City of Blair Special Meeting Budget Hearing
September 8, 2026

The Mayor and City Council met in special session in the City Council Chambers on September 8, 2026, at 6:30 PM to hold the city's annual Budget Hearing. The following were present: Gary Banner, Brent Clark, James Letcher, Kent Long, Rick Paulsen, Kevin Willis, Frank Wolff. Absent: Kirk Highfill. Also, present were Deputy City Administrator Barrow, Deputy City Administrator Heaton, Deputy City Administrator Scott, City Attorney Talbot, Library Director Lukert, IT Director White, Public Safety & Communications Coordinator Dunn, and Police Chief Kinsey.

The Mayor publicly stated to all in attendance that a current copy of the Nebraska Open Meetings Act was available for review and indicated the location of such copy posted in the room where the meeting was being held. Notice of the meeting was given in advance thereof by publication in the Washington County Enterprise as shown by the affidavit of publication filed in the City Clerk's office. Notice of the meeting was simultaneously given to the Mayor and all members of the City Council, and a copy of their acknowledgement of receipt of notice and the agenda is filed in the City Clerk's office. Availability of the agenda was communicated in the advance notice and in the notice to the Mayor and Council of this meeting. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public.

Agenda Item #1 – Mayor Rump called the meeting to order at 6:30 p.m. Formalities such as roll call and the pledge of allegiance were deferred to the regular city council meeting at 7:00 PM.

Agenda Item #2 – Mayor Rump opened the budget hearing for the City of Blair's fiscal year 2026–2027 budget.

Agenda Item #3 – Presentation of Budget for FY 2026-2027 – Deputy City Administrator of Operations Scott delivered the budget presentation, noting that multiple planning and budget work sessions had already taken place, including a lengthy session the prior week with significant public input. Total projected expenses for FY2026–2027 are $91,228,818.20. The largest expense categories are water, sewer, and street departments, followed by the general fund and smaller funds. Water, street, and wastewater are the costliest areas due to expensive infrastructure such as pumps, which can cost up to $800,000 each. Within the general fund, police, and fire together account for more than 50% of the city's budget, reflecting a strong commitment to public safety. Total projected revenues are $96,368,552, exceeding expenses by $5,139,734 (approximately 7% of the total budget, excluding capital improvements). Scott noted this margin is considered low given the scale of infrastructure costs. The surplus is largely restricted because funds are reserved for obligations such as health insurance balances, debt service, TIF pass-through funds such as $2 million for the Dana Campus project in the community development fund and other earmarked reserves. Blair's budgeting method, required by the state of Nebraska, includes current balances as revenue, which can make the budget appear more favorable than it is in practice. Council Member Banner raised questions about the transparency of the $5 million surplus, noting that expenses like debt service and TIF are already accounted for in the $91 million figure. Scott acknowledged the presentation could be clearer and agreed to add reserved/allocated funds as a distinct line item in future budgets. Key items included in the FY2026–2027 budget: 1) Health insurance: 4% increase, significantly below the national municipal average of 12–20%, credited to diligent staff efforts and use of tools like Teladoc, 2) Cost-of-living increase: 2% for all city staff, 3) New positions: One parks department position expanded from part-time to full-time laborer; one police captain position funded for half of FY2027. Multiple other position requests were denied following council review, 4) No new fire chief position, but report pay added to the rescue fund to incentivize timely transport report submissions, expected to improve revenue for that fund, 5) RV park and restroom/shower facility: $300,000 total, contingent on securing $150,000 in grant funding, 6) Safe Streets for All Action Plan: Funded through the federal Bipartisan Infrastructure Package; currently in the planning phase. Public input is being solicited via the city website, 7) TAP program: Continued grant funding for the Riverwood Hano trail, 8) North Bypass: Funding included for the concept/planning phase; council approved this approximately three months prior, 9) New ambulance: Funded through the rescue fund; expected delivery in 2027 after a multi-year procurement process, 10) Animal control: Fully funded (city's portion), 11) Chamber of Commerce and Gateway Bell: Approved funding increases to maintain partnerships, 12) Master Comprehensive Plan: Half the cost budgeted (~subject to new city administrator's direction); cities typically update these every 10 years, 13) Wastewater rate increase: Already approved by council and enacted in this budget; further discussions anticipated as the wastewater department remains in poor financial condition, 14) Sales tax, keno, and other fund transfers: Large transfers made to support operating costs, projects, and property tax relief, and 15) Contingency funding: Funds set aside for potential utility projects and grant-dependent initiatives to avoid budget amendment delays if funding is secured.

Agenda Item #4 – Comments from the public – Jennifer Reyzlik, 141 E. Baronage Dr, Blair asked if the budget was balanced. Scott stated the city budget was balanced.

Agenda Item #5 – Mayor Rump closed the public hearing.

Agenda Item #6. Mayor Rump opened a public hearing to set FY 2026-2027 levy different than FY 2025-2026 levy.

Agenda Item #7 – Presentation of FY 2026-2027 levy different than FY 2025-2026 levy. Scott noted the City of Blair took out a $2.4 million public safety bond to fund police facility improvements, equipment upgrades, and a new fire truck (expected delivery in 2027). The mill levy is increasing from 0.284501 (FY2025–2026) to 0.294344 (FY2026–2027), a 3% increase. This increase is entirely attributable to principal and interest payments on the public safety bond. The general fund operating budget actually decreased by 4% this year. The assessed property value in Blair increased by 9% this year to maintain the same levy as last year would have required only a 2.6% increase, but the additional amount covers bond payments. Scott noted the general fund mill levy increase is only $76,999 and the street department increase is $27,000, with the majority of the $302,000 total levy increase going toward debt service for the public safety bond. The city will present its budget at the pink card budget meeting on September 17, 2026. The slides shown during the hearing including the mill levy request, expense totals, and levy comparison data will be used directly in that presentation. The data is drawn from the state budget reporting system and shows the city's levy request in the context of assessed value changes and fund-by-fund breakdowns. The breakdown of tax dollar allocation shows that public safety and education are the dominant spending categories for both the city and the county/school district. Scott emphasized that this aligns with what residents consistently prioritize when asked how their tax dollars should be spent. The airport fund shows approximately $6–7 million in disbursements due to an ongoing major expansion project. Approximately 95–97% of airport project costs are covered by state and federal funds. The airport's debt levy request remains the same as last year at $244,800, with a slight general-purpose increase from approximately $89,000 to $115,814. The debt portion of the airport levy is expected to increase in future years once the expansion project is complete and the city's 5% share becomes due. The airport levy remains well below the 3.5-cent threshold that would require additional approval, currently sitting at approximately 2.8 cents.

Agenda Item #8 – Comments from the public – There were no comments from the public.

Agenda Item #9 – Mayor Rump closed the public hearing.

Agenda Item #10 – Mayor Rump opened a public hearing on the proposed one-year plan for street improvements for FY 2026-2027.

Agenda Item #11 – Presentation of proposed one-year plan for street improvements for FY 2026-2027. Deputy City Administrator Heaton presented the one-year street improvement plan for FY2026–2027, which is submitted to the state. The plan includes potential mill and overlays segments, UBAS segments, and subdivision construction projects throughout Blair. The plan intentionally includes more projects than the budget can fund, giving the council flexibility to choose which projects to pursue. If a street segment not listed needs to be added later, the plan can be amended. The six-year plan includes larger long-term projects such as the North Bypass and Hollow Road, which are unlikely to be completed within six years but are included to keep them on the city and state's radar. A mill and overlay project covering approximately 20 blocks throughout town was already approved earlier this year and is set to begin the following week, drawn from the previous year's one-year plan.

Agenda Item #12 – Comments from the public – Margaret Hanson, 511 S 23rd St #2, Blair, asked whether any brick streets would be affected. Mayor Rump stated there are no funds in the budget for brick street repairs.

Agenda Item #13 – Mayor Rump closed the public hearing.

Agenda Item #14 – Motion by James Letcher, second by Kevin Willis to adjourn the meeting at 6:57 pm. Council members voted as follows: Gary Banner: Yea, Brent Clark: Yea, Kirk Highfill: Absent, James Letcher: Yea, Kent Long: Yea, Rick Paulsen: Yea, Kevin Willis: Yea, Frank Wolff: Yea. All Council members voted: Yea: 7, Nay: 0, Absent: 1. Mayor Rump declared the motion carried.

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Melinda K. Rump, Mayor

ATTEST:

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Brenda Wheeler, City Clerk

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