

BASIC FINANCIAL STATEMENTS

CITY OF LINCOLN, NEBRASKA
STATEMENT OF NET ASSETS
AUGUST 31, 2012

With Summarized Financial Information as of August 31, 2011

	Governmental Activities	Business-Type Activities	Totals	
			2012	2011
ASSETS				
Cash and Cash Equivalents	\$ 15,255,221	13,690,243	28,945,464	170,971,351
Investments	308,232,833	126,370,200	434,603,033	297,199,357
Receivables, (Net of Allowance for Uncollectibles)	32,364,575	48,280,298	80,644,873	79,347,506
Internal Balances	(531,347)	531,347	-	-
Due from Other Governments	25,779,133	2,709,883	28,489,016	30,079,460
Inventories	1,932,902	15,696,937	17,629,839	17,812,923
Plant Operation Assets	-	11,549,000	11,549,000	13,070,000
Prepaid Items	656,274	1,779,605	2,435,879	1,832,355
Deferred Charges and Other Assets	6,352,097	9,642,903	15,995,000	18,907,740
Restricted Assets:				
Cash and Cash Equivalents	228,814	11,492,573	11,721,387	16,959,585
Investments	37,160,000	47,149,794	84,309,794	93,125,323
Receivables	-	43,262	43,262	7,614
Investment in Joint Venture	168,783,471	-	168,783,471	159,054,244
Capital Assets:				
Non-depreciable	298,155,460	84,101,532	382,256,992	341,494,800
Depreciable (Net)	523,736,030	1,365,682,163	1,889,418,193	1,809,370,785
Total Assets	1,418,105,463	1,738,719,740	3,156,825,203	3,049,233,043
LIABILITIES				
Accounts Payable and Other Current Liabilities	23,933,272	42,283,042	66,216,314	54,468,504
Accrued Liabilities	6,100,856	13,585,840	19,686,696	17,881,088
Due to Other Governments	408,949	209,767	618,716	764,765
Unearned Revenue	2,722,965	1,367,145	4,090,110	1,431,953
Notes Payable	-	128,500,000	128,500,000	90,000,000
Accrued Interest Payable	4,565,503	9,634,328	14,199,831	14,093,377
Noncurrent Liabilities:				
Payable within One Year	25,117,496	34,640,775	59,758,271	58,906,731
Payable in More Than One Year	475,077,536	715,428,737	1,190,506,273	1,211,794,793
Total Liabilities	537,926,577	945,649,634	1,483,576,211	1,449,341,211
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	405,635,743	608,119,231	1,013,754,974	1,009,402,659
Restricted for:				
Debt Service, Net of Related Debt	10,250,088	28,416,930	38,667,018	37,984,887
Capital Projects	144,100,195	3,031,376	147,131,571	129,248,175
Grantor Loan Programs	19,582,000	-	19,582,000	19,837,000
Other	12,966,904	22,211	12,989,115	22,214,110
Trust Donations:				
Expendable	1,672,102	-	1,672,102	1,653,945
Nonexpendable	160,000	-	160,000	160,000
Health Care:				
Expendable	20,802,630	-	20,802,630	19,077,332
Nonexpendable	37,000,000	-	37,000,000	37,000,000
Unrestricted	228,009,224	153,480,358	381,489,582	323,313,724
Total Net Assets	\$ 880,178,886	793,070,106	1,673,248,992	1,599,891,832

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, 2012
 With Summarized Financial Information for the Year Ended August 31, 2011

Functions/Programs	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			2012	2011
Governmental Activities:								
General Government	\$ (40,635,824)	22,686,194	2,470,510	7,928,577	(7,550,543)	-	(7,550,543)	(14,384,375)
Public Safety	(82,915,183)	6,150,370	4,266,129	714,814	(71,783,870)	-	(71,783,870)	(70,522,526)
Streets and Highways	(38,319,958)	3,489,348	12,099,851	18,919,955	(3,810,804)	-	(3,810,804)	(6,955,653)
Culture and Recreation	(28,049,044)	4,473,514	2,269,016	4,416,143	(16,890,371)	-	(16,890,371)	(17,638,543)
Economic Opportunity	(16,840,478)	2,346,582	10,067,225	-	(4,426,671)	-	(4,426,671)	(1,695,809)
Health and Welfare	(21,414,951)	4,773,397	12,335,789	-	(4,305,765)	-	(4,305,765)	(1,902,876)
Mass Transit	(12,463,592)	1,652,783	2,855,065	-	(7,955,744)	-	(7,955,744)	(3,119,327)
Equipment Management	(1,162,325)	1,476,677	-	-	314,352	-	314,352	(251,005)
Engineering Services	(1,900,278)	2,103,018	-	11,740	214,480	-	214,480	(218,861)
Interest on Long-Term Debt	(20,417,899)	576,337	4,900,277	52,457	(14,888,828)	-	(14,888,828)	(7,171,990)
Total Governmental Activities	(264,119,532)	49,728,220	51,263,862	32,043,686	(131,083,764)	-	(131,083,764)	(123,860,965)
Business-Type Activities:								
Parking Lots	(322,612)	453,326	-	-	-	130,714	130,714	49,192
Golf	(3,762,650)	3,314,506	-	-	-	(448,144)	(448,144)	(654,264)
Parking Facilities	(5,611,236)	7,348,783	-	1,722,988	-	3,460,535	3,460,535	2,259,225
Municipal Auditorium	(2,468,566)	1,762,136	-	-	-	(706,430)	(706,430)	(596,035)
Municipal Arena	(18,851)	-	-	-	-	(18,851)	(18,851)	-
Solid Waste Management	(8,080,971)	5,652,758	-	-	-	(2,428,213)	(2,428,213)	(2,935,257)
Emergency Medical Services	(4,148,850)	4,870,608	-	-	-	721,758	721,758	624,418
Wastewater System	(23,017,798)	24,040,603	-	2,143,397	-	3,166,202	3,166,202	877,522
Water System	(25,908,587)	34,021,393	-	1,791,452	-	9,904,258	9,904,258	4,295,836
Electric System	(250,676,000)	269,043,000	-	1,074,000	-	19,441,000	19,441,000	20,287,000
Total Business-Type Activities	(324,016,121)	350,507,113	-	6,731,837	-	33,222,829	33,222,829	24,207,637
Total	\$ (588,135,653)	400,235,333	51,263,862	38,775,523	(131,083,764)	33,222,829	(97,860,935)	(99,653,328)
General Revenues:								
Property Tax					53,302,884	-	53,302,884	48,621,668
Motor Vehicle Tax					4,331,331	-	4,331,331	4,284,369
Wheel Tax					14,055,801	-	14,055,801	12,031,376
Sales and Use Tax					62,388,551	-	62,388,551	57,996,100
Sundry and In Lieu Tax					68,405	-	68,405	63,118
Occupation Tax					25,732,963	2,048,615	27,781,578	22,462,760
Unrestricted Grants and Contributions					93,633	-	93,633	1,927,588
Unrestricted Investment Earnings					1,014,773	983,824	1,998,597	2,935,066
Miscellaneous General Revenues					2,623,024	380,531	3,003,555	2,653,332
Transfers					9,254,144	(5,060,384)	4,193,760	-
Total General Revenues and Transfers					172,865,509	(1,647,414)	171,218,095	152,975,377
Change in Net Assets					41,781,745	31,575,415	73,357,160	53,322,049
Net Assets - Beginning					838,397,141	761,494,691	1,599,891,832	1,546,569,783
Net Assets - Ending					\$ 880,178,886	793,070,106	1,673,248,992	1,599,891,832

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

CITY OF LINCOLN, NEBRASKA
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2012

	General Fund	Street Construction Fund	West Haymarket JPA Fund	Other Governmental Funds	Total
ASSETS					
Cash and Cash Equivalents	\$ 2,426,153	1,442,289	2,282,720	7,587,931	13,739,093
Investments	32,247,854	22,685,071	162,443,808	103,028,660	320,405,393
Receivables, (Net of Allowance for Uncollectibles)	6,551,428	394,466	1,591,546	23,474,580	32,012,020
Due from Other Funds	1,626,898	6,214,964	1,044,032	2,853,692	11,739,586
Due from Other Governments	11,233,624	9,433,341	893,503	3,939,503	25,499,971
Inventories	379,402	264,323	-	485,996	1,129,721
Prepaid Items	4,454,094	172,937	28,814	-	4,655,845
Total Assets	<u>58,919,453</u>	<u>40,607,391</u>	<u>168,284,423</u>	<u>141,370,362</u>	<u>409,181,629</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	779,047	2,288,012	17,695,072	1,699,402	22,461,533
Contracts Payable	-	-	-	749,016	749,016
Accrued Liabilities	3,100,074	192,632	165,000	2,052,611	5,510,317
Due to Other Funds	4,462,887	240,195	12,987	8,343,637	13,059,706
Due to Other Governments	103,749	2,440	-	192,102	298,291
Unearned Revenue	-	-	2,326,408	228,113	2,554,521
Deferred Revenue	1,372,423	6,059,928	893,503	2,452,034	10,777,888
Total Liabilities	<u>9,818,180</u>	<u>8,783,207</u>	<u>21,092,970</u>	<u>15,716,915</u>	<u>55,411,272</u>
Fund Balances:					
Nonspendable	4,833,496	437,260	28,814	37,645,996	42,945,566
Restricted	5,277,054	18,172,109	147,162,639	79,013,904	249,625,706
Committed	-	-	-	805,612	805,612
Assigned	13,359,297	13,214,815	-	8,379,749	34,953,861
Unassigned	25,631,426	-	-	(191,814)	25,439,612
Total Fund Balances	<u>49,101,273</u>	<u>31,824,184</u>	<u>147,191,453</u>	<u>125,653,447</u>	<u>353,770,357</u>
Total Liabilities and Fund Balances	<u>\$ 58,919,453</u>	<u>40,607,391</u>	<u>168,284,423</u>	<u>141,370,362</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.	799,404,404
Investment in joint venture is not a financial resource and, therefore, is not reported in the funds.	168,783,471
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	10,777,888
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.	25,286,923
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.	(4,688,580)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(473,155,577)
Net assets of governmental activities	<u>\$ 880,178,886</u>

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

CITY OF LINCOLN, NEBRASKA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2012

	General Fund	Street Construction Fund	West Haymarket JPA Fund	Other Governmental Funds	Total
REVENUES					
Taxes:					
Property	\$ 30,845,470	-	-	22,697,060	53,542,530
Motor Vehicle	4,331,331	-	-	-	4,331,331
Wheel	-	92,475	-	13,963,326	14,055,801
Sales and Use	62,388,551	-	-	-	62,388,551
Sundry and In Lieu	52,614	-	-	16,231	68,845
Occupation	12,819,569	-	12,913,394	-	25,732,963
Special Assessment	1,580	2,911	-	1,209,477	1,213,968
Intergovernmental	3,122,981	31,428,745	3,900,278	29,815,656	68,267,660
Permits and Fees	5,420,495	3,022,847	-	11,795,689	20,239,031
Reimbursement for Services	6,689,414	56,836	14,225	1,090,257	7,850,732
Court Settlements	1,931,804	-	-	-	1,931,804
Program Income	-	-	-	122,767	122,767
Investment Earnings	154,395	(1,056)	573,396	4,018,152	4,744,887
Donations	939,159	-	6,000,000	2,571,113	9,510,272
Keno Proceeds	-	-	-	3,639,819	3,639,819
Miscellaneous	557,036	1,448,181	-	2,999,306	5,004,523
Total Revenues	<u>129,254,399</u>	<u>36,050,939</u>	<u>23,401,293</u>	<u>93,938,853</u>	<u>282,645,484</u>
EXPENDITURES					
Current:					
General Government	27,786,449	-	623,302	10,638,569	39,048,320
Public Safety	60,701,737	-	-	9,742,625	70,444,362
Streets and Highways	8,090,630	10,379,964	-	473	18,471,067
Culture and Recreation	12,071,114	-	-	10,447,418	22,518,532
Economic Opportunity	5,076,683	-	-	9,596,988	14,673,671
Health and Welfare	279,193	-	-	21,791,426	22,070,619
Mass Transit	-	-	-	10,288,935	10,288,935
Debt Service	52,667	-	14,239,736	17,397,428	31,689,831
Capital Outlay	-	39,768,666	87,087,134	15,404,915	142,260,715
Total Expenditures	<u>114,058,473</u>	<u>50,148,630</u>	<u>101,950,172</u>	<u>105,308,777</u>	<u>371,466,052</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>15,195,926</u>	<u>(14,097,691)</u>	<u>(78,548,879)</u>	<u>(11,369,924)</u>	<u>(88,820,568)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	9,545,361	15,552,592	307,428	27,954,379	53,359,760
Transfers Out	(20,525,981)	(6,113,306)	-	(17,518,037)	(44,157,324)
Issuance of Debt	3,080,000	-	-	3,000,000	6,080,000
Issuance of Refunding Debt	-	-	-	36,185,000	36,185,000
Premium on Debt Issued	42,246	-	-	4,139,803	4,182,049
Transfer To Bond Refunding Agent	-	-	-	(39,840,997)	(39,840,997)
Sale of Capital Assets	9,885	4,021	-	272,189	286,095
Total Other Financing Sources (Uses)	<u>(7,848,489)</u>	<u>9,443,307</u>	<u>307,428</u>	<u>14,192,337</u>	<u>16,094,583</u>
Net Change in Fund Balances	<u>7,347,437</u>	<u>(4,654,384)</u>	<u>(78,241,451)</u>	<u>2,822,413</u>	<u>(72,725,985)</u>
Fund Balances - Beginning	<u>41,753,836</u>	<u>36,478,568</u>	<u>225,432,904</u>	<u>122,831,034</u>	<u>426,496,342</u>
Fund Balances - Ending	<u>\$ 49,101,273</u>	<u>31,824,184</u>	<u>147,191,453</u>	<u>125,653,447</u>	<u>353,770,357</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, 2012

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

Net change in fund balances - total governmental funds	\$ (72,725,985)
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.	104,674,946
The net effect of various miscellaneous transactions involving capital contributions is to increase net assets.	3,712,226
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.	(5,155,892)
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.	5,996,535
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.	(1,589,757)
Changes in the net pension obligation and the net OPEB obligation do not represent financial activity in governmental funds.	(1,365,802)
Changes in the interest in the underlying net assets of the joint venture do not represent financial activity in governmental funds.	9,729,227
Internal service funds are used by management to charge the costs of certain services to individual funds. The net expense of the internal service funds is reported within governmental activities.	(1,493,753)
Change in net assets of governmental activities	\$ <u><u>41,781,745</u></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, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Real Estate and Personal Property Tax	\$ 32,446,710	32,446,710	34,746,810	2,300,100
Taxes Collected by Others	58,655,174	58,655,174	61,472,342	2,817,168
Sundry Taxes and In Lieu	48,949	48,949	53,006	4,057
Occupation Taxes	11,327,520	11,327,520	12,877,780	1,550,260
Intergovernmental	1,820,820	1,785,820	1,611,918	(173,902)
Permits and Fees	3,138,633	3,138,633	3,289,220	150,587
Reimbursement for Services	2,784,337	2,784,337	3,198,457	414,120
Court Fees	660,000	660,000	816,080	156,080
Court Settlements	1,400,000	1,400,000	1,400,050	50
Recreation Receipts	2,266,276	2,266,276	2,335,226	68,950
Investment Earnings	141,314	141,314	159,741	18,427
Donations	933,210	933,210	933,210	-
Rental Income	549,166	549,166	504,907	(44,259)
Miscellaneous	384,863	384,863	605,702	220,839
Total Revenues	<u>116,556,972</u>	<u>116,521,972</u>	<u>124,004,449</u>	<u>7,482,477</u>
Expenditures:				
General Government:				
Legislative	282,571	282,571	239,982	42,589
Executive	1,265,091	1,263,101	1,211,332	51,769
Financial Administration	2,625,699	2,636,068	2,416,727	219,341
Law	2,562,388	2,577,250	2,518,965	58,285
Personnel Administration	975,193	1,030,618	1,030,588	30
Planning and Zoning	1,707,273	1,709,480	1,633,970	75,510
Urban Development	1,052,198	1,055,201	869,619	185,582
Miscellaneous	20,475,922	19,833,791	17,933,083	1,900,708
Total General Government	<u>30,946,335</u>	<u>30,388,080</u>	<u>27,854,266</u>	<u>2,533,814</u>
Public Safety:				
Police	33,727,986	33,923,642	31,979,857	1,943,785
Fire	23,169,360	23,471,122	23,423,139	47,983
Building and Safety	10,806	10,806	10,806	-
Traffic Engineering	1,483,660	1,483,660	1,285,507	198,153
Total Public Safety	<u>58,391,812</u>	<u>58,889,230</u>	<u>56,699,309</u>	<u>2,189,921</u>
Streets and Highways:				
Street Maintenance	2,722,473	2,689,455	2,146,295	543,160
Street Lighting	3,937,143	3,937,143	5,986,090	(2,048,947)
Total Streets and Highways	<u>6,659,616</u>	<u>6,626,598</u>	<u>8,132,385</u>	<u>(1,505,787)</u>
Culture and Recreation:				
Parks and Recreation	11,883,995	11,837,363	11,557,323	280,040
Libraries	321,269	321,269	321,269	-
Total Culture and Recreation	<u>12,205,264</u>	<u>12,158,632</u>	<u>11,878,592</u>	<u>280,040</u>
Economic Opportunity:				
Lincoln Area Agency on Aging	229,064	229,064	229,064	-
Health and Welfare:				
Lincoln/Lancaster County Health	276,944	276,944	276,944	-
Debt Service:				
Issuance and Management Costs	-	-	52,667	(52,667)
Total Expenditures	<u>108,709,035</u>	<u>108,568,548</u>	<u>105,123,227</u>	<u>3,445,321</u>
Excess of Revenues Over Expenditures	<u>7,847,937</u>	<u>7,953,424</u>	<u>18,881,222</u>	<u>10,927,798</u>
Other Financing Sources (Uses):				
Transfers In	9,543,932	9,543,932	9,603,148	59,216
Transfers Out	(25,242,193)	(25,554,722)	(24,419,713)	1,135,009
Proceeds from Issuance of Debt	2,080,000	2,080,000	2,080,000	-
Premium on Debt Issued	-	-	20,606	20,606
Sale of Capital Assets	21,000	21,000	9,884	(11,116)
Total Other Financing Sources (Uses)	<u>(13,597,261)</u>	<u>(13,909,790)</u>	<u>(12,706,075)</u>	<u>1,203,715</u>
Net Change in Fund Balances	(5,749,324)	(5,956,366)	6,175,147	12,131,513
Fund Balances - Beginning	22,954,832	22,954,832	22,954,832	-
Fund Balances - Ending	<u>\$ 17,205,508</u>	<u>16,998,466</u>	<u>29,129,979</u>	<u>12,131,513</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, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Wheel Tax	\$ -	-	199,794	199,794
Special Assessment	-	-	2,093	2,093
Intergovernmental	8,936,537	8,936,537	19,456,863	10,520,326
Permits and Fees	-	-	330,583	330,583
Reimbursement for Services	400,000	400,000	9,911	(390,089)
Investment Earnings	50,000	50,000	82,037	32,037
Miscellaneous	-	-	3,944	3,944
Total Revenues	<u>9,386,537</u>	<u>9,386,537</u>	<u>20,085,225</u>	<u>10,698,688</u>
Expenditures -- Streets and Highways:				
Personal Services	5,920,183	5,920,183	5,799,519	120,664
Materials and Supplies	1,025,791	1,025,791	645,845	379,946
Other Services and Charges	4,195,530	4,195,530	3,316,068	879,462
Capital Outlay	265,998	265,998	182,845	83,153
Total Expenditures	<u>11,407,502</u>	<u>11,407,502</u>	<u>9,944,277</u>	<u>1,463,225</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,020,965)</u>	<u>(2,020,965)</u>	<u>10,140,948</u>	<u>12,161,913</u>
Other Financing Sources (Uses):				
Transfers In	15,552,592	15,552,592	15,552,592	-
Transfers Out	(6,113,306)	(6,113,306)	(6,113,306)	-
Sale of Capital Assets	-	-	4,021	4,021
Total Other Financing Sources (Uses)	<u>9,439,286</u>	<u>9,439,286</u>	<u>9,443,307</u>	<u>4,021</u>
Net Change in Fund Balances	7,418,321	7,418,321	19,584,255	12,165,934
Amount Budgeted on Project Basis	(24,290,239)	(24,290,239)	(24,290,239)	-
Fund Balances - Beginning	<u>33,077,663</u>	<u>33,077,663</u>	<u>33,077,663</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 16,205,745</u>	<u>16,205,745</u>	<u>28,371,679</u>	<u>12,165,934</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, 2012

	Business-Type Activities -- Enterprise Funds				Total	Governmental Activities -- Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds		
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 1,097,428	968,646	9,953,000	1,671,169	13,690,243	1,516,128
Investments	8,389,869	7,237,173	85,704,000	5,186,111	106,517,153	12,918,786
Receivables, (Net of Allowance for Uncollectibles)	1,996,412	4,159,867	22,033,000	2,567,632	30,756,911	352,555
Accrued Interest Receivable	-	-	234,000	-	234,000	-
Unbilled Revenues	2,459,540	5,038,847	9,791,000	-	17,289,387	-
Due from Other Funds	712,049	372,746	-	227,717	1,312,512	1,585,066
Due from Other Governments	1,085,874	1,500,956	-	123,053	2,709,883	279,162
Inventories	74,306	942,651	14,468,000	211,980	15,696,937	803,181
Plant Operation Assets	-	-	11,549,000	-	11,549,000	-
Prepaid Expenses	-	-	1,776,000	3,605	1,779,605	222,865
Total Current Assets	<u>15,815,478</u>	<u>20,220,886</u>	<u>155,508,000</u>	<u>9,991,267</u>	<u>201,535,631</u>	<u>17,677,743</u>
Noncurrent Assets:						
Investments	7,208,921	7,141,068	-	5,503,058	19,853,047	12,068,654
Restricted Assets:						
Cash and Cash Equivalents	-	-	7,502,000	3,990,573	11,492,573	228,814
Investments	7,457,932	7,262,975	29,887,000	2,541,887	47,149,794	-
Receivables	-	-	-	43,262	43,262	-
Due from Other Funds	-	-	-	148,413	148,413	-
Total Restricted Assets	<u>7,457,932</u>	<u>7,262,975</u>	<u>37,389,000</u>	<u>6,724,135</u>	<u>58,834,042</u>	<u>228,814</u>
Deferred Charges	707,001	539,125	7,989,000	407,777	9,642,903	135,576
Capital Assets:						
Land	5,996,823	5,449,698	-	12,785,779	24,232,300	1,306,950
Buildings	79,839,389	67,727,299	-	68,153,381	215,720,069	6,774,812
Improvements Other Than Buildings	265,147,852	327,271,789	-	41,148,424	633,568,065	465,692
Machinery and Equipment	8,793,982	8,616,076	-	13,593,699	31,003,757	29,574,209
Utility Plant	-	-	1,267,997,000	-	1,267,997,000	-
Construction in Progress	1,767,162	4,400,696	52,684,000	1,017,374	59,869,232	1,366,431
Less Accumulated Depreciation	<u>(104,679,735)</u>	<u>(116,671,087)</u>	<u>(506,423,000)</u>	<u>(54,832,906)</u>	<u>(782,606,728)</u>	<u>(21,223,444)</u>
Total Capital Assets, Net	<u>256,865,473</u>	<u>296,794,471</u>	<u>814,258,000</u>	<u>81,865,751</u>	<u>1,449,783,695</u>	<u>18,264,650</u>
Total Noncurrent Assets	<u>272,239,327</u>	<u>311,737,639</u>	<u>859,636,000</u>	<u>94,500,721</u>	<u>1,538,113,687</u>	<u>30,697,694</u>
Total Assets	<u>288,054,805</u>	<u>331,958,525</u>	<u>1,015,144,000</u>	<u>104,491,988</u>	<u>1,739,649,318</u>	<u>48,375,437</u>
LIABILITIES						
Current Liabilities:						
Accounts Payable	211,842	816,353	14,102,000	1,634,847	16,765,042	722,723
Construction Contracts	3,333,269	1,758,562	-	-	5,091,831	-
Accrued Liabilities	530,841	1,055,782	11,651,000	348,217	13,585,840	492,898
Accrued Compensated Absences	354,384	428,112	-	297,116	1,079,612	789,522
Due to Other Funds	-	-	-	929,578	929,578	796,293
Due to Other Governments	-	-	-	209,767	209,767	12,368
Unearned Revenue	-	-	-	1,367,145	1,367,145	168,444
Claims	-	-	559,000	-	559,000	5,170,834
Accrued Interest	666,249	109,999	8,783,000	75,080	9,634,328	86,600
Commercial Paper Notes Payable	-	-	128,500,000	-	128,500,000	-
Current Portion of Capital Lease	-	-	-	342,426	342,426	708,625
Current Portion of Long-Term Debt	3,487,906	3,360,000	19,610,000	1,110,000	27,567,906	-
Other	-	-	25,518,000	-	25,518,000	-
Total Current Liabilities	<u>8,584,491</u>	<u>7,528,808</u>	<u>208,723,000</u>	<u>6,314,176</u>	<u>231,150,475</u>	<u>8,948,307</u>
Noncurrent Liabilities:						
Accrued Compensated Absences	211,522	371,425	-	76,159	659,106	717,518
Construction Contracts	117,454	190,638	-	-	308,092	-
Claims	-	-	382,000	-	382,000	5,132,204
Long-Term Debt, Net	84,123,313	58,887,377	528,282,000	24,570,506	695,863,196	-
Capital Lease Payable	-	-	-	1,943,584	1,943,584	7,990,897
Accrued Liabilities	162,000	235,233	-	439,526	836,759	299,588
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	15,436,000	15,436,000	-
Total Noncurrent Liabilities	<u>84,614,289</u>	<u>59,684,673</u>	<u>528,664,000</u>	<u>42,465,775</u>	<u>715,428,737</u>	<u>14,140,207</u>
Total Liabilities	<u>93,198,780</u>	<u>67,213,481</u>	<u>737,387,000</u>	<u>48,779,951</u>	<u>946,579,212</u>	<u>23,088,514</u>
NET ASSETS						
Invested in Capital Assets, Net of Related Debt	171,553,512	238,567,894	140,572,000	57,425,825	608,119,231	9,793,942
Restricted for:						
Debt Service	703,650	149,097	27,423,000	141,183	28,416,930	-
Capital Projects	364,711	299,582	-	2,367,083	3,031,376	-
Other	-	-	-	22,211	22,211	-
Unrestricted	22,234,152	25,728,471	109,762,000	(4,244,265)	153,480,358	15,492,981
Total Net Assets	<u>\$ 194,856,025</u>	<u>264,745,044</u>	<u>277,757,000</u>	<u>55,712,037</u>	<u>793,070,106</u>	<u>25,286,923</u>

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

CITY OF LINCOLN, NEBRASKA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2012

	Business-Type Activities -- Enterprise Funds				Total	Governmental Activities -- Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds		
Operating Revenues						
Charges for Services	\$ 24,097,998	34,150,292	269,043,000	4,870,608	332,161,898	54,547,088
Fees	-	-	-	8,385,364	8,385,364	-
Parking Revenue	-	-	-	7,800,953	7,800,953	-
Performance Revenue	-	-	-	1,704,701	1,704,701	-
Other Operating Revenue	-	-	-	693,268	693,268	-
Total Operating Revenues	<u>24,097,998</u>	<u>34,150,292</u>	<u>269,043,000</u>	<u>23,454,894</u>	<u>350,746,184</u>	<u>54,547,088</u>
Operating Expenses						
Personal Services	-	-	-	8,321,222	8,321,222	14,028,196
Contractual Services	-	-	-	4,940,966	4,940,966	-
Operation and Maintenance	10,828,643	13,624,591	19,218,000	6,505,023	50,176,257	39,835,839
Purchased Power	-	-	119,594,000	-	119,594,000	-
Depreciation	7,314,450	7,528,972	41,002,000	3,951,727	59,797,149	2,582,592
Administrative Costs	1,550,030	2,011,903	33,481,000	-	37,042,933	-
Total Operating Expenses	<u>19,693,123</u>	<u>23,165,466</u>	<u>213,295,000</u>	<u>23,718,938</u>	<u>279,872,527</u>	<u>56,446,627</u>
Operating Income (Loss)	<u>4,404,875</u>	<u>10,984,826</u>	<u>55,748,000</u>	<u>(264,044)</u>	<u>70,873,657</u>	<u>(1,899,539)</u>
Nonoperating Revenues (Expenses)						
Investment Earnings	204,843	530,761	213,000	35,220	983,824	104,245
Gain on Disposal of Capital Assets	-	-	-	24,613	24,613	91,279
Insurance Recovery	135,873	-	-	5,587	141,460	-
Occupation Tax	-	-	-	2,048,615	2,048,615	-
Payments in Lieu of Taxes	-	-	(9,384,000)	-	(9,384,000)	-
Amortization of Deferred Charges	(39,608)	(76,955)	(871,000)	(18,687)	(1,006,250)	-
Interest Expense and Fiscal Charges	(3,285,067)	(2,666,166)	(27,126,000)	(700,724)	(33,777,957)	(228,762)
Total Nonoperating Revenues (Expenses)	<u>(2,983,959)</u>	<u>(2,212,360)</u>	<u>(37,168,000)</u>	<u>1,394,624</u>	<u>(40,969,695)</u>	<u>(33,238)</u>
Income (Loss) Before Contributions and Transfers	1,420,916	8,772,466	18,580,000	1,130,580	29,903,962	(1,932,777)
Capital Contributions	2,143,397	1,791,452	1,074,000	1,722,988	6,731,837	387,316
Transfers In	3,660	20,605	-	740,596	764,861	103,240
Transfers Out	-	-	(4,012,000)	(1,813,245)	(5,825,245)	(51,532)
Change in Net Assets	<u>3,567,973</u>	<u>10,584,523</u>	<u>15,642,000</u>	<u>1,780,919</u>	<u>31,575,415</u>	<u>(1,493,753)</u>
Net Assets - Beginning	<u>191,288,052</u>	<u>254,160,521</u>	<u>262,115,000</u>	<u>53,931,118</u>	<u>761,494,691</u>	<u>26,780,676</u>
Net Assets - Ending	<u>\$ 194,856,025</u>	<u>264,745,044</u>	<u>277,757,000</u>	<u>55,712,037</u>	<u>793,070,106</u>	<u>25,286,923</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, 2012

	Business-Type Activities -- Enterprise Funds				Total	Governmental Activities -- Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds		
Cash Flows from Operating Activities						
Receipts from Customers and Users	\$ 24,619,241	30,619,833	282,476,000	22,743,311	360,458,385	13,142,517
Receipts from Interfund Services Provided	274,484	921,658	5,501,000	184,726	6,881,868	41,103,030
Payments to Suppliers for Goods and Services	(3,433,598)	(3,761,088)	(160,919,000)	(8,210,940)	(176,324,626)	(37,558,194)
Payments to Employees	(6,944,605)	(8,147,810)	(25,275,000)	(8,081,573)	(48,448,988)	(13,914,816)
Payments for Interfund Services Provided	(2,029,820)	(3,093,736)	(1,710,000)	(2,251,401)	(9,084,957)	(3,096,972)
Other Receipts	-	-	223,000	693,268	916,268	-
Net Cash Provided (Used) by Operating Activities	<u>12,485,702</u>	<u>16,538,857</u>	<u>100,296,000</u>	<u>5,077,391</u>	<u>134,397,950</u>	<u>(324,435)</u>
Cash Flows from Noncapital Financing Activities						
Occupation Tax	-	-	-	2,124,861	2,124,861	-
Payments in Lieu of Taxes	-	-	(9,388,000)	-	(9,388,000)	-
Transfers from Other Funds	-	-	-	714,089	714,089	103,240
Transfers to Other Funds	-	-	(1,730,000)	(1,813,245)	(3,543,245)	(51,532)
Advances from General Fund	-	-	-	1,745,878	1,745,878	1,423,220
Repayment of Advances from General Fund	-	-	-	(1,880,656)	(1,880,656)	(1,618,266)
Advances to Other Funds	-	(25,289)	-	(7,094)	(32,383)	(709)
Repayments from Other Funds	180,077	-	-	510,177	690,254	516,476
Net Cash Provided (Used) by Noncapital Financing Activities	<u>180,077</u>	<u>(25,289)</u>	<u>(11,118,000)</u>	<u>1,394,010</u>	<u>(9,569,202)</u>	<u>372,429</u>
Cash Flows from Capital and Related Financing Activities						
Additions to Capital Assets	(10,283,899)	(6,226,515)	(41,761,000)	(13,336,746)	(71,608,160)	(4,517,921)
Capital Contributions	461,134	1,303,838	1,074,000	1,722,988	4,561,960	-
Federal Grant Proceeds	680,526	-	-	-	680,526	-
Proceeds from Sale of Capital Assets	-	-	-	49,319	49,319	228,909
Insurance Recovery	135,873	-	-	5,587	141,460	-
Proceeds from Long-Term Debt	6,203,748	1,127,435	38,500,000	1,534,948	47,366,131	575,412
Cost of Debt Issuance	(560,300)	(74,312)	(243,000)	(30,415)	(908,027)	-
Net Cost of Retiring Plant	-	-	(1,057,000)	-	(1,057,000)	-
Principal Payments of Capital Lease	-	-	-	(258,306)	(258,306)	(239,512)
Principal Payments of Long-Term Debt	(3,137,858)	(5,380,000)	(18,680,000)	(1,080,000)	(28,277,858)	-
Interest and Fiscal Charges Paid	(3,492,563)	(2,898,314)	(27,583,000)	(1,240,695)	(35,214,572)	(214,097)
Net Cash Used by Capital and Related Financing Activities	<u>(9,993,339)</u>	<u>(12,147,868)</u>	<u>(49,750,000)</u>	<u>(12,633,320)</u>	<u>(84,524,527)</u>	<u>(4,167,209)</u>
Cash Flows from Investing Activities						
Proceeds from Sale and Maturities of Investments	28,776,654	20,631,982	114,106,000	27,369,645	190,884,281	40,188,913
Purchases of Investments	(33,070,291)	(25,752,723)	(167,134,000)	(22,261,619)	(248,218,633)	(40,164,442)
Interest and Other Receipts	317,414	452,942	422,000	125,816	1,318,172	248,574
Net Cash Provided (Used) by Investing Activities	<u>(3,976,223)</u>	<u>(4,667,799)</u>	<u>(52,606,000)</u>	<u>5,233,842</u>	<u>(56,016,180)</u>	<u>273,045</u>
Net Decrease in Cash and Cash Equivalents	(1,303,783)	(302,099)	(13,178,000)	(928,077)	(15,711,959)	(3,846,170)
Cash and Cash Equivalents - Beginning	2,401,211	1,270,745	30,633,000	6,589,819	40,894,775	5,591,112
Cash and Cash Equivalents - Ending	<u>\$ 1,097,428</u>	<u>968,646</u>	<u>17,455,000</u>	<u>5,661,742</u>	<u>25,182,816</u>	<u>1,744,942</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating Income (Loss)	\$ 4,404,875	10,984,826	55,748,000	(264,044)	70,873,657	(1,899,539)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:						
Depreciation	7,314,450	7,528,972	41,002,000	3,951,727	59,797,149	2,582,592
Changes in Assets and Liabilities:						
Accounts Receivable and Unbilled Revenues	795,801	(2,638,307)	(897,000)	(81,635)	(2,821,141)	(104,974)
Due from Other Funds	-	-	-	(65,077)	(65,077)	(165,693)
Due from Other Governments	-	-	-	(118,748)	(118,748)	(20,399)
Inventories	(8,802)	(10,018)	(83,000)	(3,602)	(105,422)	7,205
Plant Operation Assets	-	-	1,521,000	-	1,521,000	-
Prepaid Expenses	-	-	(704,000)	56,380	(647,620)	162,542
Other Assets	-	-	2,753,000	-	2,753,000	-
Accounts Payable	(108,059)	366,504	302,000	31,073	591,518	(540,022)
Accrued Liabilities	80,635	330,999	-	208,993	620,627	133,128
Accrued Compensated Absences	6,802	(24,119)	-	(29,011)	(46,328)	(19,748)
Due to Other Funds	-	-	-	99,638	99,638	25,066
Due to Other Governments	-	-	-	55,826	55,826	11,798
Unearned Revenue	-	-	-	431,871	431,871	(10,473)
Claims	-	-	497,000	-	497,000	(485,918)
Deferred Credits and Other Liabilities	-	-	157,000	-	157,000	-
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	804,000	804,000	-
Total Adjustments	8,080,827	5,554,031	44,548,000	5,341,435	63,524,293	1,575,104
Net Cash Provided by Operating Activities	<u>\$ 12,485,702</u>	<u>16,538,857</u>	<u>100,296,000</u>	<u>5,077,391</u>	<u>134,397,950</u>	<u>(324,435)</u>
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities:						
Contribution of Capital Assets	\$ 883,120	487,614	-	-	1,370,734	387,316
Capital Asset Trade-Ins	-	-	-	87,582	87,582	-
Purchase of Capital Assets on Account	3,450,723	1,949,200	-	619,376	6,019,299	324,819
Change in Fair Value of Investments	77,644	(112,212)	50,000	(69,545)	(54,113)	(113,463)
Recognition of Sales Tax Settlement Payment	-	-	22,000	-	22,000	-
Allowance for Funds in Construction and Amortization	-	-	104,000	-	104,000	-

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, 2012

	<u>Police & Fire Pension Trust Fund</u>	<u>Agency Funds</u>
ASSETS		
Cash and Cash Equivalents	\$ 1,465,894	4,011,529
Investments:		
Pooled Investment Funds	4,198,097	-
Collateralized Investment Agreement	-	1,910,000
Corporate Bonds	805,800	-
Mutual Funds	147,725,024	-
Private Equity	561,029	-
Real Estate Limited Partnerships	13,095,044	-
Total Investments	<u>166,384,994</u>	<u>1,910,000</u>
Receivables:		
Contributions	570,438	-
Accrued Interest	527,397	38,128
Other	-	44,274
Due from Other Governments	432	2,664
Contractor Retainage	<u>-</u>	<u>770,662</u>
 Total Assets	 <u>168,949,155</u>	 <u><u>6,777,257</u></u>
LIABILITIES		
Warrants Payable	-	1,110,868
Accounts Payable	16,000	248,292
Accrued Liabilities	7,456	-
Accrued Compensated Absences	14,729	-
Due to Other Governments	-	3,765,444
Due to Homeowners	-	17,641
Due to Contractors	-	1,249,837
Due to Joint Venture	-	206,548
Due to Plan Members	-	60,701
Due to Bondholders	<u>-</u>	<u>117,926</u>
 Total Liabilities	 <u>38,185</u>	 <u><u>6,777,257</u></u>
NET ASSETS		
Held in Trust for Pension Benefits and Other Purposes	 \$ <u><u>168,910,970</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, 2012

	Police & Fire Pension Trust Fund
Additions:	
Contributions:	
Employer	\$ 5,837,676
Employee	2,418,690
Total Contributions	8,256,366
Investment Earnings:	
Interest	219,271
Dividends	2,872,884
Net Increase in Fair Value of Investments	5,686,090
Net Investment Earnings	8,778,245
Total Additions	17,034,611
Deductions:	
Benefit Payments	10,923,121
Refunds of Contributions	645,182
Administrative Costs	369,764
Total Deductions	11,938,067
Change in Net Assets	5,096,544
Net Assets Held in Trust for Pension Benefits and Other Purposes - Beginning	163,814,426
Net Assets Held in Trust for Pension Benefits and Other Purposes - Ending	\$ 168,910,970

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