \$221,782 a year ago for the department that oversees the sanitary sewer lines, and overseen by the water department personnel. A new sewer camera is needed and the cost will be shared with the street department. The sewer rates paid by customers supports this department in addition to the wastewater treatment department.

WASTEWATER - gets its revenue for operation and debt service from the Sewer Department rates and is projected at \$1,091,754 next year compared to \$929,481 this year which includes the bond payment on the new facility and an additional needed \$325,00 for covering the existing drying beds, as required to meet standards with the new permitting process. It remains a three person operation.

SOLID WASTE / LANDFILL - A proposed budget of \$1,899,711 is up from the \$1.6 million last year, but that is primarily due to a proposed \$300,000 purchase of a tub grinder for the purpose of grinding up wood products and trees. However, a proposal from Raffelson Rock will be considered once details are worked out on the proposed agreement with the City that may provide that service. Insurance proceeds from the fire destroyed grinder would help pay for a proposed city purchase. Debt service on the landfill bond payment is \$158,690. Sanitation pickup is provided in parts of the community seven days a week as are some other services. There will be a slight adjustment in scale service fees in the budget, but for now residential and most commercial pickup rates will remain the same in this year's budget.

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GOLF - The proposed golf course irrigation project will inflate the golf budget for the next fiscal year. The project budget is \$1.5 million out of the \$2,055,825 total budget as compared to \$843,242 this past year. The bulk of that project will be paid by the new half cent infrastructure sales tax. The City Council Tuesday night will decide the fate of the project. Bids were slightly higher than had been hoped for, but were more competitive and better than the initial bid when the council chose to re-bid the project. If approved the project will begin in the fall and is expected to be completed by late Spring of 2014.

GENERAL ADMINISTRATION AND GENERAL FUND - the \$1.9 million budget not only includes the general administration functions of city government, legal services and staffing at city hall, along with general operations, but also the various special project groups. This includes the ambulance subsidy at \$70,716 and Cheyenne County Communications Center at \$256,438. Because of some additional issues and project needs in the planning stage, an uncommitted contingency of \$387,366 was placed in a line item that can be directed by the city council in the next budget cycle to project needs. Economic and Community Development are also part of the budget with \$75,000 directed towards the various marketing, programming, promotions and projects. Cheyenne County contributes \$20,000 to economic development budget. The Community Development Director also is the Historic Downtown Main Street Manager and Historic Preservation Board administrator. The renewal of the Certified Economic Development Community status was accomplished the current fiscal year and the second phase of the New Neighborhoods Initiative is also being finalized.

Also incorporated into the budget this year:

Sidney Deadwood-Trails walking, hiking, biking trail expansion to the Interstate. This is nearing the final stages and once the final right of way agreements with landowners are signed, the project will head into the bidding stage by the Nebraska Department of Roads. The project is expected to cost \$800,000 with a State Grant of \$500,000 and Cabela's contribution of \$200,000 covering the bulk of the expenses.

Entrance Landscaping - Included also is \$100,000 for landscaping of the **11th Avenue and Old Post Road intersection** on the property being gifted to the City by Wamsley Development in exchange for the landscaping. Had the city been forced to move the water line located outside of our original easement when utilities were first run to the I-80 corridor in 1986, the cost would have been substantial, so this will not only bring about an inviting appearance for the entrance way into the community's downtown area, but saved on our potential infrastructure relocation costs. We are working with Scott Day of Urban Development Services for a landscaping plan that would include some additional green space and perhaps a sidewalk on the 11th Avenue corridor leading into the downtown.

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Hickory Street Square - A budget of \$150,000 has been allocated to do some additional improvements to the downtown community gathering area. Additional design planning is in process.

Community interests such as \$20,000 for the Chamber of Commerce (\$15k) and High Plains Compass (\$5k), Camp Lookout at \$10,000 and Gold Rush Days at \$5,000 are also all included in the budgets.

The Grants line item was upped to \$3 million for the year in hopes the City and South Platte Natural Resources District are successful in securing state and federal funding for several storm water projects. Funding applications have been submitted. This line item will also cover potential grants for economic and community development projects.

The **Airport Authority** and **Housing Authority** have their own independent budgets. The Airport Authority has requested \$163,136 in property taxes this year, which is 3.9 cents on the levy.

I would like to thank all of the department heads and administrative staff at city hall in the good work they did in once again putting together this year's budget, along with the guidance and budget workshop review by our City Council members. It's going to be an exciting year around Sidney, Nebraska in the next fiscal year with all of the positive growth and development.