



CITY OF OMAHA MAYOR JEAN STOTHERT



Lewis & Clark Landing at The RiverFront

Photo Credit: OJB Landscape Architecture

2023 RECOMMENDED BUDGET BRIEFING

Mayor's Message

Omaha has made great progress recovering from the economic and health challenges presented by the pandemic.

Our local economy is strong, unemployment is extremely low, city revenues are meeting projections, and there is optimism in the direction of our city. The recommended 2023 budget funds the services, programs, and personnel to make us even stronger.

The General Fund budget is \$474 million, a 3.9% increase over 2022.

Our property tax rate for next year is unchanged. I have reduced the property tax rate three times, including the 2% reduction we implemented this year. And, once again, we will not implement the property tax rate increase approved by voters in 2020 to fund our Street Preservation Program. We are in the third year of this program and can continue without raising the levy with good cash management and existing bond capacity. This saves our taxpayers money!

Funding and staffing our police and fire departments remains our top priority. As our city grows, the calls for emergency services increase. We must have trained personnel and up-to-date, safe apparatus to provide the best emergency response possible.

We will significantly increase the Omaha Public Library budget. Our public libraries are community assets that offer access to ideas, technology, and learning. We are committed to fund city-owned and managed libraries at current or greater levels, to ensure all of our libraries have our continued support.

I am very excited about plans for a new Central Library at 72nd and Dodge and all the changes occurring to develop a world-class library system in Omaha. I believe we all agree the Central Library will be a uniquely Omaha attraction and community resource. This is possible because we have generous philanthropic support for civic projects that enhance the quality of life in Omaha.

In 2023, we will continue to distribute and track federal funds the City of Omaha received for pandemic recovery. We have received more than \$100 million for rent and utility assistance and already distributed more than two-thirds to those who need assistance. We have also received \$112 million in American Rescue Plan (ARPA) funds. These programs will have an immediate and direct impact on our community.

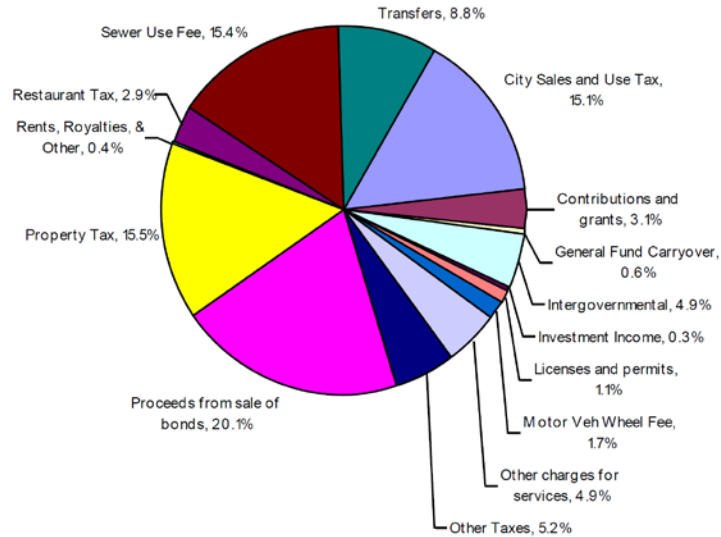
The recommended budget will now be reviewed by the City Council. Public input is always encouraged. A public hearing is scheduled August 16 at 6:30 p.m. in the Legislative Chambers.



Jean Stothert, Mayor
City of Omaha

City Of Omaha Revenues and Appropriations All Funds

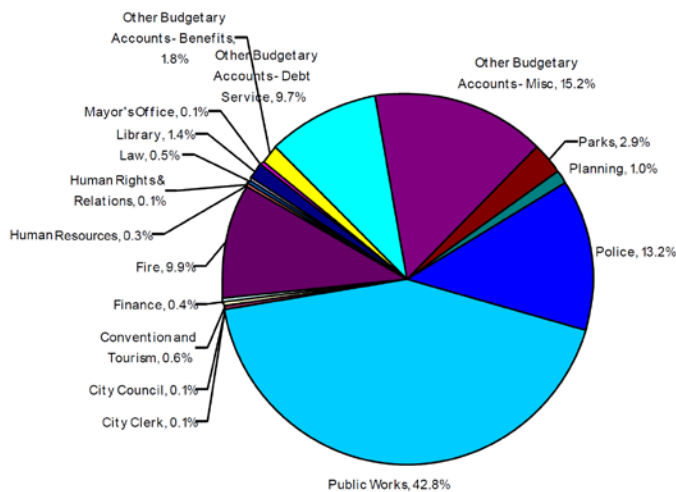
2023 Revenue Sources



Revenue Sources	2022 Budget	2023 Budget
General Fund Carryover	8,000,000	8,000,000
City Sales and Use Tax	191,220,508	205,128,173
Property Tax	198,073,338	210,445,170
Restaurant Tax	35,857,086	39,792,146
Other Taxes	72,572,919	69,966,685
Licenses and permits	13,912,839	14,239,324
Intergovernmental	61,435,231	66,335,015
Investment Income	4,167,268	4,154,798
Sewer Use Fee	198,189,166	208,594,097
Motor Veh Wheel Fee	23,415,389	23,603,373
Other charges for services	54,425,064	66,374,311
Rents, Royalties, & Other	6,813,955	5,871,615
Contributions and grants	115,812,077	41,605,444
Proceeds from sale of bonds	181,741,089	272,463,397
Transfers	1,816,259	119,176,669
	\$ 1,167,452,188	\$ 1,355,750,217

Detail in this schedule may not add to the totals due to rounding.

2023 Appropriations



Departments	2022 Budget	2023 Budget
Mayor's Office	1,642,114	1,680,126
City Council	1,397,378	1,458,923
City Clerk	837,584	861,221
Law	5,815,432	6,190,056
Human Resources	3,924,631	3,820,985
Human Rights & Relations	1,350,387	1,410,482
Finance	5,495,242	5,853,427
Planning	13,129,980	13,725,485
Police	170,551,725	178,444,105
Fire	123,769,518	134,442,726
Parks	36,330,322	39,205,986
Convention and Tourism	6,738,749	8,558,676
Public Works	522,029,759	579,838,965
Library	17,502,066	19,281,558
Other Budgetary Accounts - Benefits	24,812,281	24,976,855
Other Budgetary Accounts - Misc	151,838,723	205,475,008
Other Budgetary Accounts - Debt Service	129,169,527	130,928,363
	\$ 1,216,335,418	\$ 1,356,152,947

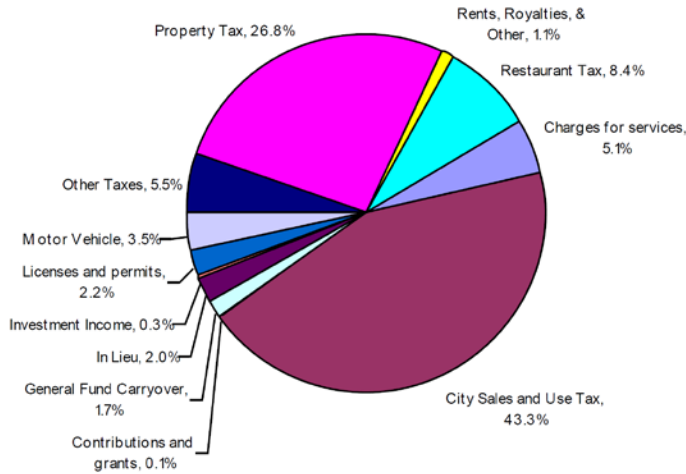
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City Of Omaha

Revenues and Appropriations

General Fund

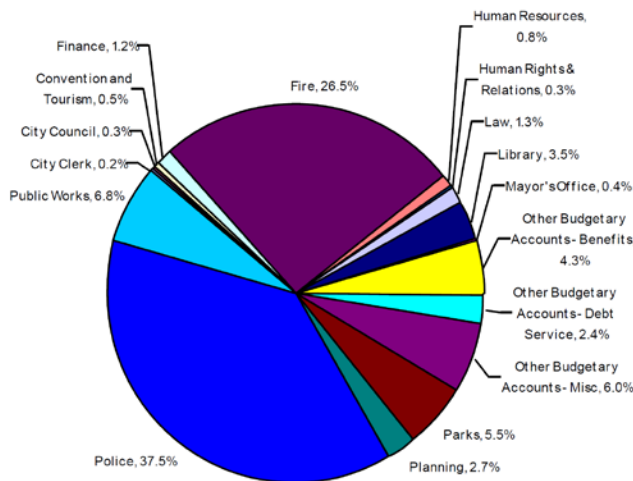
2023 Revenue Sources



Revenue Sources	2022 Budget	2023 Budget
Contributions and grants	0	345,627
General Fund Carryover	8,000,000	8,000,000
Property Tax	121,696,779	127,055,565
City Sales and Use Tax	191,220,508	205,128,173
Restaurant Tax	35,857,086	39,792,146
Other Taxes	32,671,468	25,942,277
Motor Vehicle	15,889,474	16,525,053
In Lieu	9,481,678	9,671,311
Licenses and permits	10,373,519	10,551,083
Charges for services	23,301,369	24,200,561
Rents, Royalties, & Other	6,263,324	5,298,407
Investment Income	1,500,000	1,530,000
	\$ 456,255,205	\$ 474,040,203

Detail in this schedule may not add to the totals due to rounding.

2023 Appropriations



Departments	2022 Budget	2023 Budget
Mayor's Office	1,642,114	1,680,126
City Council	1,397,378	1,458,923
City Clerk	837,584	861,221
Law	5,744,882	6,190,056
Human Resources	3,715,187	3,820,985
Human Rights & Relations	1,350,387	1,410,482
Finance	5,362,992	5,723,212
Planning	12,051,913	12,742,158
Police	170,075,725	177,968,105
Fire	120,746,518	125,511,726
Parks	24,445,308	25,841,084
Convention and Tourism	2,000,000	2,200,000
Public Works	31,429,017	32,205,349
Library	15,152,066	16,381,558
Other Budgetary Accounts - Benefits	20,430,997	20,545,444
Other Budgetary Accounts - Misc	28,512,317	28,315,394
Other Budgetary Accounts - Debt Service	11,360,820	11,184,380
	\$ 456,255,205	\$ 474,040,203

Detail in this schedule may not add to the totals due to rounding.

Budget Drivers

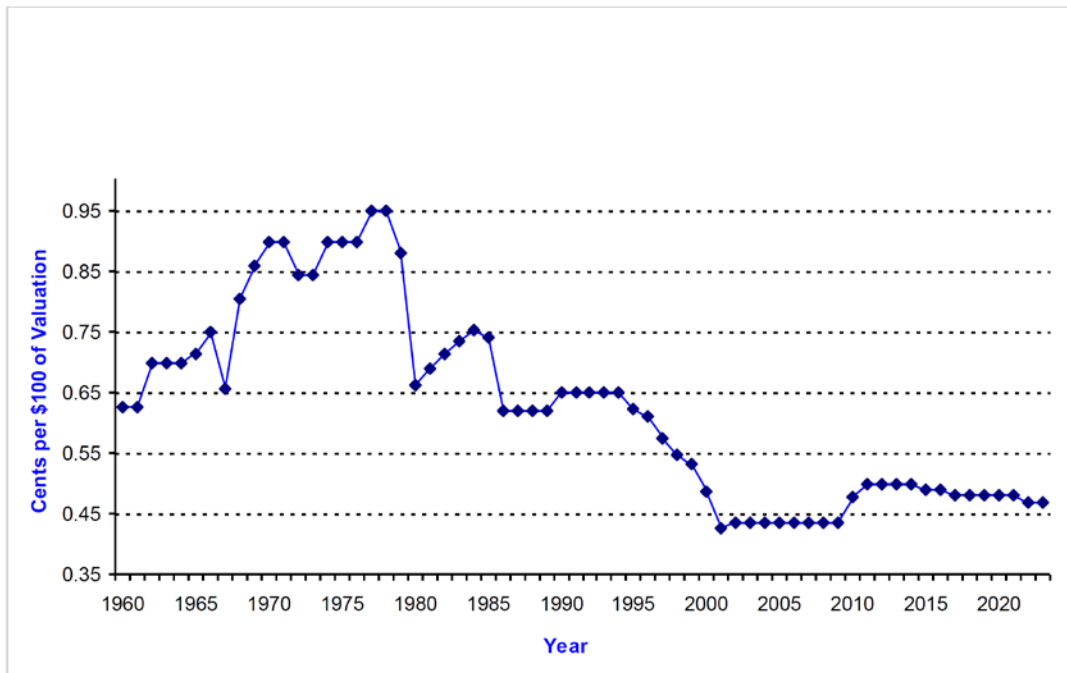
Revenues

- Property tax revenues are estimated to be \$210.4 million, representing an increase of 6.25%.
- The net sales tax budget is expected to increase by 7.27% over 2022 budget to \$205.1 million. (This is about a 5.5% increase over 2021 actual receipts). Sales tax from Nebraska incentive refunds are budgeted at \$10 million.
- The Restaurant tax budget increased by 10.97% over the 2022 budget to \$39.8 million.
- General Fund total revenues of \$474 million in 2023 compared to \$456.3 million in 2022. This represents an increase of 3.9% over 2022 budget.
- The total property tax levy remains the same at \$.46922. (In 2013 it was \$.49922).

Expenses

- Inflation
 - The rising costs of goods and services remains a concern in 2023. Our personnel contracts, however, are a large part of our expenditures. Those contracts have identified wage increases that we have budgeted for and are not subject to large inflationary swings. Additionally, we have seen large increases recently in fuel prices. The City has locked in rates that are based on the number of gallons used. We estimate we have locked in pricing for fuel through Feb 2023 based on our projected usage. Our current contract pricing is **\$2.81** per gallon for gas and **\$2.77** per gallon for diesel.
- Union Contracts & Wages
 - All unions have current contracts in 2023 with the exception of Fire Management & Police Management.
 - The 2023 budgets have made wage increases a priority, including increasing various part-time wages.
- Cash Reserve/Contingent Liability
 - The 2021 ending balance for the Cash Reserve fund was \$27.8 million. (The 2013 year-end balance was \$5 million).
 - The 2021 ending balance for the Contingent Liability fund was \$26.5 million. (The 2013 year-end balance was \$2.3 million).
- Annexation
 - The annexation package will run in a separate track from the Recommended Budget and is not included in these numbers.
- Turnback Tax
 - We budgeted \$320,000 in the Turnback Tax budget for 2023. (The Turnback Tax is a portion of the state sales tax collected within 600 yards of CHI Health).
- Contingency Account
 - There is \$350,000 appropriated from the contingency account in the General Fund. This budget makes \$50,000 available for each City Council member to allocate. If funds are not allocated they will be available for contingencies.
- Health Insurance
 - Total Budget for 2023 (without Employee Contributions)
 - Active \$57.1 million
 - Retiree \$18.1 million
 - Total \$75.2 million (5.5% increase over 2022 budget - The 2022 budget - \$71.3 million)
 - Per Person Budget (without Employee Contributions)
 - All Civilian, Police Sworn, & Fire Mgmt. Employees (**\$17,511** x no. of FT Employees).
 - All Fire Sworn Employees except Mgmt. (**\$23,104** x no. of FT Employees) – **32% higher**.
 - We would like to have the Fire plan move to the Police plan for greater efficiencies.

City Of Omaha Historical Property Tax Rates



Historical Schedule of Property Tax Rates		
Year	Cents Per \$100 Valuation	Percent Change
2004	43.387	0.00%
2005	43.387	0.00%
2006	43.387	0.00%
2007	43.387	0.00%
2008	43.387	0.00%
2009	43.387	0.00%
2010	47.587	9.68%
2011	49.922	4.91%
2012	49.922	0.00%
2013	49.922	0.00%
2014	49.922	0.00%
2015	48.922	-2.00%
2016	48.922	0.00%
2017	47.922	-2.04%
2018	47.922	0.00%
2019	47.922	0.00%
2020	47.922	0.00%
2021	47.922	0.00%
2022	46.922	-2.09%
2023	46.922	0.00%

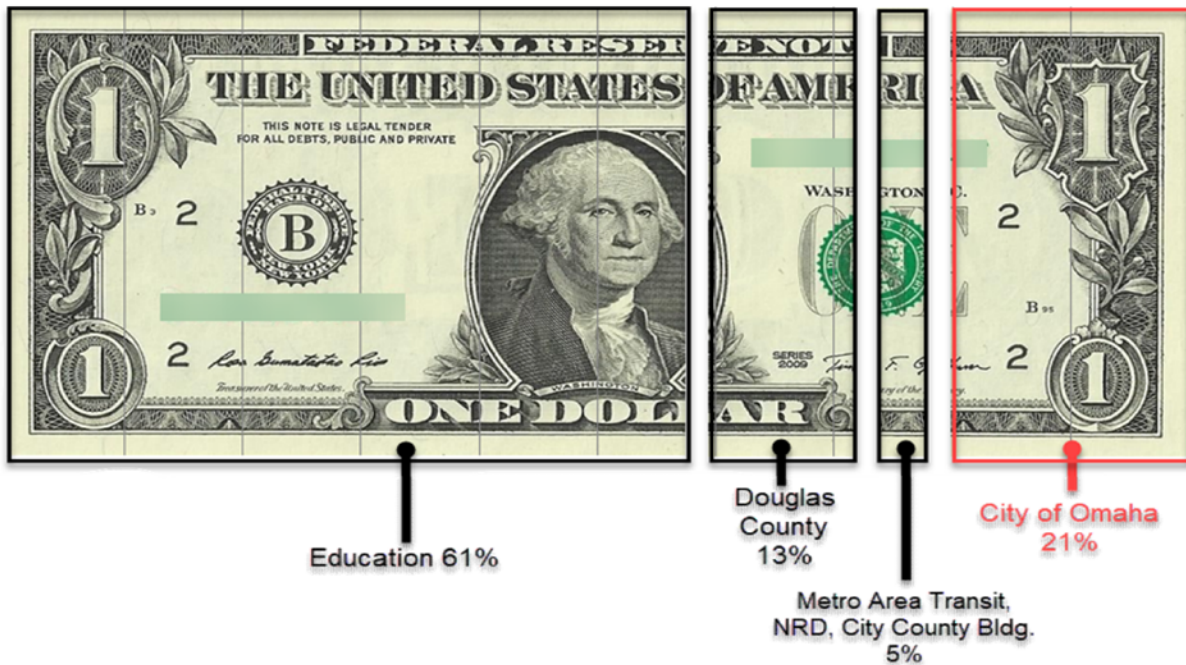
Property Taxes by Collecting Agency

Median Home Price - Omaha

\$167,800

Tax Description	Assessed Value	Tax Rate	Tax Amount	% Allocation
Education (Breakdown Below)	\$ 167,800	\$ 0.0135934	\$2,280.97	61.12%
Douglas County	\$ 167,800	\$ 0.0029559	\$496.00	13.29%
Metro Area Transit	\$ 167,800	\$ 0.0004731	\$79.39	2.13%
NRD	\$ 167,800	\$ 0.0003566	\$59.84	1.60%
City County Building	\$ 167,800	\$ 0.0001700	\$28.53	0.76%
City of Omaha	\$ 167,800	\$ 0.0046922	\$787.35	21.10%
		\$ 0.0222412	\$3,732.08	
Education				
Educational Service Unit 1	\$ 167,800	\$ 0.0001500	\$ 25.17	
Learning Community Capital Project	\$ 167,800	\$ 0.0001624	\$ 27.25	
Metro Comm College	\$ 167,800	\$ 0.0009500	\$ 159.41	
School - Omaha	\$ 167,800	\$ 0.0123310	\$ 2,069.14	
		\$ 0.0135934	\$ 2,280.97	

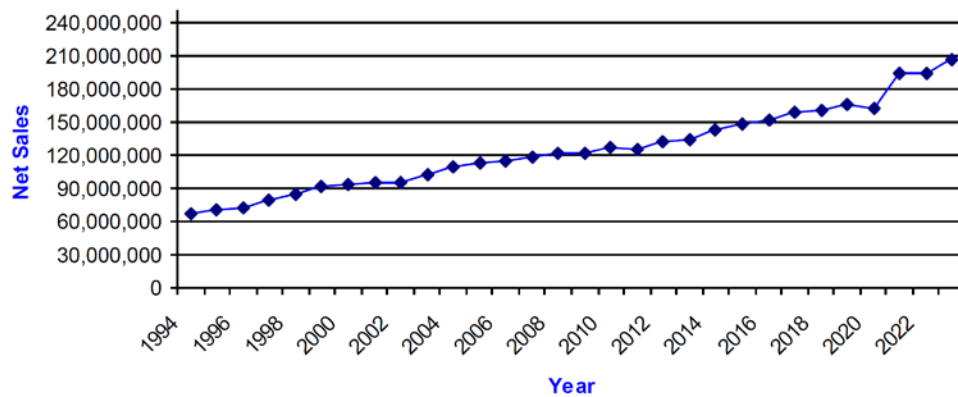
In this example the City of Omaha represents 21% of your property tax bill.



The property tax levies were the published rates on the Douglas County Assessor website as of 6/29/22. Detail on this page may not add to the totals due to rounding.

City Of Omaha Sales Tax Receipts

Annual Net Sales Tax Receipts



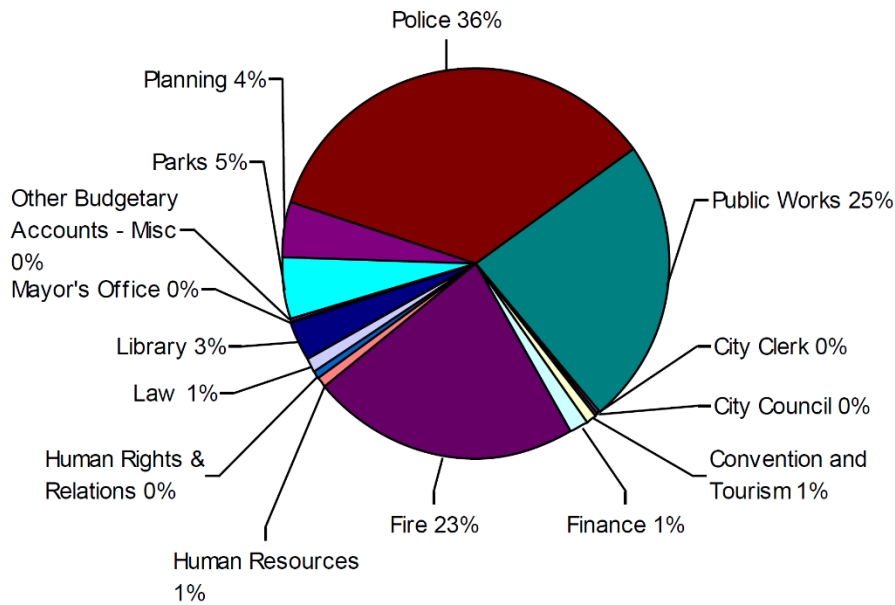
The City sales tax rate is 1.5 percent. Refunds are the result of state-legislated tax incentives businesses receive by meeting minimum thresholds for employment and investment.

Historical Schedule of Sales Tax Receipts

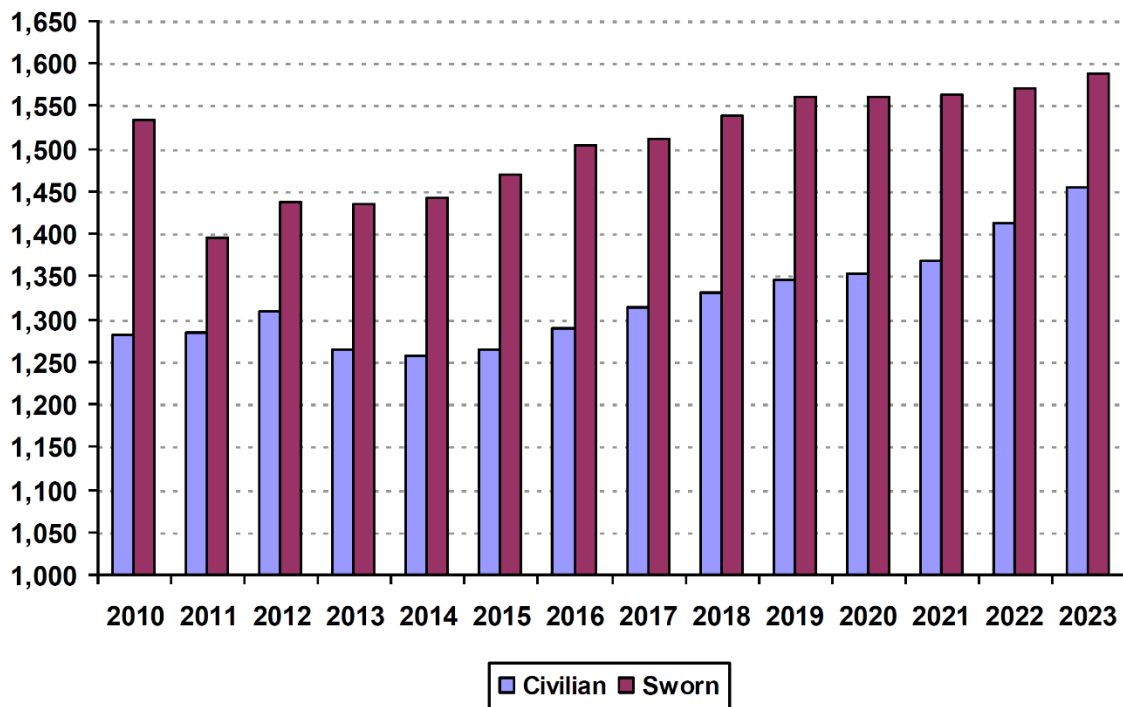
Year	Gross Sales Tax Receipts	Prior Year % Change	Sales Tax Refunds	Net Sales Tax Receipts
1994	73,716,758	9.64%	-6,840,951	66,875,807
1995	78,058,833	5.89%	-8,244,381	69,814,452
1996	81,836,340	4.84%	-9,187,520	72,648,820
1997	87,500,204	6.92%	-8,686,702	78,813,502
1998	96,177,566	9.92%	-11,777,708	84,399,858
1999	100,568,214	4.57%	-9,171,102	91,397,112
2000	104,709,650	4.12%	-11,148,229	93,561,421
2001	105,846,630	1.09%	-11,398,782	94,447,848
2002	107,565,620	1.62%	-12,745,765	94,819,855
2003	110,910,102	3.11%	-8,496,168	102,413,934
2004	117,526,998	5.97%	-7,864,766	109,662,232
2005	120,873,521	2.85%	-7,918,549	112,954,972
2006	122,721,806	1.53%	-9,087,824	113,633,982
2007	128,625,275	4.81%	-9,944,289	118,680,986
2008	131,801,802	2.47%	-10,269,009	121,532,793
2009	127,301,965	-3.41%	-5,992,039	121,309,926
2010	131,452,524	3.26%	-5,314,336	126,138,188
2011	133,058,058	1.22%	-8,122,222	124,935,836
2012	140,385,259	5.51%	-8,526,213	131,859,046
2013	146,863,169	4.61%	-12,538,799	134,324,370
2014	151,645,504	3.26%	-8,886,942	142,758,562
2015	157,366,257	3.77%	-9,362,439	148,003,818
2016	158,954,114	1.01%	-7,720,964	151,233,150
2017	164,827,311	3.69%	-6,392,525	158,434,786
2018	169,245,763	2.68%	-9,440,691	159,805,072
2019	179,834,121	6.26%	-13,497,859	166,336,262
2020	180,920,341	0.60%	-18,727,403	162,192,938
2021	200,544,864	10.85%	-6,151,490	194,393,374
2022	201,032,387	0.24%	-7,000,000	194,032,387
2023	215,128,173	7.01%	-10,000,000	205,128,173

(All Years are Actuals except for 2022 Revised and 2023 Budget.)

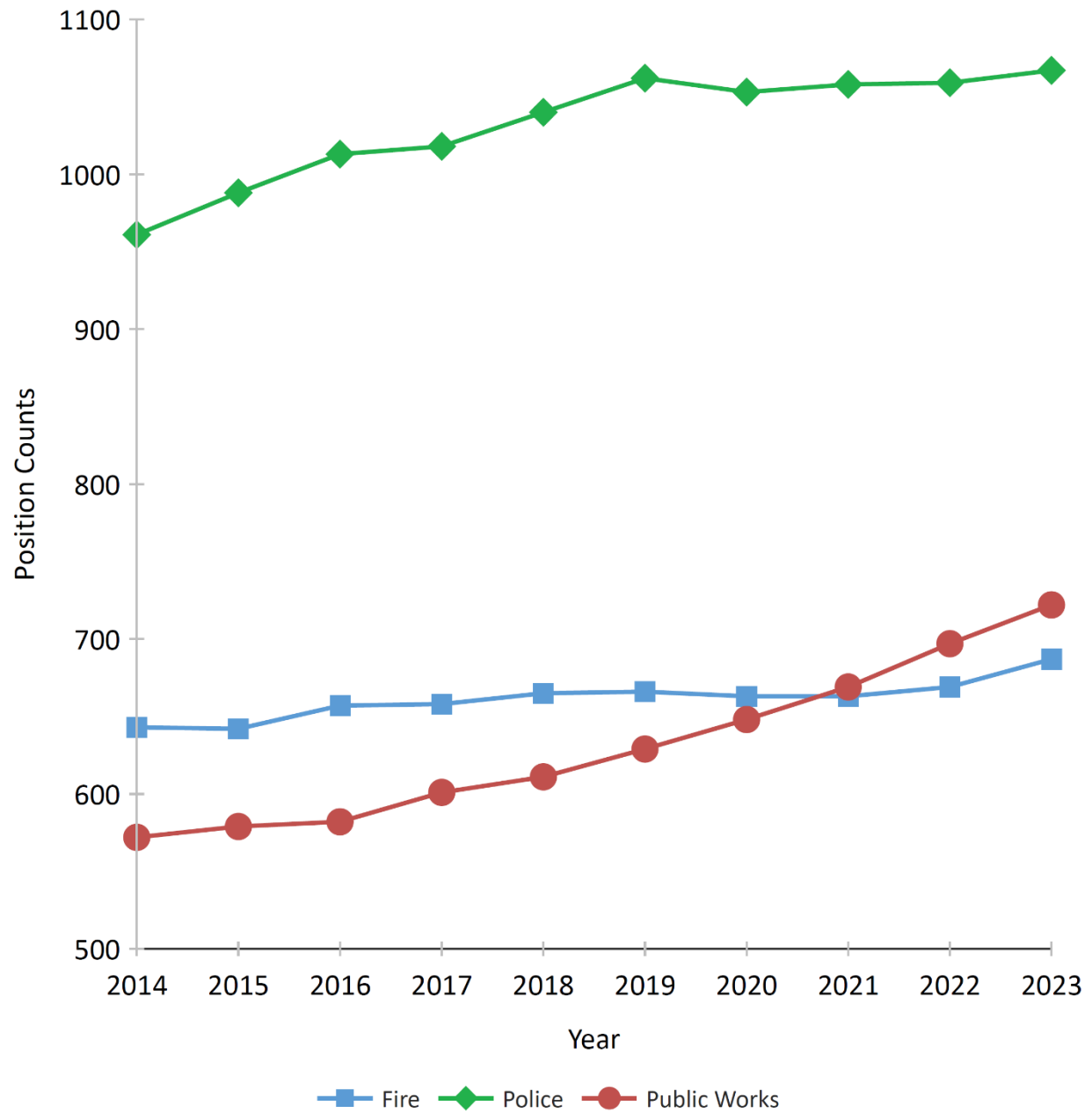
2023 Recommended Percentage of Employees by Dept



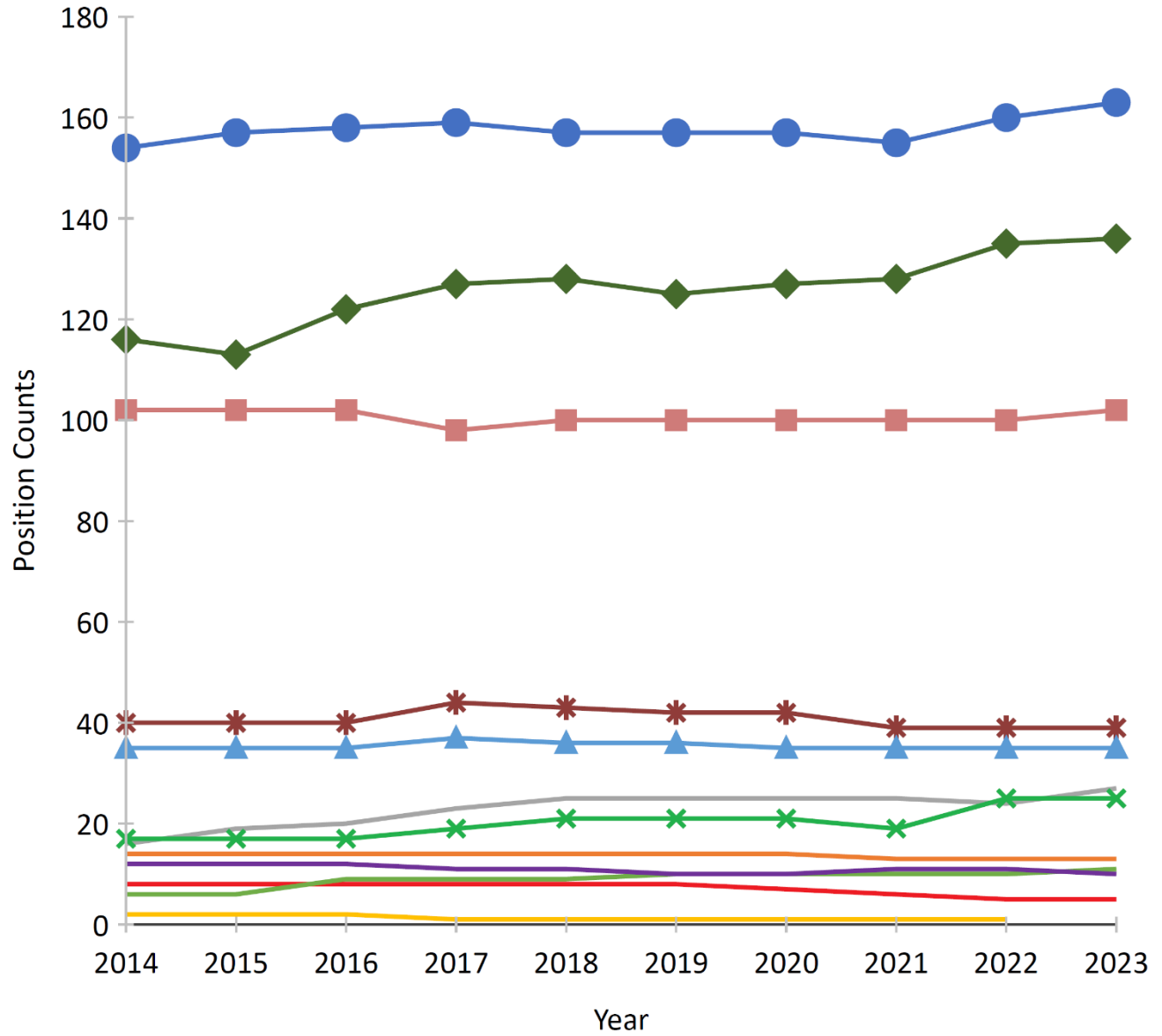
2023 Recommended History of Full Time Budgeted Positions



Budgeted Position Counts
(Police, Fire, and Public Works)



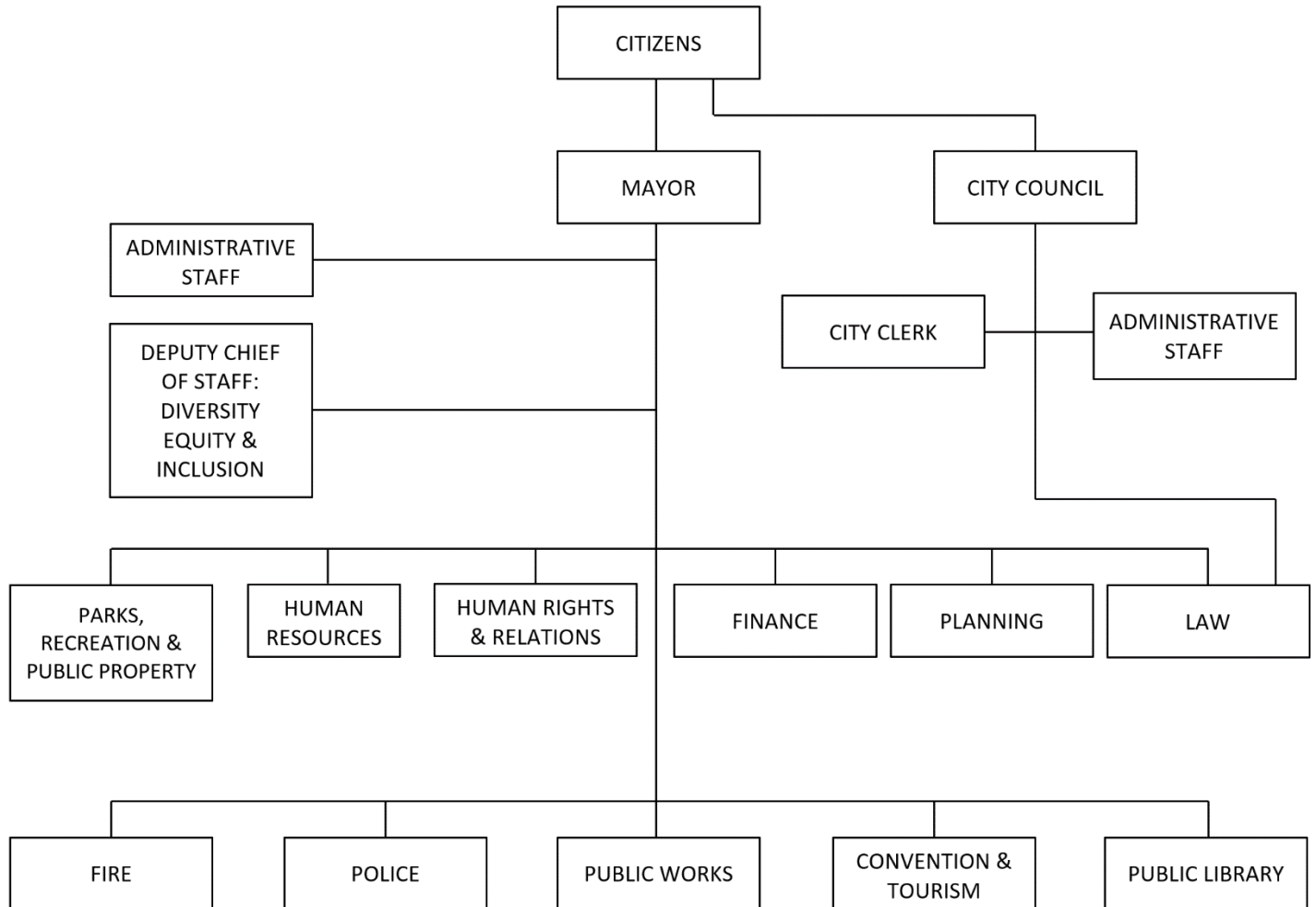
Budgeted Position Counts (Other Depts)



- City Clerk
- City Council
- Convention and Tourism
- Finance
- Human Resources
- Human Rights & Relations
- Law
- Mayor's Office
- Parks
- Planning
- Library
- Other Budgetary Accounts - Misc

Organizational Chart

EXECUTIVE AND LEGISLATIVE



Department Budget Highlights

Police Department

- The 2023 budget is \$178.4 million, a 4.6% increase.
- OPD is budgeted for 906 sworn officers, unchanged from 2022.
- A recruit class of 16 will graduate in September; 2 additional classes will begin this Fall.
- Eight new civilian positions to cover responsibilities previously assigned to sworn officers, total civilian staff-161.
- Purchase frontline cruisers.
- Purchase equipment required to communicate with Douglas County 911 for emergency dispatch.
- 2023 is final year of transitioning funding for the Co-Responder program from foundation funding to the OPD General Fund program. In 2021, OPD responded to 4,476 calls to 911 reporting mental health crisis. The co-responders directly engaged with 2,369 persons to connect them with resources.
- A 5th Crime Prevention Specialist for the West Precinct. All precincts now have this position.

Fire Department

- The 2023 General Fund budget is \$125.5 million, a 3.95% increase.
- OFD is budgeted for 681 sworn firefighters and 6 civilian staff.
- Reinstate Engine 2 to serve downtown Omaha. Engine 2 was removed from service more than a decade ago by a previous administration. It will be located at Central Station, 15th & Jackson.
- Add a new medic unit. Medic 25 will be located at Fire Station 24 at 2304 Fontenelle Blvd.
- Acquire land and begin design of new fire station in the area of 168th and Fort (CIP).

Omaha Public Library

- The 2023 budget is \$19.3 million, a 10.17% increase.
- Add two full-time and six part-time staff.
- Increase wages for part-time staff.
- Increase materials purchase, including materials for new downtown branch at 14th & Jones.
- Lease payments for 14th and Jones branch and temporary administration building at 84th & Frederick.

Public Works Department

- The 2023 Public Works *operating* budget is \$203 million, a 12.5% increase. (The Public Works Department has numerous funding sources).
- 2023 Street resurfacing budget \$18 million, 6% increase from 2022.
- Staffing will increase to 722. The new positions are in the Street Maintenance and Construction Division (7), Traffic Engineering (2), Parking & Mobility (1), Sewer Maintenance (4), Vehicle Maintenance (1), Design (4), Water Resource Recovery (4), & Environmental Quality Control (2).
- Staff additions address safety, inspections, engineering, accounting and implementation of Vision Zero.
- The Solid Waste budget is projected at \$35.7 million, which represents a 2.72% increase over 2022.

Department Budget Highlights (Continued)

Parks Department

- The 2023 General Fund budget is \$25.8 million, a 5.71% increase.
- The \$10 million ARPA appropriation to public spaces includes 10 city parks and three additional public/private spaces (CIP).
- The Parks Department will increase seasonal part-time wages to recruit staff, especially lifeguards.
- A more competitive compensation package could include additional incentives.

Planning Department

- The 2023 budget is \$13.7 million, a 4.54% increase.
- Focus on technology to improve customer service.
- Increase the number of rental property inspections to approximately 2,500.
- Add a Housing Manager position to oversee the Affordable Housing Action Plan.
- The demolition budget is \$800,000 to remove unsafe properties from neighborhoods.

American Rescue Plan Act (ARPA) Summary

- The City of Omaha received \$112.5 million in American Rescue Plan Act (ARPA) funds. These funds are not included in the General Fund budget. The primary use of ARPA funds is to replace city revenue losses, support community programs to respond to Covid-19 impacts, and promote economic recovery. The City identified these primary funding priorities:
 - City of Omaha revenue loss
 - Improvements to public spaces
 - Investment in affordable housing through a partnership with Front Porch Investments
 - Hotel Stimulus Program
 - Community Grant Awards to non-profit organizations
 - Premium pay
- To date, 92% of the ARPA funds have been distributed or committed. Remaining proposals that meet the federal guidelines are being reviewed and final decisions will be made by the Treasury deadlines.

Expenditure Summary by Organization

Department	Other Budgetary Accounts - Misc		
Division	Community Service Programs	Division No	910010

Organization Description and Major Object Summary	Comparative Budget Appropriations			
	2021 Actual	2022 Appropriated	2023 Recommended	2023 Appropriated
119017 Neighborhood Grants	104,935.94	105,000	100,000	-
124058 Holiday Lighting	15,000.00	15,000	15,000	-
126015 Women Against Violence	84,539.34	75,000	75,000	-
126045 Homeless Day Services	150,000.00	150,000	109,329	-
126046 Community Development Support	44,364.32	40,000	40,000	-
126053 Victory Boxing Club	10,000.00	10,000	15,000	-
126054 Neighborhood Alliance Support	20,000.00	20,000	-	-
126057 Truancy Prevention Program	186,000.00	189,942	193,440	-
126063 Land Bank	150,000.00	150,000	150,000	-
126064 Summer Jobs Program	385,185.85	500,000	500,000	-
126067 Pace-Police Athletics Com Engage	99,044.83	100,000	100,000	-
126071 Dusk To Dawn	3,593.53	-	-	-
126072 Youturn	-	5,000	5,000	-
126073 Rejuvenating Women	30,000.00	20,000	10,000	-
126074 Mentor Nebraska	10,000.00	10,000	6,000	-
126077 Banisters Leadership Academy	10,000.00	38,705	40,000	-
126078 Keep Omaha Beautiful	20,000.00	25,000	23,000	-
126079 Nebraska Center For Workforce Development	-	40,000	-	-
126081 Set Me Free Project	45,952.00	42,000	31,499	-
126082 Center For Holistic Development	15,000.00	15,000	11,250	-
126083 Collective for Hope	-	40,000	40,000	-
126084 Simple Foundation	-	50,000	50,000	-
126085 Symphony Workforce Development	-	50,000	50,000	-
126086 Jet Scholarship	-	50,000	50,000	-
126087 Community Alliance	-	90,000	76,500	-
126088 Hope Center	-	-	80,174	-
126089 Omaha ForUs	-	-	20,000	-
131997 Workforce Solutions - Grants	721,164.00	711,124	711,125	-
	2,104,779.81	2,541,771	2,502,317	-

Explanatory Comments:

In 2023 the City plans to use Emergency Solutions Grants (ESG) and/or Community Development Block Grants (CDBG) and/or HOME Investment Partnerships Program (HOME) to fund the following Community Service Programs (in addition to the above allocations):

Homeless Services (Rapid Re-housing/Emergency Shelter)	\$ 348,459
Way to Work (Salvation Army)	\$ 200,000
Tenant Based Rental Assistance	\$ 300,000
Workforce Education (Latino Center of the Midlands)	\$ 100,000
Summer Jobs Programs (Step Up)	\$ 400,000

Youturn received \$10,000 in funding in 2021, but it was funded thru org 131997 (Workforce Solutions- Grants).

Source of Funds					Fund %
11111 General (Ref. B-1)	1,247,615.81	1,345,705	305,000	-	-
12118 Keno/lottery Proceeds (Ref. B-9)	857,164.00	1,196,066	2,197,317	-	-
	2,104,779.81	2,541,771	2,502,317	-	-

Expenditure Summary by Organization

Department	Other Budgetary Accounts - Misc		
Division	General Contractual Services	Division No	910015

Organization Description and Major Object Summary	Comparative Budget Appropriations			
	2021 Actual	2022 Appropriated	2023 Recommended	2023 Appropriated
126017 Protective Custody	65,000.00	65,000	65,000	-
126021 Nebraska Humane Society	903,300.00	921,711	1,023,600	-
126028 Greater Omaha Econ Dev Partnership	175,000.00	175,000	175,000	-
126038 Western Heritage Society	100,000.00	100,000	100,000	-
126061 University of Nebraska Medical Center	3,500,000.00	3,500,000	4,500,000	-
126076 Omaha Zoological Society	2,373,748.00	2,504,304	2,642,040	-
	7,117,048.00	7,266,015	8,505,640	-

Explanatory Comments:

Source of Funds					Fund %
11111 General (Ref. B-1)	3,600,000.00	3,600,000	4,600,000	-	-
12118 Keno/lottery Proceeds (Ref. B-9)	3,517,048.00	3,666,015	3,905,640	-	-
	7,117,048.00	7,266,015	8,505,640	-	-

Resurfacing/Residential Brick Repair Budget

Year	Resurfacing Budget	Residential Brick Budget
2006	\$ 3,950,000	\$ -
2007	\$ 4,300,000	\$ -
2008	\$ 4,800,000	\$ -
2009	\$ 5,800,000	\$ -
2010	\$ 2,800,000	\$ -
2011	\$ 3,914,945	\$ -
2012	\$ 5,601,108	\$ -
2013	\$ 6,610,884	\$ 150,000
2014	\$ 6,900,000	\$ 150,000
2015	\$ 7,300,000	\$ 300,000
2016	\$ 8,767,533	\$ 400,000
2017	\$ 10,767,533	\$ 500,000
2018	\$ 11,767,533	\$ 600,000
2019	\$ 12,267,533	\$ 600,000
2020	\$ 12,567,533	\$ 600,000
2021	\$ 16,183,766	\$ 600,000
2022	\$ 17,000,000	\$ 600,000
2023	\$ 18,000,000	\$ 600,000

Note: Data query includes Org 116159 (Major St Resurfacing), 116161/2 (Residential St Resurfacing), 116122 (Residential Brick Street Repair).

CONTACT INFORMATION/ADDITIONAL RESOURCES

For more information contact:

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