

Annual Budget For Calendar Year 2016



Vision

Service and Leadership that enriches the community.

Mission

To provide quality service and leadership that maximizes resources and responds to our community's present and future needs.

Shared Goals

- Cooperation and Teamwork
- Honesty & Integrity
- Responsiveness and Reliability

These values demonstrate our commitment to professionalism.

City of Omaha Elected Officials



Jean Stothert
Mayor



Ben Gray
District 2
City Council President



Chris Jerram District 3
City Council Vice President



Pete Festersen District 1
City Council Member



Garry Gernandt District 4
City Council Member



Rich Pahls District 5
City Council Member



Franklin Thompson District 6
City Council Member



Aimee Melton District 7
City Council Member

Department Officials

DEPARTMENT DIRECTORS

Paul Kratz.....City Attorney
Mikki Frost.....Human Resources Director
Spencer Danner.....Human Rights & Relations Director
Stephen Curtiss..... Finance Director
James Thele.....Planning Director
Brook Bench.....Parks, Recreation & Public Property Director
Bernard Kanger.....Fire Chief
Todd Schmaderer.....Police Chief
Robert Stubbe.....Public Works Director
Keith Backsen.....Convention & Tourism Director
Laura Marlane.....Library Director

MAYOR'S EXECUTIVE STAFF

Marty Bilek.....Chief of Staff
Carrie Murphy.....Deputy Chief of Staff - Communications
Cassie Paben.....Deputy Chief of Staff - Economic Development

Allen Herink, *City Comptroller*
Andrew Brott, *Budget Manager*

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**City of Omaha
Budget Document
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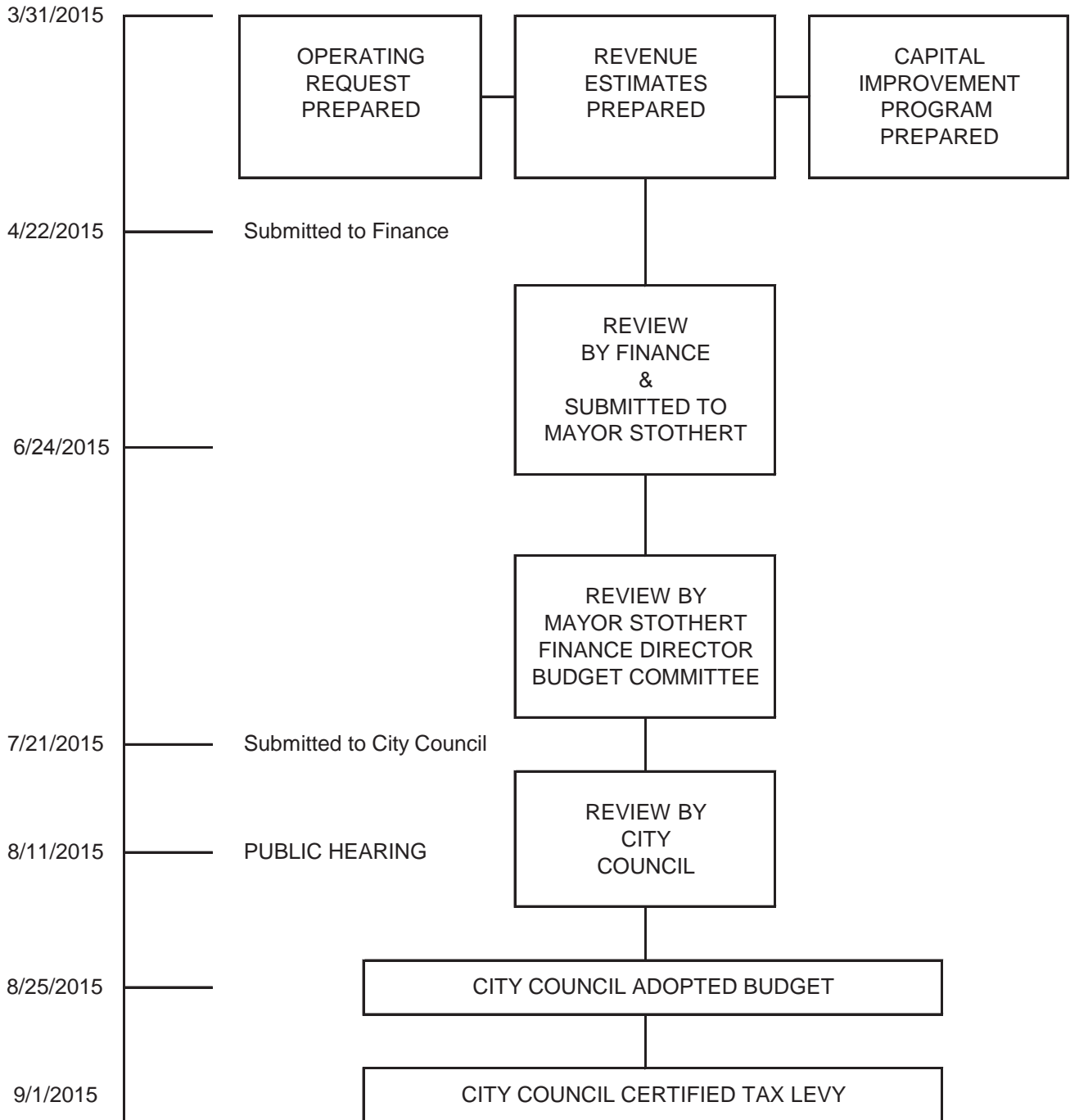
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City of Omaha Budget Process



THE BUDGET PROCESS

The procedure for the annual budget process, adoption of a tax levy, and amending the budget is specified in the following sections of the Home Rule Charter of the City of Omaha:

Section 5.04	Formulation and Submission of Budget
Section 5.05	Scope and Content of the Budget
Section 5.06	Consideration and Adoption of Budget by Council
Section 5.07	Tax Levy
Section 5.10	Transfer of Appropriations
Section 5.11	Emergency Appropriations

The following is a description of each of the steps taken to ensure compliance with the provisions of the Home Rule Charter and to incorporate modern fiscal management and municipal budgeting techniques.

Initial Budget Preparation and Request

The 2016 Budget process began approximately February 4th, 2015 with the process of forecasting 2016 revenues and projecting inflationary increases in regard to fixed costs such as health care, utilities and basic commodities. With this information in mind, preparation of the 2016 Budget request by the Budget Division staff of the Finance Department was initiated.

In order to assist the Departments in the preparation of their request, the 2016 Budget database included the following: (1) all classified and full-time employees listed by classification and salary step as of March 14th, 2015; (2) all non-personal service expenditure line items detailing 2014 expenditures and 2015 line item appropriations by organization; (3) a five-year average of expenditures for all line items; (4) a five-year annual expenditure history detailing by line item each division's expenditures through 2014; (5) 2016 wages calculated with fringe benefits based on current pay scales, projections, step increases and known contractual adjustments; (6) an instruction letter, FAQ, and inflationary guideline detailing budget information, instructions and various standardized rates to be used in the budget request preparation process. The budget instructions and other pertinent guides were posted as an electronic link on the budget module.

The database was opened to the departments, divisions and agencies on March 31st, 2015. The Budget Division of the Finance Department supplied technical assistance throughout the months of March and April to assist all departments in preparing their budget requests.

During the period of March 31st through April 22nd, 2015 the preparation of budget requests was performed by all departments, divisions and agencies. There were some extensions permitted. The preparation of fund statements and supporting schedules reflecting 2014 Actual and 2015 Budget information was performed by the Budget Division. Revised forecasts of 2015 and 2016 revenues were prepared. These forecasts were reviewed by the Finance Director and City Treasurer.

THE BUDGET PROCESS

Capital Improvement Program

The Capital Improvement Program (CIP), a requirement of the City's Home Rule Charter, is a policy document and financial plan which outlines the City's proposed capital projects for a six-year period. The CIP is designed to guide financial management of capital resources, policy planning and inter-departmental coordination through application and implementation of specific City goals.

Various City departments submit proposed capital improvement projects to the Mayor's Capital Improvement Program Task Force. This Task Force evaluates each of the proposed projects, assigns a preliminary priority ranking, and determines the proposed financing source(s). The prioritized list is then submitted to the Capital Improvement Priority Committee. Representatives from the Finance Department are members of both of these committees and provide financial guidance as to the total dollars available for capital expenditures for each of the six-years of the program. The first year of the program is proposed as the administration's capital budget and is incorporated into the City's annual budget. The final Capital Improvement Program plan is sent to the City Council for their review, consideration and adoption.

Budget Review by the Mayor

The departments and divisions of City government, and various agencies, submitted their 2016 budget requests to the Budget Division of the Finance Department as required by Section 5.05 (1) of the Home Rule Charter. The requests are recorded, tabulated, reviewed, and analyzed. Based on this analysis, the Finance Department makes recommendations concerning the requested amounts and also prepares an updated estimate of revenues based on current rates for taxes, fees, charges, licenses and permits. This information is then presented to the Budget Committee, which is typically comprised of the Finance Director, Mayor, Mayor's Chief of Staff, Budget Manager, and any other representative the Mayor's office desires to be included in the budget analysis. At this point in the budget preparation process, it is usually the case that requested appropriations exceed projected revenues.

This information is then analyzed and consolidated by the Committee. It is the Mayor's task to determine priorities, assess current and future needs, make long range plans through integration of the Capital Improvement Program, and review staffing levels, requested appropriations and projected revenues. This review for the 2016 Budget was conducted by the Mayor in the time frame of April 29th, 2015 to June 24th, 2015 in conjunction with the Mayor's staff, the Finance Director and department and division heads. In accordance with Section 5.04 (2), the Mayor then makes all final decisions concerning staffing levels, funding levels for all departments, divisions and outside agencies, capital improvements, revenue estimates, and any changes in tax rates, cost recovery fees and other charges. This financial plan then comprises the Recommended Budget which is sent to the City Council for review, consideration and adoption.

Introduction of the Recommended Budget

The Recommended Budget is presented to the City Council for its consideration no later than thirty days before the tax levy certification date in accordance with Section 5.04 (3) of the Home Rule Charter. The Mayor introduces the Recommended Budget at a regularly scheduled meeting of the City Council by reading aloud a budget message. The text of this budget message, comparative data for the current and immediately past budgets, and all other statements and schedules as required by Section 5.05 of the Home Rule Charter, are included in the printed budget document. Upon submission, the budget becomes a public record and is open to public inspection. The 2016 Recommended Budget was presented to the Omaha City Council on July 21st, 2015.

THE BUDGET PROCESS

Budget Review by City Council

After the introduction of the Recommended Budget, the City Council begins its deliberations and review of the financial plan approved by the Mayor and the Mayor's staff. Consideration of the budget by the City Council is required by Section 5.06 of the Home Rule Charter and is accomplished through a series of budget hearings which are open to the public and news media. All budget hearings are held in the City Council Conference Room or other appointed locations and a schedule of the hearings are posted in advance. At the budget hearings, the Finance Director presents an overview of the budget to inform the City Council of various changes, assumptions, and increases and decreases included in the Recommended Budget. Each department director in turn then presents opening remarks concerning the budget for his/her department, and responds to questions and receives comments from the individual council members. At the end of the budget hearing, the Finance Director presents concluding remarks representing the administration's position and answers any questions that may have arisen during the course of the hearings. Upon conclusion of the budget hearings, the City Council is then prepared to receive citizen input and to submit budget revision resolutions in preparation for final adoption of the budget.

Citizen Input

The City Council set a public hearing date of August 11th, 2015 at 7:00 p.m. in the Legislative Chambers of the Omaha/Douglas Civic Center. Section 5.06 of the Home Rule Charter stipulates that the public hearing must be held at least ten days prior to the tax levy certification date. The public hearing was held in the evening hours to provide as many citizens as possible with the opportunity to offer testimony to the City Council. The budget presentation generates press coverage. Daily newspapers, internet, television and radio stations report budget highlights and statistics. Following the budget presentation, the Mayor's Recommended Budget is available to the general public for inspection and study at the twelve public libraries via the Internet, in the City Clerk's office and in the Finance Department. The budget is also posted on the City of Omaha website.

Adoption of the Budget and Tax Levy Certification

After the public hearing, the City Council may, by resolution, make changes to the Recommended Budget. Certain stipulations, however, do exist. Section 5.06 of the Home Rule Charter provides that the City Council may revise the expenditure side of the budget by increasing, decreasing, inserting or deleting appropriation items, except that it cannot reduce appropriations for debt service. Expenditure revision resolutions require a simple majority for passage. The City Council may also introduce resolutions to revise revenue estimates; however, these revision resolutions require an affirmative vote from five of the seven council members. After all amending resolutions have been acted upon, the City Council adopts a final budget resolution by majority vote. The Mayor may veto any of the budget revision resolutions and the City Council may sustain or, with five affirmative votes, override the Mayor's veto. By adopting the budget, the City Council authorizes appropriations by department, division, agency or account for the ensuing budget year. The Charter provides that the budget, as adopted, be reproduced and copies made available to the general public and governmental agencies. The adopted budget is made available to the public at the twelve public libraries via the Internet, the City Clerk's office and the Finance Department. The budget is also posted on the City of Omaha website.

After adopting the budget, but no later than October 13th of 2015, the City Council must certify a tax levy. Section 5.07 of the Home Rule Charter provides that the City Council, on the basis of the final budget, shall adopt a resolution certifying a single City of Omaha tax levy for the ensuing fiscal year. The single City of Omaha tax levy certified in any year is limited to \$.6125 per \$100 of actual taxable value for the City's General Fund plus whatever tax levy is necessary to pay principal, interest and administrative expenses on the indebtedness of the City, and for the satisfaction of judgments and litigation expenses against the City.

THE BUDGET PROCESS

The 2016 Budget was adopted on Tuesday, August 25th, 2015. On September 1st, 2015 the City Council certified a single tax levy rate of \$.48922 per \$100 of actual valuation for 2016 consisting of \$.26597 for the General Fund, \$.20131 for the Debt Service Fund, \$.00600 for the Judgment Fund and \$.01594 for the Redevelopment Fund.

Amending the Budget

The Home Rule Charter provides for amending the budget through the provisions of Sections 5.10 and 5.11.

Basically, there are three types of budget transfers, each requiring a successive level of authority. First, the Mayor may, at any time, transfer an unencumbered appropriation balance or portion thereof between appropriations of the same division. Second, transfers between divisions in the same department may be authorized by resolution of the City Council. Third, transfers between departments/agencies may be authorized by ordinance of the City Council.

Public comment on resolutions are heard before the City Council votes on the resolution. Public comment on ordinances are heard after the second reading of the ordinance. Ordinances are advertised in a newspaper of public circulation after the first reading of that ordinance.

To meet a public emergency threatening serious loss of life, health or property, the City Council may, by ordinance, make emergency appropriations or transfers. An ordinance may be passed as an emergency measure after one reading when the City Council finds that an emergency exists pursuant to the Home Rule Charter, Section 2.13. If there are no unappropriated monies available, the City Council may, by ordinance, authorize the issuance of emergency notes.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Omaha

Nebraska

For the Fiscal Year Beginning

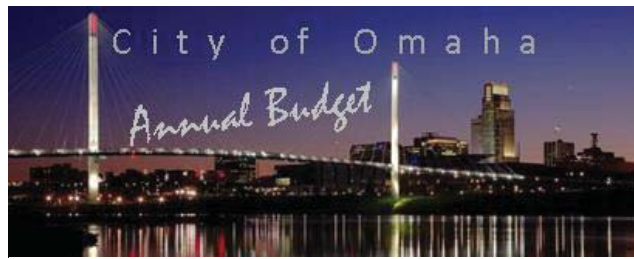
January 1, 2015

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Omaha, Nebraska for its annual budget for the fiscal year beginning January 1, 2015.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

This award is valid for a period of one year. We believe our current budget continues to conform to program requirements and we are submitting it to GFOA to determine its eligibility for another award.



Budget Message

The City of Omaha is proud to present a balanced budget for 2016 that reflects the contributions of many. This budget is aligned with the strategic priorities of the current administration. These priorities are to:

- Enhance public safety and the perception of safety
- Optimize the delivery of city services
- Maximize development in disadvantaged areas
- Enhance and expand job and business growth
- Build trust through managed communications
- Influence change in state policy

Budget Drivers:

- Revenue
 - The City Council approved a large annexation package which increased the 2016 General Fund budgeted revenues and expenses by \$2,138,985.
 - Gross sales tax continues to increase at a steady pace. Gross sales tax for 2016 is budgeted to be up 1.7% over 2015. LB 775 and LB 312 refunds remain somewhat unpredictable and are expected to remain at their recent levels. Refunds are budgeted at \$9.5 million in 2016. With the refunds, net sales tax receipts are projected at \$149.4 million which is a 4.7% increase over what was received in 2014 and a 3.9% increase over the 2015 budget. Sales tax continues to be the major revenue source for the general fund at 41.6% of revenues.
 - Property tax valuations in the coming years are expected to grow at a slow rate. The 2016 general fund portion of current year property tax is forecasted at 4.3% over what was received in 2014 and 6.4% over the 2015 budget, much of which is attributable to the annexation. It is important to note that the property tax forecast growth rate appears much higher due to annexations. Had the annexations not occurred and were not included in the certified County valuation numbers, the rate of growth would have been considerably lower. Property tax continues to be a major revenue source and accounts for 22.7% of the general fund revenues.
 - Restaurant tax continues to perform well, helping to offset the stagnant growth of property tax. Restaurant tax is forecasted at \$29 million in 2016, which is substantially flat when compared to the 2015 budget.
 - Net General Fund revenue increased by 2.5% in the 2016 budget when including annexation.
- Expenditures
 - Labor Costs: A majority of the General Fund expenditures are for labor costs, most of which are under current contracts. The Police Sworn contracts have not been finalized at the time of this writing. Specifically in 2016, the following wage increases are budgeted:
 - Civilian Personnel: 2.0%
 - Fire Sworn Personnel: 2.0%

All wage increases are budgeted in the respective department budgets, with the exception of Police Sworn due to no current contract being in place. Police Sworn personnel total dollar value of wage increases included in the Wage Adjustment Account is \$5,239,886, all of which is attributable to the General Fund. There is \$3.9 million for wages and \$1.3 million for pension contributions.

Budget Message - Continued

- Health care costs: Health care continues to be a significant cost to the City. In recent years city health care costs have been rising in conjunction with rapidly increasing costs of health care nationwide. The City currently has 2,489 active full-time employees receiving health insurance as a benefit of employment, with 5,392 total dependents. The City also currently has 863 retirees receiving health insurance up to the age of 65, with 1,285 dependents. This totals 10,029 individuals covered.

Total health care costs included in the 2016 budget are \$63.6 million of which \$45.3 million is for active employees. This is budgeted at an annual cost of \$16,206 per employee for Civilian, Police, and Fire Management. Fire Sworn is budgeted at \$16,224 per employee. Under the new Fire contract, the Fire Sworn health care rate will remain flat through 2018. The savings from the new fire health care program will be seen in subsequent years.

- Utilities: The City of Omaha maintains over 222 facilities which includes 5 Police Stations and 1 Police Headquarters Building, 25 Fire Stations, 12 Libraries, 7 Public Parking Garages, 15 Community Centers, 19 Public Swimming Pools, Ice Arenas, Golf Courses, the Missouri River Wastewater Treatment Plant, Papio-Creek Wastewater Treatment Plant, Elkhorn Wastewater Treatment Plant, Burt-Izard Pump Station, Maintenance Facilities, City Hall, and many others. Total square feet of building space is 5,936,939. The 2016 budget includes the following utility related assumptions:
 - OPPD increase of 2% over 2014 expended.
 - MUD Water increase of 9% over 2014 expended
 - MUD Natural Gas decrease of 10% below 2014 expended
 - Gasoline estimated at \$3.36 per gallon, which is flat compared to the 2015 budget.

Status of Major Financial Challenges

The City of Omaha continues to consider all major projects and expenditures so that our citizens have the most effective and economical city government.

- *Combined Sewer Overflow Program (CSO):*
 - Largest Public Works project in the history of the State of Nebraska.
 - Cost estimated at \$2 billion (current dollars) over 15-20 years.
 - The program continues to be a financial strain on ratepayers.
 - Continual evaluation of CSO progress including project scope reduction based on current results.
 - Final plan submitted in Oct 2009 and approved in Feb of 2010 to deal with this federal mandate. The original completion date was Oct 2024, but due to the floods of 2011 that has been extended to Oct 2027.
- *Civilian and Police/Fire Pension Systems:*
 - Through contract negotiations both pension systems have stabilized long-term funding, but continue to be of concern to the City with fully-funded end dates in approximately 25 years.
 - Annual contribution increases of 7% from the City were implemented for 2014-2018 for civilian groups; the fire pension system was unchanged in the last contract that goes until 2018. Police are still in the negotiation process.
- *Post-Employment Benefits:*
 - The City continues to negotiate with bargaining groups to increase premiums paid by employees and reduce health costs.

Budget Message - Continued

- *General Fund:*
 - Property tax valuations are expected to grow at a slow pace.
 - LB775 and LB312 refunds remain somewhat unpredictable and remain at high levels.
 - Total health care costs for 2016 are projected at \$63.6 million, which is a 10.3% per active employee increase over 2015 budgeted costs. The City will continue to manage this cost, as well as continue negotiations on employee shared costs.
 - The Emerald Ash Borer will become a threat to the City of Omaha's ash trees. A concerted effort is being made by the City and the Parks Department to manage the threat.
- *Other Revenues:*
 - The Omaha Henry Doorly Zoo sales tax and the Woodmen of the World property tax were removed from the City's revenues.
- *Reserves/other:*
 - The City has made a concerted effort to increase both the Cash Reserve Fund and the Contingent Liability Fund. Through additional funding in 2013 through 2016 these combined funds will be at historical highs of approximately \$12 million.
 - A number of state initiatives that would have provided aid to the City of Omaha have been met with resistance.

Commitment to our Strategic Priorities

- Police will increase authorized staffing to 851 police officers and anticipates a recruit class in 2016. Police will also be increasing Crime Laboratory personnel and Crime Analysis Unit personnel.
- A Fire recruit class is anticipated at the beginning of 2016. There are 15 new firefighter positions added to the budget.
- Fire will be purchasing up to \$500,000 in light vehicles, roughly 15-20 vehicles for Battalion Chiefs, Technical Services Bureau, and Fire Prevention, through a lease purchase program. This will be the first time in ten years that the department has been able to purchase new vehicles outside of heavy rescue equipment.
- Street resurfacing is a priority, and the budget provides increased funding levels for this activity. The 2016 budget includes an increase of over \$1.4 million to \$8.76 million including some additional funding from the annexation. Residential brick street repair was also increased by \$100,000 to \$400,000.
- The Library General Fund budget was increased by 9.26% and therefore will maintain normal operations in 2016. All branches will remain open and operating hours will not be reduced.
- As a cost saving measure in 2016 the Parks Department will continue to provide mowing and snow removal services to 10 of the 12 libraries instead of paying for a contract service.
- Human Rights and Relations will introduce an economic inclusion plan and monitor compliance.
- The Mayor's hotline is staffed and managed so that every citizen can expect courteous and helpful service from the staff.
- Convention and Visitors Bureau will be receiving a \$200,000 increase in General Funds to help support an increase in advertising spending. The goal will be to increase paid media impressions by 20%, increase PR generated stories about visiting Omaha by 40%, and grow the VisitOmaha social media audience by 20%.
- The Planning Department was allotted funds for five more inspector positions.

Budget Message - Continued

- The Planning Department, in continuing with the expansion of the use of Accela, currently is working diligently with the Fire Department to implement their issuances of permits, Certificate of Occupancy etc. through the system to efficiently and effectively manage their caseload. In addition, this shows how Accela can be utilized across departments city-wide.
- We have set aside funds for demolition of dilapidated homes in our city that breed unwanted, and in some cases criminal, activity. There are currently over 800 properties waiting on demolition funds. This funding for demolition is as follows and will permit the demolition of approximately 85 to 100 properties:

General Fund	\$257,000
Special Assessment	\$300,000
CDBG	\$200,000
Habitat for Humanity	\$200,000

Conclusion

The preparation of our annual budget for the City of Omaha involved the efforts of many. It is important to note the contributions from all of the departments in completing this comprehensive annual budget in alignment with the strategic priorities cited earlier. The General Fund budget is balanced, and we continue to work on strengthening our financial savings accounts through increased contributions to our cash reserve and contingent liability funds.

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City of Omaha
Jean Stothert, Mayor

Mayor's Message on the 2016 Recommended
Budget as presented to the Omaha City Council on
July 21, 2015.

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President Gray, Council members and citizens of Omaha. It is an honor to be with you today to present our recommended 2016 city budget.

This is our third budget proposal, and during this time, I believe all of us have contributed to what has been a significant financial turnaround, resulting in healthy and stable city finances. It is encouraging that this has occurred in a relatively short period of time.

In our first year, we successfully managed projected budget deficits and stopped overspending.

In our second year, we continued to manage the budget effectively and provided a modest reduction in the property tax rate for the first time in 14 years.

In our third budget, we propose to maintain the lower property tax rate, slow general fund growth, yet still meet many significant and longtime goals, especially in the area of public safety; our number one priority.

Of our three budgets I have done, I believe this is the strongest.

Here are a few highlights:

- First, proposed general fund spending for 2016 is an increase of less than 2 percent, the smallest year-over-year percentage change of the 3 budgets. Even with this smaller increase, we are able to achieve many of the goals I have pursued since my first day in office.
- Our three-year plan to fully fund 840 sworn police officers will be achieved. In fact, a total of 851 police officers will be the revised number when we add additional neighborhoods to the city through passage of the proposed annexation package.
- We further enhance public safety by adding 15 firefighters. The recruit class scheduled next year is the first since 2012.
- Our budget adds five new inspectors in the planning department; new positions we have all supported for a long time.
- We will fully fund the human rights and relations department with its first full-time director in several years, and add 2 additional staff members.
- We continue to add more money for critical street resurfacing. Every city council district will benefit.

- We also protect our savings accounts – the contingent liability fund and the cash reserve fund – which will be at their highest combined amount ever — doubling these important savings accounts in just the last five years.

Other accomplishments and milestones have allowed us to prepare an efficient and stable budget.

Among them:

- We ended 2014 with a positive cash balance of 13.8 million dollars, funds available to build our cash reserves and fund important initiatives in 2016.
- All departments are again within range of their budget targets, which creates budget stability year-to-year.
- We have greater budget certainty since we have negotiated new contracts with every civilian union, the firefighter union, and police and fire management groups. Each contract has an established pay and benefit structure.
- Improved department efficiency and productivity.

For example, 91% of all electrical permits are now processed online.

The planning department will begin an aggressive training program with other trades, to increase the use of the Acella system.

This will increase the number of mechanical and plumbing permits online.

- We have also experienced continued city growth and increased revenue generated by prior annexations.

On that point, today's council agenda includes the first reading of our annexation proposal. The planning board has already approved the package unanimously.

Annexation is a unique option, that when used properly, reduces taxes for nearly all new city residents, expands our property tax base, and generates new revenue to increase and improve city services.

Past annexations have provided revenue to increase funding to our priority areas, such as public safety and street resurfacing.

If you believe, as I do, that these are priority areas worthy of increased funding in the future, then reasonable city growth through annexation is part of the solution.

There are good reasons that for decades, city planning boards, city councils and mayors, regardless of political party, have supported steady growth through annexation.

Your unanimous support of last year's final annexation package continued this decades-long, sensible approach to managing our city. To be clear, our long-term ability to adequately fund our shared priorities and create opportunities for exciting developments in our urban core depends, in part, on this continued economic growth.

I urge you to adopt it.

Let me comment on a few budget areas we all care deeply about.

Public safety:

We will meet our goal of fully funding the sworn strength of the Omaha police department in 2016. Our sworn strength will be at a record high of 840 officers. I am proud of that achievement and the benefit to our citizens.

Yet, our top priority of public safety challenges all of us as elected leaders, citizen leaders, law enforcement, parents, educators, and faith leaders. At no other time has the challenge been more clear than with the tragic loss of officer Kerrie Orozco.

The brave men and women in blue who protect us every day deserve a strong, well equipped, and well trained police force. Of course, our citizens deserve it too.

Reaching our 3-year staffing goal is not the end of our work. We are already determining staffing needs in 2017 and 2018. Chief Schmaderer and his executive staff will apply the same criteria used to get us to the 2016 record high, which are: future city growth, crime data and trends, and a sustainable funding source; not a simplistic one size fits all formula. All three are critical to assess our staffing needs to keep the citizens of Omaha safe.

Many major cities are currently seeing a significant increase in homicides, shooting and violent crime.

We are concerned only about Omaha where many of our initiatives are making a difference. For example:

- Increased shotspotter technology
- Reorganization of the criminal investigation bureau to address property crimes. In a short time, this has led to an increased clearance rate for burglaries and auto theft.
- Creation of the forensic analysis unit
- Gang specialists, hired and working in north and south Omaha
- And the clearance rate for homicide two years in a row is impressive; in fact, in the last two weeks, OPD has solved five homicides and eight, since May of this year.

This is a sign that the community and the police are working together to address our most violent offense.

Let's talk about Omaha's Public Library:

Last year, our 12 libraries reported more than two million visits and provided citizens high quality services and information.

I am recommending a general fund increase for our libraries of over 9%, one of the highest percentage increases in this budget. As you know, the library relies on funding outside the city general fund and those sources will provide less funding next year. The net increase from all sources provides the Omaha Public Library with an increase of 2.7%.

I believe this increase allows the library to continue providing a high level of service to all visitors. With an increased budget, closing libraries, cutting hours or reducing services is not necessary and would be a dis-service to our community.

Street resurfacing:

We propose an increase of over one million dollars to reach a street resurfacing and repair budget next year of 8.8 million dollars. This includes asphalt, concrete and brick streets. Our focus will continue to be streets in the eastern part of our city, like Ames Avenue, which is being resurfaced this week, from 28th street to Fontenelle Boulevard.

That is one example of our 2015 resurfacing program. We are spending eleven million dollars on streets in the four city council districts that represent every citizen east of 72nd street. These funds come from many sources, including bonds, wheel tax and the state gas tax. These streets are vital to public safety, commerce, employment, education, and family life and they must be maintained.

We are evaluating several new funding strategies to further increase our street resurfacing budget without raising taxes or fees. I will brief you as those plans develop.

Our proposed parks department budget includes over one million dollars for replacement of park maintenance equipment, including 16 mowers, many are high capacity. We estimate our staff can mow 700 acres of park land and public property every week with these upgrades.

Employment and job training:

We propose spending over one million dollars on job training, and workforce development programs.

This includes our initial investment in “reach”, the Greater Omaha Chamber’s new, comprehensive program to support Omaha’s small and emerging businesses. Our support of heartland workforce solutions will increase from 40-thousand dollars to 440-thousand dollars.

And again, we will again provide 500-thousand dollars to the “step-up” summer jobs program. The city continues to be the principal funder of this program to train young people for employment and connect them with jobs.

Finally, the 2016 revenue projections:

We anticipate an increase in property tax revenues of 3.4%, and maintain the lower property tax rate that you adopted for this year. Sales tax revenue is projected to increase the same 3.4%.

We anticipate restaurant tax revenues for next year to be similar to 2015. Incidentally, citizens often ask me about our restaurant tax. My view of it is unchanged since I voted against it as a councilmember five years ago. Reducing or eliminating the restaurant tax remains a goal for my administration. However, in developing budgets to this point, I have placed a greater priority on

property tax relief, building the city's cash reserves, improving pension fund balances, and significantly increasing the number of Omaha police officers.

In the last year, we have received a great number of ideas on ways to improve our city finances, increase efficiencies, and provide better service. We've heard from the city council and we appreciate that. And we hear from citizens at our town hall meetings, the mayor's hotline, letters, and online comments, like this:

"Many times it is the small things that are left unmanaged, overlooked and people are held unaccountable. I have noticed many small things that are now different, better timed traffic signals, pre-treating streets in the winter, and street cleaning in the spring. All add up to a better run city of good things that can happen, with the correct leadership, to turn this city in a positive direction. Keep up the good work."

The exchange of ideas for the future of our city is so important. I encourage citizens to attend the budget public hearing in this chamber on Tuesday evening, August 11th at 7:00.

You can review the proposed budget which is available on the City of Omaha website.

We look forward to council deliberations over the next month as you consider and approve a 2016 budget. We will work hard to address your questions, concerns and suggestions.

The people of Omaha are optimistic, devoted, resourceful and determined. They have high expectations of those they honor with the privilege of public service. All of us work each day to earn their trust. I pledge to work with you to finalize a budget that is a positive reflection of those who fund it.

Thank you.