

BASIC FINANCIAL STATEMENTS

CITY OF LINCOLN, NEBRASKA
STATEMENT OF NET POSITION
AUGUST 31, 2014

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 28,668,002	24,206,275	52,874,277
Investments	245,901,757	114,711,047	360,612,804
Receivables, (Net of Allowance for Uncollectibles)	33,870,368	48,254,376	82,124,744
Internal Balances	(1,514,104)	1,514,104	-
Due from Other Governments	22,333,967	2,865,706	25,199,673
Inventories	2,533,327	16,509,191	19,042,518
Plant Operation Assets	-	11,938,000	11,938,000
Prepaid Items	1,024,407	2,215,615	3,240,022
Other Assets	126,575	6,049,400	6,175,975
Restricted Assets:			
Cash and Cash Equivalents	235,025	8,638,977	8,874,002
Investments	37,160,000	50,221,408	87,381,408
Receivables	-	12,863	12,863
Investment in Joint Venture	165,785,919	-	165,785,919
Capital Assets:			
Non-depreciable	205,185,913	109,783,502	314,969,415
Depreciable (Net)	828,421,052	1,414,338,581	2,242,759,633
Total Assets	<u>1,569,732,208</u>	<u>1,811,259,045</u>	<u>3,380,991,253</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Loss on Refunding	1,109,915	21,879,889	22,989,804
LIABILITIES			
Accounts Payable and Other Current Liabilities	18,311,240	20,551,161	38,862,401
Accrued Liabilities	6,549,723	40,756,548	47,306,271
Due to Other Governments	4,715,354	296,244	5,011,598
Unearned Revenue	9,201,295	2,768,163	11,969,458
Notes Payable	-	64,500,000	64,500,000
Accrued Interest Payable	4,971,836	9,645,813	14,617,649
Noncurrent Liabilities:			
Payable within One Year	28,890,654	40,478,374	69,369,028
Payable in More Than One Year	532,781,014	820,934,734	1,353,715,748
Total Liabilities	<u>605,421,116</u>	<u>999,931,037</u>	<u>1,605,352,153</u>
NET POSITION			
Net Investment in Capital Assets	545,831,558	673,582,095	1,219,413,653
Restricted for:			
Debt Service	5,635,629	8,712,351	14,347,980
Capital Projects	51,901,487	7,122,746	59,024,233
Grantor Loan Programs	18,759,000	-	18,759,000
Other	12,098,383	5,905	12,104,288
Trust Donations:			
Expendable	1,987,925	-	1,987,925
Nonexpendable	160,000	-	160,000
Health Care:			
Expendable	27,562,968	-	27,562,968
Nonexpendable	37,000,000	-	37,000,000
Unrestricted	<u>264,484,057</u>	<u>143,784,800</u>	<u>408,268,857</u>
Total Net Position	<u>\$ 965,421,007</u>	<u>833,207,897</u>	<u>1,798,628,904</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, 2014

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs							
Governmental Activities:							
General Government	\$ (45,355,465)	31,498,610	2,162,384	873,982	(10,820,489)	-	(10,820,489)
Public Safety	(87,571,014)	7,446,309	3,478,516	383,396	(76,262,793)	-	(76,262,793)
Streets and Highways	(46,525,688)	5,162,445	27,752,409	15,357,988	1,747,154	-	1,747,154
Culture and Recreation	(35,878,349)	4,328,220	2,232,512	5,455,367	(23,862,250)	-	(23,862,250)
Economic Opportunity	(21,549,476)	918,794	9,688,637	-	(10,942,045)	-	(10,942,045)
Health and Welfare	(21,456,657)	5,332,189	16,147,206	-	22,738	-	22,738
Mass Transit	(13,582,835)	3,138,094	5,154,647	-	(5,290,094)	-	(5,290,094)
Equipment Management	(1,181,947)	1,672,058	-	-	490,111	-	490,111
Engineering Services	(2,774,223)	2,593,500	-	2,160	(178,563)	-	(178,563)
Interest on Long-Term Debt	(21,776,180)	553,805	4,619,457	1,092,535	(15,510,383)	-	(15,510,383)
Total Governmental Activities	(297,651,834)	62,644,024	71,235,768	23,165,428	(140,606,614)	-	(140,606,614)
Business-Type Activities:							
Golf	(3,473,671)	3,312,321	-	-	-	(161,350)	(161,350)
Parking System	(8,078,478)	10,634,366	-	-	-	2,555,888	2,555,888
Municipal Auditorium	(1,538,108)	1,097,606	-	-	-	(440,502)	(440,502)
Municipal Arena	(11,462,603)	11,152,759	-	-	-	(309,844)	(309,844)
Solid Waste Management	(8,838,837)	6,408,559	-	-	-	(2,430,278)	(2,430,278)
Emergency Medical Services	(5,564,099)	5,850,715	-	-	-	286,616	286,616
Wastewater System	(23,864,691)	25,804,120	-	1,848,707	-	3,788,136	3,788,136
Water System	(25,941,743)	32,558,575	-	2,412,052	-	9,028,884	9,028,884
Electric System	(272,692,000)	290,121,000	-	1,143,000	-	18,572,000	18,572,000
Total Business-Type Activities	(361,454,230)	386,940,021	-	5,403,759	-	30,889,550	30,889,550
Total	\$ (659,106,064)	449,584,045	71,235,768	28,569,187	(140,606,614)	30,889,550	(109,717,064)
General Revenues:							
Property Tax					55,871,758	-	55,871,758
Motor Vehicle Tax					4,737,197	-	4,737,197
Wheel Tax					17,173,865	-	17,173,865
Sales and Use Tax					66,753,197	-	66,753,197
Sundry and In Lieu Tax					62,239	-	62,239
Occupation Tax					25,830,488	2,598,793	28,429,281
Unrestricted Grants and Contributions					80,178	-	80,178
Unrestricted Investment Earnings					2,855,984	1,757,946	4,613,930
Miscellaneous General Revenues					890,450	136,403	1,026,853
Transfers					10,825,543	(10,744,119)	81,424
Total General Revenues and Transfers					185,080,899	(6,250,977)	178,829,922
Change in Net Position					44,474,285	24,638,573	69,112,858
Net Position - Beginning					920,946,722	808,569,324	1,729,516,046
Net Position - Ending					\$ 965,421,007	833,207,897	1,798,628,904

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

CITY OF LINCOLN, NEBRASKA
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2014

	General Fund	Street Construction Fund	West Haymarket JPA Fund	Other Governmental Funds	Total
ASSETS					
Cash and Cash Equivalents	\$ 4,165,766	8,196,106	2,495,117	11,674,208	26,531,197
Investments	42,005,301	56,561,198	37,245,702	118,165,049	253,977,250
Receivables, (Net of Allowance for Uncollectibles)	5,838,022	321,073	2,040,874	24,783,229	32,983,198
Due from Other Funds	1,749,305	9,194,735	108,592	1,608,738	12,661,370
Due from Other Governments	12,083,534	5,258,534	779,344	4,125,902	22,247,314
Inventories	446,935	604,665	-	575,397	1,626,997
Assets Held for Resale	-	-	-	126,575	126,575
Prepaid Items	1,264,948	31,710	238,025	-	1,534,683
Total Assets	<u>67,553,811</u>	<u>80,168,021</u>	<u>42,907,654</u>	<u>161,059,098</u>	<u>351,688,584</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	1,383,696	3,725,681	5,140,578	2,058,921	12,308,876
Contracts Payable	-	171,999	1,890,015	1,673,796	3,735,810
Accrued Liabilities	3,383,310	206,671	183,000	2,105,893	5,878,874
Due to Other Funds	2,069,397	275,470	117,632	12,935,782	15,398,281
Due to Other Governments	1,487,625	1,489	2,354,408	989,312	4,832,834
Due to Other Contractors	-	-	-	759,489	759,489
Unearned Revenue	465	-	8,822,008	244,028	9,066,501
Total Liabilities	<u>8,324,493</u>	<u>4,381,310</u>	<u>18,507,641</u>	<u>20,767,221</u>	<u>51,980,665</u>
Deferred Inflows of Resources:					
Unavailable Revenues	1,764,935	1,436,336	1,070,966	4,112,789	8,385,026
Fund Balances:					
Nonspendable	1,711,883	636,375	238,025	37,735,397	40,321,680
Restricted	13,605,640	40,116,554	11,352,575	84,034,680	149,109,449
Committed	-	-	-	1,800,869	1,800,869
Assigned	14,859,083	33,597,446	11,738,447	12,752,979	72,947,955
Unassigned	27,287,777	-	-	(144,837)	27,142,940
Total Fund Balances	<u>57,464,383</u>	<u>74,350,375</u>	<u>23,329,047</u>	<u>136,179,088</u>	<u>291,322,893</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 67,553,811</u>	<u>80,168,021</u>	<u>42,907,654</u>	<u>161,059,098</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,009,150,396
Investment in joint venture is not a financial resource and, therefore, is not reported in the funds.	165,785,919
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	8,385,026
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 position.	29,479,048
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.	(4,348,987)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(534,353,288)
Net position of governmental activities	<u>\$ 965,421,007</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, 2014

	General Fund	Street Construction Fund	West Haymarket JPA Fund	Other Governmental Funds	Total
REVENUES					
Taxes:					
Property	\$ 31,335,264	-	-	24,485,857	55,821,121
Motor Vehicle	4,737,197	-	-	-	4,737,197
Wheel	-	-	-	17,173,865	17,173,865
Sales and Use	66,753,197	-	-	-	66,753,197
Sundry and In Lieu	49,990	-	-	12,453	62,443
Occupation	11,338,968	-	14,491,520	-	25,830,488
Special Assessment	599	1,655	-	1,870,974	1,873,228
Intergovernmental	3,323,906	41,261,237	3,941,404	30,852,006	79,378,553
Permits and Fees	5,436,299	3,836,118	2,550	14,519,435	23,794,402
Reimbursement for Services	6,809,049	223,907	5,991,586	1,258,630	14,283,172
Court Settlements	177,476	87,644	-	-	265,120
Program Income	-	-	-	51,071	51,071
Investment Earnings	526,348	474,401	746,835	8,823,437	10,571,021
Donations	1,532,147	-	500,000	1,121,764	3,153,911
Keno Proceeds	-	-	-	4,189,006	4,189,006
Miscellaneous	582,958	839,179	846,732	1,057,196	3,326,065
Total Revenues	<u>132,603,398</u>	<u>46,724,141</u>	<u>26,520,627</u>	<u>105,415,694</u>	<u>311,263,860</u>
EXPENDITURES					
Current:					
General Government	32,008,504	-	7,091,430	11,944,162	51,044,096
Public Safety	64,167,802	-	-	8,665,896	72,833,698
Streets and Highways	9,012,565	12,040,223	-	1,606	21,054,394
Culture and Recreation	13,002,940	-	2,000,000	10,169,160	25,172,100
Economic Opportunity	4,110,184	-	-	9,682,557	13,792,741
Health and Welfare	273,584	-	-	21,824,370	22,097,954
Mass Transit	-	-	-	14,419,436	14,419,436
Debt Service	41,051	44,413	16,114,551	20,249,197	36,449,212
Capital Outlay	-	37,196,180	38,559,116	17,421,991	93,177,287
Total Expenditures	<u>122,616,630</u>	<u>49,280,816</u>	<u>63,765,097</u>	<u>114,378,375</u>	<u>350,040,918</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>9,986,768</u>	<u>(2,556,675)</u>	<u>(37,244,470)</u>	<u>(8,962,681)</u>	<u>(38,777,058)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	11,128,450	20,338,851	-	32,443,684	63,910,985
Transfers Out	(22,247,671)	(5,492,935)	(657,266)	(24,998,643)	(53,396,515)
Issuance of Debt	3,220,000	3,865,000	28,175,000	2,415,000	37,675,000
Premium on Debt Issued	148,215	180,096	241,675	112,667	682,653
Sale of Capital Assets	9,385	-	5,670	583,561	598,616
Total Other Financing Sources (Uses)	<u>(7,741,621)</u>	<u>18,891,012</u>	<u>27,765,079</u>	<u>10,556,269</u>	<u>49,470,739</u>
Net Change in Fund Balances	<u>2,245,147</u>	<u>16,334,337</u>	<u>(9,479,391)</u>	<u>1,593,588</u>	<u>10,693,681</u>
Fund Balances - Beginning	<u>55,219,236</u>	<u>58,016,038</u>	<u>32,808,438</u>	<u>134,585,500</u>	<u>280,629,212</u>
Fund Balances - Ending	<u>\$ 57,464,383</u>	<u>74,350,375</u>	<u>23,329,047</u>	<u>136,179,088</u>	<u>291,322,893</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, 2014

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

Net change in fund balances - total governmental funds	\$ 10,693,681
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.	52,352,498
The net effect of various miscellaneous transactions involving capital contributions is to increase net position.	3,493,880
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.	(843,298)
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 position. Also, governmental funds report the effect of 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.	(24,848,219)
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.	1,364,066
Changes in the net pension obligation and the net OPEB obligation do not represent financial activity in governmental funds.	(706,656)
Changes in the interest in the underlying net position of the joint venture do not represent financial activity in governmental funds.	366,057
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.	<u>2,602,276</u>
Change in net position of governmental activities	<u><u>\$ 44,474,285</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Real Estate and Personal Property Tax	\$ 33,466,673	33,466,673	38,067,952	4,601,279
Taxes Collected by Others	66,370,001	66,370,001	66,393,391	23,390
Sundry Taxes and In Lieu	58,736	58,736	50,367	(8,369)
Occupation Taxes	11,963,655	11,963,655	11,496,012	(467,643)
Intergovernmental	1,502,534	1,502,534	1,581,646	79,112
Permits and Fees	3,537,334	3,537,334	3,479,575	(57,759)
Reimbursement for Services	3,259,926	3,259,926	3,314,886	54,960
Court Fees	809,000	809,000	765,944	(43,056)
Court Settlements	177,476	177,476	177,476	-
Recreation Receipts	2,579,769	2,579,769	2,328,276	(251,493)
Investment Earnings	165,334	165,334	403,496	238,162
Donations	1,531,494	1,531,494	1,531,494	-
Rental Income	518,823	518,823	560,934	42,111
Program Income	332,000	332,000	332,000	-
Miscellaneous	311,960	311,960	370,451	58,491
Total Revenues	<u>126,584,715</u>	<u>126,584,715</u>	<u>130,853,900</u>	<u>4,269,185</u>
Expenditures:				
General Government:				
Legislative	294,472	294,472	244,854	49,618
Executive	1,431,272	1,447,215	1,354,773	92,442
Financial Administration	2,827,200	2,852,172	3,607,161	(754,989)
Law	2,843,364	2,880,883	2,746,992	133,891
Personnel Administration	1,001,479	1,015,238	959,485	55,753
Planning and Zoning	1,805,036	1,847,314	1,711,148	136,166
Urban Development	949,697	942,033	876,348	65,685
Miscellaneous	28,088,275	24,486,735	20,523,554	3,963,181
Total General Government	<u>39,240,795</u>	<u>35,766,062</u>	<u>32,024,315</u>	<u>3,741,747</u>
Public Safety:				
Police	36,219,339	36,950,321	33,073,863	3,876,458
Fire	23,984,314	25,222,273	24,531,236	691,037
Traffic Engineering	1,459,981	1,492,645	1,597,100	(104,455)
Total Public Safety	<u>61,663,634</u>	<u>63,665,239</u>	<u>59,202,199</u>	<u>4,463,040</u>
Streets and Highways:				
Street Maintenance	3,079,278	2,827,650	2,227,082	600,568
Street Lighting	3,831,648	3,831,648	6,431,279	(2,599,631)
Total Streets and Highways	<u>6,910,926</u>	<u>6,659,298</u>	<u>8,658,361</u>	<u>(1,999,063)</u>
Culture and Recreation:				
Parks and Recreation	12,752,467	12,808,473	12,666,884	141,589
Libraries	201,812	201,812	201,812	-
Total Culture and Recreation	<u>12,954,279</u>	<u>13,010,285</u>	<u>12,868,696</u>	<u>141,589</u>
Economic Opportunity:				
Lincoln Area Agency on Aging	291,372	291,372	291,372	-
Job Programs	27,915	27,915	27,915	-
Total Economic Opportunity	<u>319,287</u>	<u>319,287</u>	<u>319,287</u>	<u>-</u>
Health and Welfare:				
Lincoln/Lancaster County Health	271,423	271,423	271,423	-
Debt Service:				
Issuance and Management Costs	-	-	39,803	(39,803)
Total Expenditures	<u>121,360,344</u>	<u>119,691,594</u>	<u>113,384,084</u>	<u>6,307,510</u>
Excess of Revenues Over Expenditures	<u>5,224,371</u>	<u>6,893,121</u>	<u>17,469,816</u>	<u>10,576,695</u>
Other Financing Sources (Uses):				
Transfers In	11,002,318	11,002,318	11,122,666	120,348
Transfers Out	(27,744,013)	(29,589,153)	(26,532,453)	3,056,700
Proceeds from Issuance of Debt	3,220,000	3,220,000	3,220,000	-
Premium on Debt Issued	-	-	148,215	148,215
Sale of Capital Assets	21,000	21,000	6,052	(14,948)
Total Other Financing Sources (Uses)	<u>(13,500,695)</u>	<u>(15,345,835)</u>	<u>(12,035,520)</u>	<u>3,310,315</u>
Net Change in Fund Balances	<u>(8,276,324)</u>	<u>(8,452,714)</u>	<u>5,434,296</u>	<u>13,887,010</u>
Fund Balances - Beginning	34,539,973	34,539,973	34,539,973	-
Fund Balances - Ending	<u>\$ 26,263,649</u>	<u>26,087,259</u>	<u>39,974,269</u>	<u>13,887,010</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Special Assessment	\$ -	-	1,883	1,883
Intergovernmental	9,318,377	9,318,377	22,389,899	13,071,522
Permits and Fees	-	-	365,226	365,226
Reimbursement for Services	400,000	400,000	106,016	(293,984)
Investment Earnings	62,200	62,200	223,975	161,775
Miscellaneous	-	-	6,401	6,401
Total Revenues	<u>9,780,577</u>	<u>9,780,577</u>	<u>23,093,400</u>	<u>13,312,823</u>
Expenditures -- Streets and Highways:				
Personal Services	6,674,360	6,674,360	6,489,193	185,167
Materials and Supplies	1,029,900	1,029,900	1,406,570	(376,670)
Other Services and Charges	4,596,631	4,582,631	4,560,551	22,080
Capital Outlay	72,321	86,321	50,917	35,404
Total Expenditures	<u>12,373,212</u>	<u>12,373,212</u>	<u>12,507,231</u>	<u>(134,019)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,592,635)</u>	<u>(2,592,635)</u>	<u>10,586,169</u>	<u>13,178,804</u>
Other Financing Sources (Uses):				
Transfers In	20,141,570	20,171,570	20,171,570	-
Transfers Out	(5,492,935)	(5,492,935)	(5,492,935)	-
Issuance of Debt	3,865,000	3,865,000	3,865,000	-
Premium on Debt Issued	180,096	180,096	180,096	-
Total Other Financing Sources (Uses)	<u>18,693,731</u>	<u>18,723,731</u>	<u>18,723,731</u>	<u>-</u>
Net Change in Fund Balances	16,101,096	16,131,096	29,309,900	13,178,804
Amount Budgeted on Project Basis	(13,375,182)	(13,375,182)	(13,375,182)	-
Fund Balances - Beginning	<u>54,207,420</u>	<u>54,207,420</u>	<u>54,207,420</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 56,933,334</u>	<u>56,963,334</u>	<u>70,142,138</u>	<u>13,178,804</u>

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

CITY OF LINCOLN, NEBRASKA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AUGUST 31, 2014

	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	\$ 1,575,395	1,618,648	17,513,000	3,499,232	24,206,275	2,136,805
Investments	10,569,443	10,632,000	67,463,000	4,486,157	93,150,600	15,569,308
Restricted Assets:						
Restricted Cash and Cash Equivalents	-	-	5,543,000	-	5,543,000	-
Investments	-	-	11,400,000	-	11,400,000	-
Receivables, (Net of Allowance for Uncollectibles)	2,168,903	3,334,203	20,093,000	3,155,158	28,751,264	887,170
Unbilled Revenues	2,632,016	4,249,096	12,622,000	-	19,503,112	-
Due from Other Funds	690,361	1,882,821	-	267,169	2,840,351	1,865,797
Due from Other Governments	2,249,364	567,771	-	48,571	2,865,706	86,653
Inventories	91,515	940,480	15,031,000	446,196	16,509,191	906,330
Plant Operation Assets	-	-	11,938,000	-	11,938,000	-
Prepaid Expenses	-	-	2,179,000	36,615	2,215,615	402,644
Total Current Assets	<u>19,976,997</u>	<u>23,225,019</u>	<u>163,782,000</u>	<u>11,939,098</u>	<u>218,923,114</u>	<u>21,854,707</u>
Noncurrent Assets:						
Investments	8,080,552	9,229,200	-	4,250,695	21,560,447	13,515,199
Costs Recoverable From Future Billings	623,558	550,842	4,875,000	-	6,049,400	-
Restricted Assets:						
Cash and Cash Equivalents	-	-	49,000	3,046,977	3,095,977	235,025
Investments	7,572,112	7,177,485	19,079,000	4,992,811	38,821,408	-
Receivables	-	-	-	12,863	12,863	-
Due from Other Funds	-	-	-	16,679	16,679	-
Total Restricted Assets	<u>7,572,112</u>	<u>7,177,485</u>	<u>19,128,000</u>	<u>8,069,330</u>	<u>41,946,927</u>	<u>235,025</u>
Capital Assets:						
Land	6,205,956	5,453,772	-	12,780,460	24,440,188	1,306,950
Buildings	79,990,077	79,793,575	-	80,413,883	240,197,535	13,177,613
Improvements Other Than Buildings	277,139,436	346,685,339	-	48,289,975	672,114,750	500,013
Machinery and Equipment	9,538,309	9,761,146	-	15,991,108	35,290,563	32,147,936
Utility Plant	-	-	1,352,479,000	-	1,352,479,000	-
Construction in Progress	9,228,960	4,333,124	71,680,000	101,230	85,343,314	69,993
Less Accumulated Depreciation	<u>(120,022,015)</u>	<u>(131,160,618)</u>	<u>(572,753,000)</u>	<u>(61,807,634)</u>	<u>(885,743,267)</u>	<u>(23,658,856)</u>
Total Capital Assets, Net	<u>262,080,723</u>	<u>314,866,338</u>	<u>851,406,000</u>	<u>95,769,022</u>	<u>1,524,122,083</u>	<u>23,543,649</u>
Total Noncurrent Assets	<u>278,356,945</u>	<u>331,823,865</u>	<u>875,409,000</u>	<u>108,089,047</u>	<u>1,593,678,857</u>	<u>37,293,873</u>
Total Assets	<u>298,333,942</u>	<u>355,048,884</u>	<u>1,039,191,000</u>	<u>120,028,145</u>	<u>1,812,601,971</u>	<u>59,148,580</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Loss on Refunding	860,147	781,716	20,201,000	37,026	21,879,889	-
LIABILITIES						
Current Liabilities:						
Accounts Payable	548,048	460,882	16,722,000	2,820,231	20,551,161	1,507,065
Construction Contracts	3,255,461	2,557,812	-	-	5,813,273	-
Accrued Liabilities	567,278	922,274	38,727,000	539,996	40,756,548	542,409
Accrued Compensated Absences	383,552	482,790	-	477,542	1,343,884	778,511
Due to Other Funds	-	-	-	842,926	842,926	642,990
Due to Other Governments	-	-	-	296,244	296,244	3,751
Unearned Revenue	-	-	-	2,768,163	2,768,163	134,794
Claims	-	-	1,200,000	-	1,200,000	4,252,558
Accrued Interest	617,846	148,241	8,799,000	80,726	9,645,813	122,130
Current Portion of Notes Payable	-	-	64,500,000	200,000	64,700,000	-
Current Portion of Capital Lease	-	-	-	398,498	398,498	1,752,789
Current Portion of Long-Term Debt	4,342,719	4,310,000	21,060,000	1,810,000	31,522,719	-
Total Current Liabilities	<u>9,714,904</u>	<u>8,881,999</u>	<u>151,008,000</u>	<u>10,234,326</u>	<u>179,839,229</u>	<u>9,736,997</u>
Noncurrent Liabilities:						
Due to Other Funds	-	-	-	500,000	500,000	-
Accrued Compensated Absences	283,481	493,407	-	137,059	913,947	876,808
Construction Contracts	117,455	84,336	-	-	201,791	-
Claims	-	-	459,000	-	459,000	5,968,531
Notes Payable	-	-	-	1,600,000	1,600,000	-
Capital Lease Payable	-	-	-	1,552,339	1,552,339	12,687,710
Long-Term Debt, Net	85,586,579	62,104,684	615,023,000	35,447,241	798,161,504	-
Accrued Liabilities	229,704	356,209	-	754,240	1,340,153	399,486
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	16,706,000	16,706,000	-
Total Noncurrent Liabilities	<u>86,217,219</u>	<u>63,038,636</u>	<u>615,482,000</u>	<u>56,696,879</u>	<u>821,434,734</u>	<u>19,932,535</u>
Total Liabilities	<u>95,932,123</u>	<u>71,920,635</u>	<u>766,490,000</u>	<u>66,931,205</u>	<u>1,001,273,963</u>	<u>29,669,532</u>
NET POSITION						
Net Investment in Capital Assets	175,574,409	251,668,822	187,838,000	58,500,864	673,582,095	9,328,700
Restricted for:						
Debt Service	893,268	267,083	7,552,000	-	8,712,351	-
Capital Projects	620,596	1,812,654	-	4,689,496	7,122,746	-
Other	-	-	-	5,905	5,905	-
Unrestricted	26,173,693	30,161,406	97,512,000	(10,062,299)	143,784,800	20,150,348
Total Net Position	<u>\$ 203,261,966</u>	<u>283,909,965</u>	<u>292,902,000</u>	<u>53,133,966</u>	<u>833,207,897</u>	<u>29,479,048</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 POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2014

	Business-Type Activities -- Enterprise Funds					Governmental Activities -- Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds	Total	
Operating Revenues						
Charges for Services	\$ 25,860,215	32,623,034	277,848,000	6,711,360	343,042,609	65,093,941
Fees	-	-	-	8,725,071	8,725,071	-
Parking Revenue	-	-	-	10,032,342	10,032,342	-
Performance Revenue	-	-	-	11,353,895	11,353,895	-
Other Operating Revenue	-	-	12,273,000	1,646,467	13,919,467	-
Total Operating Revenues	<u>25,860,215</u>	<u>32,623,034</u>	<u>290,121,000</u>	<u>38,469,135</u>	<u>387,073,384</u>	<u>65,093,941</u>
Operating Expenses						
Personal Services	-	-	-	13,851,898	13,851,898	13,805,498
Contractual Services	-	-	-	6,760,356	6,760,356	-
Operation and Maintenance	11,652,783	14,435,934	24,266,000	12,782,087	63,136,804	46,346,461
Purchased Power	-	-	131,012,000	-	131,012,000	-
Depreciation	7,785,109	8,056,937	40,582,000	4,473,792	60,897,838	2,933,920
Administrative Costs	1,685,203	1,872,125	38,134,000	-	41,691,328	-
Total Operating Expenses	<u>21,123,095</u>	<u>24,364,996</u>	<u>233,994,000</u>	<u>37,868,133</u>	<u>317,350,224</u>	<u>63,085,879</u>
Operating Income	<u>4,737,120</u>	<u>8,258,038</u>	<u>56,127,000</u>	<u>601,002</u>	<u>69,723,160</u>	<u>2,008,062</u>
Nonoperating Revenues (Expenses)						
Investment Earnings	600,438	681,211	209,000	267,297	1,757,946	363,151
Gain on Disposal of Capital Assets	-	-	-	131,535	131,535	64,944
Insurance Recovery	-	-	-	3,042	3,042	-
Occupation Tax	-	-	-	2,598,793	2,598,793	-
Payments in Lieu of Taxes	-	-	(10,161,000)	-	(10,161,000)	-
Net Costs Recoverable	(41,721)	(48,767)	(1,052,000)	-	(1,142,488)	-
Interest Expense and Fiscal Charges	(2,699,875)	(1,527,980)	(26,342,000)	(1,227,887)	(31,797,742)	(400,080)
Total Nonoperating Revenues (Expenses)	<u>(2,141,158)</u>	<u>(895,536)</u>	<u>(37,346,000)</u>	<u>1,772,780</u>	<u>(38,609,914)</u>	<u>28,015</u>
Income Before Contributions and Transfers	2,595,962	7,362,502	18,781,000	2,373,782	31,113,246	2,036,077
Capital Contributions	1,848,707	2,412,052	1,143,000	181,421	5,585,180	82,392
Plant Costs Recovered through Capital Contributions	-	-	(1,143,000)	-	(1,143,000)	-
Transfers In	-	-	-	603,800	603,800	483,807
Transfers Out	-	(166,987)	(8,730,000)	(2,623,666)	(11,520,653)	-
Change in Net Position	<u>4,444,669</u>	<u>9,607,567</u>	<u>10,051,000</u>	<u>535,337</u>	<u>24,638,573</u>	<u>2,602,276</u>
Net Position - Beginning	198,817,297	274,302,398	282,851,000	52,598,629	808,569,324	26,876,772
Net Position - Ending	<u>\$ 203,261,966</u>	<u>283,909,965</u>	<u>292,902,000</u>	<u>53,133,966</u>	<u>833,207,897</u>	<u>29,479,048</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, 2014

	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	\$ 26,156,856	30,947,984	301,012,000	31,857,385	389,974,225	16,179,799
Receipts from Interfund Services Provided	190,547	1,087,643	6,106,000	745,918	8,130,108	48,955,700
Payments to Suppliers for Goods and Services	(3,452,274)	(4,773,310)	(178,868,000)	(16,652,373)	(203,745,957)	(42,589,354)
Payments to Employees	(7,403,354)	(8,623,406)	(27,044,000)	(13,395,829)	(56,466,589)	(13,841,373)
Payments for Interfund Services Provided	(2,209,266)	(3,058,619)	(1,133,000)	(2,032,086)	(8,432,971)	(3,468,041)
Other Receipts	-	-	-	1,646,467	1,646,467	-
Net Cash Provided by Operating Activities	<u>13,282,509</u>	<u>15,580,292</u>	<u>100,073,000</u>	<u>2,169,482</u>	<u>131,105,283</u>	<u>5,236,731</u>
Cash Flows from Noncapital Financing Activities						
Occupation Tax	-	-	-	2,494,855	2,494,855	-
Payments in Lieu of Taxes	-	-	(9,714,000)	-	(9,714,000)	-
Transfers from Other Funds	-	-	-	603,800	603,800	483,807
Transfers to Other Funds	-	(166,987)	(8,609,000)	(2,623,666)	(11,399,653)	-
Advances from General Fund	-	-	-	1,468,642	1,468,642	1,388,359
Repayment of Advances from General Fund	-	-	-	(1,298,779)	(1,298,779)	(1,396,093)
Advances to Other Funds	-	-	-	-	-	(600,000)
Repayments from Other Funds	104,278	125,757	-	154,235	384,270	144,356
Proceeds from Long-Term Debt	-	-	-	425,000	425,000	-
Principal Payment of Long-Term Debt	-	-	-	(200,000)	(200,000)	-
Interest and Fiscal Charges Paid	-	-	-	(3,800)	(3,800)	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>104,278</u>	<u>(41,230)</u>	<u>(18,323,000)</u>	<u>1,020,287</u>	<u>(17,239,665)</u>	<u>20,429</u>
Cash Flows from Capital and Related Financing Activities						
Additions to Capital Assets	(8,526,311)	(20,346,995)	(62,375,000)	(12,189,936)	(103,438,242)	(3,118,603)
Capital Contributions	567,968	1,629,402	1,143,000	-	3,340,370	-
Proceeds from Sale of Capital Assets	-	-	-	274,153	274,153	181,583
Insurance Recovery	-	-	-	3,042	3,042	-
Proceeds from Long-Term Debt	2,675,751	7,623,929	22,615,000	-	32,914,680	-
Cost of Debt Issuance	-	-	(814,000)	-	(814,000)	-
Net Cost of Retiring Plant	-	-	(3,197,000)	-	(3,197,000)	-
Commercial Paper Redeemed	-	-	(24,000,000)	-	(24,000,000)	-
Principal Payments of Capital Lease	-	-	-	(450,090)	(450,090)	(1,335,593)
Principal Payments of Long-Term Debt	(4,053,916)	(3,923,000)	(19,865,000)	(1,860,000)	(29,701,916)	-
Interest and Fiscal Charges Paid	(3,077,999)	(2,044,418)	(27,681,000)	(1,421,992)	(34,225,409)	(439,485)
Net Cash Used by Capital and Related Financing Activities	<u>(12,414,507)</u>	<u>(17,061,082)</u>	<u>(114,174,000)</u>	<u>(15,644,823)</u>	<u>(159,294,412)</u>	<u>(4,712,098)</u>
Cash Flows from Investing Activities						
Proceeds from Sale and Maturities of Investments	15,331,339	17,627,345	142,455,000	19,240,662	194,654,346	21,353,747
Purchases of Investments	(17,231,183)	(17,333,170)	(107,945,000)	(11,663,614)	(154,172,967)	(23,973,921)
Interest and Other Receipts	278,191	322,792	254,000	101,895	956,878	197,256
Net Cash Provided (Used) by Investing Activities	<u>(1,621,653)</u>	<u>616,967</u>	<u>34,764,000</u>	<u>7,678,943</u>	<u>41,438,257</u>	<u>(2,422,918)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(649,373)	(905,053)	2,340,000	(4,776,111)	(3,990,537)	(1,877,856)
Cash and Cash Equivalents - Beginning	2,224,768	2,523,701	20,765,000	11,322,320	36,835,789	4,249,686
Cash and Cash Equivalents - Ending	<u>\$ 1,575,395</u>	<u>1,618,648</u>	<u>23,105,000</u>	<u>6,546,209</u>	<u>32,845,252</u>	<u>2,371,830</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities						
Operating Income	\$ 4,737,120	8,258,038	56,127,000	601,002	69,723,160	2,008,062
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:						
Depreciation	7,785,109	8,056,937	40,582,000	4,473,792	60,897,838	2,933,920
Changes in Assets and Liabilities:						
Accounts Receivable and Unbilled Revenues	481,789	(590,706)	(1,510,000)	(104,630)	(1,723,547)	(161,761)
Lease Receivable	-	-	-	-	-	340,000
Due from Other Funds	-	-	-	(67,499)	(67,499)	(60,944)
Due from Other Governments	-	-	-	9,927	9,927	219,210
Inventories	(31,153)	124,015	1,430,000	(47,556)	1,475,306	(159,824)
Plant Operation Assets	-	-	(106,000)	-	(106,000)	-
Prepaid Expenses	-	-	(144,000)	12,986	(131,014)	(74,773)
Other Assets	-	-	2,621,000	-	2,621,000	-
Accounts Payable	252,796	(300,809)	346,000	116,572	414,559	(292,431)
Accrued Liabilities	42,237	6,994	75,000	190,359	314,590	23,975
Accrued Compensated Absences	14,611	25,823	-	47,817	88,251	(59,850)
Due to Other Funds	-	-	-	76,941	76,941	47,760
Due to Other Governments	-	-	-	114,934	114,934	(12,671)
Unearned Revenue	-	-	-	(4,057,163)	(4,057,163)	45,053
Claims	-	-	576,000	-	576,000	441,005
Other Liabilities	-	-	76,000	-	76,000	-
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	802,000	802,000	-
Total Adjustments	8,545,389	7,322,254	43,946,000	1,568,480	61,382,123	3,228,669
Net Cash Provided by Operating Activities	<u>\$ 13,282,509</u>	<u>15,580,292</u>	<u>100,073,000</u>	<u>2,169,482</u>	<u>131,105,283</u>	<u>5,236,731</u>
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities:						
Contribution of Capital Assets	\$ 1,280,739	782,650	-	181,421	2,244,810	82,392
Purchase of Capital Assets on Account	3,372,916	2,642,148	1,313,000	1,446,072	8,774,136	9,476
Change in Fair Value of Investments	(318,132)	(361,515)	24,000	182,082	(473,565)	167,695
Allowance for Funds Used in Construction	-	-	890,000	-	890,000	-

For LES' fiscal year ended December 31, 2013, LES issued refunding bonds in June 2013 to advance refund the Series 2005 bonds. Please refer to Note 9 for discussion.

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

CITY OF LINCOLN, NEBRASKA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AUGUST 31, 2014

	<u>Police & Fire Pension Trust Fund</u>	<u>Agency Funds</u>
ASSETS		
Cash and Cash Equivalents	\$ 2,234,966	4,228,307
Investments:		
Pooled Investment Funds	7,402,341	-
Collateralized Investment Agreement	-	1,910,000
Equities	5,264,051	-
Corporate Bonds	1,655,260	-
Mutual Funds	184,397,367	-
Limited Partnership	551,155	-
Real Estate Limited Partnerships	11,735,757	-
Total Investments	<u>211,005,931</u>	<u>1,910,000</u>
Receivables:		
Contributions	572,480	-
Accrued Interest	81,958	37,055
Other	-	49,839
Due from Other Governments	454	-
Contractor Retainage	-	<u>293,236</u>
 Total Assets	 <u>213,895,789</u>	 <u><u>6,518,437</u></u>
LIABILITIES		
Warrants Payable	-	1,457,717
Accounts Payable	14,478	268,182
Accrued Liabilities	10,305	-
Accrued Compensated Absences	9,602	-
Due to Other Governments	-	3,771,701
Due to Homeowners	-	25,624
Due to Contractors	-	799,563
Due to Plan Members	-	77,724
Due to Bondholders	-	<u>117,926</u>
 Total Liabilities	 <u>34,385</u>	 <u><u>6,518,437</u></u>
NET POSITION		
Net Position Restricted for Pensions	<u><u>\$ 213,861,404</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 POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED AUGUST 31, 2014

	<u>Police & Fire Pension Trust Fund</u>
Additions:	
Contributions:	
Employer	\$ 7,711,846
Employee	<u>2,605,981</u>
Total Contributions	<u>10,317,827</u>
Investment Earnings:	
Interest	369,441
Dividends	3,614,009
Net Increase in Fair Value of Investments	<u>26,447,926</u>
Net Investment Earnings	<u>30,431,376</u>
Total Additions	<u>40,749,203</u>
Deductions:	
Benefit Payments	12,733,015
Refunds of Contributions	171,279
Administrative Costs	<u>416,253</u>
Total Deductions	<u>13,320,547</u>
Change in Net Position	27,428,656
Net Position Restricted for Pension - Beginning	<u>186,432,748</u>
Net Position Restricted for Pension - Ending	<u><u>\$ 213,861,404</u></u>

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