

SECTION G

COUNCIL ACTIONS

Section 5.06 of the Home Rule Charter of the City of Omaha, 1956, provides the procedure which the City Council shall follow for the consideration and adoption of the annual City Budget.

After the public hearing, held on August 11, 2015, the City Council voted on resolutions that were introduced to revise the revenues and expenditures proposed in the 2016 Budget by increasing, decreasing, inserting and deleting appropriation items and increasing and decreasing various line item revenue estimates.

Schedule G-1 summarizes the resolutions revising the 2016 Budget which were approved by the City Council. The budgetary schedules in the foregoing Sections B - City Funds, D - Revenue Estimates, E - Appropriations, and F - Budgetary Account Details affected by the adopted resolutions have been adjusted accordingly.

Sections 5.07 and 11.02 of the Home Rule Charter of the City of Omaha, 1956, as amended, provides that the City Council, on the basis of the budget finally adopted, shall certify, by adopting an appropriate resolution, a single General Fund tax rate not to exceed 61.25 cents per \$100 of taxable property value plus the number of cents per \$100 of taxable property value necessary to provide for principal and interest payments on the indebtedness of the City and for the satisfaction of judgments and litigation expenses in connection therewith.

Schedule G-2 summarizes the resolutions adopting the 2016 Budget and certifying the City's property tax rate to the County Clerk of Douglas County, Nebraska.

The Home Rule Charter provides for amending the Budget through the provisions of Section 5.10 and 5.11.

COUNCIL ACTIONS

<u>Resolutions revising the 2016 Budget which were approved by the City Council</u>	<u>G-1</u> <u>Schedule No.</u>
	<u>Resolution</u> <u>No.</u>
<u>Res. to raise revenue estimates and revise the expenditures of the 2016 Budget, including General Fund revenues of \$2,138,985 and appropriations of \$2,138,985, Debt Service Fund revenues of \$1,884,900 and appropriations of \$3,032,452, Redevelopment Fund revenues of \$149,249 and appropriations of \$1,492, Judgment Fund revenues of \$56,179 and appropriations of \$562, Street and Highway Allocation Fund revenues of \$860,573 and appropriations of \$920,881, City Street Maintenance Revenue of \$357,200, Storm Water Fee Fund appropriations of \$93,800 and Sewer Revenue Fund appropriations of \$106,253 because of the areas annexed into the City on August 26, 2015.</u>	1134

COUNCIL ACTIONS

<u>Resolutions adopting the 2016 Budget and certifying the City's property tax rate levy:</u>	<u>G-2</u> <u>Schedule No.</u>
	<u>Resolution</u> <u>No.</u>
Res. that the Budget of the City of Omaha for the year 2016 as submitted to the City Council by the Mayor and the Finance Director of the City of Omaha together with revisions evidenced by resolutions attached hereto and adopted by the City Council at the Council Meeting of August 25, 2015, be and the same is hereby adopted as the Budget of the City of Omaha for the year 2016.	1136
Res. that pursuant to Nebraska Revised Statute 77-1601.02, the current property tax request for 2016 be a different amount than the property tax request for 2015. The 2016 property tax request be set at \$149,926,895 based on the certified valuation dated August 20, 2015, and using the assumed collection factor of 100%. Further, that pursuant to the provisions of Section 5.07 and Section 11.02 of the Home Rule Charter of the City of Omaha, 1956, the City Council hereby certifies to the County Clerk of Douglas County, Nebraska, the number of cents or fraction thereof which the City of Omaha desires to be levied on each One Hundred Dollars (\$100) of actual valuation upon all taxable property within the limits of the City of Omaha for the year 2016 for the purposes as follows: 48.922 cents for the City of Omaha 2016 Budget, including 26.597 cents for General Fund purposes, 20.131 cents to provide for principal and interest payments on the indebtedness of the City of Omaha, .600 cents for the satisfaction of judgments and litigation expenses in connection therewith, and 1.594 cents for the Redevelopment Fund	802

Glossary of Budget Terms

Accrual Basis	A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.
Ad Valorem Tax	A tax levied on the assessed value of both real and personal property in proportion to the value of the property (also known as "property taxes").
Appropriation	An authorization made by the City Council which permits officials to incur obligations against and to make expenditures of governments resources. Appropriations are usually made for fixed amounts and are typically granted for a one year period.
Appropriation Unit	An accumulation of appropriations in a fund usually grouped by a department, division or organization.
Assessed Valuation	The valuation placed upon real and certain personal property by the County Assessor as the basis for levying property taxes.
Assets	Resources owned by the City which have monetary value.
Attrition	Estimated savings from temporarily unfilled positions.
Balance Sheet	A basic financial statement that discloses the assets, liabilities, reserves and equity of specific governmental funds as of a specific date.
Balanced Budget	A budget in which estimated operating revenues plus beginning fund balance are equal to, or exceed, estimated operating expenditures.
Bond	A written promise to pay a specified sum of money on a specific date at a specified or variable stated interest rate. The most common type of bonds are general obligation and revenue bonds. Bonds are typically used as long-term debt to pay specific capital expenditures.
Budget	A plan of financial operation embodying an estimate of proposed revenue and expenditures for a given period of time. It is the primary means by which most of the expenditures and service activities of the City are controlled.
Budget Message	A general discussion of the proposed budget as presented in writing by the budget-making authority to the legislative body. The message should outline the proposed budget plan and its main points of interest.
Bureau	An organizational component of the Omaha Police Department commanding Sections and Units.
Capital Expenditures	The non-recurring outlay of funds to acquire an asset having a useful life of over 15 years. Includes the cost of land, buildings, permanent improvements, and large equipment and machinery.
Capital Improvement Program	A plan for capital expenditures to be incurred each year over a fixed period of years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended in each year, and the method of financing those expenditures.
Contingency	A budgetary reserve amount set aside for emergencies of unforeseen expenditures not otherwise known at the time the budget is adopted.

Glossary of Terms (Continued)

Current Taxes	Taxes levied and becoming due within one year. City of Omaha taxes are levied in September and due December 31. Payment dates are 1/2 April 1 and 1/2 August 1 of the following year before the levy is considered delinquent.
Debt Service	The City's obligation to pay the interest and repay the principal of all bonds and other debt instruments according to a pre-determined payment schedule.
Department	An organizational unit of the City which is responsible for overall management of a group of related major governmental functions, such as Police or Public Works.
Division	A unit or organization within a department which has functional responsibility for related activities within that department. For example: Finance Administration, Budget, Accounting, Payroll and Revenue are divisions within the Finance Department.
Employee Compensation	Expenditures relating to compensating City of Omaha employees, including salaries, wages, shift differential, holiday pay, longevity pay and employee benefits.
Encumbrances	The commitment of appropriated funds to purchase goods or services to be delivered or performed at a future date.
Enterprise Funds	A government accounting fund used to account for operations that are financed and operated similarly to those of a private business where the intent is that the costs of providing the goods or services are recovered through direct user charges.
Equipment	Tangible property having a useful life of more than one year but less than fifteen years used by employees in the performance of work activities.
Expenditures	The outflow of funds paid or to be paid for assets, goods, or services obtained regardless of when the expense is actually paid.
Fiscal Year	The time period designated by the City signifying the beginning and the ending period for recording financial transactions. The City of Omaha has specified the calendar year as its fiscal year.
Fund	An accounting entity with a self-balancing set of accounts that records all financial transactions which are segregated for specific activities or for attaining certain objectives.
Fund Balance	The difference between an entity's assets and its liabilities.
General Fund	The fund used to account for all of the financial resources of the City except those required to be accounted for in another fund.
General Obligation Bonds	Bonds that finance a variety of public projects such as streets, buildings, and improvements and which are backed by the full faith and credit of the City.
Grant	A contribution or contract by a government or other organization to support a specific function. Grants may be classified as either categorical or block depending upon the amount of discretion allowed the grantee.

Glossary of Terms (Continued)

In Lieu of Taxes	Payments made by tax exempt quasi-public entities to local government in place of property taxes.
Internal Service	A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis.
Liability	Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date. This term does not include encumbrances.
Longevity	Employee compensation payments made in recognition of a certain minimum number of years employed full time with the same entity.
Operating Budget	The portion of the budget that pertains to daily operations that provide basic governmental services within a set period of time. The operating budget contains appropriations for such expenditures as personnel, commodities and services.
Organization	A particular operating program assigned to a department or division. For example: Community Centers, Ice Arenas, Swimming Pools, Other Recreation Activities and Summer Youth programs are Organizations within the Recreation Division of the Parks, Recreation and Public Property Department.
Pay Range	A numeric and alpha system developed by the Human Resources Department to identify a job classification by rate of pay and bargaining group.
Performance Measures	A quantitative measure of production or outputs to be compared to the amount of inputs (dollars) for a given department, division, function or work duty.
Property Tax	Ad valorem taxes levied on both real and personal property according to the assessed valuation and the tax rate.
Purchased Services	Those services requiring labor and material from outside the entity's organizational structure to provide an end product such as: medical services, insurance coverage, electrical service and contracted repairs of buildings and equipment.
Redevelopment Bonds	Bonds that constitute a binding special limited obligation of the City authorized under the Community Development Law. The Community Development Law permits the City to levy for community redevelopment purposes a tax not to exceed 2.6 cents on each \$100 upon actual value of all taxable property in the City.
Reserve	(1) An account used to earmark a portion of fund balance to indicate that it is not appropriated for expenditures at the time the budget is adopted; or (2) an account used to earmark a portion of fund equity as legally segregated for a specific future use.
Revenue	All money that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

Glossary of Terms (Concluded)

Revenue Bonds	Bonds usually sold for constructing a project that will produce revenue for an Enterprise Fund of the government. Revenue from operation of the Enterprise Fund is used to pay the principal and interest of the bond. These bonds have limited liability and do not carry the full faith and credit of the City.
Revenue Estimate	A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically a future fiscal year.
Source of Revenue	The classification of revenues according to their source or point of origin.
Special Assessment	A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.
Special Obligation Bonds	Bonds that are special limited obligations of the City authorized under the Community Development Law or the Convention Center Act. The City has pledged a variety of revenue streams including sales tax to finance the acquisition and construction of several projects within the riverfront redevelopment area.
Special Revenue	A fund used to account for specific taxes and revenues mandated by law or contract for a separate accounting. These funds generally have a specific purpose such as the Keno/Lottery, Library Fines and Fees and Douglas County Supplement Funds.
Tax Certification	The legislative body (City Council) adopts a resolution certifying to the County Clerk a specified tax rate on property within the boundaries of the City.
Tax Increment Financing	A method of financing redevelopment projects which allows the property taxes produced from the incremental value of the improved property to be used to pay a portion of the development costs.
Tax Levy	(1) To impose taxes for the support of governmental activities; and (2) the total amount of taxes imposed for operating, debt service and judgment purposes.
Tax Lid	An act passed by the Nebraska State Legislature that places a limit on specific budgeted tax receipts. Exclusions are allowable for bonded debt requirements, property tax reimbursement, capital improvements, judgments, interlocal agreements and valuation growth.
Tax Rate	The unit of taxation stated as a multiplier of the tax base, for example: the amount of property tax levied for each \$100 of assessed valuation, or the amount of sales tax as a percentage of sales.
Tax Rate Limit	The maximum legal rate at which a government may levy a tax. The limit may apply to taxes raised for a particular purpose or for general purposes.
User Charges	The payment of fees for direct receipt of a public service by the party benefiting from the service.
Utility Occupation Tax	A tax levied by the City on utility company revenues resulting from the sales of communications services and electricity for all purposes within the corporate limits of the City.

Relationship between Functional Units & Major/Nonmajor Funds - 2016

Fund	Mayor's Office	City Council	City Clerk	Law	Human Resources	Human Rights & Relations	Finance	Planning	Police	Fire	Parks	Convention & Tourism	Public Works	Library	Other - Benefits	Other - Misc	Other - Debt
General	11111	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Stadium Revenue	11112																✓
Cash Reserve	11113																✓
Contingent Liability Fund	11114																✓
Judgment	12111																✓
Library Fines & Fees	12115													✓			
Douglas County Library Supplement	12116													✓			
Keno/Lottery Proceeds	12118								✓		✓		✓			✓	✓
Storm Water Fee Revenue	12128												✓				
City Street Maintenance	12129										✓		✓			✓	
Street & Highway Allocation	12131				✓								✓		✓	✓	✓
Interceptor Sewer Construction	12133												✓				
State Turnback Revenue	12193															✓	
City Capital Improvement	13112										✓						
2014 Environment Bond	13124												✓				
2010 Transportation Bond	13183												✓				
2014 Transportation Bond	13184												✓				
2014 Public Facilities Bond	13246							✓	✓				✓				
2014 Public Safety Bond	13299									✓							
2010 Parks & Recreation Bond	13355										✓						
2014 Parks & Recreation Bond	13356										✓						
Downtown Stadium & Companion Proj	13418															✓	
Pedestrian Trail Bridge- Joint Use	13419																
Capital Special Assessment	13573						✓	✓					✓			✓	
Service Special Assessment	13574															✓	
Debt Service	14111															✓	✓
Redevelopment Debt Service	14112															✓	✓
Western Heritage Special Revenue	15112															✓	
Keno Lottery Reserve Fund	15113													✓			
City Wide Sports Revenue	21108										✓				✓		
Omaha Convention & Visitors	21109											✓			✓	✓	
Marinas	21111										✓				✓	✓	
Tennis Operations	21113										✓				✓	✓	
Golf Operations	21114										✓				✓	✓	
Parking Revenue	21116						✓						✓		✓	✓	✓
Omaha Convention Hotel Fund	21119															✓	✓
Sewer Revenue	21121			✓									✓		✓	✓	✓
Sewer Revenue Improvements	21124												✓				
Air Quality Control	21127												✓		✓	✓	
Household Hazardous Waste Facility	21129												✓		✓		
Printing Services & Graphics	21211														✓	✓	
Lewis & Clark Landing	21215										✓						
Development Revenue	21216						✓	✓									
Technology and Training	21217							✓									