

FOOD & BEVERAGE OCCUPATION TAX OVERSIGHT COMMITTEE

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AGENDA

**Thursday, March 9, 2017
4:00 p.m.
Council Chambers
Grand Island City Hall**

1. Approval of December 8, 2016 Meeting Minutes
2. Finance Department
 - a. Revenues
 - b. Expenditures
3. Grow Grand Island Report
4. Other
5. Adjourn

OFFICIAL PROCEEDINGS

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF FOOD & BEVERAGE OCCUPATION TAX OVERSIGHT COMMITTEE December 8, 2016

Pursuant to due call and notice thereof, a Regular Meeting of the Food & Beverage Occupation Tax Oversight Committee of Grand Island, Nebraska was conducted in the Council Chambers of City Hall, 100 East First Street, on December 8, 2016. Notice of the meeting was given in *The Grand Island Independent* on November 30, 2016.

Chairman Ronald Depue called the meeting to order at 4:00 p.m. The following board members were present: Ron Depue, Brad Bauer, Kirk Ramsey, and Lisa Willman. Karl Kostbahn was absent. The following City Officials were present: Mayor Jeremy Jensen, City Administrator Marlan Ferguson, City Clerk RaNae Edwards, City Attorney Jerry Janulewicz, and Assistant Finance Director William Clingman.

APPROVAL OF MINUTES. Motion was made by Lisa Willman, seconded by Kirk Ramsey to approve the September 15, 2016 minutes. Upon roll call vote, all voted aye. Motion adopted.

CHANGE IN ORDINANCE CREATING FOOD AND BEVERAGE TAX: Mr. Depue explained the changes reflected in Ordinance 9614 which clarified the ballot language approved by the electorate by removing language that provided a priority of use for the occupation tax revenues.

Karl Kostbahn was present at 4:04 p.m.

FINANCE DEPARTMENT REVENUES AND EXPENDETURES: Assistant Finance Director William Clingman reviewed the collections of the food and beverage occupation tax from 2012 through 2016. (See attached report.) The revenues had been increasing with September's amount collected at \$227,637.64, the highest revenue so far, which represented the month of August. Comments were made regarding businesses on payment plans which were working out very well. Discussion was held regarding the increase due to the alcohol sales. It was mentioned that whatever a person had to pay sales tax on they would have to pay food and beverage tax also.

Mr. Clingman stated they had paid the Nebraska State Fair \$96,000 which was the only expenditure.

EXPENDITURE EXPECTATIONS.

Mr. Ferguson stated there were three areas for the food and beverage occupation tax: State Fair Matching Fund, Grow Grand Island, and City Quality of Life Projects.

Grow Grand Island – Mr. Ferguson stated that an Agreement with Grow Grand Island had been approved by the City Council which allotted a minimum of \$500,000. These monies would be disbursed through applications submitted to Grow Grand Island. Mr. Janulewicz commented on the process of disbursements through Grow Grand Island. The original applications were reviewed by the City Administrator and City Attorney before funds were expended.

Discussion was held regarding the \$500,000 which would be disbursed to Grow Grand Island into a separate account. Assistant to the City Administrator Nicki Stoltenberg commented on the grant committee and the process of approving them through a Grow Grand Island initiative. Mr. Ferguson stated that within 60 days the \$500,000.00 would be sent to Grow Grand Island.

Mr. Depue stated if the money was disbursed to Grow Grand Island before the next quarterly meeting he would like to have someone here to present an accounting of where the money was expended.

Quality of Life Projects – Mr. Ferguson stated the City Council approved Ordinance No. 9610 which authorized a loan not to exceed \$5,000,000 for Parks and Recreation projects. This was a line of credit for upcoming projects.

Discussion was held regarding the cemetery expansion and if the food and beverage revenues could be used for that project. Mr. Ferguson stated at this time these funds would not be used for the cemetery expansion but he would look into it.

Mr. Ferguson stated they had discussions with the Chamber of Commerce, Farm Progress, Ag Institute of Nebraska (AIN), and others regarding upgrades to Husker Harvest Days. Requested was \$2,000,000 from the City over ten years. Mayor Jensen commented on a portion of these revenues to be used over time for the Husker Harvest Days upgrade. Discussion was held concerning the legality of giving funds to a for profit company. Comments were made concerning the City owning the land. Mayor Jensen stated they had meetings in Lincoln to look at options and the importance of keeping Husker Harvest Days here in Grand Island.

COMMITTEE COMMUNICATIONS: None.

The next meeting was discussed. It was suggested that we meet quarterly on the second Thursday.

ADJOURNMENT: 4:53 p.m.

RaNae Edwards
City Clerk

**City of Grand Island
Food and Beverage Occupation Tax - As Received Basis***

	Actual FY 2012-2013	Actual FY 2013-2014	Change from Previous YR	Actual FY 2014-2015	Change from Previous YR	Actual FY 2015-2016	Change from Previous YR	Actual FY 2016-2017	Change from Previous YR
October	128,591.02	126,792.34	-1.40%	134,701.66	6.24%	129,020.52	-4.22%	190,964.23	48.01%
November	118,392.86	107,279.78	-9.39%	94,645.52	-11.78%	107,234.83	13.30%	179,240.56	67.15%
December	105,476.63	128,353.71	21.69%	146,485.22	14.13%	141,486.71	-3.41%	164,568.71	16.31%
January	130,546.05	127,851.56	-2.06%	120,807.22	-5.51%	133,807.58	10.76%	187,718.82	40.29%
February	98,735.02	106,413.19	7.78%	109,524.05	2.92%	205,365.64	87.51%	154,074.55	-24.98%
March	113,603.34	113,335.63	-0.24%	152,541.44	34.59%	147,802.65	-3.11%		-100.00%
April	135,539.91	126,573.61	-6.62%	129,539.97	2.34%	162,503.45	25.45%		-100.00%
May	124,459.01	119,608.57	-3.90%	126,771.55	5.99%	214,430.97	69.15%		-100.00%
June	100,090.23	136,786.00	36.66%	157,883.23	15.42%	133,374.71	-15.52%		-100.00%
July	134,542.69	131,644.04	-2.15%	149,088.88	13.25%	157,130.94	5.39%		-100.00%
August	135,692.78	134,079.05	-1.19%	126,500.69	-5.65%	189,181.36	49.55%		-100.00%
September	133,225.29	136,673.99	2.59%	160,317.37	17.30%	227,637.64	41.99%		-100.00%
Total Receipts	1,458,894.83	1,495,391.47		1,608,806.80		1,948,977.00		876,566.87	
Year to Date (YTD) Total	581,741.58	596,690.58	2.57%	606,163.67	1.59%	716,915.28	18.27%	876,566.87	22.27%
YTD Percent Collected	39.88%	39.90%		37.68%		43.93%	of Budget	43.83% of Budget	
						2016 Budget	1,631,847	2017 Budget	2,000,000

@ First collection with tax change to include alcohol

* Receipts lag the actual collection by one month. For example, January receipts are based on December sales.



A Grander Vision for the Heartland

overview

Mission

Grow Grand Island cultivates bold ideas that create business and quality of life opportunities in our region through planning, partnering and doing.

- 30** initiatives
- 2** completed
- 23** underway
- 5** years 2018-2020

2015-2016

- GGI & Grander Vision Merged**
- GGI Incorporated & 501c3**
- GILCA & HIP formed**
- City Wide Cleanup**
- Cultural Engagement**
- \$50k Initial Funding**
- F&B Agreement with City of GI**

3 grants totaling \$32k, leveraging \$154k

- Imagination Takes Flight**
- Jobs EQ (Workforce Analytics Software)**
- Railside Bike Racks**

Potential 13 projects, \$930k, leveraging \$1.7M (fall 2016 survey)

2017

- Beautification & Local Sourcing initiatives**
- ENGINE Collaborative: Connecting Students with Employers**
- Marketing: Stories & Image**
- Staffing & Fundraising**
- Spend \$500k Wisely**
- Identify & Monitor Metrics**

Metrics

- Sales Tax/F&B Tax**
- Employment; by business sector**
- Net Migration**
- K-12 Enrollment/Graduation**
- Higher Ed Enrollment/Graduation**
- Income/Poverty**
- Hotel Occupancy**
- Building Permits**

P.S. How will you grow Grand Island?