



Lincolmites help city begin to budget

BY DEENA WINTER / Lincoln Journal Star
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Mayor Chris Beutler hosted 51 randomly chosen Lincolmites at The Cornhusker on Saturday to talk about the municipal budget.

The daylong discussion called “Priority Lincoln: We’re Listening” was designed to help city leaders figure out how to prioritize city services. It is part of Beutler’s new approach to budgeting to try to end annual budget shortfalls of as much as \$9 million.

The city also sought public input with a scientific phone survey of 600 Lincoln residents last month. The people who participated Saturday were chosen from the pool of residents surveyed.

The budget project

The city of Lincoln is working with the University of Nebraska Public Policy Center and the University of Nebraska-Lincoln Bureau of Sociological Research on a project that invites members of the public to weigh in on the budget process.

Take a survey at Lincoln.ne.gov.

Mayor Chris Beutler is scheduled to make his decisions on the budget in May, and the budget will be released to the public in June.

The city also is working with Leadership Lincoln Inc. on a series of town hall meetings to allow residents another venue to express their opinions on budget priorities. Doors will open at 5:30 p.m., and meetings will run from 6 to 8 p.m., according to the city’s Web site.

* April 22, Lincoln Southwest High, 7001 S. 14th St.

* April 24, Lincoln Public Schools District Offices, 5901 O St. (hosted by the Mayor’s Youth Advisory Council; young people encouraged to attend)

* April 29, North Star High School, 5801 N. 33rd St.

Other residents can participate by taking an online survey or attending a town hall meeting.

It’s all part of Beutler’s plan to begin using outcome-based budgeting, an approach by which the city will make budget decisions based on citizen priorities.

Their help is needed.

Beutler announced Saturday that the city is projecting a nearly \$6 million budget shortfall this year — smaller than some of the gaps in recent years, but increasingly difficult to close as the city runs out of short-term solutions.

The mayor said he is eager to hear from working people who use city services, so city leaders know, instead of guess, how Lincoln residents feel. For too long, he said, the city has told people who live in Lincoln they can have all of the city services they're used to having — even as the city grows — without tax increases or growth in government.

No longer can the city keep building the same old budgets with inflationary increases, Beutler said. It's time to figure out, for example, how much residents are willing to spend to keep crime under control.

"The easy way of doing things is over," Beutler said. "I'm going to take the heat for some real difficult decisions this summer."

Much of Saturday was spent educating participants about the budget, and how the city got to the point of repeated budget shortfalls. For example, it was news to some that the city's budget is entirely separate from the school district's, and that the city cannot rob the school district's treasury to solve its budget problems.

People also learned that the city gets most of its revenue from sales taxes. That the city property tax rate has dropped 45 percent since 1993. That the school district gets 64 cents of every dollar in property tax revenue they pay, compared with 14 cents for the city. That 69 percent of the city's budget goes toward personnel costs, but state law dictates that salaries and benefits keep up with other cities, regardless of the budget picture.

And they learned that Lincoln's property tax rate is the seventh lowest out of the 10 largest Nebraska cities. Of course, the three cities behind Lincoln don't all have health departments, aging departments or public busing.

Add to all of that the ever-increasing cost of things like health care and fuel, and it's clear the city's in a fix.

Perhaps that's why, at the end of the day, when asked how they would address the city's budget deficit, 45 percent of the participants said they'd raise property taxes. The second most popular option was to decrease certain city services.

The vast majority of participants identified police and fire services as the most important services, followed by economic development. People also often said they believe there's still fat to be found in the city budget, often citing "empty city buses" as an example of waste.

But after hearing about all of the services the city and county already provide jointly, and the fact that the number of city employees has gone down even as the city has grown, people seemed less inclined to cut government.

Police Chief Tom Casady said he's seen so much belt-tightening in city government since he started out as an officer in 1974 that sometimes it feels like the city is clipping coupons while other taxing entities are buying new grills.

Bob Range wasn't among those inclined to raise taxes after everything he heard. The retired accounting systems manager went into the day knowing full well that even if the city cut its budget substantially, his property tax bill wouldn't change much because the school district accounts for the biggest bite. He'd like to see more scrutiny of the school budget.

Another man, who didn't want his name used, voted to increase taxes, but not because of the things he learned about the city budget on Saturday. He said he would've voted that way at the beginning of the day, too.

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