

THE OFFICIAL PROCEEDINGS OF THE CITY OF GERING BUDGET WORK SESSION, AUGUST 19, 2026

The Fiscal Year 2026/2027 Budget Work Session was held in open session on August 19, 2026 at 8:15 a.m. at Gering City Hall, 1025 P Street, Gering, NE. Present were: Mayor Ewing and Councilmembers Shields, Gillen, Cecil, Kinsey, Wiedeman, O'Neal, Morrison, Jackson. Also in attendance were City Administrator Pat Heath, Finance Director Lyndsey Mathews, Senior Account Clerk Trudy Craig, HR Director Shannon Goss, Electric Superintendent Domingo Palomo, Environmental Services Director Steve Mount, Police Chief George Holthus, Police Captain Jason Rogers, City Engineer Annie Folck, Director of Parks and Recreation Amy Seiler, Library Director Christie Clarke, Street Superintendent Casey Dahlgrin, City Clerk Kathy Welfl, Director of Tourism Tina Worthman, Public Works Director Mike Davies, Fire Chief Nathan Flowers. Also in attendance was Maunette Loeks (Star-Herald), Scott Miller (KNEB Rural Radio). Notice of the meeting was given in advance by publication in the Star-Herald, the designated method of giving notice, on July 28, August 1 and 13, 2026. All proceedings hereafter were taken while the meeting was open to the attendance of the public except as otherwise indicated.

CALL TO ORDER

Mayor Ewing called the FY27 Budget Work Session to order at 8:16 a.m.

OPEN MEETINGS ACT - NEB.REV.STAT. CHAPTER 84, ARTICLE 14

Mayor Ewing stated "As required by State Law, public bodies shall make available copies of the current Open Meetings Act in the meeting room. There are printed versions of the Open Meetings Act on the counter by the press corps. Agenda items may be moved up or down on the agenda at the discretion of the Mayor. Additions may not be made to this agenda less than 24 hours before the beginning of the meeting unless they are considered under this section of the agenda and Council determines that the matter requires emergency action."

A. OPENING COMMENTS – ADMINISTRATOR HEATH

Administrator Heath stated "First, I want to take this opportunity to recognize and thank our department heads and their respective teams for their hard work on this year's budgets. I would also like to give a big thank you to Lyndsey for all her hard work in putting the City's 2027 Fiscal Year Budget together; even being short-handed, she did an amazing job. I would also like to thank Shannon for her work on the wage study, (Nebraska Wage Study) and putting together the payroll adjustments. As I have said in the past, it is a team effort of all departments and their staff to complete the annual budget."

The Budget document is the single most important document presented to the Mayor, City Council, residents, and taxpayers as the budget expresses how resources are allocated for the next fiscal year, as well as how investment planning can support future demands and challenges as the city grows and prospers. In preparing this year's budget, staff have attempted to remain conservative in their estimates taking into consideration many factors including national, regional and local economic factors and indicators, and agricultural industry trends. "We are concerned about the possibility of lower sales tax revenues due to higher costs and the potential loss of state funds that the City typically receives each year. We will closely monitor trends in consumer spending and related sales tax revenues, gas tax receipts, and rising costs in the fuel industry. We have budgeted conservatively for our revenues and expenditures." He added.

Staff is also very cognizant of rising costs of goods and services for the labor force and have done their best to allow for reasonable wage increases to keep the City's workforce pay competitive with municipal peers.

In preparing this budget, we faced several challenges;

- Current economic uncertainties, especially in the local agricultural industry.
- Rising costs for supplies, materials, fuel, equipment, and the uncertainty of tariffs placed on imported materials.
- The State mandated 2% cap on property tax asking.

- An unknown we face is a potential decrease of \$178,232, (30%) in Municipal Equalization Fund from the State. Due to recent legislative action, they can withhold the 4th quarter payment if their sales tax revenues come in at less than projected.
- Minimum wage increases from \$15.00 to \$15.26; this is a substantial hit on seasonal wages for the general fund.

Even with these challenges, we are pleased to present you with the Fiscal Year 26-27 Budget.”

Highlights for Fiscal Year 2027:

Total cost of employee wages & benefits city-wide:

- FY2027:
 - Total payroll: \$7,964,738
 - Total payroll & benefits: \$10,961,471

In this proposed budget, council will have the opportunity to reinstate one FTE position in the fire department, Chief Flowers will explain this later in the workshop.

- Consumer Price Index for the 12-month ending in December 2025 was 2.7%
- Consumer Price Index for the 12-month period ending in May 2026 was 2.9%
- Proposed Cost of Living increase is as follows:
 - Proposed IBEW union employees will receive a 3.0% COLA
 - Proposed police union employees are still in negotiations
 - Proposed general non-union employees will receive a 3.0% COLA
 - Minimum wage increases from \$15.00 to \$15.26
 (projected cost with COLA, minimum wage, merit increases and benefits City wide is \$481,644)
- We have budgeted a wage study that will be completed by an independent firm to ensure our wages and benefits meet the requirements of State Statute #48-818. Last independent study was completed in 2022.
- Anticipated increase in premiums/claims exposure for employee health insurance will be 4%. This is a \$66,616 increase from the 25-26 fiscal year. Employee premiums will be based on a percentage of the COBRA rate and as agreed in union contracts.
- LARM Insurance renewal quote (city-wide):
 - Overall, our insurance increase is 12%
 - 2.0% increase in property insurance, due to inflationary increases for property and content values
 - 7.0% decrease in vehicle insurance
 - 6.0% increase in liability insurance, due to a net increase in operating expenses
 - 29.0% increase in workers comp insurance, due to claims and a workers compensation settlement
- Capital Improvement Budget information:
 - FY2027
 - Infrastructure, buildings & structures: \$9,165,000
 - Equipment & vehicles: \$3,096,827
- Debt Service Budget information:
 - FY2027
 - 2021 CURB Bonds (Water, Wastewater): \$3,605,000
 - 2018 Leasing Corp (Stadium/Quad Field): \$2,475,000

Utility Rates

Staff is proposing the following rate increases;

- 2.6 % in electric

- 3% in water
- 9% in sewer
- 10% in sanitation, based on potentially continuing the search for a new landfill site and to temporarily haul to another solid waste facility
- Electric, water and sewer rate increases are based on the 2024 MEAN rate study.
- The average monthly increase for a typical residential monthly bill is \$10.29 which is equal to a 4.3%/month increase from the previous fiscal year.
- Staff has budgeted for a utility rate study as our current study goes through 2027.

MEAN is proposing a 3 - 5% rate increase for 2027. WAPA has not currently set an increase for 2027.

Staff budgeted a 3% rate increase for MEAN and 5% for WAPA

Utility Funds Proposed Rate Increases:

Proposed Monthly Residential Customer Charge:			Per Month
	Current	Proposed	Increase
Environmental services	\$ 27.95	\$ 30.75	\$ 2.80
Stormwater surcharge	\$ 2.50	\$ 2.50	\$ 0.00
Proposed Monthly Gallonage Charges (5,000 gal use):			Per Month
	Current	Proposed	Increase
Wastewater Base Rate	\$ 23.78	\$ 25.92	\$ 2.14
Wastewater Consumption	\$ 6.95	\$ 7.60	\$ 0.65
Water Base Rate	\$ 23.34	\$ 24.04	\$ 0.70
Water Consumption	\$ 8.15	\$ 8.40	\$ 0.25
Proposed Monthly Electric Charges:			Per Month
	Current	Proposed	Increase
Electric (650 kWh use) - Summer	\$ 108.79	\$ 111.60	\$ 2.81
Electric (650 kWh use) - Winter	\$ 108.79	\$ 111.60	\$ 2.81
Electric (1000 kWh use) -Summer	\$ 153.55	\$ 157.52	\$ 3.97
Electric (1000 kWh use) -Winter	\$ 144.60	\$ 148.35	\$ 3.75
Typical Residential Bill (winter months):			Per Month
	Current	Proposed	Increase
Electric (1,000 kWh use)	\$ 144.60	\$ 148.35	\$ 3.75
Water (5,000 gallons)	\$ 31.49	\$ 32.44	\$ 0.95
Sewer (5,000 gallons)	\$ 30.73	\$ 33.52	\$ 2.79
Sanitation	\$ 27.95	\$ 30.75	\$ 2.80
Stormwater	\$ 2.50	\$ 2.50	\$ 0.00
Total	\$ 237.27	\$ 247.56	\$ 10.29

Overall, this is a 4.3% increase for a typical residential customer.

Tax Revenues:

- City Tax Revenues:
 - FY2027:
 - Property Tax: \$2,303,146 (*final amt. determined with Assessor valuation*)
 - General 1% Sales Tax: \$1,446,375
 - Motor Vehicle Sales Tax: \$406,000
 - LB840 Sales Tax: \$300,000
 - LB357 Sales Tax: \$500,000
 - Gas Tax Receipts: \$1,249,886 (budget amount provided by State)
 - Other Tax Receipts (franchise, occ, & lodging): \$214,000
 - Municipal Equalization Payment: \$594,106 (budget amount provided by State).
 - State may withhold their 4th quarter payment, (up to 30% if state sales tax revenues are less than projected)
 - Staff is budgeting for the 30% loss
 - If the City receives all Municipal Equalization Funds, we will place those funds back into our general fund reserve account
- Enterprise Fund Transfers:
 - FY2027: \$2,260,000
 - Developing the City's budget for the next fiscal year was challenging given a lot of unknowns and uncertainties with the potential loss of Municipal Equalization Funds. "Department heads were asked to only submit their needs and we tried to accommodate those requests. Ultimately, we could not budget for all their needs, so department heads whose budgets are supported by the General Fund were asked to cut 3% from their budgeted expenditures. An additional budget saving measure, we have asked all departments to cut a minimum of 25% of their overtime. Additionally, staff is proposing to transfer \$343,546 from the City's General Fund Reserve Account to balance the General Fund Budget for 2027. This amount includes the \$254,800 bond payment for the stadium/quad fields. Staff will propose an option to this later in this workshop." Administrator Heath stated.

Other Items:

- There may be some minor adjustments to the budget during the final two weeks, staff will make sure to communicate any changes - starting with the highlighted CIP's provided today as well as the amount received from property tax request.
- The bond payment for the ballfields is a huge burden on the general fund. Staff propose moving it from the general fund and splitting the bond payment, \$154,800 from Current and Future Community Improvement and Development, and \$100,00 from Tourism. This takes the burden from the general fund and puts it where staff believe it really belongs. Staff will evaluate the bond amount each year. If the bond payment is moved, it will reduce the amount needed to balance the budget from the general fund reserve to less than \$100,000.

Administrator Heath added that "Senior Staff and I believe we have created an efficient budget without significantly affecting services the City currently provides. We are optimistic about the City's tax revenues holding up, and will monitor those closely making mid-year adjustments if necessary."

Administrator Heath then pointed out that each time the City avoids the pink postcard, or the Joint Public Hearing, the City's levy decreases. Going back to 2019, the City was at \$.29. In 2020, a \$.05 Public Safety Tax was added making it \$.34. In 2023, the City was at \$.34. In 2026, the City's levy will drop down to \$.30 – avoiding the pink postcard this year. Each time the City lowers the levy, "We see a decrease in funds." This also means there's a potential to see a decrease in Municipal Equalization Funds. He reminded Council of an article he sent to them regarding the effects that lowering the levy had on Crete, NE. It resulted in a complete loss of their equalization funds – He believes it was over \$600,000 that they lost. The City of Gering needs to be very careful not to get into that situation. He added that the Nebraska Legislature will most likely consider, as they did last year and the year before, removing first class cities from the Municipal Equalization Fund. If that would be the case, Gering would lose \$596,000 that it's showing Gering could receive this year; that would be a substantial hit on the budget. the City would have to cut services and would most likely have to cut staff if that would occur. This is not sustainable for the General Fund; staff will need some direction from Council at some point in time on how to proceed going forward.

Administrator Heath then moved on to Department Head presentations of CIPs, cuts that were made, and entertain questions from the Mayor and Council.

C. CAPITAL PROJECTS/EXPENDITURES OVERVIEW

1. General Fund

Administrative Budget:

Administrator Heath stated that staff is budgeting for a new City vehicle; the existing one had transmission and engine troubles and has been out of service since May; it was a GMC Acadia. Some of that budget item will be allocated to the departments that use it.

Cuts: A total of \$13,600 was cut from the Admin. Budget which was the 3%. Pat then reviewed cuts that were made:

- \$5000 for landscaping in front of City Hall; grant funds may be available for that.
- Operating supplies were cut \$2600
- Training and conferences \$2500
- Council conferences and travel \$1500
- Lease and rental \$2000

Engineering:

City Engineer, Annie Folck, explained that her department is unique in that a lot of their expenses get allocated to other departments, so a lot of their expenses don't actually show up in the Engineering Department Budget. Their one CIP is for a plotter (prints out big plans and maps) that will be allocated among other departments. The one they have now is 12 years old, and they have a 10-year life. They won't buy another one unless they need to, but it's an important piece of equipment so they want to have it in the budget; it can take six months to get one. In the future, they will budget for surveying equipment that again will be allocated among other departments. She added that a 3% cut doesn't sound like a lot, but when considering that most expenses, such as salaries, insurance, and legal fees are fixed, it's quite a bit.

Cuts:

- They took out some costs (for things like Pictometry, etc.) and allocated more of that to other departments since that is used for them as well.
- They cut training and conferences by \$2000 (was \$5000 last year).

Councilmember Shields asked how often the plotter is used as well as the surveying equipment. Annie replied not daily, but they are used fairly often. She explained how and why those items are needed to prepare bids - projects need to be engineered, etc. They also print a lot of maps for various things.

Administrator Heath added that most of the General Fund department expenses are staff wages and fixed costs; there are very few assets. Staff is trying to be as lean as possible in those departments.

Civic Center: The Civic Center was moved further down on the agenda.

Fire Department: Fire Chief, Nathan Flowers, explained that they've been very conservative in their budget while at the same time looking for other creative funding avenues to support the needs of the department. There are increases in some of the line items, such as operating expenses, which is consistent with today's economy. Staff have been reviewing staffing models; this year they are budgeting to fill the unfilled full-time position that has been vacant for several years. Through that process though, they are eliminating some expenditures from the budget to allow for this FTE. They're proposing \$144,652 less than the previous fiscal year.

He went on to say that this is a rather large year for capital expenditures; they anticipated continued upgrades at the Fire Station when they moved the PPE into the Public Safety Fund. The largest acquisition they're proposing is replacing a fire apparatus – projections estimated that cost at approximately \$950,000. They wish to complete the estimate process this fiscal year and he budgeted to provide a down payment on that process. Once they do that, it helps reduce the overall cost of that apparatus. This will replace a 2008 fire apparatus that has been on the replacement schedule. All capital projects are being purchased through the Public Safety Fund and not through the General Fund. He thanked Council for allowing the Public Safety Fund; it has been critical to be able to purchase and replace equipment.

Library: Library Director, Christie Clarke, stated that her CIPs are replacing ceiling tiles on the main level and installing more security cameras to provide more complete coverage on the inside and outside.

Cuts: As far as the 3% reduction, she's proposing to:

- Eliminate the Page position for FY27; hopefully it can be refilled in the future.
- Saturday hours will be 10 a.m. to 3 p.m. instead of 10 a.m. to 5 p.m. That will decrease part-time staffing on Saturdays from eight hours to five hours.
- They will close an hour earlier Monday through Thursday (6 p.m. instead of 7 p.m.). That will allow closing staff to assume all the Page responsibilities.
- One part-time position will be reduced to six hours per week from nine hours per week.

Police: Police Chief, George Holthus, stated that their CIPs are pretty typical. They're estimating \$154,000 for the purchase price of two marked patrol units with upfitting, equipment, and decals. They will replace a 2018 Ford Explorer and a 2022 Ford Explorer (purchased used to replace a unit damaged in a vehicle accident) – both in excess of 70,000 - 75,000 miles. They generally come in under budget on vehicle purchases, but don't want to come up short. They're budgeting \$23,216 for the Radio Maintenance Agreement with Scotts Bluff County; he noted that might change in the future. He then discussed the second year of the Axon lease which provides officers with their tasers, body and in-car cameras, and interview room cameras; that amount is \$111,014. The next one is the continuation of the Flock Automated License Plate Reader for \$21,500 (six static cameras and one movable).

Patrol rifle replacement project: Chief Holthus explained that they reduced the budgeted amount by a portion to allow the purchase of about 10 rifles this year for approximately \$2,500 for each rifle. That includes the optics, sights, and lights.

Chief Holthus stated that initially, the direction to staff was a zero growth budget. They went back and revised and cut \$28,000 (with Lyndsey) on July 14, 2026. He noted that those were basic line item cuts anywhere from \$1000 to \$5000, and they were able to absorb those cuts. Out of the capital cuts, they eliminated a drone project, and \$10,000 from the rifle project.

Cuts: The 3% reductions that were further necessary include:

- \$40,000 reduction in overtime.
- \$79,836 reduction for the Code Enforcement position. That is a position that was open, so they are not "RIF ing" (reduction in force) a person. He added that they know code enforcement is a pressure point for the Council and for the community, but they are now in a position that they are eliminating that position. There is no other way they can accommodate a \$98,000 hit to their budget. Basically, they would not be able to provide fuel, cars, and all the things the officers need every day, so the only place they can take it is in personnel.
- \$5000 reduction internet support
- \$2000 cut for phones and internet by; what that means is they will not replace a couple desk top computers in the office, which shouldn't be a huge thing. It might become a more significant cut if the CAD system goes to a cloud base because they'll have some expenses to transition all of those things. If the group goes to a cloud-base system, they may be scrambling. He noted that they should be okay with the \$2000 reduction because they're trending under the number they have budgeted.
- They eliminated the K-9 program; they will no longer have a K-9. The officer that was handling that was hired by the National Park System, and unfortunately, they will not be able to have that program moving forward.
- \$1000 cut from Other Professional Services. That's potentially money they would be using to pay for veterinary bills from the animal hording case. They've already spent \$800-\$900 on two cases they had, and those will not be nearly the magnitude of the case they currently have.
- \$500 was cut from employee benefits; that was when there was an on-site counselor in Scotts Bluff County; that EAP service is no longer in place.
- \$500 from publications; most things are digital now.
- \$2500 cut from Office and Building – basically supplies they need and "give aways" for special events; Chief Holthus stated that they'll just reduce the number of things they purchase.
- \$1000 cut from Less Lethal; they'll purchase less in their training rounds, but they'll still be able to maintain qualification and officer proficiency, but it will be a reduction.
- \$2000 cut from the SWAT team - the equipment needs were not as high as they were initially thinking. Gering PD will still have members of the Gering Police Department on the SWAT team, and Gering will still fund their portion as much possible. There was a need for distraction devices, basically flash bangs and things like that, but "We'll just have to reduce the number of those that we purchase." he stated.
- \$1500 from Building Grounds and Maintenance. They'll eliminate the 3M film project which is the safety film for doors and windows (keeps the glass on an exterior door or window in tact in the event that it's broken or shot). This was in conjunction with the Admin. Department, but he believes they aren't doing theirs, so PD won't do theirs either.
- \$1500 from Equipment Maintenance. He added that again, that should be a cut they can accommodate.

He stated their proposed budget this year is \$16,652 lower than last year. Personnel costs for the Police Department are no different than they are for all departments; 85.6% of their budget is people. His concern is next year, if the City doesn't take advantage of the pink postcard, another 3% to 6% cut... And he knows nobody likes to deal with that and he knows the economy is tough – but they're not asking for fancy stuff. "The things

that my people have are the bare necessities, and I would argue that that's probably a true statement for all departments." He added that if the City doesn't take advantage of the growth it does have, which is limited, that "We're talking about \$94,000 to \$190,000 out of my budget next year - that's Police Officers." He added that he doesn't know how they're going to do it. He then entertained questions.

Councilmember Shields asked if the drone purchase was new, or if they had it before. Chief Holthus replied that a generous member of the community has provided three; that has allowed the officers to become certified and proficient with them. He feels if there is someone in the community that is supporting a project, then he owes it to them to be invested in that program as well. He doesn't expect someone to provide everything the City needs. She asked if someone has to have a license to run drones. Chief Holthus replied that a license isn't required; the difference is if someone is doing it for commercial purposes or not. He and his team felt it was important to be proficient and understand how to run them safely, so all of his officers are certified and licensed.

Councilmember Shields followed up by asking if they look for grants for the Police Department. Chief Holthus replied that those are things they're going to look at and work through; if it makes financial sense and they qualify, they'll do it. Lyndsey noted that they do go out for grants, but the City never budgets for a grant because they don't want them to have that showing as income and then not receive it.

Councilmember Morrison asked if the City could share a dog with another city. Chief Holthus replied that there are other departments they can work with to schedule using a dog, if they have an officer with a K-9 available, they typically share them.

Councilmember Wiedeman noted that the SRO fee to the schools has gone up a little. Chief Holthus clarified it's for cost of living and he communicated with them in advance and worked through that forecast with HR Director, Shannon Goss; the school's budget year is a little different than the City's. He's not aware of that causing an issue for them; they see value in the program.

Chief Holthus concluded by stating that the Police Department has cut \$189,542.61 from their initial request.

Parks and Recreation: Director of Parks and Recreation, Amy Seiler, stated that for Parks, they request CIPs out of their sinking fund, but they do have one request out of the General Fund which is a Seeder/AERA-Vator that goes to their piece of Ventrac equipment, for \$11,000. This will efficiently cover large areas when they need to. They will also have a sinking fund request of \$150,000 for a grant match for playground equipment, if needed. They're requesting another long-box UTV cab for \$22,000 - they purchased one last year. It's an incredibly useful and effective piece of equipment. It's great for mulching and multi-purpose use. They are also requesting another 64" zero turn mower for \$18,500 for the parks which helps with trimming around a lot of the trees; it may need to have a catch to capture grass.

Cuts: Amy went on to say that Parks intends to cut 3%, which is \$36,805.

- \$5000 will be eliminated for the tree/removal rebate program
- \$1000 from training and conferences
- \$8000 will be eliminated for the pickleball court sinking fund this year, but they'll attempt to utilize some of the interest in the sinking fund for the pickleball court resurfacing fund.
- \$8000 from Community Forestry which is unfortunate due to the tree mortality; she further explained.
- \$4000 reduction in Fertilizer and Chemicals
- \$4000 from Department Operating Supplies
- \$2000 from the Ever Green House budget (typically \$5000)
- \$5000 from their part-time budget

She noted that ball field maintenance costs will continue to go up. They need to laser-level those periodically, but they won't be doing any laser-leveling of the quad plex this year. They've always received a backhaul price for moving gravel and infield soil mix back to the City; it was roughly \$500-\$600 to ship rock for the fields. The company she used is no longer going to Colorado to backhaul, so this year they had to pay \$1100 per load to haul rock to the fields. She added that that significantly impacted their budget and they anticipate the same for next year. Field maintenance costs will be significant again next year. Councilmember Kinsey asked, regarding the rock and infield mix shipping costs, would it work to share shipping costs with WNCC, for example? Amy explained that they use every bit of the belly dump load. They do, however, look for any way possible to share costs on other things with the City of Scottsbluff when they can.

Cemetery: Amy stated, regarding the CIPs, they are working on the road improvement projects. They budgeted \$100,000 this past year for road improvements. They had hoped to get those done this year, but have not gotten quotes back, so they'll need to move that \$100,000 to next year's budget. That money will come out of the Perpetual Care Fund. They are requesting a Ventrac with a broom attachment and they'd like to purchase a snow blower attachment. This equipment is very efficient and can be used across the City if needed. They are breaking up the Buffalo grass renovation. They're doing the south half of the newest addition this year. They'll move the second part of that project to next fall; they're asking to extend the request for \$45,000 to the next fiscal year. They don't know if they'll utilize that \$45,000, but want to have it available for seeding. She added that the pump house is very old and there's an issue with water leaking into the electrical panel. That panel has to be replaced and sensors need to be put on valves; they got a quote of \$15,000 to do that.

Cuts: Amy explained that their 3% cut would be \$7173.90.

- \$700 will be eliminated from training
- \$1000 from building and grounds
- \$5915 from part-time salaries; they will reduce the second part-time position at the Cemetery to just eight weeks in the summer.

Pool: Amy stated that their equipment requests will come out sinking funds. There's a significant issue with a crack in the pool; it was repaired three years ago when the pool was repainted. They believe the entire area over there is shifting. Every time they fix a crack, which is on a joint, it starts to crack on the west side of the repair; she further explained the process for repairing cracks. The pool crack repairs are estimated at \$75,000. Additionally, the pool lift doesn't work anymore and is irreparable. They need a handicap lift and are proposing handicap steps so they have two forms of exiting the pool for people with disabilities. Finally, she's requesting \$8000 to replace pool cameras and hard drive. The cameras are very important for the pool itself, but there was also significant vandalism at the pool this summer. They need infrared capability especially with things like that.

Cuts: Amy stated that she and Shannon worked on reducing the pool budget by \$72,797.

- \$66,790 was reduced from wages. They have overbudgeted in the past, so they're reducing that significantly.
- They'll also close the pool at 6 p.m. instead of 7 p.m.
- They might reduce one session of swimming lessons.
- \$1000 from Training
- \$2500 from Equipment Repair
- \$2000 from Building and Ground Maintenance
- \$500 from Uniform Costs

Councilmember Gillen stated that he knows staff are looking at reducing an hour from 7 to 6 p.m. at the library and pool; he asked if staff have looked at opening an hour later instead of shortening the end of the day. Some

families need those services after work. It might be more beneficial for the public to have an extra hour later in the day.

Councilmember Shields asked if the swimming lessons were free. Amy replied no, they charge for them. Councilmember Shields asked if the fees could help cover the cost of the employee. Amy replied they definitely don't charge enough to cover the cost; it's a service the City provides and it's necessary, but the cost outweighs the fees. She further explained the costs. Not all of the sessions are full all the time. They may eliminate one in June because those sessions are less utilized; the 9 a.m. session for instance. They have a lot of ways at looking at how to fine tune it.

RV Park: Amy explained that for CIPs, the log cabin at the RV Park needs exterior repairs and painting. They budgeted \$80,000 to repair the rotted logs, repaint, etc. The roof needs replaced as well. The electrical boxes are aging; she budgeted \$10,000 for additional electric boxes. Also \$19,000 for a 48" zero turn mower with a catcher. They've borrowed from the Parks Department but she thinks it makes sense for the RV Park to buy one from its own funds. The need the catcher to capture grass around the camp sites to make it a better experience for guests. They would like to purchase a utility cart for \$12,500 for the camp host so he can move around the park more easily; he also does security checks at the amphitheater. The Kubota he has been using will be returned to the Parks Department. They need \$9500 to paint the storage building garage doors. That's a major corridor for tourism and one of the first things people see when they come to town. Additionally, they have a lot of people that like to gather around the RV Park cabin area; they'd like to get some furniture in that area so people can gather. It would be outdoor furniture like was purchased at the plaza and golf course. They also want to do a facility study and renovation design. The restrooms are open to both the campers and people renting the multi-purpose room. It's one of the biggest complaints they get from campers, other than the Wi-Fi. The showers aren't ADA accessible. They need to do something with that situation. Good Sam representatives have said this park would probably get their top score if it weren't for the bathrooms.

Cuts: There are no cuts to the RV Park Budget.

Golf: Amy said in their CIP requests, because they are doing a lease agreement, those numbers will be built into the budget for the next five years. In addition to that, they are requesting A/C for the golf maintenance shop for \$20,000. They need a side by side greens roller for \$17,000. They want to get a utility cart with a cage for the driving range; the older one they have isn't adequate. The driving range has become very busy and they want to create a safer environment for staff - \$15,000 for that. They'd like to set aside \$56,000 in a sinking fund for golf carts. They need a new camera system in the pro shop. Finally, they have to determine what the City will be doing with the clubhouse. They are mid-way through the initial study with JEO; the information coming back from the engineers is concerning. They're budgeting \$75,000 for a design for the clubhouse.

Electric Department: Electric Superintendent, Domingo Palomo, stated for CIPs, the 21st Street Substation Design will be \$120,000. He also budgeted \$1.5 million for the 21st Street Substation (the fourth and final substation). He budgeted \$50,000 for a dump truck for tree trimming, and \$75,000 to replace a work truck. He noted that an old utility pull trailer needs to be replaced as well, for \$60,000. He budgeted \$30,000 for a fault locator, and \$45,000 to replace 25 year-old Christmas lights. He budgeted \$30,000 for the tornado siren at the landfill; with a lightning strike, it damaged the wiring. Finally, \$9000 for the SUV, and \$2400 for the plotter. Domingo added that they're also budgeting \$75,000 to replace the train horns on 7th and S Street.

Councilmember Morrison asked why the City is paying for the train horns. Pat explained that in the 90s, the City went to an automated horn system for the Railroad crossing; that company is no longer in business and no parts are available or are obsolete. The Railroad will not replace that. If the City doesn't fix it, the RR will go back to

honking their horns when they go through town. That decision was made by Council years ago. The City has to maintain them and keep them up to date. The Railroad won't chip in to help pay for that. Staff called a city in Texas to find out who they purchase them from; there aren't many out there.

Councilmember O'Neal asked about insurance covering the siren at the landfill. Pat replied that staff will turn in a claim, but again they are old and obsolete. There are others that need replaced as well such as on 7th Street.

Councilmember Shields asked about the Christmas lights. Pat replied that would be to replace the LED snowflake lights on street poles downtown. She asked about getting bids for boring. Pat replied that staff will be getting quotes on that in the next fiscal year.

Pat added that staff are continuing the upgrade of the electrical system. The majority of the work is being done with City staff. In next year's budget, they are having a contractor come in to do some work on the blind alleys. They're planning to have another contractor come in for the conductor replacement in FY28; mostly due to age in some areas. The City is moving forward, but still two to two and a half years out from the full conversion. The 21st Street substation is the fourth and final substation. It's a long, slow process, he added.

Sanitation: Environmental Services Director, Steve Mount, stated they have several CIPs; some are carryovers from FY26. The first is completion of the water main for \$1.2 million for the transfer station. They're getting ready to start on the building right now. He has two walking floor trailers that are a carryover and won't be in until October for \$245,000. He's budgeting \$1,560,000 for the landfill closure. \$1,000,000 for siting, testing, engineering, and monitoring for a new landfill. Lyndsey clarified that the \$1.56 million expenditure is coming out of the Landfill Closure/Post Closer Fund. The \$1 million for the new landfill is coming out of the sinking fund.

Steve went on to say he'll be purchasing a frontend loader for \$175,000; they'll be replacing the 2011 frontend loader they have now. \$2400 for the plotter for Engineering. Another walking floor trailer to use for transferring solid waste for \$125,000. \$130,000 for a used day cab semi-tractor; they're trying to save money by buying used. \$15,000 for security cameras for the transfer station. \$25,000 for a VersaTube storage building. \$80,000 to replace a 2003 Chevy ¾ ton service truck, \$35,000 for a fuel tank and electrical installation for a generator, and \$9,000 for the City's SUV.

Councilmember Morrison asked, regarding the VersaTube building, if it can be reconstructed someplace else. Steve replied that staff have been discussing whether they're going to do a VersaTube or some other kind of building. It's basically going to be bolted down to concrete. It's a lightweight building, but it'll be on the south side the recycle stall, so it will be somewhat protected from weather. Yes, they can move it to another location if they need to.

Transportation: Transportation Superintendent, Casey Dahlgrin, explained the Future Development at Intersections Budget is for if a project comes in; they keep money in there to pay for intersections - \$50,000. He'll have a mill and overlay on Fifth Street from H to I for \$133,000, and Seventh Street south to concrete pavement for \$335,000 – but it could be concrete pavement instead of mill and overlay. He explained if they can go with concrete they will, but they're shown in the budget as mill and overlays. He's budgeting for a mill and overlay on 15th Street, D to Bonanza, for \$122,000, and on Nelson Avenue for \$275,000. He also budgeted \$300,000 for the 10th Street engineering design in case the Safe Streets Grant comes through. They're looking at getting a chip spreader for \$300,000 for chip sealing streets, and a rubber tire roller for \$150,000 for chip sealing also, as well as a self-propelled broom for \$121,000 for chip sealing. He's budgeting for a 10-cubic-yard dump truck; they sunk half of that last year and are budgeting half for this next year for a total of \$200,000. Their old 2013 dump truck will go to the Electric Department. Finally, he budgeted \$2400 for the plotter for the Engineering Department. He

also put in \$70,000 in Street Maintenance and Repair to hire a crew to come in and help with tarring so they can get caught up on that.

Cuts:

- Casey stated that they cut 25% in the overtime budget that they'll implement immediately. If they don't have any snow storms, it'll work great he added.

Pat added, regarding the spreader, that it's a special item that can only be used for chip seal. He has talked to the County as they have a spreader; they do their own. Gering hasn't chip-sealed the whole city since 2004. The costs have gone up and the City hasn't increased the budget to keep up with those costs; he further explained. The problem he has with purchasing the machine is that it will only be used two weeks out of the year. It's not something that can be rented, but if the City can work something out with the County, with staff and equipment, the City may be able to avoid purchasing the spreader. If they are able to work something out with the County, the goal would be to use some of that \$300,000 to put towards the City's own chip-seal project this next fiscal year. He doesn't think it makes sense to spend \$300,000 on a machine when there's one sitting over at the County that's only used three weeks or a month out of the year. If this works out, it would be at least half the cost of hiring a contractor. The City used to chip sealed every seven years, their goal now is to do it every 10 years. It will help maintain the City's streets and increases the life of the roads five to seven years. He talked about using the right amount of tar and not wasting it. He stated that it's time to get back to performing road maintenance; it will help a lot. Chip-seal and tarring are the first steps to getting back on track.

Casey noted that he talked to the County Superintendent on the chip spreader. The concern he has about the chip spreader is that Scottsbluff wants the County to give them a price now; they don't want to be strung out all summer long running the chip spreader for cities. He also talked about state statutes on competition with private companies; he's going to check into that. He added that it's not a cut deal with the County as far the spreader goes. Councilmember Kinsey asked, regarding the rubber tire roller, is that something that could be leased instead of purchased? Casey replied that there's a possibility of leasing a spreader and a sweeper; they'll check into it. The numbers need to be in the budget, just in case. He added that there's a possibility they can lease a spreader, too. Pat noted it's extremely important to get back to street maintenance. He told the Council from 2004 on, that if the streets aren't maintained, they will fail and have to be replaced all at once. Staff are starting to see several streets starting to fail - "It's because we don't have the staff to do that maintenance." Councilmember Kinsey stated that maintenance seems expensive until everyone realizes how much street replacement costs.

Max Miller, present in the audience, asked Mr. Dahlgrin what percentage of the streets are past the point of needing to be chip sealed; he added that it would be a waste of money to chip seal them. Casey replied that he'd have to look at that a little closer; he wasn't sure of the exact percentage. Pat added that there are some, yes.

Water: Public Works Director, Mike Davies, stated that the Water Department CIPs are minimal. They've been working on a maintenance program for wells which includes camera inspection; they've done 11 and will do 12 next week - 13 and 14 will be done next year (\$35,000). They replaced one chlorine pump at the central plant last year; they plan to replace another one this coming year (\$8,000). They budget for the concrete breaker every year (\$15,000); they don't use it as much as they used to because Casey bought an excavator with a breaker, the Water Department uses it for tamping holes for water leaks.

They're going to replace the rigid service line freeze kit for \$5000 (the one they have is very old). Councilmember Morrison asked what that is. Mike replied they work great; it's a little tool box with hoses that run down and freeze the service line so they can replace a curb stop when it's live. He's also budgeting \$55,000 for future water main development, as they've done before. At Midtown wells, they've struggled with clay valves as they're old,

so they're going to budget \$75,000 to put in VFDs to make it more efficient; they'll do some of the work themselves. They'll also budget \$9000 for the SUV.

Wastewater: Mike stated that they always put the 3B recirc pump in the budget – they are very expensive pumps to rebuild (\$100,000). They'll budget \$40,000 to install the 12" cure in place liner at the middle school; usually Johnson Services does that. They need to make sure the main under the Middle School is in good shape. \$9000 is budgeted for the SUV. He's budgeting \$35,000 for Monument Heights storm sewer; there are a lot of flooding issues there. He's also budgeting \$10,000 for the flatbed spraying skid.

The big change in some of his line items is the repairs of lines at the lift stations. Johnson's Services has cleaned service lines over the years, but there are more backups. He has been budgeting \$25,000 - \$30,000 for that but LARM would like to the City to have a five-year record, so he budgeted \$85,000 total for Johnson Services to clean one fifth of the service lines each year.

Civic Center: Civic Center Manager, Terri Tosh, couldn't attend. Administrator Heath reviewed the Civic Center Budget. He said there are roughly 15 heat pumps in that building, they budget for one each year in case there's a failure; \$19,500. They budgeted \$25,000 for kitchen equipment as many of the units are old and obsolete. Staff will budget to replace some every year for at least the next six years. \$10,000 is budgeted for landscaping; it's getting overgrown. It's hopeful that the Parks Department will assist with that. \$50,000 was budgeted for kitchen floor tiles are coming up and will need to be replaced. The health inspector asked that that be completed in the next fiscal year. \$10,000 was budgeted for interior soffit lights, and \$20,000 for bathroom lights that need upgraded to LED. Other than that, their budget is pretty much the same as it has been in the past. Councilmember Morrison asked how long it has been since the carpet was replaced. Pat replied, roughly 2020 - after Covid. Right now, there are only a few pieces that need replaced, but they'll keep budgeting for it for when it's needed.

Tourism: Director of Tourism, Tina Worthman, stated that she has a big CIP of \$250,000 to do parking lot improvements at Five Rocks Amphitheater. This will be an expenditure to improve parking at all the parking areas out there. ADA improvements were done this past spring, and it's great she added. Tina noted that most tourism attractions have something to provide tours in tourism areas. She'd like a side by side with an additional seat so people can be taken on tours in places where there aren't trails. She hopes to fit seven or eight, with a driver. She would like to wrap it to look like a covered wagon, but isn't sure if she can. She thinks this is a neat idea and the County is on board with it. Mayor Ewing asked about liability. Councilmember Morrison asked if the City would pay the insurance. Tina replied that it would be shared with the County. There are other instances that aren't entirely different; it will be open air. They'll have to wear seatbelts and helmets. Both she and Brenda have budgeted for a part-time position to operate that.

Pat then discussed the bond payment for the ballfields. It's a huge burden on the General Fund and will be until 2036. Staff are proposing the payments be moved to Current and Future Community Development (sales tax) and Tourism (sales tax). It seems like it should be there instead of the Parks Department Budget, since the initial intent was for sports tourism. If that is done, that would reduce the amount that would be transferred from the General Fund Reserve to less than \$100,000.

He went on to say that there has always been talk about having a 25% reserve; it should be at least three months operating. The auditors are okay with that, he believes. If there's an emergency, it's there if it's needed and it's important to keep that amount close to \$1,000,000. The other thing he thinks Council needs to consider is that "we" compare to Scottsbluff a lot. They have the lowest property tax levy in the state and have sales tax revenue of \$8 million; Gering's is only a little over \$2 million. "We can't compare ourselves to Scottsbluff in that way because most of our residents shop in Scottsbluff." He added. The tracking data shows that 475,000 people go

to Walmart in Scottsbluff, 275,000 go to Target and about the same to Menards and Home Depot every year. He added that there are a lot of people that go to Dollar General in Gering, which is a plus for Gering. If Gering had a box store, there would be a lot more in sales tax revenue. "Each time we avoid that pink postcard, our levy goes down, so that's less money coming into the City." He stated that Gering is able to take advantage of a little bit of growth each year, which is allowable by state statute, but any higher and the County mails out a pink postcard. Next year, the Joint Public Hearing will move from September to July, between July 1 and 15. Every taxing entity will have to present at that, and political subdivisions and the schools have to have an elected official present. Gering may have to have an elected official there this year. There are tough decisions to make like the pool. "We have to figure out where the money comes from." The bond is a big thing – getting it moved from the General Fund to Tourism. He stated "We can't continue to take \$300,000 every year out of the reserve because eventually, that reserve will be gone."

Lyndsey clarified that staff reached out to the attorney, as well as the bond agent, about moving the bond payment out of the General Fund. They are comfortable with the City moving that to Tourism.

Pat added that he compared three homes in Gering in three different neighborhoods. The average price for a house in Gering is about \$237,000, the property tax is about \$3800 - 15% of that property tax bill goes to the City of Gering. Roughly \$60 per month was the average cost for fire and police protection, library, and other City services. That's cheaper than two cell phones per month, or internet service, for example. For that much, they're getting all the services of the General Fund, the City is only 15% of that property tax bill. He stated "We seem to avoid increasing the levy for the fact that we just don't want to hear about property taxes." He continued saying that in 2019, the levy was raised for the Public Safety Fund. The City has been very responsible with public funds and have kept the costs down for citizens while the City's costs have nearly doubled. The budgets haven't gone up much; they've only changed some.

OUTSIDE AGENCIES

Gering Multi-Purpose Center request - \$18,000 (same as the previous year): Pat noted that the total for all the outside agencies is about \$193,000. There is only one that comes out of the General Fund - the Senior Center. The City spends a lot on youth programs each year. This is something for seniors in the community. Pat noted the Senior Center also serves Scottsbluff and they help fund it as well. **Consensus by Council to fund \$18,000 for the Gering Multi-Purpose Center out of the GF for FY27: Yes**

Heartland Expressway Association request - \$3,565.73: Pat talked about the importance of this board and how they've worked to keep the Heartland Expressway development going. City Engineer, Annie Folck, added that they're requesting a 20% increase to help fund trips to Washington, D.C. to advocate for the expressway. **Consensus by Council to fund \$3,565.73 for HEA out of the Street Department for FY27: Yes**

Keep Scottsbluff Gering Beautiful request - \$5,000/\$7,500: Pat explained that they had two requests, the second was for \$7500. Councilmember Shields asked what they use the money for. Steve Mount replied the funds are used for the storm drain decal program, pharmaceutical take-back, an Earth Day event combined with household hazardous waste collection, KSGB Litter cleanup crews, adopt-a-spot programs, public education, and more. He serves on their board. They also do highway cleanup for the monument. Councilmember Gillen asked about accounting for an additional \$2500 in the budget. Steve said he was comfortable adding an additional \$2500 to their request; he has it in his budget to accommodate that. **Consensus by Council to fund \$7,500 for KSGB out of Environmental Services for FY27: Yes**

PADD (Panhandle Area Development District) request - \$7,536.32: Pat stated that the City is restricted on some of the grants they can apply for because the household income is too high. PADD didn't help a lot with the 1% sales tax, but gave some suggestions. They are assisting with the payback from the Prime Metals CDBG Grant - unfortunately, they closed their doors, but PADD is giving the City the funds they received from the grant to help pay back the state. Councilmember Morrison asked if there was overlap between them and TCD. Pat replied, a little, but not much. There isn't a lot they cross paths on. **Consensus by Council to fund \$7,536.32 for PADD out of the LB840 Fund for FY27: Yes**

RDC (Riverside Discovery Center) request - \$60,000: Pat explained that this comes out of the Tourism Budget; that is allowed in state statute. Tourism Director, Tina Worthman, would really like to have more say in their marketing to make sure it's more tourism related, he added. Councilmember Wiedeman asked if Tina could sit on their board. Councilmember Gillen reminded Council that he is the RDC Board's Council Liaison. Tina stated that she can explain to them that Council would like her to be on their board. Councilmember Gillen stated that he thinks they would be open to that direction and added that Kei seems interested in partnerships. It's a tourism network as opposed to an island. He thinks it would be important to put that stipulation out there and that Kei would be amenable. They don't have a specific tourism or marketing person on their board; they do marketing in-house. **Consensus by Council to fund \$60,000 for the RDC out of Tourism for FY27: Yes**

Scotts Bluff County Transit request - \$5,000: It was agreed that the Roadrunner fills an important need in the community. **Consensus by Council to fund \$5,000 for Scotts Bluff County Transit out of the Street Department Budget for FY27: Yes**

TCD (Twin Cities Development) request - \$50,000: Pat discussed the things TCD does for Gering and how involved they were with the 1% sales tax campaign. They are a valuable asset to Gering. Councilmember Gillen mentioned their assistance getting Oikos to the community for housing. They work a lot with WNED as well, he added. He thinks it's important to continue at least for this year. When there's a leadership change, it needs to be looked at to see if the City is getting the same kind of service and investment it had before. Councilmember Jackson asked if the City is paying Retail Strategies; Pat replied, yes, and TCD contributed financially to that as well. **Consensus by Council to fund \$5,000 for TCD out of the LB840 Fund for FY27: Yes**

United Chamber of Commerce: Pat explained that they assisted with the 1% sales tax and put out blasts in their newsletter and in emails to promote the tax. Councilmember Gillen asked, other than that, has the City seen much other involvement. Pat replied, they have not. Councilmember Gillen asked if staff can request monthly meetings with them as well. Councilmember Morrison asked what the expectations would be. Councilmember Gillen replied that there were different things Karen was doing for the City prior to her departure. He wants to be sure we're getting the same level of service. He wants staff to explore how the City can be served by the Chamber, or hold quarterly meetings. Councilmember Wiedeman noted that Valley Visions is no longer there; it was difficult to get people to attend. They do send an email each week to promote what's going on in the community. They have ambassadors that go to businesses. **Consensus by Council to fund \$4,129 for the Chamber out of the LB840 Fund for FY27, and to evaluate the services on a regular basis: Yes**

Monument Prevention Coalition request - \$6,358.50: Councilmember Wiedeman noted that this outside agency has applied for and received Keno Funds in the past. Pat stated that this request was not included in the budget; it would have to come out of the General Fund – it can't come out of LB840. **Consensus by Council regarding a request of \$6,358.50 for the Monument Prevent Coalition for FY27 was to not fund their request, but to refer them to the Keno Committee.**

Administrator Heath expressed to the Mayor and Council that he thinks it's important to hear comments from Council and receive guidance from them. Staff will do their best to watch budgets throughout the year. He's concerned about the Ag economy this year and how it will affect the overall economy now and in the future. Yes, the City has reserves and sinking funds, but those funds can't be used for other things or transferred to other departments. Municipalities are dictated by state law on how those funds are used; he wanted to be sure the public was aware of that. He thinks the City has done a really good job with public funds for the last 30 years, and he thinks Gering has done a really good job the last several years in keeping the levy reasonable. Gering is around average or below average for the lowest levy among first class cities in the state, and Gering is one of the few first class cities that doesn't have a box store to help with sales tax revenues to help offset property tax revenues. He thinks a lot of people aren't aware of that. He's hoping to land more businesses in the future; that would be a benefit to the community and the City. As long as the City is trying to help the tax base, that's important. Sales tax is the fairest tax. He said "We can't grow without nice parks, a nice library, and great fire and police departments." The city is growing slowly (the last census showed an addition of only 65 people), but he thinks Gering has grown since then and has a bright future with a couple housing development coming in. That gives Gering more opportunity to have more businesses. He thanked the Council, staff, and Lyndsey - she did an amazing job without the assistance she has normally has. He's confident Trudy will be onboard by next year and will be able to assist Lyndsey with the budget.

Mayor Ewing thanked the staff and Council Members as well.

E. Open Comment Section: Discussion or action by the City Council regarding unscheduled business will not take place. This section is for citizen comment only.

Max Miller, 80928 County Road 19, Scottsbluff, NE, addressed Council and stated that he was born and raised in Gering but left the community in 1997. However, he has been involved in a business in Gering that is the oldest business in town – Ted B. Miller. Gering has had a John Deere dealer represented by three families for 102 years. He added that he's representing *that* today with three points he'd like make. He asked Council if they knew what the population of Gering was in 1990; the answer: 8000 people. Today the population is 8600. He then asked what the budget was in 1990 and stated that he can tell Council what wasn't in the budget in 1990 – "We didn't have a golf course, we didn't have an RV Park, we weren't chasing baseball teams. Your problem is the fact that you're trying to budget all this stuff on a population that basically hasn't changed." He went on to say that Gering has been a bedroom community to Scottsbluff since the day he was born and long before he was born, and will probably remain that way. He added that Gering "ought to capitalize on how to do that."

His second point was that two years ago "We went to build a warehouse out here at our facility. From our last construction project to that one, this body passed a law that adopted a bunch of International Building Codes. That raised the price of that warehouse 40%, and it was scrapped over that." He asked "So what did you get in place of that half a million dollar investment in Gering? You got four containers that you collect nothing on, you sell no power to, you have nothing. People drive by and say 'Oh, they use containers.' Yes, they're painted, but they're not like a building." He added that every decision Council makes has consequences, and he thinks "We far too often adopt all this feel good stuff, and what do we do? We set back the main, major stuff." He stated that he wouldn't take "this job" for anything because there's no way to ever catch up. He said "Your streets are crumbling. You can sealcoat them, but it's not going to make them last any longer because you've let them go too long now. They're so thin, I can go out with a shovel and pick apart any street in this town. They need two to three inches of asphalt before you sealcoat them." He added that he's not at the meeting to hound on anybody, but he can physically see very easily "why we've got the problems we've got."

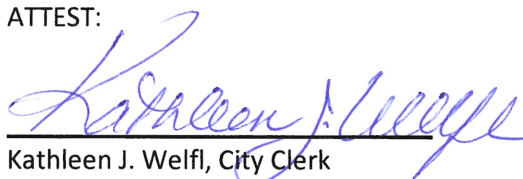
He then went to his last point and stated "Here's what it's like to be a customer of the City of Gering Electric Department. At Murphey Tractor, due to spikes or drops, in February a power surge took out the control board on our air compressor – 1300 bucks. In March, it burned up boards on three different pieces of equipment we have – not to mention computers. Those were 560 bucks a piece." He added that in March it burned up their mini split which cost \$3700. He has an average bill of a thousand dollars a month and asked if Council was doing the math because when he gets to the end, he has to pay another thousand dollars to make repairs because he has one choice to buy his power "and it's from you." He went on to say that they burned up another board in April and June. Additionally, the thermostat was smoking in late June – another power surge. Another one in July – those were a thousand bucks a piece. In August, it took out all the motors on the fanning system in their heating and air conditioning which was \$1200. Now they have another mini split that's burned up, another thermostat, and a vent motor. That totals \$12,000 plus repairs for a total of \$15,000. He asked "How many of you would want to pay the City of Gering for your electric bill and then pay that times one and a half every month in repairs?" He asked if it's fair or right and added that "We're budgeting zoos, we're budgeting free transportation, a ball diamond, RV Parks, and we've let all the main, basic stuff go to pot." He asked if Council knew how Gering ended up in the electric business. He explained that Dick Prohs, of Prohs Furniture, was the Mayor of Gering and cut a deal with WAPA to put the substation on U Street and locked down a four-year contract to buy power, resell it to Gering residents, and then used that money to subsidize the budget. "That's how you ended up in the power business." He asked "Why have we let our main revenue stream deteriorate to this degree?" He explained it's because "We have the same number of people, but we're trying to budget for 14 other things that we probably can't afford, and we had to let our main stuff go – just like the streets." He asked Council to reconsider, noting that it's too late for this year, but going into next year's budget "If you're not serving 70-80% of the tax payers or citizens with whatever you're funding, maybe you should reconsider that. You can sell an RV Park, you can sell a golf course. And if we're not going to have businesses come to this town, and we're not going to support the businesses that we have because of erroneous regulations and demands on them when they do something, figure out how you're going to be a bedroom city." He added that he doesn't mean to sound like he's complaining, but this stuff "just gets under your skin." He thanked Council for their time and wished them good luck with their job. He then stated he would give the Council a deal they can't pass up. He wants a job for one dollar for six months to let him look at "all your stuff" with a fresh set of eyes and make suggestions because "We all end up in this little world or zone where we've always done it this way, we can't change, we can't do anything any different, right? Let a third party look at it. If anything I recommend you adopt, give me 20% of the savings. Six months, one buck. Nobody will take it, will you?". He concluded by asking if they knew why and said "think about it, I think you know." He thanked Council for the morning and added that it was very interesting.

Adjourn:

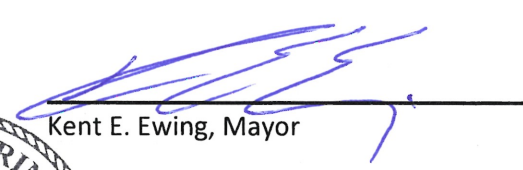
Motion by Councilmember Gillen to adjourn. Second by Councilmember Morrison. There was no discussion. Mayor Ewing called for the vote. AYES: Shields, Gillen, Cecil, Kinsey, Wiedeman, O'Neal, Morrison, Jackson. "NAYS": None. Absent: None. Abstaining: None. Motion carried.

The Budget Work Session adjourned at 11:19 a.m.

ATTEST:


Kathleen J. Welfl, City Clerk




Kent E. Ewing, Mayor