

## **BASIC FINANCIAL STATEMENTS**

**CITY OF LINCOLN, NEBRASKA**

**STATEMENT OF NET ASSETS**

AUGUST 31, 2009

With Summarized Financial Information as of August 31, 2008

	Governmental Activities	Business-Type Activities	Totals	
			2009	2008
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 44,478,663	55,163,313	99,641,976	85,518,279
Investments	98,376,503	12,103,653	110,480,156	117,681,592
Invested Securities Lending Collateral	1,020,557	-	1,020,557	4,065,673
Receivables, (Net of Allowance for Uncollectibles)	28,858,062	38,544,641	67,402,703	64,173,019
Internal Balances	(3,017,485)	3,017,485	-	-
Due from Other Governments	26,913,784	6,002	26,919,786	36,476,005
Inventories	2,040,676	15,608,190	17,648,866	19,051,889
Plant Operation Assets	-	12,387,000	12,387,000	9,859,000
Prepaid Items	585,111	1,470,638	2,055,749	1,981,413
Deferred Charges and Other Assets	2,471,382	17,901,005	20,372,387	13,368,432
Restricted Assets:				
Cash and Cash Equivalents	-	46,029,807	46,029,807	71,617,056
Investments	37,160,000	40,088,595	77,248,595	85,938,680
Receivables	-	248,595	248,595	422,696
Investment in Joint Venture	149,808,057	-	149,808,057	127,738,092
Capital Assets:				
Non-depreciable	154,109,022	127,278,123	281,387,145	262,212,101
Depreciable (Net)	460,656,277	1,283,120,843	1,743,777,120	1,716,559,468
 Total Assets	 <u>1,003,460,609</u>	 <u>1,652,967,890</u>	 <u>2,656,428,499</u>	 <u>2,616,663,395</u>
<b>LIABILITIES</b>				
Accounts Payable	6,706,290	21,823,333	28,529,623	32,686,972
Accrued Liabilities	3,592,292	11,469,746	15,062,038	15,649,246
Due to Other Governments	949,787	123,082	1,072,869	1,100,607
Unearned Revenue	1,008,627	777,430	1,786,057	2,456,969
Obligations under Securities Lending	1,020,557	-	1,020,557	4,065,673
Other Liabilities	-	7,822,000	7,822,000	6,953,000
Commercial Paper Notes Payable	-	90,000,000	90,000,000	90,000,000
Accrued Interest Payable	1,680,425	10,765,187	12,445,612	12,785,802
Noncurrent Liabilities:				
Payable within One Year	22,350,342	31,143,441	53,493,783	50,263,887
Payable in More Than One Year	172,013,757	764,185,019	936,198,776	951,493,561
 Total Liabilities	 <u>209,322,077</u>	 <u>938,109,238</u>	 <u>1,147,431,315</u>	 <u>1,167,455,717</u>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	471,161,398	583,202,962	1,054,364,360	1,030,571,910
Restricted for:				
Debt Service, Net of Related Debt	3,108,169	29,305,291	32,413,460	33,263,693
Capital Projects	34,408,346	2,649,305	37,057,651	37,160,608
Grantor Loan Programs	19,637,000	-	19,637,000	17,927,000
Other	1,917,718	5,828,066	7,745,784	6,873,311
Trust Donations:				
Expendable	1,715,834	-	1,715,834	1,798,661
Nonexpendable	160,000	-	160,000	160,000
Health Care:				
Expendable	13,725,672	-	13,725,672	13,037,916
Nonexpendable	37,000,000	-	37,000,000	37,000,000
Unrestricted	211,304,395	93,873,028	305,177,423	271,414,579
 Total Net Assets	 <u>\$ 794,138,532</u>	 <u>714,858,652</u>	 <u>1,508,997,184</u>	 <u>1,449,207,678</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF LINCOLN, NEBRASKA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED AUGUST 31, 2009**  
With Summarized Financial Information for the Year Ended August 31, 2008

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating	Capital	Governmental Activities	Business-Type Activities	Totals	
			Grants and Contributions	Grants and Contributions			2009	2008
<b>Functions/Programs</b>								
<b>Governmental Activities:</b>								
General Government	\$ (31,985,923)	20,413,769	3,582,323	1,193,381	(6,796,450)	-	(6,796,450)	(10,062,024)
Public Safety	(75,077,334)	4,921,077	2,826,531	-	(67,329,726)	-	(67,329,726)	(63,005,084)
Streets and Highways	(31,465,735)	3,202,082	17,647,283	22,892,011	12,275,641	-	12,275,641	30,488,982
Culture and Recreation	(28,998,338)	3,537,088	2,310,282	1,532,802	(21,618,166)	-	(21,618,166)	(21,055,650)
Economic Opportunity	(14,851,021)	750,883	9,412,747	-	(4,687,391)	-	(4,687,391)	(5,412,869)
Health and Welfare	(19,592,758)	4,345,410	10,591,849	-	(4,655,499)	-	(4,655,499)	(4,675,870)
Mass Transit	(11,059,139)	1,530,247	2,521,489	-	(7,007,403)	-	(7,007,403)	(6,925,308)
Equipment Management	(2,562,842)	1,377,287	-	-	(1,185,555)	-	(1,185,555)	(979,012)
Engineering Services	(1,859,008)	1,667,399	-	5,929	(185,680)	-	(185,680)	120,444
Interest on Long-Term Debt	(6,503,466)	99,438	1,520,000	122,657	(4,761,371)	-	(4,761,371)	(4,192,612)
<b>Total Governmental Activities</b>	<b>(223,955,564)</b>	<b>41,844,680</b>	<b>50,412,504</b>	<b>25,746,780</b>	<b>(105,951,600)</b>	<b>-</b>	<b>(105,951,600)</b>	<b>(85,699,003)</b>
<b>Business-Type Activities:</b>								
Parking Lots	(297,452)	425,549	-	-	-	128,097	128,097	138,086
Golf	(3,170,423)	3,123,544	-	-	-	(46,879)	(46,879)	(234,676)
Parking Facilities	(4,710,433)	6,610,282	-	-	-	1,899,849	1,899,849	1,946,878
Municipal Auditorium	(1,937,132)	1,185,656	-	-	-	(751,476)	(751,476)	(599,048)
Solid Waste Management	(6,543,805)	5,123,772	-	-	-	(1,420,033)	(1,420,033)	(1,634,019)
Emergency Medical Services	(3,687,450)	4,317,445	-	-	-	629,995	629,995	328,121
Wastewater System	(22,979,974)	21,111,385	-	2,057,734	-	189,145	189,145	4,154,957
Water System	(23,794,190)	25,586,213	-	3,274,336	-	5,066,359	5,066,359	3,586,506
Electric System	(237,476,000)	248,131,000	-	5,693,000	-	16,348,000	16,348,000	5,973,000
<b>Total Business-Type Activities</b>	<b>(304,596,859)</b>	<b>315,614,846</b>	<b>-</b>	<b>11,025,070</b>	<b>-</b>	<b>22,043,057</b>	<b>22,043,057</b>	<b>13,659,805</b>
<b>Total</b>	<b>\$ (528,552,423)</b>	<b>357,459,526</b>	<b>50,412,504</b>	<b>36,771,850</b>	<b>(105,951,600)</b>	<b>22,043,057</b>	<b>(83,908,543)</b>	<b>(72,039,198)</b>
<b>General Revenues:</b>								
Property Tax					49,370,031	-	49,370,031	48,016,158
Motor Vehicle Tax					4,323,350	-	4,323,350	4,303,363
Wheel Tax					10,697,955	-	10,697,955	10,458,568
Sales and Use Tax					54,337,312	-	54,337,312	55,351,848
Sundry and In Lieu Tax					46,078	-	46,078	45,761
Occupation Tax					10,541,781	1,978,659	12,520,440	12,172,659
Unrestricted Grants and Contributions					1,542,816	-	1,542,816	1,569,021
Unrestricted Investment Earnings					5,181,996	4,680,958	9,862,954	15,499,919
Miscellaneous General Revenues					844,591	152,522	997,113	955,865
Transfers					2,275,892	(2,275,892)	-	-
<b>Total General Revenues and Transfers</b>					<b>139,161,802</b>	<b>4,536,247</b>	<b>143,698,049</b>	<b>148,373,162</b>
<b>Change in Net Assets</b>					<b>33,210,202</b>	<b>26,579,304</b>	<b>59,789,506</b>	<b>76,333,964</b>
<b>Net Assets - Beginning</b>					<b>760,928,330</b>	<b>688,279,348</b>	<b>1,449,207,678</b>	<b>1,372,873,714</b>
<b>Net Assets - Ending</b>					<b>\$ 794,138,532</b>	<b>714,858,652</b>	<b>1,508,997,184</b>	<b>1,449,207,678</b>

The notes to the financial statements are an integral part of this statement.

**CITY OF LINCOLN, NEBRASKA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**AUGUST 31, 2009**

	General Fund	Street Construction Fund	Federal Grants Fund	Other Governmental Funds	Total
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 7,423,569	5,970,467	1,523,598	21,681,972	36,599,606
Investments	11,287,172	14,329,024	-	89,948,799	115,564,995
Invested Securities Lending Collateral	-	-	-	1,020,557	1,020,557
Receivables, (Net of Allowance for Uncollectibles)	3,919,343	335,946	19,653,946	4,442,582	28,351,817
Due from Other Funds	2,392,460	7,969,711	81,325	4,733,022	15,176,518
Due from Other Governments	9,890,715	13,336,182	1,843,251	1,718,949	26,789,097
Inventories	529,043	55,869	-	796,416	1,381,328
Assets Held for Resale	-	-	-	1,100,000	1,100,000
Prepaid Items	10,124,237	-	-	-	10,124,237
Total Assets	<u>45,566,539</u>	<u>41,997,199</u>	<u>23,102,120</u>	<u>125,442,297</u>	<u>236,108,155</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	535,926	3,057,735	750,608	1,391,815	5,736,084
Contracts Payable	-	541,260	-	202,445	743,705
Accrued Liabilities	1,750,829	108,220	285,808	1,061,717	3,206,574
Due to Other Funds	9,961,292	16,522	11,140	9,554,055	19,543,009
Due to Other Governments	38,940	479,898	186,640	86,777	792,255
Unearned Revenue	-	-	-	879,073	879,073
Obligations under Securities Lending	-	-	-	1,020,557	1,020,557
Deferred Revenue	1,024,329	9,405,061	704,132	2,286,301	13,419,823
Total Liabilities	<u>13,311,316</u>	<u>13,608,696</u>	<u>1,938,328</u>	<u>16,482,740</u>	<u>45,341,080</u>
Fund Balances:					
Reserved for:					
Inventories	529,043	55,869	-	796,416	1,381,328
Prepaid Items	325,985	-	-	-	325,985
Improvements	2,995,956	-	-	149,941	3,145,897
Resale of Assets	-	-	-	1,100,000	1,100,000
Grantor Loan Programs	-	-	19,637,000	-	19,637,000
Restricted Funds	817,718	-	-	-	817,718
Debt Service	-	-	-	16,055,872	16,055,872
Trust Donations (nonexpendable)	-	-	-	160,000	160,000
Health Care (nonexpendable)	-	-	-	37,000,000	37,000,000
Unreserved, Reported in:					
General Fund:					
Designated for Debt Service	378,783	-	-	-	378,783
Designated for Subsequent Years Expenditures	3,262,112	-	-	-	3,262,112
Designated for Encumbrances	938,258	-	-	-	938,258
Undesignated	23,007,368	-	-	-	23,007,368
Special Revenue Funds:					
Designated for Subsequent Years Expenditures	-	37,698	-	1,781,285	1,818,983
Designated for Encumbrances	-	3,511,504	976,280	219,734	4,707,518
Undesignated	-	24,783,432	550,512	27,696,795	53,030,739
Capital Projects Funds:					
Designated for Encumbrances	-	-	-	1,691,482	1,691,482
Undesignated	-	-	-	8,161,855	8,161,855
Permanent Funds:					
Designated for Contingencies	-	-	-	865,000	865,000
Undesignated	-	-	-	13,281,177	13,281,177
Total Fund Balances	<u>32,255,223</u>	<u>28,388,503</u>	<u>21,163,792</u>	<u>108,959,557</u>	<u>190,767,075</u>
Total Liabilities and Fund Balances	<u>\$ 45,566,539</u>	<u>41,997,199</u>	<u>23,102,120</u>	<u>125,442,297</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	595,497,261
Investment in joint venture is not a financial resource and, therefore, is not reported in the funds.	149,808,057
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	13,419,823
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	29,282,074
Accrued pension contribution, long-term construction contracts and other liabilities require the use of unavailable financial resources and, therefore, are not reported in the funds.	(5,231,757)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(179,404,001)
Net assets of governmental activities	<u>\$ 794,138,532</u>

**CITY OF LINCOLN, NEBRASKA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2009**

	General Fund	Street Construction Fund	Federal Grants Fund	Other Governmental Funds	Total
<b>REVENUES</b>					
Taxes:					
Property	\$ 29,735,619	-	-	19,623,993	49,359,612
Motor Vehicle	4,323,350	-	-	-	4,323,350
Wheel	-	-	-	10,697,955	10,697,955
Sales and Use	54,337,312	-	-	-	54,337,312
Sundry and In Lieu	31,077	-	-	13,402	44,479
Occupation	10,541,781	-	-	-	10,541,781
Special Assessment	2,597	-	-	1,053,330	1,055,927
Intergovernmental	3,328,425	43,879,218	18,267,321	9,625,009	75,099,973
Permits and Fees	3,410,588	2,416,579	1,217,837	10,073,998	17,119,002
Reimbursement for Services	4,751,119	9,418	460,242	1,379,520	6,600,299
Program Income	-	-	57,535	-	57,535
Investment Earnings	794,758	627,193	17,932	4,351,508	5,791,391
Donations	572,060	50	343,504	1,839,551	2,755,165
Keno Proceeds	-	-	-	3,140,726	3,140,726
Miscellaneous	505,728	92,174	2,930	1,263,757	1,864,589
Total Revenues	<u>112,334,414</u>	<u>47,024,632</u>	<u>20,367,301</u>	<u>63,062,749</u>	<u>242,789,096</u>
<b>EXPENDITURES</b>					
Current:					
General Government	26,043,858	-	333,903	8,050,716	34,428,477
Public Safety	52,744,057	-	2,842,745	8,397,682	63,984,484
Streets and Highways	7,209,731	6,591,494	114,709	2,529,370	16,445,304
Culture and Recreation	11,282,155	-	2,875,672	8,291,742	22,449,569
Economic Opportunity	210,320	-	7,135,326	3,975,596	11,321,242
Health and Welfare	213,431	-	6,882,791	13,253,535	20,349,757
Mass Transit	-	-	160,019	9,415,651	9,575,670
Debt Service	45,723	-	-	16,944,382	16,990,105
Capital Outlay	-	46,257,948	-	14,836,253	61,094,201
Total Expenditures	<u>97,749,275</u>	<u>52,849,442</u>	<u>20,345,165</u>	<u>85,694,927</u>	<u>256,638,809</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>14,585,139</u>	<u>(5,824,810)</u>	<u>22,136</u>	<u>(22,632,178)</u>	<u>(13,849,713)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	3,937,714	10,307,913	2,104,539	37,194,766	53,544,932
Transfers Out	(21,354,086)	(6,232,432)	(315,235)	(23,103,709)	(51,005,462)
Issuance of Debt	2,500,000	-	-	4,001,393	6,501,393
Premium on Debt Issued	25,473	-	-	-	25,473
Sale of Capital Assets	82,203	-	-	645,468	727,671
Total Other Financing Sources (Uses)	<u>(14,808,696)</u>	<u>4,075,481</u>	<u>1,789,304</u>	<u>18,737,918</u>	<u>9,794,007</u>
Net Change in Fund Balances	(223,557)	(1,749,329)	1,811,440	(3,894,260)	(4,055,706)
Fund Balances - Beginning	<u>32,478,780</u>	<u>30,137,832</u>	<u>19,352,352</u>	<u>112,853,817</u>	<u>194,822,781</u>
Fund Balances - Ending	<u>\$ 32,255,223</u>	<u>28,388,503</u>	<u>21,163,792</u>	<u>108,959,557</u>	<u>190,767,075</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF LINCOLN, NEBRASKA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED AUGUST 31, 2009**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ (4,055,706)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	14,061,193
The net effect of various miscellaneous transactions involving capital contributions is to increase net assets.	5,712,574
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds; change in revenues in fund statements previously recognized in the statement of activities.	(8,839,359)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	4,571,173
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(1,715,276)
Changes in the net pension asset/obligation and the net OPEB asset/obligation do not represent financial activity in governmental funds.	90,534
Changes in the interest in the underlying net assets of the joint venture do not represent financial activity in governmental funds.	22,069,965
Internal service funds are used by management to charge the costs of certain services to individual funds. The net revenue of the internal service funds is reported within governmental activities.	<u>1,315,104</u>
Change in net assets of governmental activities	<u>\$ 33,210,202</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF LINCOLN, NEBRASKA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)**  
**FOR THE YEAR ENDED AUGUST 31, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Real Estate and Personal Property Tax	\$ 31,696,063	31,696,063	35,147,140	3,451,077
Taxes Collected by Others	56,964,834	56,964,834	54,255,376	(2,709,458)
Sundry Taxes and In Lieu	27,178	27,178	29,895	2,717
Occupation Taxes	9,978,214	9,978,214	10,356,508	378,294
Intergovernmental	3,411,173	3,411,173	3,112,637	(298,536)
Permits and Fees	2,885,319	2,885,319	2,709,262	(176,057)
Reimbursement for Services	2,461,349	2,461,349	2,495,467	34,118
Court Fees	565,750	565,750	581,113	15,363
Recreation Receipts	1,840,963	1,840,963	1,840,506	(457)
Investment Earnings	577,158	577,158	818,718	241,560
Donations	509,306	509,306	549,291	39,985
Rental Income	478,084	478,084	424,663	(53,421)
Miscellaneous	406,237	406,237	643,185	236,948
Total Revenues	<u>111,801,628</u>	<u>111,801,628</u>	<u>112,963,761</u>	<u>1,162,133</u>
<b>Expenditures:</b>				
<b>General Government:</b>				
Legislative	307,674	307,674	260,156	47,518
Executive	1,229,523	1,229,523	1,110,619	118,904
Financial Administration	2,376,751	2,376,751	2,300,899	75,852
Law	2,103,179	2,156,179	2,121,994	34,185
Personnel Administration	947,559	947,559	917,434	30,125
Planning and Zoning	1,865,795	1,865,795	1,802,376	63,419
Urban Development	756,768	856,768	728,660	128,108
Miscellaneous	19,871,278	19,087,556	16,817,555	2,270,001
Total General Government	<u>29,458,527</u>	<u>28,827,805</u>	<u>26,059,693</u>	<u>2,768,112</u>
<b>Public Safety:</b>				
Police	31,335,600	31,335,600	29,822,828	1,512,772
Fire	20,764,184	21,124,570	20,654,573	469,997
Traffic Engineering	1,579,234	1,579,234	1,529,444	49,790
Total Public Safety	<u>53,679,018</u>	<u>54,039,404</u>	<u>52,006,845</u>	<u>2,032,559</u>
<b>Streets and Highways:</b>				
Street Maintenance	2,329,295	2,371,795	2,193,221	178,574
Street Lighting	3,697,784	3,697,784	5,045,297	(1,347,513)
Total Streets and Highways	<u>6,027,079</u>	<u>6,069,579</u>	<u>7,238,518</u>	<u>(1,168,939)</u>
<b>Culture and Recreation:</b>				
Parks and Recreation	11,384,930	11,476,689	11,084,531	392,158
Libraries	179,894	179,894	179,894	-
Total Culture and Recreation	<u>11,564,824</u>	<u>11,656,583</u>	<u>11,264,425</u>	<u>392,158</u>
<b>Economic Opportunity:</b>				
Lincoln Area Agency on Aging	209,267	209,267	209,267	-
<b>Health and Welfare:</b>				
Lincoln/Lancaster County Health	211,666	211,666	211,666	-
<b>Debt Service:</b>				
Issuance and Management Costs	-	-	45,723	(45,723)
Total Expenditures	<u>101,150,381</u>	<u>101,014,304</u>	<u>97,036,137</u>	<u>3,978,167</u>
Excess of Revenues Over Expenditures	<u>10,651,247</u>	<u>10,787,324</u>	<u>15,927,624</u>	<u>5,140,300</u>
<b>Other Financing Sources (Uses):</b>				
Transfers In	3,299,837	3,299,837	3,951,729	651,892
Transfers Out	(21,310,986)	(21,507,909)	(21,269,938)	237,971
Proceeds from Issuance of Debt	2,500,000	2,500,000	2,500,000	-
Premium on Debt Issued	-	-	25,473	25,473
Sale of Capital Assets	102,880	102,880	83,163	(19,717)
Total Other Financing Sources (Uses)	<u>(15,408,269)</u>	<u>(15,605,192)</u>	<u>(14,709,573)</u>	<u>895,619</u>
Net Change in Fund Balances	(4,757,022)	(4,817,868)	1,218,051	6,035,919
Fund Balances - Beginning	<u>22,396,325</u>	<u>22,396,325</u>	<u>22,396,325</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 17,639,303</u>	<u>17,578,457</u>	<u>23,614,376</u>	<u>6,035,919</u>

The notes to the financial statements are an integral part of this statement.



**CITY OF LINCOLN, NEBRASKA**  
**STREET CONSTRUCTION FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)**  
**FOR THE YEAR ENDED AUGUST 31, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	Final Budget
				Positive
				(Negative)
<b>Revenues:</b>				
Intergovernmental	\$ 12,028,226	12,028,226	16,950,552	4,922,326
Permits and Fees	-	-	294,051	294,051
Reimbursement for Services	400,000	400,000	9,593	(390,407)
Investment Earnings	100,000	100,000	(18,771)	(118,771)
Miscellaneous	-	-	244	244
<b>Total Revenues</b>	<u>12,528,226</u>	<u>12,528,226</u>	<u>17,235,669</u>	<u>4,707,443</u>
<b>Expenditures -- Streets and Highways:</b>				
Personal Services	3,561,284	3,606,284	3,663,497	(57,213)
Materials and Supplies	614,722	614,722	536,741	77,981
Other Services and Charges	3,054,139	3,009,139	2,194,401	814,738
Capital Outlay	43,258	43,258	28,322	14,936
<b>Total Expenditures</b>	<u>7,273,403</u>	<u>7,273,403</u>	<u>6,422,961</u>	<u>850,442</u>
<b>Excess of Revenues Over Expenditures</b>	<u>5,254,823</u>	<u>5,254,823</u>	<u>10,812,708</u>	<u>5,557,885</u>
<b>Other Financing Sources (Uses):</b>				
Transfers In	10,321,707	10,321,707	10,321,707	-
Transfers Out	<u>(12,994,232)</u>	<u>(12,994,232)</u>	<u>(12,994,232)</u>	-
<b>Total Other Financing Sources (Uses)</b>	<u>(2,672,525)</u>	<u>(2,672,525)</u>	<u>(2,672,525)</u>	-
<b>Net Change in Fund Balances</b>	2,582,298	2,582,298	8,140,183	5,557,885
<b>Amount Budgeted on Project Basis</b>	(8,798,288)	(8,798,288)	(8,798,288)	-
Fund Balances - Beginning	<u>26,532,102</u>	<u>26,532,102</u>	<u>26,532,102</u>	-
Fund Balances - Ending	<u>\$ 20,316,112</u>	<u>20,316,112</u>	<u>25,873,997</u>	<u>5,557,885</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF LINCOLN, NEBRASKA**  
**FEDERAL GRANTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)**  
**FOR THE YEAR ENDED AUGUST 31, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 19,588,256	19,588,256	18,818,865	(769,391)
Permits and Fees	1,279,242	1,279,242	1,279,242	-
Reimbursement for Services	289,751	289,751	289,751	-
Client Contributions	150	150	150	-
Program Income	1,084,368	1,084,368	1,110,535	26,167
Recreation Receipts	79,841	79,841	79,841	-
Investment Earnings	21,571	21,571	21,712	141
Donations	336,660	336,660	336,660	-
Rental Income	92,433	92,433	84,691	(7,742)
Miscellaneous	2,812	2,812	2,812	-
Total Revenues	<u>22,775,084</u>	<u>22,775,084</u>	<u>22,024,259</u>	<u>(750,825)</u>
<b>Expenditures:</b>				
<b>General Government:</b>				
Materials and Supplies	2,149	2,149	2,149	-
Other Services and Charges	91,190	91,190	91,190	-
Capital Outlay	239,987	239,987	239,987	-
Total General Government	<u>333,326</u>	<u>333,326</u>	<u>333,326</u>	<u>-</u>
<b>Public Safety:</b>				
Personal Services	1,128,908	1,128,908	1,128,908	-
Materials and Supplies	161,967	161,967	161,967	-
Other Services and Charges	1,148,736	1,148,736	1,148,736	-
Capital Outlay	470,573	470,573	470,573	-
Total Public Safety	<u>2,910,184</u>	<u>2,910,184</u>	<u>2,910,184</u>	<u>-</u>
<b>Streets and Highways:</b>				
Materials and Supplies	18	18	18	-
Other Services And Charges	113,350	113,350	113,350	-
Total Streets And Highways	<u>113,368</u>	<u>113,368</u>	<u>113,368</u>	<u>-</u>
<b>Culture and Recreation:</b>				
Personal Services	694,891	694,891	694,891	-
Materials and Supplies	37,880	37,880	37,880	-
Other Services and Charges	280,989	280,989	280,989	-
Capital Outlay	2,203,593	2,203,593	2,203,593	-
Total Culture and Recreation	<u>3,217,353</u>	<u>3,217,353</u>	<u>3,217,353</u>	<u>-</u>
<b>Economic Opportunity:</b>				
Personal Services	4,347,582	4,359,538	4,435,187	(75,649)
Materials and Supplies	120,935	120,935	128,004	(7,069)
Other Services and Charges	2,345,341	2,400,814	1,895,212	505,602
Capital Outlay	111,624	978,239	179,951	798,288
Loans and Grants	3,412,086	4,136,184	2,847,237	1,288,947
Total Economic Opportunity	<u>10,337,568</u>	<u>11,995,710</u>	<u>9,485,591</u>	<u>2,510,119</u>

(Continued)

## (Federal Grants Fund, Continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Health and Welfare:				
Personal Services	3,831,396	3,831,396	3,831,396	-
Materials and Supplies	268,656	268,656	268,656	-
Other Services and Charges	3,004,716	3,004,716	3,004,716	-
Capital Outlay	48,981	48,981	48,981	-
Loans and Grants	40,090	40,090	40,090	-
Total Health and Welfare	<u>7,193,839</u>	<u>7,193,839</u>	<u>7,193,839</u>	<u>-</u>
Mass Transit:				
Personal Services	154,355	154,355	154,355	-
Materials and Supplies	75	75	75	-
Other Services and Charges	4,894	4,894	4,894	-
Total Mass Transit	<u>159,324</u>	<u>159,324</u>	<u>159,324</u>	<u>-</u>
Total Expenditures	<u>24,264,962</u>	<u>25,923,104</u>	<u>23,412,985</u>	<u>2,510,119</u>
Deficiency of Revenues Under Expenditures	<u>(1,489,878)</u>	<u>(3,148,020)</u>	<u>(1,388,726)</u>	<u>1,759,294</u>
Other Financing Sources (Uses):				
Transfers In	2,104,340	2,104,340	2,104,539	199
Transfers Out	<u>(214,539)</u>	<u>(64,539)</u>	<u>(315,235)</u>	<u>(250,696)</u>
Total Other Financing Sources (Uses)	<u>1,889,801</u>	<u>2,039,801</u>	<u>1,789,304</u>	<u>(250,497)</u>
Net Change in Fund Balances	399,923	(1,108,219)	400,578	1,508,797
Fund Balances - Beginning	<u>232,533</u>	<u>232,533</u>	<u>232,533</u>	<u>-</u>
Fund Balances (Deficits) - Ending	<u>\$ 632,456</u>	<u>(875,686)</u>	<u>633,111</u>	<u>1,508,797</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF LINCOLN, NEBRASKA**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**AUGUST 31, 2009**

	Business-Type Activities -- Enterprise Funds				Total	Governmental Activities --
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds		Internal Service Funds
<b>ASSETS</b>						
Current Assets:						
Cash and Cash Equivalents	\$ 3,283,735	4,394,292	42,140,000	5,345,286	55,163,313	7,879,057
Investments	-	-	-	12,103,653	12,103,653	19,971,508
Restricted Assets:						
Cash and Cash Equivalents	-	-	16,676,000	269,996	16,945,996	-
Investments	1,338,842	397,478	-	-	1,736,320	-
Receivables, (Net of Allowance for Uncollectibles)	1,760,530	2,808,120	14,798,000	1,777,394	21,144,044	506,245
Unbilled Revenues	2,109,234	3,275,363	12,016,000	-	17,400,597	-
Due from Other Funds	1,275,753	1,681,859	-	1,031,382	3,988,994	2,695,040
Due from Other Governments	-	-	-	6,002	6,002	124,687
Inventories	80,118	849,679	14,457,000	221,393	15,608,190	659,348
Plant Operation Assets	-	-	12,387,000	-	12,387,000	-
Prepaid Expenses	-	-	1,422,000	48,638	1,470,638	259,126
Total Current Assets	<u>9,848,212</u>	<u>13,406,791</u>	<u>113,896,000</u>	<u>20,803,744</u>	<u>157,954,747</u>	<u>32,095,011</u>
Noncurrent Assets:						
Restricted Assets:						
Cash and Cash Equivalents	-	-	28,457,000	626,811	29,083,811	-
Investments	13,009,486	18,464,162	3,640,000	3,238,627	38,352,275	-
Receivables	142,092	61,154	-	45,349	248,595	-
Due from Other Funds	-	-	-	115,009	115,009	-
Total Restricted Assets	<u>13,151,578</u>	<u>18,525,316</u>	<u>32,097,000</u>	<u>4,025,796</u>	<u>67,799,690</u>	<u>-</u>
Deferred Charges	<u>782,328</u>	<u>740,779</u>	<u>15,992,000</u>	<u>385,898</u>	<u>17,901,005</u>	<u>-</u>
Capital Assets:						
Land	5,774,849	5,123,119	-	10,793,588	21,691,556	48,250
Buildings	75,192,066	100,121,194	-	50,206,556	225,519,816	373,146
Improvements Other Than Buildings	242,828,463	255,101,939	-	30,740,362	528,670,764	1,166,615
Machinery and Equipment	8,783,360	6,898,028	-	11,960,569	27,641,957	26,532,340
Utility Plant	-	-	1,128,630,000	-	1,128,630,000	-
Construction in Progress	3,799,297	30,363,834	68,035,000	3,388,436	105,586,567	-
Less Accumulated Depreciation	<u>(83,659,749)</u>	<u>(98,775,110)</u>	<u>(399,228,000)</u>	<u>(45,678,835)</u>	<u>(627,341,694)</u>	<u>(18,650,565)</u>
Total Capital Assets, Net	<u>252,718,286</u>	<u>298,833,004</u>	<u>797,437,000</u>	<u>61,410,676</u>	<u>1,410,398,966</u>	<u>9,469,786</u>
Total Noncurrent Assets	<u>266,652,192</u>	<u>318,099,099</u>	<u>845,526,000</u>	<u>65,822,370</u>	<u>1,496,099,661</u>	<u>9,469,786</u>
Total Assets	<u>276,500,404</u>	<u>331,505,890</u>	<u>959,422,000</u>	<u>86,626,114</u>	<u>1,654,054,408</u>	<u>41,564,797</u>
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable	380,187	531,560	13,140,000	2,081,089	16,132,836	457,734
Construction Contracts	1,180,787	6,044,900	477,000	-	7,702,687	-
Accrued Liabilities	402,104	657,547	10,201,000	209,095	11,469,746	304,858
Accrued Compensated Absences	330,462	380,821	-	292,798	1,004,081	667,204
Due to Other Funds	-	-	-	834,146	834,146	1,346,034
Due to Other Governments	-	-	-	123,082	123,082	12,012
Unearned Revenue	-	-	-	777,430	777,430	129,554
Claims	-	-	251,000	-	251,000	4,683,839
Accrued Interest	777,384	145,347	9,806,000	36,456	10,765,187	131
Commercial Paper Notes Payable	-	-	90,000,000	-	90,000,000	-
Current Portion of Capital Lease	-	-	-	146,170	146,170	47,014
Current Portion of Long-Term Debt	2,695,000	6,050,000	17,000,000	1,985,000	27,730,000	-
Other	-	-	7,822,000	-	7,822,000	-
Total Current Liabilities	<u>5,765,924</u>	<u>13,810,175</u>	<u>148,697,000</u>	<u>6,485,266</u>	<u>174,758,365</u>	<u>7,648,380</u>
Noncurrent Liabilities:						
Due to Other Funds	-	-	-	252,372	252,372	-
Accrued Compensated Absences	184,339	376,989	-	77,425	638,753	703,962
Construction Contracts	2,771,854	667,211	-	-	3,439,065	-
Claims	-	-	750,000	-	750,000	3,879,638
Long-Term Debt, Net	80,193,837	71,972,602	584,115,000	12,969,567	749,251,006	-
Capital Lease Payable	-	-	-	191,740	191,740	-
Accrued Liabilities	28,742	40,806	-	48,907	118,455	50,743
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	9,796,000	9,796,000	-
Total Noncurrent Liabilities	<u>83,178,772</u>	<u>73,057,608</u>	<u>584,865,000</u>	<u>23,336,011</u>	<u>764,437,391</u>	<u>4,634,343</u>
Total Liabilities	<u>88,944,696</u>	<u>86,867,783</u>	<u>733,562,000</u>	<u>29,821,277</u>	<u>939,195,756</u>	<u>12,282,723</u>
<b>NET ASSETS</b>						
Invested in Capital Assets, Net of Related Debt	181,153,293	233,365,538	119,876,000	48,808,131	583,202,962	9,422,772
Restricted for:						
Debt Service	356,741	216,595	28,408,000	323,955	29,305,291	-
Capital Projects	621,524	808,345	-	1,219,436	2,649,305	-
Other	-	-	-	37,575	37,575	-
Unrestricted	<u>5,424,150</u>	<u>10,247,629</u>	<u>77,576,000</u>	<u>6,415,740</u>	<u>99,663,519</u>	<u>19,859,302</u>
Total Net Assets	<u>\$ 187,555,708</u>	<u>244,638,107</u>	<u>225,860,000</u>	<u>56,804,837</u>	<u>714,858,652</u>	<u>29,282,074</u>

The notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2009

	Business-Type Activities -- Enterprise Funds				Total	Governmental Activities -- Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds		
<b>Operating Revenues</b>						
Charges for Services	\$ 21,142,579	25,692,203	248,131,000	4,317,445	299,283,227	48,969,481
Fees	-	-	-	7,834,305	7,834,305	-
Parking Revenue	-	-	-	7,034,535	7,034,535	-
Performance Revenue	-	-	-	1,106,150	1,106,150	-
Other Operating Revenue	-	-	-	509,151	509,151	-
Total Operating Revenues	<u>21,142,579</u>	<u>25,692,203</u>	<u>248,131,000</u>	<u>20,801,586</u>	<u>315,767,368</u>	<u>48,969,481</u>
<b>Operating Expenses</b>						
Personal Services	-	-	-	7,202,016	7,202,016	12,547,700
Contractual Services	-	-	-	3,141,668	3,141,668	-
Operation and Maintenance	10,258,810	12,750,099	12,180,000	5,308,738	40,497,647	34,076,767
Purchased Power	-	-	124,150,000	-	124,150,000	-
Depreciation	7,588,789	6,927,901	35,152,000	3,520,631	53,189,321	2,609,568
Administrative Costs	1,512,481	2,244,978	27,333,000	-	31,090,459	-
Total Operating Expenses	<u>19,360,080</u>	<u>21,922,978</u>	<u>198,815,000</u>	<u>19,173,053</u>	<u>259,271,111</u>	<u>49,234,035</u>
Operating Income (Loss)	<u>1,782,499</u>	<u>3,769,225</u>	<u>49,316,000</u>	<u>1,628,533</u>	<u>56,496,257</u>	<u>(264,554)</u>
<b>Nonoperating Revenues (Expenses)</b>						
Investment Earnings	998,912	870,720	1,783,000	1,028,326	4,680,958	1,357,236
Gain (Loss) on Disposal of Capital Assets	-	-	-	(238,443)	(238,443)	4,840
Occupation Tax	-	-	-	1,978,659	1,978,659	-
Payments in Lieu of Taxes	-	-	(8,548,000)	-	(8,548,000)	-
Amortization of Deferred Charges	(38,904)	(70,604)	(234,000)	(53,689)	(397,197)	-
Interest Expense and Fiscal Charges	(3,580,990)	(1,800,608)	(29,879,000)	(881,510)	(36,142,108)	(2,685)
Total Nonoperating Revenues (Expenses)	<u>(2,620,982)</u>	<u>(1,000,492)</u>	<u>(36,878,000)</u>	<u>1,833,343</u>	<u>(38,666,131)</u>	<u>1,359,391</u>
Income (Loss) Before Contributions and Transfers	<u>(838,483)</u>	<u>2,768,733</u>	<u>12,438,000</u>	<u>3,461,876</u>	<u>17,830,126</u>	<u>1,094,837</u>
Capital Contributions	2,057,734	3,274,336	5,693,000	263,153	11,288,223	220,692
Transfers In	-	-	-	690,425	690,425	10,000
Transfers Out	-	-	(1,519,000)	(1,710,470)	(3,229,470)	(10,425)
Change in Net Assets	<u>1,219,251</u>	<u>6,043,069</u>	<u>16,612,000</u>	<u>2,704,984</u>	<u>26,579,304</u>	<u>1,315,104</u>
Net Assets - Beginning	<u>186,336,457</u>	<u>238,595,038</u>	<u>209,248,000</u>	<u>54,099,853</u>	<u>688,279,348</u>	<u>27,966,970</u>
Net Assets - Ending	<u>\$ 187,555,708</u>	<u>244,638,107</u>	<u>225,860,000</u>	<u>56,804,837</u>	<u>714,858,652</u>	<u>29,282,074</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF LINCOLN, NEBRASKA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2009**

	Business-Type Activities -- Enterprise Funds				Total	Governmental Activities -- Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds		
<b>Cash Flows from Operating Activities</b>						
Receipts from Customers and Users	\$ 20,514,662	24,487,136	253,583,000	20,304,506	318,889,304	11,597,557
Receipts from Interfund Services Provided	146,819	570,906	5,047,000	203,100	5,967,825	36,684,146
Payments to Suppliers for Goods and Services	(3,422,054)	(4,671,298)	(161,338,000)	(7,407,352)	(176,838,704)	(30,048,892)
Payments to Employees	(6,580,411)	(7,776,770)	(21,436,000)	(7,137,152)	(42,930,333)	(12,623,153)
Payments for Interfund Services Provided	(1,765,304)	(3,055,747)	(1,708,000)	(1,414,894)	(7,943,945)	(1,881,649)
Other Receipts	-	-	-	429,645	429,645	-
Net Cash Provided by Operating Activities	<u>8,893,712</u>	<u>9,554,227</u>	<u>74,148,000</u>	<u>4,977,853</u>	<u>97,573,792</u>	<u>3,728,009</u>
<b>Cash Flows from Noncapital Financing Activities</b>						
Occupation Tax	-	-	-	2,045,982	2,045,982	-
Payments in Lieu of Taxes	-	-	(8,272,000)	-	(8,272,000)	-
Transfers from Other Funds	-	-	-	675,425	675,425	10,000
Transfers to Other Funds	-	-	(1,492,000)	(1,710,470)	(3,202,470)	(10,425)
Advances from General Fund	-	-	-	1,001,903	1,001,903	1,391,947
Repayment of Advances from General Fund	-	-	-	(1,721,931)	(1,721,931)	(726,253)
Advances to Other Funds	-	-	-	(2,743)	(2,743)	(105,251)
Payments from Other Funds	396,164	122,238	-	170,399	688,801	92,544
Interest Paid	-	-	-	(47,504)	(47,504)	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>396,164</u>	<u>122,238</u>	<u>(9,764,000)</u>	<u>411,061</u>	<u>(8,834,537)</u>	<u>652,562</u>
<b>Cash Flows from Capital and Related Financing Activities</b>						
Additions to Capital Assets	(8,240,018)	(17,815,271)	(50,612,000)	(3,705,138)	(80,372,427)	(1,971,927)
Proceeds from Sale of Capital Assets	-	-	-	87,000	87,000	37,401
Proceeds from Long-Term Debt	-	15,248,642	-	-	15,248,642	-
Cost of Debt Issuance	-	-	(246,000)	-	(246,000)	-
Net Cost of Retiring Plant	-	-	(447,000)	-	(447,000)	-
Capital Contributions	-	-	5,693,000	-	5,693,000	-
Principal Payments of Capital Lease	-	-	-	(139,618)	(139,618)	(60,884)
Principal Payments of Long-Term Debt	(2,620,000)	(5,795,000)	(13,000,000)	(1,890,000)	(23,305,000)	-
Interest and Fiscal Charges Paid	(3,692,565)	(2,023,885)	(31,343,000)	(837,798)	(37,897,248)	(2,855)
Net Cash Used by Capital and Related Financing Activities	<u>(14,552,583)</u>	<u>(10,385,514)</u>	<u>(89,955,000)</u>	<u>(6,485,554)</u>	<u>(121,378,651)</u>	<u>(1,998,265)</u>
<b>Cash Flows from Investing Activities</b>						
Proceeds from Sale and Maturities of Investments	7,380,050	3,593,879	3,702,000	4,730,915	19,406,844	3,924,552
Purchases of Investments	(3,288,340)	(2,741,705)	-	(3,522,507)	(9,552,552)	(4,915,120)
Interest and Other Receipts	782,933	759,833	2,006,000	849,496	4,398,262	1,074,832
Net Cash Provided by Investing Activities	<u>4,874,643</u>	<u>1,612,007</u>	<u>5,708,000</u>	<u>2,057,904</u>	<u>14,252,554</u>	<u>84,264</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(388,064)	902,958	(19,863,000)	961,264	(18,386,842)	2,466,570
Cash and Cash Equivalents - Beginning	3,671,799	3,491,334	107,136,000	5,280,829	119,579,962	5,412,487
Cash and Cash Equivalents - Ending	<u>\$ 3,283,735</u>	<u>4,394,292</u>	<u>87,273,000</u>	<u>6,242,093</u>	<u>101,193,120</u>	<u>7,879,057</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b>						
Operating Income (Loss)	\$ 1,782,499	3,769,225	49,316,000	1,628,533	56,496,257	(264,554)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:						
Depreciation	7,588,789	6,927,901	35,152,000	3,520,631	53,189,321	2,609,568
Changes in Assets and Liabilities:						
Accounts Receivable and Unbilled Revenues	(478,773)	(607,355)	(3,596,000)	185,922	(4,496,206)	18,739
Due from Other Funds	-	-	-	(941)	(941)	(609,814)
Due from Other Governments	-	-	-	67,923	67,923	106,198
Inventories	20,937	193,756	1,127,000	(22,688)	1,319,005	189,254
Plant Operation Assets	-	-	(2,528,000)	-	(2,528,000)	-
Prepaid Expenses	-	-	(175,000)	(5,494)	(180,494)	6,857
Other Assets	-	-	(6,104,000)	-	(6,104,000)	-
Accounts Payable	(18,603)	(274,219)	288,000	(124,138)	(128,960)	36,213
Accrued Liabilities	(6,750)	(512,322)	-	17,881	(501,191)	(150,075)
Accrued Compensated Absences	5,613	57,241	-	52,520	115,374	74,622
Due to Other Funds	-	-	-	(75,572)	(75,572)	11,550
Due to Other Governments	-	-	-	(11,485)	(11,485)	(229)
Unearned Revenue	-	-	-	(117,239)	(117,239)	(190,995)
Claims	-	-	(201,000)	-	(201,000)	1,890,675
Deferred Credits and Other Liabilities	-	-	869,000	-	869,000	-
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	(138,000)	(138,000)	-
Total Adjustments	<u>7,111,213</u>	<u>5,785,002</u>	<u>24,832,000</u>	<u>3,349,320</u>	<u>41,077,535</u>	<u>3,992,563</u>
Net Cash Provided by Operating Activities	<u>\$ 8,893,712</u>	<u>9,554,227</u>	<u>74,148,000</u>	<u>4,977,853</u>	<u>97,573,792</u>	<u>3,728,009</u>
<b>Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities:</b>						
Contribution of Capital Assets	\$ 1,555,955	1,999,072	-	263,153	3,818,180	220,692
Purchase of Capital Assets on Account	3,952,641	6,712,111	-	1,443,956	12,108,708	34,096
Change in Fair Value of Investments	267,999	230,443	95,000	192,723	786,165	281,639

The notes to the financial statements are an integral part of this statement.

**CITY OF LINCOLN, NEBRASKA**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**AUGUST 31, 2009**

	<u>Police &amp; Fire Pension Trust Fund</u>	<u>Agency Funds</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 2,474,722	3,443,701
Investments:		
Pooled Investment Funds	4,870,385	-
U.S. Agency Obligations	-	1,910,000
Corporate Bonds	1,379,800	-
Private Equity	386,047	-
Mutual Funds	119,461,573	-
Real Estate Limited Partnership	19,218,203	-
Other	150,900	-
Total Investments	<u>145,466,908</u>	<u>1,910,000</u>
Receivables:		
Contributions	268,149	-
Accrued Interest	875,421	88,824
Other	-	31,047
Due from Other Governments	338	-
Contractor Retainage	<u>-</u>	<u>814,064</u>
 Total Assets	 <u>149,085,538</u>	 <u><u>6,287,636</u></u>
<b>LIABILITIES</b>		
Warrants Payable	-	754,047
Accounts Payable	11,829	308,243
Accrued Liabilities	3,365	-
Accrued Compensated Absences	10,707	-
Due to Other Governments	-	3,569,053
Due to Homeowners	-	5,763
Due to Contractors	-	1,333,595
Due to Joint Venture	-	199,009
Due to Bondholders	<u>-</u>	<u>117,926</u>
 Total Liabilities	 <u>25,901</u>	 <u><u>6,287,636</u></u>
<b>NET ASSETS</b>		
Held in Trust for Pension Benefits and Other Purposes	 \$ <u><u>149,059,637</u></u>	

The notes to the financial statements are an integral part of this statement.

**CITY OF LINCOLN, NEBRASKA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**FIDUCIARY FUND**  
**FOR THE YEAR ENDED AUGUST 31, 2009**

	Police & Fire Pension Trust Fund
Additions:	
Contributions:	
Employer	\$ 3,538,283
Employee	2,237,015
Total Contributions	5,775,298
Investment Earnings (Loss):	
Interest	512,240
Dividends	2,758,709
Net Decrease in Fair Value of Investments	(33,269,043)
Net Investment Earnings (Loss)	(29,998,094)
Total Additions (Loss)	(24,222,796)
Deductions:	
Benefit Payments	9,087,929
Refunds of Contributions	568,092
Administrative Costs	171,931
Total Deductions	9,827,952
Change in Net Assets	(34,050,748)
Net Assets Held in Trust for Pension Benefits and Other Purposes - Beginning	183,110,385
Net Assets Held in Trust for Pension Benefits and Other Purposes - Ending	\$ 149,059,637

The notes to the financial statements are an integral part of this statement.