

NONMAJOR DEBT SERVICE FUNDS

Debt Service Funds are established to account for the resources for, and the payment of, general long-term debt principal, interest, and related costs.

Tax Allocation Projects Debt Service Fund - To accumulate resources for payment of principal and interest on the various outstanding tax allocation bonds. Resources are derived from additional taxes generated by the specific properties upon completion of the Redevelopment Projects.

Bond Interest & Redemption Fund - To accumulate resources derived from an annual tax levy for payment of principal and interest on several general obligation bond issues and capital leases outstanding as follows:

- 1999A Various Purpose Bonds
- 1999B Various Purpose Bonds
- 2001 Certificates of Participation – Health Lease
- 2002 Storm Sewer and Drainage System Bonds
- 2003 Various Purpose Bonds
- 2004 Certificates of Participation – Fire & 911 Lease
- 2005 Storm Sewer Refunding Bonds
- 2005 Storm Sewer Construction Bonds
- 2005 Certificates of Participation – Street Lights
- 2006 Certificates of Participation – Street Lights

Tax Supported Bonds Fund – includes bonded debt funds as follows:

MIRF Bond Debt Fund – To accumulate resources for payment of principal and interest on the Municipal Infrastructure Redevelopment Fund Bonds, Series 2000. The bonds are payable from amounts received by the City from the State of Nebraska MIRF fund established pursuant to the MIRF Act (Chapter 18, Article 26, Reissue Revised Statutes of Nebraska, as amended), which provides annual appropriations from an imposed cigarette tax.

Antelope Valley Debt Fund – To accumulate resources for payment of principal and interest on the Tax Supported Antelope Valley Project Bonds, Series 2002. The bonds are payable from amounts received from the State of Nebraska City of the Primary Class Development Fund, established pursuant to Chapter 19, article 1, Reissue Revised Statutes of Nebraska, which provides annual appropriations from an imposed cigarette tax, and from the sales tax receipts of the City pledged to the payment of the bonds as needed.

Highway User Allocation Debt Fund - To accumulate resources for payment of principal and interest on the Highway User Allocation Bonds, Series 2004. For the prompt payment of principal of and interest on the bonds, the City has pledged funds received and to be received by the City from the State Highway Allocation Fund as authorized under Section 66-4,101, Reissue Revised Statutes of Nebraska, as amended.

Special Assessment Fund - To accumulate resources for payment of principal and interest on the various outstanding special assessment bond issues. Income is derived from special assessment tax collections, interest on special assessment taxes and interest from investments.

CITY OF LINCOLN, NEBRASKA
SUBCOMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
AUGUST 31, 2006

	Tax Allocation Projects Debt Service	Bond Interest & Redemption	Tax Supported Bonds	Special Assessment	Total
ASSETS					
Cash and Cash Equivalents	\$ 700,114	424,636	352,647	1,312,064	2,789,461
Investments	3,968,193	2,081,173	2,849,484	6,443,500	15,342,350
Receivables (Net of Allowance for Uncollectibles):					
Taxes	140,282	613,150	-	-	753,432
Accrued Interest	32,337	26,297	39,393	56,082	154,109
Special Assessment	-	-	-	2,514,473	2,514,473
Due from Other Funds	369,366	224,006	186,156	693,666	1,473,194
Due from Other Governments	-	187	166,667	-	166,854
	<u>5,210,292</u>	<u>3,369,449</u>	<u>3,594,347</u>	<u>11,019,785</u>	<u>23,193,873</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Deferred Revenue	-	132,529	166,667	2,435,469	2,734,665
Bond Principal Payable	-	10,000	-	55,000	65,000
Bond Interest Payable	-	1,668	-	37,581	39,249
Total Liabilities	<u>-</u>	<u>144,197</u>	<u>166,667</u>	<u>2,528,050</u>	<u>2,838,914</u>
Fund Balances:					
Reserved for Debt Service	5,210,292	3,225,252	3,427,680	-	11,863,224
Unreserved - Designated for Debt Service	-	-	-	8,491,735	8,491,735
Total Fund Balances	<u>5,210,292</u>	<u>3,225,252</u>	<u>3,427,680</u>	<u>8,491,735</u>	<u>20,354,959</u>
Total Liabilities and Fund Balances	<u>\$ 5,210,292</u>	<u>3,369,449</u>	<u>3,594,347</u>	<u>11,019,785</u>	<u>23,193,873</u>

CITY OF LINCOLN, NEBRASKA
SUBCOMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2006

	Tax Allocation Projects <u>Debt Service</u>	Bond Interest & Redemption	Tax Supported Bonds	Special Assessment	Total
Revenues:					
Real Property and Personal Property Tax	\$ 1,724,370	2,859,028	-	-	4,583,398
Sundry and In Lieu Tax	-	1,702	-	-	1,702
Special Assessment	-	-	-	1,500,678	1,500,678
Special Assessment Interest	-	-	-	189,927	189,927
Intergovernmental	-	139,832	1,520,000	-	1,659,832
Investment Earnings	119,382	184,277	120,345	204,706	628,710
Total Revenues	<u>1,843,752</u>	<u>3,184,839</u>	<u>1,640,345</u>	<u>1,895,311</u>	<u>8,564,247</u>
Expenditures -- Debt Service:					
Principal Retirement	605,794	4,250,000	915,000	-	5,770,794
Interest	264,016	2,342,582	2,064,136	-	4,670,734
Fiscal Charges	1,350	3,360	2,100	-	6,810
Capital Lease Principal	-	430,000	-	-	430,000
Capital Lease Interest	-	125,836	-	-	125,836
Miscellaneous	6,500	3,000	2,500	95	12,095
Total Expenditures	<u>877,660</u>	<u>7,154,778</u>	<u>2,983,736</u>	<u>95</u>	<u>11,016,269</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>966,092</u>	<u>(3,969,939)</u>	<u>(1,343,391)</u>	<u>1,895,216</u>	<u>(2,452,022)</u>
Other Financing Sources (Uses):					
Transfers In	104,682	561,977	1,566,138	-	2,232,797
Transfers Out	(1,441,479)	-	-	(474,196)	(1,915,675)
Total Other Financing Sources (Uses)	<u>(1,336,797)</u>	<u>561,977</u>	<u>1,566,138</u>	<u>(474,196)</u>	<u>317,122</u>
Net Change in Fund Balances	(370,705)	(3,407,962)	222,747	1,421,020	(2,134,900)
Fund Balances - Beginning	<u>5,580,997</u>	<u>6,633,214</u>	<u>3,204,933</u>	<u>7,070,715</u>	<u>22,489,859</u>
Fund Balances - Ending	<u>\$ 5,210,292</u>	<u>3,225,252</u>	<u>3,427,680</u>	<u>8,491,735</u>	<u>20,354,959</u>