

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (1) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax and (2) is exempt from income taxation by the State of Nebraska. The Bonds have not been designated as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See “TAX MATTERS” in this Official Statement.

**OFFICIAL STATEMENT
\$23,000,000
THE CITY OF LINCOLN, NEBRASKA
MUNICIPAL IMPROVEMENT BONDS
SERIES 2025**

Dated: date of delivery

Due: September 15, as shown on the inside cover

The Bonds are issuable in fully registered form and, when initially issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York, which will act as securities depository for the Bonds. Purchases of the Bonds will be originally made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC participants. Beneficial owners of the Bonds will not receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds. So long as DTC or its nominee is the registered owner of the Bonds, payments of the principal or redemption price of and interest on the Bonds will be made directly to DTC. Interest is payable on September 15 and March 15 of each year, beginning September 15, 2026. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of the DTC participants. Union Bank and Trust Company, Lincoln, Nebraska, is bond registrar and paying agent for the Bonds (the “Registrar”). For terms relating to principal and interest payments made to DTC or its nominee or in the event that the use of book-entry form is discontinued, see “THE BONDS—Book-Entry System.”

The Bonds are being issued to provide funds necessary to (a) acquire, equip, renovate or reuse an existing building for a new central library (the “Project”) and (b) pay certain costs of issuing the Bonds. See “THE PROJECT” and “ESTIMATED SOURCES AND USES OF FUNDS” herein.

For the prompt payment of the Bonds, the City has pledged all receipts now or hereafter received by the City from revenues from the first 1½ percent sales and use tax (the “Sales Tax”) imposed within the City and the City will designate a portion of its property tax levy (pursuant to Section 77-3442, R.R.S. Neb., as amended), in such amount as will provide funds which, together with receipts from the Sales Tax as pledged to the payment of such principal and interest and any other legally available funds, will be sufficient to make payment of the principal of and interest on the Bonds as the same fall due. See “SECURITY” and “NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND TAXATION.”

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds maturing on or after September 15, 2035 are subject to optional redemption prior to maturity at the option of the City at any time on or after September 15, 2034 as set forth herein. See “THE BONDS—Optional Redemption.”

The Bonds are offered when, as, and if issued, subject to the approval of legality by Gilmore & Bell, P.C., Omaha, Nebraska, Bond Counsel. It is expected that the Bonds will be available for delivery through DTC on or about October 15, 2025.

MATURITY SCHEDULE – SEE INSIDE COVER

PIPER SANDLER & CO.
Has Acted as Municipal Advisor with respect to the Bonds

The date of this Official Statement is September 30, 2025

MATURITY SCHEDULE

\$23,000,000
THE CITY OF LINCOLN, NEBRASKA
MUNICIPAL IMPROVEMENT BONDS
SERIES 2025

Maturity (September 15)	Principal Amount	Interest Rate	Yield	Price	CUSIP (534239)
2027	\$ 535,000	5.000%	2.400%	104.840%	LJ5
2028	560,000	5.000	2.400	107.279	LK2
2029	585,000	5.000	2.420	109.583	LL0
2030	615,000	5.000	2.440	111.791	LM8
2031	645,000	5.000	2.520	113.550	LN6
2032	680,000	5.000	2.670	114.624	LP1
2033	715,000	5.000	2.750	115.906	LQ9
2034	750,000	5.000	2.890	116.478	LR7
2035	785,000	5.000	3.040 [†]	115.205	LS5
2036	825,000	5.000	3.200 [†]	113.864	LT3
2037	865,000	5.000	3.350 [†]	112.625	LU0
2038	910,000	5.000	3.480 [†]	111.563	LV8
2039	955,000	5.000	3.590 [†]	110.674	LW6
2040	1,005,000	4.000	3.900 [†]	100.744	LX4
2041	1,045,000	4.000	4.000	100.000	LY2
2042	1,085,000	4.000	4.050	99.389	LZ9
2043	1,130,000	4.000	4.100	98.736	MA3
2044	1,175,000	4.000	4.150	98.044	MB1
2045	1,220,000	4.125	4.200	98.991	MC9
2046	1,270,000	4.125	4.250	98.276	MD7
2047	1,325,000	4.250	4.300	99.291	ME5
2048	1,380,000	4.250	4.320	98.984	MF2
2049	1,440,000	4.250	4.350	98.519	MG0
2050	1,500,000	4.375	4.400	99.620	MH8

[†]Yield to first optional call date of September 15, 2034.

**THE CITY OF LINCOLN, NEBRASKA
CITY OFFICIALS**

Leirion Gaylor Baird, Mayor

City Council Members

Justin P. Carlson (Chair)

Tom Beckius
Tom Duden
Sandra Washington

James Michael Bowers
Bennie Shobe
Brodey Weber

City Department Heads

Joe Dondlinger Finance Director
Yohance Christie City Attorney
David Cary Planning Director
Maggie Stuckey-Ross Parks and Recreation Director
Emeka Anyanwu LES Administrator and CEO
Dan Marvin Urban Development Director
Ryan Wieber Library Director
Elizabeth Elliott Transportation and Utilities Director
Kerry Kernen Health Director
Barb McIntyre Human Resources Director
David Cary Planning Director and Interim Building and Safety Director
Michon Morrow Police Chief
Dave Engler Fire Chief

Melinda Jones, City Controller

Municipal Advisor

Piper Sandler & Co.

Bond Counsel

Gilmore & Bell, P.C.

Registrar and Paying Agent

Union Bank and Trust Company

Independent Auditors

FORVIS, LLP

REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, sales representative or other person has been authorized by the City or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the City and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES OR "BLUE SKY" LAWS. THE BONDS ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION. THE SECURITIES DESCRIBED HEREIN HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FORWARD-LOOKING STATEMENTS

This Official Statement contains "forward-looking statements" within the meaning of federal securities laws. These forward-looking statements include statements about the City's future expectations, plans and strategies, and other statements that are not historical in nature. These forward-looking statements are based on the current expectations of the City. When used in this Official Statement, the words "project," "plan," "expect," "estimate," "budget," "intend," "anticipate," "should," "will," and similar expressions are intended to identify forward-looking statements. Forward-looking statements involve future risks and uncertainties that could cause actual results and experience to differ materially from the anticipated results or other expectations or assumptions expressed in forward-looking statements. These future risks and uncertainties include those discussed in the "BONDHOLDERS' RISKS" section of this Official Statement. The City undertakes no obligation to update any forward-looking statements contained in this Official Statement to reflect future events or developments.

TABLE OF CONTENTS

	Page
INTRODUCTION	1
AUTHORITY	1
SECURITY	1
DEBT SERVICE SCHEDULE.....	3
BONDHOLDERS' RISKS	3
NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND TAXATION	7
THE PROJECT	8
ESTIMATED SOURCES AND USES OF FUNDS	8
THE BONDS	8
RATING	10
TAX MATTERS.....	10
CONTINUING DISCLOSURE.....	13
LITIGATION.....	13
LEGAL MATTERS.....	13
MUNICIPAL ADVISOR.....	14
INDEPENDENT AUDITORS.....	14
MISCELLANEOUS	14
THE CITY OF LINCOLN.....	APPENDIX A
FINANCIAL STATEMENTS	APPENDIX B
FORM OF CONTINUING DISCLOSURE UNDERTAKING	APPENDIX C
BOOK-ENTRY SYSTEM.....	APPENDIX D
FORM OF BOND COUNSEL OPINION	APPENDIX E

OFFICIAL STATEMENT

\$23,000,000

THE CITY OF LINCOLN, NEBRASKA MUNICIPAL IMPROVEMENT BONDS SERIES 2025

INTRODUCTION

This Official Statement, including the preceding pages and appendices hereto, is furnished by The City of Lincoln, Nebraska (the “**City**”), a home rule city of the primary class and political subdivision of the State of Nebraska (the “**State**”), to provide information about the City and its \$23,000,000 Municipal Improvement Bonds, Series 2025 (the “**Bonds**” or the “**Series 2025 Bonds**”). Union Bank and Trust Company, Lincoln, Nebraska is bond registrar and paying agent for the Bonds (the “**Registrar**”).

Descriptions of and references to the Bonds, the Bond Ordinance (defined herein), related transaction documents and other matters do not purport to be comprehensive or definitive and are qualified in their entirety by reference to the complete texts thereof. Copies of such documents are available for inspection at the office of Piper Sandler & Co., Lincoln, Nebraska, as municipal advisor to the City with respect to the Bonds.

AUTHORITY

The City is issuing the Series 2025 Bonds under the authority of the provisions of Section 77-27,142, Reissue Revised Statutes of Nebraska, as amended (the “**Act**”), and Ordinance No. 21764 duly adopted by the Council on July 28, 2025 and approved by the Mayor on August 5, 2025 (the “**Bond Ordinance**”). The Bond Ordinance authorizes the issuance of Municipal Improvement Bonds of the City in an aggregate stated principal amount not to exceed \$25,000,000.

SECURITY

For the prompt payment of the Series 2025 Bonds, both principal or redemption price and interest, when and as the same shall become due, the City pledges all receipts now or hereafter received by the City from a sales and use tax in the amount of one and one-half percent (1.50%) upon the same transactions on which the State of Nebraska is authorized to impose a sales and use tax within the City (the “**Sales Tax**”), as provided by the Act. The pledge of the Sales Tax shall not prevent the City from applying receipts from the Sales Tax in any year for other purposes so long as sufficient amounts from such fund or other legally available sources have been set aside for the payment of the principal or redemption price of and interest on the Series 2025 Bonds falling due in such year. Pursuant to the requirements of the Act, to the extent that other legally available money of the City available or appropriated for such purposes is insufficient to pay the principal or redemption price of and interest on the Series 2025 Bonds when and as the same shall become due, the City will designate a portion of its property tax authority pursuant to Section 77-3442, R.R.S. Neb., as amended (the “**Property Tax**”), in such amount as will provide funds which, together with receipts from the Sales Tax as pledged to the payment of such principal and interest

and any other money made available and used for such purpose, will be sufficient to make payment of the principal of and interest on the Series 2025 Bonds as the same fall due.

Pursuant to the Bond Ordinance, the City has reserved the right to issue additional municipal improvement bonds (the “**Additional Bonds**”) payable on a parity with the Bonds and equally and ratably secured by a pledge of receipts from the Sales Tax and Property Tax described above, so long as the maximum annual debt service on all municipal improvement bonds of the City issued and outstanding under Section 77-27,142 upon the issuance of the Additional Bonds does not exceed the total of (1) the receipts from the Sales Tax for the prior fiscal year of the City, and (2) amounts expected to be available therefor pursuant to the City’s levy under the provisions of Section 77-3442 R.R.S. Neb, as amended.

The City has issued and outstanding \$10,790,000 of its Municipal Improvement Bonds, Series 2022, and \$13,105,000 of its Municipal Improvement Bonds, Series 2024, each payable on a parity with the Series 2025 Bonds.

[The remainder of this page intentionally left blank]

DEBT SERVICE SCHEDULE

The following table sets forth the debt service schedule for the Series 2025 Bonds, the Series 2024 Bonds and the Series 2022 Bonds for each of the fiscal years ending August 31:

Year	Series 2022 Bonds Debt Service	Series 2024 Bonds Debt Service	Series 2025 Bonds			Total Debt Service
			Principal	Interest	Total	
2026	\$ 879,268.76	\$ 5,872,200.00	-	-	-	\$ 6,751,468.76
2027	879,268.76	1,082,450.00	-	\$1,463,912.50	\$1,463,912.50	3,425,631.26
2028	878,268.76	1,078,950.00	\$ 535,000	1,019,975.00	1,554,975.00	3,512,193.76
2029	876,268.76	1,079,800.00	560,000	992,600.00	1,552,600.00	3,508,668.76
2030	878,143.76	1,083,300.00	585,000	963,975.00	1,548,975.00	3,510,418.76
2031	878,768.76	1,084,550.00	615,000	933,975.00	1,548,975.00	3,512,293.76
2032	873,268.76	1,082,750.00	645,000	902,475.00	1,547,475.00	3,503,493.76
2033	876,518.76	1,079,550.00	680,000	869,350.00	1,549,350.00	3,505,418.76
2034	873,393.76	1,079,950.00	715,000	834,475.00	1,549,475.00	3,502,818.76
2035	873,893.76	654,050.00	750,000	797,850.00	1,547,850.00	3,075,793.76
2036	876,068.76	-	785,000	759,475.00	1,544,475.00	2,420,543.76
2037	874,756.26	-	825,000	719,225.00	1,544,225.00	2,418,981.26
2038	871,587.51	-	865,000	676,975.00	1,541,975.00	2,413,562.51
2039	871,837.51	-	910,000	632,600.00	1,542,600.00	2,414,437.51
2040	870,346.88	-	955,000	585,975.00	1,540,975.00	2,411,321.88
2041	871,987.50	-	1,005,000	542,000.00	1,547,000.00	2,418,987.50
2042	871,587.50	-	1,045,000	501,000.00	1,546,000.00	2,417,587.50
2043	869,125.00	-	1,085,000	458,400.00	1,543,400.00	2,412,525.00
2044	-	-	1,130,000	414,100.00	1,544,100.00	1,544,100.00
2045	-	-	1,175,000	368,000.00	1,543,000.00	1,543,000.00
2046	-	-	1,220,000	319,337.50	1,539,337.50	1,539,337.50
2047	-	-	1,270,000	267,981.25	1,537,981.25	1,537,981.25
2048	-	-	1,325,000	213,631.25	1,538,631.25	1,538,631.25
2049	-	-	1,380,000	156,150.00	1,536,150.00	1,536,150.00
2050	-	-	1,440,000	96,225.00	1,536,225.00	1,536,225.00
2051	-	-	1,500,000	32,812.50	1,532,812.50	1,532,812.50
TOTALS	<u>\$15,744,359.52</u>	<u>\$15,177,550.00</u>	<u>\$23,000,000</u>	<u>\$15,522,475.00</u>	<u>\$38,522,475.00</u>	<u>\$69,444,384.52</u>

BONDHOLDERS' RISKS

An investment in the Bonds is subject to certain risks. No person should purchase the Bonds unless such person understands the risks described below and is willing to bear those risks. There may be other risks not listed below which may adversely affect the value of the Bonds. In order to identify risk factors and make an informed investment decision, potential investors should review this entire Official Statement (including the Appendices hereto) in order to make an investment decision.

Infectious Diseases. Recent events with the COVID-19 pandemic have shown that an outbreak of infectious disease can trigger governmentally imposed restrictions and changes in consumer behavior which could negatively impact local economic conditions. Such changes can cause unemployment rates to rise, taxable sales to decrease, delinquencies in tax payments, and other negative pressures on economic activity which could result in decreased or delayed tax collections for the City.

With respect to the COVID-19 pandemic, economic conditions have stabilized in the State and all restrictions have been lifted. While conditions have significantly improved, the COVID-19 pandemic is ongoing. New, more harmful variants of the virus or significant spreading of existing variants of the virus could cause reduced health care availability and reduced economic activity. Such reduced economic activity could in turn negatively impact sales taxes, property values, or the delays in the collections of such taxes, and the operations and finances of the City could be negatively impacted.

Continuing Inflation. The City, like the rest of the country, has recently experienced significant increases in costs of gas, energy, and food, in addition to associated wage and salary pressures. Some cost increases are being driven by COVID-19-related supply chain disruptions, whereas others appear unrelated to the pandemic. Due to the varying contributors to the current inflationary environment, it is not possible to state with certainty the period of time over which the recent price increases will continue. The City also relies on highly skilled employees in many areas and if it does not offer or keep pace with prevailing market wages and salaries, it may have difficulty recruiting and retaining talent and face significant pressures in operating effectively. The City cannot predict the extent of inflationary pressures on its wages and salaries or other operating costs.

Financial Condition of the City from Time to Time. No representation is made as to the future financial condition of the City. Certain risks discussed herein could adversely affect the financial condition or operations of the City in future.

Limitation of Rights Upon Insolvency. The United States Bankruptcy Code enables debtors (including municipalities such as the City) that are insolvent to obtain relief through a petition and plan that may result in the modification or delay of payments to creditors, including registered owners of the Bonds. In the event the City becomes insolvent, the registered owners of the Bonds would be treated as general creditors of the City along with all other unsecured claimants. The extent to which the exception from limitations upon overall tax rates provided for in existing legislation might entitle registered owners of the Bonds to be treated as a separate class or otherwise given priority over other unsecured claimants is a matter that would be subject to future determinations of state and federal courts interpreting and applying both state law and the provisions of the United States Bankruptcy Code. Procedures under the United States Bankruptcy Code or other insolvency laws could result in delays in payment and modifications of payment rights.

The State of Nebraska has authorized its political subdivisions to seek relief under the United States Bankruptcy Code; provided, however, recent limitations have been imposed by the State. In 2017, the Nebraska Legislature (the “**Legislature**”) passed and the Governor approved Legislative Bill 72 (“**LB 72**”), which prohibits a city or village in the State from filing for bankruptcy if its defined benefit retirement plan, if any, is below certain funding levels at the time of the filing of the bankruptcy petition as follows:

<u>Period of Petition Filing</u>	<u>Funded Ratio of Actuarial Value of Assets</u>
January 1, 2020 to January 1, 2023	Less than 51.65%
January 1, 2023 to January 1, 2026	Less than 54.41%
January 1, 2026 to January 1, 2029	Less than 58.21%
January 1, 2029 to January 1, 2032	Less than 63.41%
January 1, 2032 to January 1, 2035	Less than 70.71%
January 1, 2035 to January 1, 2038	Less than 80.61%
After January 1, 2038	Less than 90.00%

The City’s funded ratio for its only defined benefit retirement plan, the Police and Fire Pension Plan, based on the actuarial value of assets as of August 31, 2024, and as discussed more fully in Footnote 13 to

the City's audited financial statements attached hereto, was 78.91%. The City expects that its funded ratio will increase over time, and does not believe that the limitation imposed by LB 72 would prohibit the City from filing for bankruptcy.

Nebraska Developments Related to Budgets and Taxation. The Nebraska Legislature has taken actions designed to reduce the reliance of local governmental units on property taxation. For a discussion of such changes, see “**NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND TAXATION.**”

Cybersecurity. Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches can create disruptions or shutdowns of the City and the services it provides, or the unauthorized access to or disclosure of personally identifiable information and other confidential or sensitive information. If personal or otherwise protected information is improperly accessed, tampered with or distributed, the City may incur significant costs to remediate possible injury to the affected persons beyond its current insurance policy, and the City may be subject to sanctions and civil penalties if it is found to be in violation of federal or state laws or regulations. While the City maintains and updates a robust information security program, no assurance can be given that such efforts will prevent a security breach. Any failure to maintain proper functionality and security of the City's information systems could interrupt the City's operations, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations and financial condition. Further, at least one of the rating agencies factors the risk of such an attack into its ratings analysis, recognizing that a cyberattack could affect liquidity, public policy and constituent confidence, and ultimately credit quality.

Tax Matters and Loss of Tax Exemption. As discussed under the heading “**TAX MATTERS,**” the interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Bonds, as a result of acts or omissions of the City in violation of its covenants related ongoing tax compliance for the Bonds. Should such an event of taxability occur, the Bonds would not be subject to a special prepayment and would remain outstanding until maturity or until prepaid under the prepayment provisions contained in the Bonds, and there is no provision for an adjustment of the interest rates on the Bonds. A determination of taxability on the Bonds, after closing of the Bonds, could materially adversely affect the value and marketability of the Bonds.

It is possible legislation will be proposed or introduced that could result in changes in the way that tax exemption is calculated, or whether interest on certain securities are exempt from taxation at all. Prospective purchasers should consult with their own tax advisors regarding any pending or proposed federal income tax legislation. The likelihood of legislation being enacted cannot be reliably predicted.

Pending Federal Tax Legislation. From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals pending in Congress that could, if enacted, alter or amend one or more of the federal (or state) tax matters described herein in certain respects or would adversely affect the market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted and there can be no assurance that such proposals will not apply to the Bonds. In addition, regulatory actions are from time to time announced or proposed and litigation threatened or commenced, which if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

Suitability of Investment. The interest rate borne by the Bonds is intended to compensate the investor for assuming the risk of investing in the Bonds. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether the Bonds are an appropriate investment for such investor.

Secondary Market Not Established. There is no established secondary market for the Bonds, and there is no assurance a secondary market will develop for the purchase and sale of the Bonds. Prices of municipal bonds traded in the secondary market, if any, are subject to adjustment upward and downward in response to changes in the credit markets and changes in the operating performance of the entities operating the facilities subject to bonded indebtedness. From time to time it may be necessary to suspend indefinitely secondary market trading in selected issues of municipal bonds as a result of the financial condition or market position, prevailing market conditions, lack of adequate current financial information about the entity, operating the subject facilities, or a material adverse change in the operations of that entity, whether or not the subject bonds are in default as to principal and interest payments, and other factors which, may give rise to uncertainty concerning prudent secondary market practices.

Municipal bonds are generally viewed as long-term investments, subject to material unforeseen changes in the investor's circumstances, and may require commitment of the investor's funds for an indefinite period of time, perhaps until maturity.

EACH PROSPECTIVE PURCHASER IS RESPONSIBLE FOR ASSESSING THE MERITS AND RISKS OF AN INVESTMENT AND MUST BE ABLE TO BEAR THE ECONOMIC RISK OF SUCH INVESTMENT. THE SECONDARY MARKET FOR THE BONDS, IF ANY, COULD BE LIMITED.

Rating Loss. S&P Global Ratings ("S&P") has assigned a rating to the Bonds. See "RATING". Generally, rating agencies base their ratings on the information and materials furnished to them and on investigations, studies and assumptions of their own. There is no assurance that the rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of S&P, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

Rating agencies are currently not regulated by any regulatory body. Future regulation of rating agencies could materially alter the methodology, rating levels, and types of ratings available, for example, and these changes, if ever, could materially affect the market value of the Bonds.

Risks Related to Sales Tax. The City's local option sales tax (the City's 1.5% Sales Tax described herein) represents a significant source for funding the City's operations and payment for certain of its outstanding indebtedness other than the Bonds.

The Bonds are special, limited obligations of the City payable from receipts of the Sales Tax and the Property Tax, as more fully described in "SECURITY" herein. Sales tax receipts are subject to fluctuation based on changes in local and national economic conditions, the rates of employment and economic growth, the availability of consumer credit and the level of consumer spending, and the level of residential and commercial development, among other factors. Such fluctuations could materially affect the amount of Sales Tax receipts available for payment of the Bonds and other operations of the City. Because the City does not have the ability to levy an unlimited ad valorem tax for payment of the Bonds, any unexpected shortfall in Sales Tax could have a material effect on the City's operations.

NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND TAXATION

The Nebraska Legislature (the “**Legislature**”) has periodically enacted legislation intended to reduce or restrict the level of property taxation in the State, with the most recent legislative action taking place during a special session called for the purpose of property tax reduction in August 2024. On August 20, 2024, the Legislature passed, and the Governor signed, Legislative Bill 34 (“**LB34**”).

Prior to 2024 and through the 2024-25 fiscal year, cities were and are subject to budget limitations (Sections 13-518 to 13-522, R.R.S. Neb., as amended, and related sections, the “**Budget Limitations**”) which limit the growth in amounts permitted to be budgeted with respect to certain restricted funds. Restricted funds included property taxes, as well as sales taxes and certain other revenue sources. The Budget Limitations provided for a base limitation of 2.5% upon increases and could be exceeded by an additional 1% upon an affirmative vote of at least 75% of the governing body. The Budget Limitations did not apply to (i) restricted funds pledged to retire bonded indebtedness or (ii) to the revenues of proprietary funds unless such revenues were transferred to fund a service for a function not directly related to the charges and activity for which the charges are imposed.

LB34 was passed to place more restrictions on property taxes and eliminate the Budget Limitations for cities. After passage of LB34, the Budget Limitations will no longer apply to the City beginning with Fiscal year 2025-26. The following limits apply to the City for future years, beginning with fiscal year 2025-26.

Tax levy rate limitations (Section 77-3442, R.R.S. Neb., as amended, and related sections, the “**Levy Rate Limitations**”) have been in effect since 1996 and were not changed. Levy Rate Limitations currently provide for overall limitations on the tax levy rate of political subdivisions, including cities. The maximum levy rate for the City is presently set at 45¢ per \$100 of taxable valuation with an additional 5¢ per \$100 of taxable valuation available to provide for payments required by interlocal agreements with other political subdivisions. The Levy Rate Limitations also provide an express exclusion for property taxes levied for bonded indebtedness secured by a levy on property. Any property taxes levied and used to pay the city’s municipal improvement bonds, including the Bonds offered herein, do not qualify for the exclusion and are subject to the Levy Rate Limitations. The City’s current property tax levy rate subject to the \$0.45 Levy Rate Limitation is \$0.29533 per \$100 of assessed valuation.

Total property tax request limitations enacted through LB34 in August 2024 (the “**Property Tax Request Limitations**”) provide an additional limit on the growth in the dollar amount of property tax revenue which may be imposed by a city each year. The Property Tax Request Limitation provides that a city may only request the dollar amount of property tax levied in the prior fiscal year, less any Exceptions (defined below) claimed by the City for the prior year increased by adding the following to account for real growth in valuation (rather than inflationary) and inflation experienced in the broader economy: (a) the product of the dollar amount of property tax levied in the prior fiscal year, less exceptions claimed by the City for the prior year for property taxes budgeted for bonds and needed for declared emergencies (the “**Starting Dollar Levy Amount**”) and the percentage growth in valuation due to improvements to real estate, annexations, changes in use of real property, increase in personal property valuation, and valuation attributable to tax increment financing (but not other valuation increases); and (b) the product of the Starting Dollar Levy Amount and the greater of 0% or the annual change in the State and Local Consumption Expenditures and Gross Investment index (as reported for the twelve-month period which ended December 31 of the prior year). A City may then add to its property tax request amounts levied for payment of bonds, for public safety and emergency services, for certain types of emergencies, and for those purposes approved by the voters (collectively, the “**Exceptions**”).

Taxes to pay principal and interest on the Bonds are not subject to the Property Tax Request Limitations but are subject to the Levy Rate Limitations.

The City does not expect the Property Tax Request Limitations to have a negative impact on its ability to levy property taxes for operating purposes because of the express exclusion for public safety services. The City’s general property tax receipts for fiscal year ending August 31, 2025, are budgeted at approximately \$104.7 million, while expenditures for public safety services are budgeted at approximately \$142.5 million, meaning the entirety of the City’s property tax request could fit as an express exclusion from the Property Tax Request Limitations for public safety services for such fiscal year.

In addition, future legislation related to property tax requests is expected to occur in future special or regular sessions of the Legislature. Decisions of the Nebraska Supreme Court, or initiative petitions proposed and passed by qualified voters in the State may also alter the Levy Rate Limitations or the Property Tax Request Limitations, or may otherwise modify the sources of and limitations on the revenues used by governmental units in the State to finance their operations, services, and activities.

THE PROJECT

The City is using the Bond proceeds to provide funds to (a) acquire, equip, renovate or reuse an existing building for a new central library (the “**Project**”) and (b) pay certain costs of issuing the Bonds.

ESTIMATED SOURCES AND USES OF FUNDS

SOURCES OF FUNDS:

Principal Amount of Series 2025 Bonds	\$ 23,000,000.00
Plus: Net Original Issue Premium	<u>1,048,424.30</u>

TOTAL SOURCES: \$ 24,048,424.30

USES OF FUNDS:

Deposit to Construction Fund	\$ 23,771,476.54
Costs of Issuance (including Underwriter’s Discount)	<u>276,947.76</u>

TOTAL USES: \$ 24,048,424.30

THE BONDS

General

The Bonds will be initially issued in fully registered, book-entry form, in denominations of \$5,000 or any integral multiple thereof, will have a date of original issue (the “**Date of Original Issue**”) of the date of delivery thereof, will bear interest from the Date of Original Issue payable on September 15 and March 15 of each year, commencing September 15, 2026, will mature on September 15 in the years and in the principal amounts, and will bear interest at the rates (calculated on the basis of a 30-day month and a 360-day year) as set forth on the inside cover page of this Official Statement. Each installment of interest will be payable by check or draft mailed by the Registrar on the due date thereof (or on the next business day

if such due date falls on a Saturday, Sunday or bank holiday applicable to the Registrar) to the registered owner of a Bond as shown on the bond registration records of the City maintained by the Registrar as of the Record Date (hereinafter defined). The principal of each Bond will be payable upon the surrender of such Bond to the Registrar. The **“Record Date”** for each installment of interest shall be the fifteenth day (whether a business day or not) next preceding such interest payment date.

Book-Entry System

General. The Depository Trust Company (**“DTC”**), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity, as set forth on the inside cover page of this Official Statement, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as the nominee for DTC. Ownership interests in the Bonds will be available to purchasers only through a book-entry system maintained by DTC (the **“Book-Entry System”**). A description of DTC, the Book-Entry System and definitions of initially capitalized terms used herein are found in **“APPENDIX D—BOOK-ENTRY SYSTEM”** to this Official Statement.

Risk Factors. Beneficial Owners of the Bonds may experience some delay in their receipt of distributions of the principal or redemption price of and interest on the Bonds because such distributions will be forwarded by the Registrar to DTC, credited by DTC to its Direct Participants, and then credited to the accounts of the Beneficial Owners either directly or indirectly through Indirect Participants.

Because transactions in the Bonds can only be effected through DTC, DTC Participants and certain banks, the ability of a Beneficial Owner to pledge Bonds to persons or entities that do not participate in the Book-Entry System, or otherwise to take actions in respect of such Bonds, may be limited due to the lack of physical certificates. Beneficial Owners will not be recognized by the Registrar as registered owners for purposes of the Bond Ordinance, and Beneficial Owners will be permitted to exercise the rights of registered owners only indirectly through DTC and DTC Participants.

Interchangeability and Transfer

The Bonds, upon surrender thereof to the Registrar with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or its duly authorized attorney, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds in registered form of the same series, rate of interest, maturity and of any authorized denomination.

In all cases in which the privilege of exchanging or transferring the Bonds is exercised, the City shall execute and the Registrar shall deliver the Bonds in accordance with the Bond Ordinance. For every such transfer or exchange of Bonds, the Registrar shall require the payment by the registered owner requesting such transfer or exchange of any tax or other governmental charges payable with respect thereto, and may charge a sum not exceeding the actual cost for each new Bond.

Neither the City nor the Registrar is required to make any such exchange or registration of transfer of Bonds during the period between a Record Date and the next succeeding interest payment date or, in the case of any proposed redemption of Bonds, after notice of the redemption of such Bonds or any portion thereof shall have been given pursuant to the Bond Ordinance.

The foregoing procedures do not apply to Beneficial Owners, whose transfer and exchange privileges will be governed by the procedures described under **“THE BONDS—Book-Entry System”** so long as the Bonds are held in book-entry format.

Optional Redemption

Bonds maturing on or prior to September 15, 2034 are not subject to redemption prior to their stated maturities. Bonds maturing on or after September 15, 2035 are subject to redemption prior to maturity at the option of the City in whole or in part, at any time on or after September 15, 2034 in such principal amounts and from such maturity or maturities as the City shall specify and by lot in integral multiples of \$5,000 within a maturity at a redemption price equal to 100% of the principal amount then being redeemed, together with accrued interest on such principal amount to the date fixed for redemption.

Notice and Effect of Call for Redemption

In the event of any such redemption, the Registrar will give written notice of the City's intention to redeem and pay such Bonds by first-class mail to the registered owner of each Bond to be redeemed, such notice to be mailed not less than 30 days prior to the redemption date. Notice of redemption having been given as stated above, the Bonds or portions of Bonds to be redeemed shall become due and payable on the redemption date, at the redemption price therein specified, and from and after the redemption date (unless the City defaults in the payment of the redemption price) such Bonds or portion of Bonds shall cease to bear interest. Failure to give notice to any particular registered owner or any defect in the notice given to such owner shall not affect the validity of the proceedings calling the Bonds or the redemption of any Bonds for which proper notice has been given. The City shall have the right to direct further notice of redemption for any Bond for which defective notice has been given. Notice of redemption may be waived in writing by the registered owner of any Bond.

So long as DTC is effecting book-entry transfers of the Bonds, the Registrar will provide the notices of Bonds to be redeemed to DTC. It is expected that DTC will, in turn, notify the DTC Participants and that the DTC Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of DTC or a DTC Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Registrar, a DTC Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, will not affect the validity of the redemption of such Bond.

RATING

S&P has assigned the Bonds the rating of "AAA." Such rating reflects only the views of such organization, and an explanation of the significance of such rating may be obtained from S&P Global Ratings, 55 Water Street, New York, New York, 10041, telephone (212) 438-2124.

Generally, a rating agency bases its rating on such information and materials and investigations, studies and assumptions furnished to and obtained and made by the rating agency. The rating is not a recommendation to purchase, sell or hold a security, inasmuch as it does not comment as to market price or suitability for a particular investor. There is no assurance that the above rating will remain for any given period of time or that it may not be lowered, suspended or withdrawn entirely by such rating agency if it deems circumstances are appropriate. Any downward change in, suspension or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

TAX MATTERS

The following is a summary of the material federal and State of Nebraska income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This

summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Nebraska, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under the law existing as of the issue date of the Bonds:

Federal and State of Nebraska Tax Exemption. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Nebraska.

Alternative Minimum Tax. The interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bank Qualification. The Bonds have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

Bond Counsel’s opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal and State of Nebraska income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds, but has reviewed the discussion under the heading “**TAX MATTERS.**”

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner’s tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount, if any.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner’s basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium, if any.

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner’s adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner’s federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with “excess net passive income,” foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

CONTINUING DISCLOSURE

Continuing Disclosure Undertaking

The City is executing and delivering a Continuing Disclosure Undertaking for the benefit of the Beneficial Owners of the Series 2025 Bonds and in order to assist the Underwriter in complying with its obligations under Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the “**Rule**”). The City is the only “obligated person” with responsibility for continuing disclosure under the Rule.

The form of Continuing Disclosure Undertaking for the Series 2025 Bonds is included in this Official Statement as **APPENDIX C**.

Compliance with Prior Undertakings

The City believes that it has complied in all material respects during the past five years with its prior undertakings under the Rule, except that for the fiscal year ended August 31, 2021, the City failed to timely link its audited financial statements and operating data to one outstanding bond issue, and such disclosures were linked approximately 135 days late, and the City did not file notice of such late filing.

Electronic Municipal Market Access (“EMMA”)

All Annual Reports and notices of Material Events required to be filed by the City pursuant to the Continuing Disclosure Undertaking must be submitted to the MSRB through the MSRB’s Electronic Municipal Market Access system (“**EMMA**”). EMMA is an internet-based, online portal for free investor access to municipal bond information, including offering documents, material event notices, real-time municipal securities trade prices and MSRB education resources, available at www.emma.msrb.org. Nothing contained on EMMA relating to the City or the Series 2025 Bonds is incorporated by reference in this Official Statement.

LITIGATION

There is not now pending any litigation restraining or enjoining the issuance or delivery of the Bonds or questioning or affecting the validity of the Bonds or the proceedings and authority under which they are to be issued. Neither the creation, organization or existence of the City, nor the title of the members of the Council or other officers of the City to their respective offices is being contested or questioned.

There is no litigation pending that in any manner questions the right of the City to pass the Bond Ordinance pursuant to which the Bonds are being issued.

LEGAL MATTERS

All legal matters incident to the authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., Omaha, Nebraska, Bond Counsel. Bond Counsel has participated in the preparation of this Official Statement, but the factual and financial information appearing herein has been supplied or reviewed by certain officials of the City and other sources as referred to herein, and Bond Counsel expresses no opinion as to the accuracy or sufficiency thereof except for the information under “**THE BONDS**,” “**LEGAL MATTERS**” and “**TAX MATTERS**.”

MUNICIPAL ADVISOR

Piper Sandler & Co., Lincoln, Nebraska, is serving as municipal advisor to the City with respect to the Bonds. The municipal advisor has assisted the City in the preparation of this Official Statement and in other matters relating to the issuance of the Bonds and provided other financial advice regarding the City's financial plan.

INDEPENDENT AUDITORS

The financial statements and schedules of the City for the year ended August 31, 2024, included in **"APPENDIX B—FINANCIAL STATEMENTS,"** have been audited by FORVIS, LLP, independent auditors, as stated in their report appearing herein. The City did not request FORVIS, LLP to perform any updating procedures subsequent to the date of its audit report on the August 31, 2024 financial statements.

MISCELLANEOUS

All estimates and assumptions herein have been made on the basis of the best information available and are believed to be reliable, but no representations whatsoever are made that such estimates or assumptions are current or will be realized. So far as any statements herein involve matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact.

The information set forth in this Official Statement should not be construed as representing all of the conditions affecting the City or the Bonds.

This Official Statement is issued by the City.

THE CITY OF LINCOLN, NEBRASKA



CITY OF LINCOLN, NEBRASKA

THE CITY OF LINCOLN

General

Lincoln, the capital of Nebraska, is located in southeastern Nebraska near the center of population of the state. The City was originally incorporated in 1869. It is approximately midway between Chicago and Denver. It has an area of 100 square miles, and in its growth and development has annexed five other municipalities so that the City includes most of the urban area of Lancaster County. It enjoys a unique position in Nebraska as the center of the state governmental and educational activities.

Population

The 1980 population of the City was 171,932; the 1990 population was 191,972; the 2000 population was 225,588; and the 2010 population was 258,379, a 14.5 percent increase over the 2000 count. The 2010 count represents 90.5 percent of the population of Lancaster County, the county in which the City is located. The estimated 2024 population is 294,757.

City Government

The City, operating under a home rule charter, has a mayor-council form of government with an elected full-time chief executive, the Mayor, and an elected legislative body, the Council, composed of seven members. Three are elected at large and four by district on a nonpartisan basis for a term of four years. The administration of City government is performed under the direction of the Mayor by administrative departments.

City government has a broad range of responsibilities, including electric, water, and sanitary sewer systems, and an impressive park and playground system of over 7,400 acres maintained for public use, nine public swimming pools, and five public golf courses. The City has cooperated actively with the county government in several joint governmental buildings, and in other specific areas of responsibility, including health, planning, civil defense, data processing, tax collection, parks, and jail facilities. There are cooperative agreements with the United States government on parks and flood control, with the University of Nebraska on planning and property transfer, with the area Watershed District on flood control, and with the Lincoln School District on recreation.

Transportation

The Lincoln metropolitan area is served by Interstate 80, and U.S. Highways 2, 6, 34, and 77.

Lincoln is served by two commercial airports with daily shuttle service available between locations. The Lincoln Municipal Airport is located less than 4 miles from downtown and has daily departures to Chicago and Denver. Eppley Airfield, located in east Omaha, is 50 miles from downtown Lincoln and offers service from numerous airlines. Together the two airports offer more than 100 arrivals and departures daily. The Lincoln Municipal Airport also offers General Aviation services. The General Aviation runway is 8,649 feet long, and the runway is lit dusk to dawn.

Railroad transportation facilities include those of Burlington Northern/Santa Fe and Union Pacific, both maintaining yards in Lincoln. AMTRAK provides daily passenger and package express services. Ground transportation is furnished by Greyhound/Black Hills Stage Lines, multiple taxi companies, ride-sharing and local StarTran bus services.

The mean commute time in Lincoln is 19 minutes and nearly 16 percent of area commuters spend less than 10 minutes on the road.

Government Center

The State Capitol, an architectural achievement located in Lincoln, is considered one of the most impressive in all the 50 states. Other state governmental facilities in the City include the Nebraska Educational Telecommunications facility, the Nebraska Game and Parks Commission headquarters, the Lincoln Regional Center (state hospital), and the Nebraska Penal Complex.

Federal agencies in Lincoln include regional offices of the U.S. Department of Agriculture, the Immigration & Naturalization Service and the Veterans Benefits Administration, as well as the state offices of other federal agencies. There is also a U.S. Veterans Medical Facility.

Lancaster County offices are also located in Lincoln, the county seat.

Education

The University of Nebraska-Lincoln, with approximately 23,992 students, Nebraska Wesleyan University, with approximately 1,690 students, Union College, with approximately 799 students, Bryan College of Health Sciences with approximately 725 students, and Southeast Community College, with approximately 10,000 students and a number of facilities for both full-time and part-time occupational training, are located in the City of Lincoln. The City's modern and progressive school system, with an enrollment of over 42,000 is served by 8 high schools, 12 middle schools, and 41 elementary schools. Lincoln is home to over 30 private and parochial schools. Lincoln's private school offerings range from pre-K to high school institutions. Affiliations include Roman Catholic, Lutheran, Seven-Day Adventist, and nondenominational Christians.

Building Permits and Property Values

**PROPERTY VALUE AND CONSTRUCTION
LAST TEN YEARS**

FISCAL YEAR	COMMERCIAL ¹ CONSTRUCTION		RESIDENTIAL ¹ CONSTRUCTION		PROPERTY VALUE ²		TOTALS
	# PERMITS	VALUE	# PERMITS	VALUE	COMMERCIAL	RESIDENTIAL	
2024	742	\$ 636,244,378	2,686	\$ 316,842,246	\$ 9,842,910,177	\$ 23,111,575,367	\$ 32,954,485,544
2023	765	590,716,690	2,270	190,138,477	8,218,611,787	18,522,976,666	26,741,588,453
2022	1,053	970,120,929	2,926	243,406,740	8,028,196,147	18,524,321,766	26,552,517,913
2021	1,153	539,318,764	2,621	510,465,764	6,775,086,845	16,151,804,023	22,926,890,868
2020	852	278,467,784	2,128	404,061,832	6,349,850,359	15,805,225,977	22,155,076,336
2019	986	585,746,852	2,380	292,365,215	6,278,422,408	14,354,319,521	20,632,741,929
2018	1,036	308,714,552	3,014	352,657,602	5,582,574,159	13,997,042,582	19,579,616,741
2017	1,007	441,939,943	3,036	280,532,269	5,443,342,291	12,573,902,552	18,017,244,843
2016	1,038	285,396,259	2,891	248,194,698	5,264,621,434	12,353,764,148	17,618,385,582
2015	1,321	309,759,043	2,346	379,740,291	5,017,666,961	11,584,715,041	16,602,382,002

¹ City of Lincoln, Building and Safety Department.

² Lancaster County Assessor.

Police and Fire Protection

Lincoln has sixteen fire stations manned by 308 firefighters and four police stations with 351 police officers.

City Employee Information

The City of Lincoln negotiates with six labor unions: the Lincoln Police Union (LPU) representing police officers; the International Association of Firefighters (IAFF) representing firefighters, the Amalgamated Transit Union (ATU) representing transit workers, the Public Association of Government Employees (PAGE) representing labor, trades, and clerical personnel, the Lincoln City Employees Association (LCEA) representing supervisory, highly technical, and professional personnel, and the Lincoln M Class Employees Association (LMCEA) representing upper management, administration and professional personnel. For the 2024-2025 fiscal year, contracts have been signed with all our unions except for PAGE and LCEA. The LPU and LMCEA contracts will expire at the end of August 2025, IAFF contract expires at the end of August 2026, ATU will expire at the end of August 2027. PAGE and LCEA contacts expired August 2024.

Since the inception of labor contracts in 1970, the City of Lincoln has been able to handle its labor relations in such a manner as to avoid interruptions, although it has been necessary to use the facilities of the Nebraska Commission of Industrial Relations on issues involving the International Association of Firefighters, International Brotherhood of Police Officers, and the Public Association of Government Employees.

SELECTED ECONOMIC INDICATORS

LINCOLN (LANCASTER COUNTY) NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT

	MAY 31, 2024		NOVEMBER 30, 2024	
	Number Employed	Percent of Total	Number Employed	Percent of Total
Industry Manufacturing:				
Durable Goods	9,975	5.0	9,869	4.9
Nondurable Goods	5,893	2.9	5,929	2.9
Total Industry Manufacturing	15,868	7.9	15,798	7.8
Nonmanufacturing:				
Natural Resource & Construction	11,410	5.7	11,532	5.7
Transportation, Warehousing & Utilities	10,688	5.3	10,869	5.4
Wholesale Trade	4,377	2.2	4,296	2.1
Retail Trade	18,465	9.2	18,927	9.4
Information	3,789	1.9	3,947	1.9
Finance, Insurance & Real Estate	10,425	5.2	10,293	5.1
Services (except domestic)	82,465	41.0	83,832	41.4
Government	43,510	21.6	43,354	21.4
Total Nonmanufacturing	185,129	92.1	187,050	92.4
TOTAL	200,997	100.0	202,848	100.2

Lincoln is proud to have some of the nation's leading industrial companies as local employers, including Tank Holding Corp. (AKA Snyder Industry), Continental ContiTech, BNSF Railway, Archer-Daniels-Midlands Company, Kawasaki Motors Corporation USA, and Schneider Electric.

As of December 2024, the unemployment rate in Lincoln was 2.4%, among the lowest unemployment rates in the United States.

LINCOLN LABOR FORCE DATA 2024-2015 (For the Calendar Year Indicated)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Civilian Labor Force	193,946	189,774	189,969	188,166	188,745	186,998	184,089	178,854	177,616	176,130
Unemployment	4,610	3,900	4,066	3,023	5,451	4,385	4,574	4,661	4,920	4,668
Percent of Labor Force	2.4	2.1	2.1	1.6	2.9	2.3	2.5	2.6	2.8	2.7
Employment ¹	189,336	185,874	185,903	185,143	183,294	182,613	179,515	174,193	172,696	171,462

STATE OF NEBRASKA

Percent of Labor Force										
Unemployment ¹	2.6	2.5	2.6	1.8	2.8	2.7	2.8	2.9	3.1	3.0

Source: State of Nebraska, Department of Labor

¹ 2024 Preliminary

**LINCOLN PRINCIPAL EMPLOYERS
CURRENT YEAR**

Employer	Employee Range	Rank	Percentage of Total City Employment
State of Nebraska	5000-7500	1	3.96 %
Lincoln Public Schools	5000-7500	2	3.96
University of Nebraska-Lincoln	5000-7500	3	3.96
Bryan Health	2500-4999	4	2.64
Nelnet Diversified Services	2500-4999	5	2.64
US Government	2500-4999	6	2.64
B&R Stores, Inc	2500-4999	7	2.64
City of Lincoln	2500-4999	8	2.64
Kawasaki Motors Mfg. Corp.	1000-2499	9	1.32
Saint Elizabeth Regional Medical Center	1000-2499	10	1.32
Total			<u>27.72 %</u>

**DEMOGRAPHIC STATISTICS
LAST TEN YEARS**

Year	Population ¹	Per Capita Personal Income ²	School Enrollment ³
2024	294,757	\$	42,282
2023	292,627	60,030	41,850
2022	292,657	60,299	41,784
2021	291,082	56,887	41,747
2020	289,102	53,057	41,674
2019	287,401	50,833	42,258
2018	284,736	49,886	42,020
2017	280,364	46,924	41,737
2016	277,348	45,511	40,109
2015	272,996	44,133	39,842

Sources:

¹ U.S. Bureau of the Census, population estimates.

² U.S. Dept. of Commerce Bureau of Economic Analysis.

Per Capital Income is based on Lincoln Metropolitan Statistical Area, which includes all of Lancaster and Seward Counties. Per Capita Income for 2023 is unavailable.

³ Lincoln Public Schools.

Median age from the 2023 census was 33.8. Education statistics per the 2023 Census indicate that 93% of the population 25 years and older has a high school degree or greater with 41% of the same population holding a Bachelor's degree or greater.

**LINCOLN UTILITY CUSTOMERS
LAST TEN YEARS**

<u>Year</u>	<u>Water Customers</u>	<u>Gas Customers</u>	<u>Electricity Customers</u>
2024	90,963	102,835	150,329
2023	89,735	101,563	147,844
2022	89,514	101,101	145,834
2021	87,578	100,525	143,797
2020	86,736	100,288	141,658
2019	85,460	99,421	140,034
2018	84,636	99,259	138,489
2017	83,797	98,600	136,641
2016	82,853	97,639	134,417
2015	82,058	96,680	132,672

Source: Indicated Utility Companies



SELECTED FINANCIAL STATISTICS

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION ¹ LAST TEN FISCAL YEARS

Fiscal Year	General Government	Public Safety	Streets And Highways	Culture And Recreation	Economic Opportunity	Health And Welfare	Mass Transit	Debt Service	Totals
2024	\$ 85,971,825	119,261,106	33,671,035	33,441,438	16,886,318	41,316,191	24,209,236	47,039,894	401,797,043
2023	74,806,616	109,937,772	31,183,919	31,644,070	20,373,747	38,592,638	27,660,245	46,566,516	380,765,523
2022	72,993,154	98,553,703	27,858,002	29,534,303	44,658,620	34,516,518	18,296,044	42,271,518	368,681,862
2021	66,768,481	97,809,248	31,183,868	28,168,478	15,390,008	34,349,001	22,913,739	38,429,649	335,012,472
2020	66,488,738	89,394,116	28,058,815	25,807,794	3,085,972	32,757,648	20,340,337	53,259,012	319,192,432
2019	61,932,785	88,641,405	28,872,044	33,703,112	13,771,289	22,527,910	18,867,231	44,573,054	312,888,830
2018	59,728,570	86,243,206	21,746,886	27,301,223	14,563,832	21,863,274	18,315,179	44,688,559	294,450,729
2017	58,560,593	81,171,971	20,634,650	26,730,859	13,034,266	23,116,621	13,439,363	45,301,015	281,989,338
2016	54,483,582	77,399,174	20,896,834	25,310,935	14,012,940	22,605,745	12,380,084	43,165,211	270,254,505
2015	50,714,491	75,625,163	19,464,370	24,538,296	14,773,423	23,038,785	15,539,838	38,634,986	262,329,352

¹ Includes General, Special Revenue, and Debt Service Funds.

GENERAL GOVERNMENTAL REVENUES BY SOURCE ¹ LAST TEN FISCAL YEARS

Fiscal Year	Taxes And Special Assessment	Inter- Governmental	Permits And Fees	Reimbursement For Services	Investment Earnings	Other	Totals
2024	\$ 287,539,841	107,693,637	28,767,071	21,187,391	35,466,116	15,821,275	496,475,331
2023	275,908,226	115,253,784	28,422,288	20,875,392	30,190,731	17,521,330	488,171,751
2022	263,918,446	124,200,688	28,559,289	20,001,124	(13,986,102)	16,700,904	439,394,349
2021	239,609,916	111,296,869	28,245,058	15,358,830	15,526,322	13,361,575	423,398,570
2020	232,387,576	72,330,346	24,371,734	17,329,391	7,821,284	11,175,430	365,415,761
2019	215,533,782	70,773,739	26,301,490	18,074,725	8,009,926	11,230,362	349,924,024
2018	220,143,985	72,965,698	25,157,171	18,348,789	5,859,234	12,953,023	355,427,900
2017	213,096,181	74,133,945	25,823,013	17,102,484	6,868,335	14,794,365	351,818,323
2016	202,860,560	64,711,049	25,704,855	16,807,455	6,249,869	10,542,628	326,876,416
2015	182,765,313	70,694,942	25,327,804	16,083,267	1,006,466	11,026,123	306,903,915

¹ Includes General, Special Revenue, and Debt Service Funds.

**SPECIAL ASSESSMENT COLLECTIONS
LAST TEN YEARS ¹**

Fiscal Year Ended <u>August 31</u>	Special Assessment Collections <u>Including Interest</u>
2024	\$ 1,436,505
2023	1,392,786
2022	1,745,504
2021	1,600,711
2020	1,422,630
2019	1,622,878
2018	1,600,742
2017	1,694,846
2016	1,585,717
2015	1,590,119

¹ Special assessment collections are not tracked by levy year, therefore the portion of collections during any year that apply to any levy cannot be determined.

Authority to Levy Taxes

Article IX, Section 3 of the Home Rule Charter of the City provides that the City shall have power to levy a tax each year for general revenue purposes upon all property subject to taxation; provided that the maximum amount of taxes that can be levied by the City in any one year for general revenue purposes shall not exceed an amount known as the City tax limit. The City tax limit is a tax ceiling established by using the September 1, 1966 City dollar tax limit as an initial tax limit, and increasing that tax limit each year following 1966 by 7% so that in each fiscal year thereafter, the amount of the City tax limit shall be the amount of the city tax limit for the previous year, plus 7% thereof. In addition, the City also has the power to levy taxes each year sufficient to pay any judgment existing against the City and the interest on bonded debt and the principal on any bonded debt maturing during the fiscal year or within six months thereafter, as well as taxes authorized by state law. The City is also authorized to receive all taxes collected and distributed pursuant to state law and in lieu of tax payments imposed by law. The 2024 tax levy for the 2024-2025 fiscal year is \$240,215,610 below the legal limit, a tax rate per \$100 valuation of .29533. The assessed value upon which the 2024 levy is based is \$35,463,614,606. By charter, only 90% of the property tax levy may be appropriated.

For the 2024-2025 fiscal year the City is subject to a state-imposed lid on the appropriation of “restricted funds”, that are revenues received from property tax, sales tax, state aid, in-lieu of tax and highway allocation fees. Bonded indebtedness, capital improvements, and costs associated with inter local agreements are exempt from the lid. For 2024-2025 the City can also use authority equal to the greater of 2.5% or the amount of real growth in the tax base which was 3.50%. An additional 1% can be authorized by a 75% vote of the City Council and was utilized for the 2024-2025 budget. The 2024-2025 budget is \$2,631,324 below the state-imposed lid limit.

**PROPERTY TAX LEVIED AND COLLECTED
LAST TEN YEARS**

The fiscal year of the City begins September 1 and ends August 31. Taxes are levied in October. First installments of real estate taxes are delinquent the following April 1, second installments delinquent August 1; personal property taxes are delinquent April 1 and August 1. Delinquent taxes bear 14 percent interest. The figures below include interest and penalties. The figures below do not include motor vehicle in lieu of ad valorem taxes.

Ended August 31	for the Fiscal Year	Fiscal Year of the Levy		As Of August 31, 2024	
		Amount	Percent	Amount	Percent
2024	\$ 100,270,049	\$ 97,910,819	97.65 %	\$ 85,374,290	85.14
2023	87,152,481	85,374,290	97.96	87,129,323	99.97
2022	85,096,019	83,361,780	97.96	85,091,159	99.99
2021	76,786,221	75,159,229	97.88	76,813,404	100.00
2020	74,339,497	72,577,018	97.63	74,367,740	100.00
2019	68,390,503	66,842,290	97.74	68,401,336	100.00
2018	64,824,600	63,903,976	98.58	64,826,844	100.00
2017	62,977,211	61,735,542	98.03	62,979,864	100.00
2016	58,944,563	57,685,951	97.86	58,923,300	99.96
2015	55,459,815	54,235,009	97.79	55,440,332	99.96

TEN LARGEST TAXPAYERS

Listed below are the ten largest taxpayers in the City of Lincoln as reported by the County Assessor. These taxpayers each pay less than five percent of the total taxes levied.

<u>Taxpayers</u>	<u>Type of Business</u>	<u>2024 Assessed Valuations</u>	<u>Percentage Of Total Assessed Valuation</u>
Burlington Northern	Railroad	\$ 277,630,714	█ 0.78%
B & J Partnership Ltd.	Building Management	216,902,700	█ 0.61%
Allo Communications LLC	Communication	180,728,623	█ 0.51%
Windstream	Telecommunications	179,614,858	█ 0.51%
Nebco	Construction / Development	164,111,128	█ 0.46%
Bousek, Mark A	Property Management	92,507,900	█ 0.26%
Blackhills Nebraska Gas	Energy	84,336,866	█ 0.24%
Kawasaki	Manufacturing	82,138,742	█ 0.23%
Bryan Medical Center	Hospital	79,618,900	█ 0.22%
Lincoln Student Property	Property Management	76,782,347	█ 0.22%
		<u>\$ 1,434,372,778</u>	<u>4.04%</u>

CITY SALES TAX INFORMATION

The City had a one percent (1%) sales and use tax through June 30, 1985. Effective July 1, 1985 the sales and use tax was raised to one- and one-half percent (1.5%). These taxes are administered and collected for the City by the State of Nebraska. The State receives two- and one-half percent (2.5%) for their service. The City has had a sales tax since 1969.

**SALES AND USE TAX COLLECTIONS
LAST TEN YEARS**

Year Ended August 31	Amount
2024	\$ 101,915,837
2023	104,821,993
2022	99,344,559
2021	88,723,756
2020	80,343,337
2019	78,563,436
2018	76,812,830
2017	75,259,945
2016	71,621,717
2015	68,861,600

**GENERAL FUND TAX COLLECTIONS
LAST TEN YEARS**

Fiscal Year	Property and Motor Vehicle Taxes	Sales and Use Taxes	Sundry Taxes	Taxes In Lieu	Occupation Taxes	Total
2024	\$ 83,446,387	\$ 101,915,837	\$ 37,873	\$ 2,444,109	\$ 5,616,820	\$ 193,461,026
2023	71,072,131	104,821,993	29,612	2,200,001	5,904,220	184,027,957
2022	67,159,453	99,344,559	23,262	2,203,419	6,055,887	174,786,580
2021	61,923,848	88,723,756	26,441	2,197,903	6,204,868	159,076,816
2020	55,648,747	80,343,337	30,791	2,248,961	8,128,463	146,400,299
2019	50,054,765	78,563,436	40,315	2,300,935	8,420,903	139,380,353
2018	46,009,808	76,812,830	31,436	2,208,834	8,758,996	133,821,904
2017	42,669,103	75,259,945	33,512	2,260,572	9,494,397	129,717,529
2016	40,564,330	71,621,717	26,396	2,119,674	9,617,902	123,950,019
2015	37,333,435	68,861,600	31,314	2,120,619	11,024,711	119,371,679

**TAXABLE ASSESSED VALUATION
LAST TEN YEARS ¹**

Fiscal Year Ended August 31,	Real Estate	All Other	Total
2024	\$ 32,954,485,544	\$ 1,196,303,919	\$ 34,150,789,463
2023	26,741,588,453	1,132,507,561	27,874,096,014
2022	26,552,517,913	1,308,063,315	27,860,581,228
2021	22,926,890,868	1,072,840,928	23,999,731,796
2020	22,155,576,336	1,111,587,131	23,267,163,467
2019	20,632,741,929	1,037,615,147	21,670,357,076
2018	19,579,616,741	937,318,112	20,516,934,853
2017	18,017,244,843	853,580,721	18,870,825,564
2016	17,618,385,582	838,933,170	18,457,318,752
2015	16,602,382,002	777,744,371	17,380,126,373

Property is assessed at actual value; therefore, the assessed values are equal to actual value.

**TOTAL PROPERTY TAX LEVIES
ALL OVERLAPPING GOVERNMENTS
LAST TEN YEARS ¹**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City of Lincoln	0.2953	0.3129	0.3198	0.3198	0.3165	0.3165	0.3337	0.3196	0.3196	0.3158
School District No. 1	1.1091	1.2072	1.2220	1.2222	1.2241	1.2389	1.2397	1.2429	1.2434	1.2441
Lancaster County	0.2223	0.2608	0.2816	0.2816	0.2666	0.2666	0.2753	0.2783	0.2813	0.2813
Lincoln Airport Authority	0.0298	0.0171	0.0076	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Educational Service Unit #18	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150
Community Technical College	0.0200	0.0937	0.0937	0.0937	0.0907	0.0907	0.0752	0.0757	0.0598	0.0667
Lower Platte South Natural Res. Dist.	0.0225	0.0260	0.0300	0.0309	0.0312	0.0321	0.0335	0.0345	0.0358	0.0361
Lancaster County Correctional JPA City	0.0069	0.0074	0.0086	0.0093	0.0110	0.0141	0.0153	0.0156	0.0168	0.0172
Lancaster County Correctional JPA County	0.0047	0.0059	0.0068	0.0070	0.0075	0.0079	0.0085	0.0088	0.0094	0.0096
Railroad Transportation Safety Dist.	0.0195	0.0222	0.0147	0.0147	0.0222	0.0222	0.0190	0.0160	0.0130	0.0130
Agricultural Society of Lancaster County	0.0041	0.0013	0.0014	0.0014	0.0014	0.0014	0.0015	0.0015	0.0015	0.0015
Lancaster County Fairgrounds	0.0016	0.0020	0.0024	0.0025	0.0028	0.0028	0.0030	0.0031	0.0033	0.0034
Public Building Commission	0.0155	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170
	<u>1.7664</u>	<u>1.9885</u>	<u>2.0206</u>	<u>2.0151</u>	<u>2.0060</u>	<u>2.0252</u>	<u>2.0367</u>	<u>2.0280</u>	<u>2.0159</u>	<u>2.0207</u>

¹The assessment rate is 100% of market and the levy is expressed as the tax per \$100 of estimated market value.

DEBT MANAGEMENT
OUTSTANDING INDEBTEDNESS AS OF AUGUST 31, 2024

Long-term debt is comprised of the following individual issues (in thousands of dollars)

Original Amount	Issued	Issue	Interest Rate	When Due	Date Callable	Interest Date	Outstanding
Governmental Activities:							
General Obligation Bonds:							
General Bonds:							
\$	6,385	03/20/13	Stormwater Bonds	2.000 - 4.000	Serial 2014 to 2029	2023	Semiannually \$ 2,660
	1,515	03/20/13	Stormwater Bonds	3.125	Term 2032	2023	" 1,515
	5,720	04/15/15	Stormwater Refunding Bonds	1.000 - 5.000	Serial 2016 to 2025	---	" 640
	6,300	06/28/16	Stormwater Bonds	2.000 - 3.000	Serial 2017 to 2036	2026	" 4,330
	4,345	09/20/17	Stormwater Refunding Bonds	2.000 - 5.000	Serial 2018 to 2027	---	" 1,545
	9,900	08/08/19	Stormwater Bonds	2.750 - 5.000	Serial 2020 to 2039	2029	" 8,560
	4,140	08/20/20	Stormwater Refunding Bonds	5.00	Serial 2021 to 2030	---	" 2,725
			Total General Bonds				\$ 21,975
Tax Allocation Bonds:							
\$	103	04/15/13	Tax Allocation Bonds	2.370	Serial 2013 to 2025	Anytime	Semiannually \$ 11
	140	07/01/16	Tax Allocation Bonds	2.200	Serial 2016 to 2028	Anytime	" 55
	128	03/15/19	Tax Allocation Bonds	3.090	Serial 2020 to 2034	Anytime	" 95
	180	10/15/20	Tax Allocation Bonds	1.240	Serial 2022 to 2035	Anytime	" 148
	120	12/01/20	Tax Allocation Bonds	1.420	Serial 2021 to 2034	Anytime	" 90
	222	01/01/21	Tax Allocation Bonds	1.450	Serial 2021 to 2034	Anytime	" 166
	192	01/01/21	Tax Allocation Bonds	1.450	Serial 2022 to 2035	Anytime	" 185
	52	06/01/21	Tax Allocation Bonds	2.060	Serial 2022 to 2035	Anytime	" 44
	240	02/01/23	Tax Allocation Bonds	4.020	Serial 2025 to 2039	Anytime	" 240
	308	03/01/23	Tax Allocation Bonds	4.360	Serial 2025 to 2044	Anytime	" 308
	385	12/01/23	Tax Allocation Bonds	4.890	Serial 2025 to 2045	Anytime	" 385
			Total Tax Allocation Bonds				\$ 1,727
Tax Supported Bonds:							
\$	14,735	12/15/16	Highway Allocation Fund Refunding	2.000 - 5.000	Serial 2018 to 2027	2026	Semiannually \$ 5,025
	21,765	08/20/20	Limited Tax Arena Refunding Bonds	2.00 - 3.000	Serial 2021 to 2037	2030	" 17,225
	15,260	05/15/21	Highway Allocation Fund Bonds	2.000 - 5.000	Serial 2022 to 2037	2029	" 12,600
	11,550	10/19/22	Highway Allocation Fund Bonds	4.000 - 5.000	Serial 2023 to 2042	2030	" 11,210
			Total Tax Supported Bonds				\$ 46,060
Special Assessment Bonds:							
\$	825	08/18/11	Special Assessment	0.400 - 3.700	Serial 2012 to 2026	2016	Semiannually \$ 130
	375	08/18/11	Special Assessment	4.200	Term 2031	2016	" 375
	3,000	11/23/11	Special Assessment	2.000 - 3.500	Serial 2012 to 2031	2021	" 1,245
			Total Special Assessment Bonds				\$ 1,750
Municipal Improvement Bonds:							
\$	8,360	10/26/2022	Municipal Improvement Bonds	3.270 - 4.250	Serial 2023 to 2028	2030	Semiannually \$ 7,970
	1,525	10/26/2022	Municipal Improvement Bonds	4.375	Term 2040	2030	" 1,525
	1,665	10/26/2022	Municipal Improvement Bonds	4.500	Term 2042	2030	" 1,665
			Total Municipal Improvement Bonds				\$ 11,160
West Haymarket Joint Public Agency Bonds:							
\$	31,515	09/08/10	Facility Bonds Taxable Build America Bonds	3.500 - 4.450	Serial 2020 to 2030	Anytime	Semiannually \$ 21,315
	68,485	09/08/10	Facility Bonds Taxable Build America Bonds	4.750 / 5.000	Term 2035 & 2045	Anytime	" 68,485
	15,785	12/01/10	Facility Bonds Taxable Build America Bonds	4.000 - 5.000	Serial 2020 to 2025	Anytime	" 5,585
	52,180	12/01/10	Facility Bonds Taxable Build America Bonds	5.400 / 5.800 / 6.000	Term 2030 2035 2039	Anytime	" 52,180
	32,035	12/01/10	Recovery Zone Economic Development	6.750	Term 2045	Anytime	" 32,035
	20,850	12/04/13	Facility Bonds	2.000 - 5.000	Serial 2014 to 2038	2023	" 14,775
	7,325	12/04/13	Facility Bonds	4.500	Term 2043	2023	" 7,325
	88,270	11/21/19	Facility Refunding Bonds	2.375 - 3.050	Serial 2022 to 2040	2029	" 80,450
	11,730	11/21/19	Facility Refunding Bonds	3.250	Term 2042	2029	" 11,730
			Total West Haymarket Joint Public Agency Bonds				\$ 293,880
			TOTAL GENERAL OBLIGATION BONDS				\$ 376,552
Business-Type Activities:							
Revenue Bonds:							
\$	38,290	05/24/12	Wastewater Revenue Refunding	1.000 - 5.000	Serial 2013 to 2028	2023	Semiannually \$ 11,030
	12,220	04/09/15	Wastewater Revenue Refunding	1.000 - 4.000	Serial 2016 to 2030	2025	" 5,405
	13,235	09/13/17	Wastewater Revenue Refunding	2.000 - 5.000	Serial 2018 to 2032	2027	" 8,125
	20,120	07/24/19	Wastewater Revenue Bonds	2.000 - 5.000	Serial 2020 to 2040	2029	" 16,685
	2,760	07/24/19	Wastewater Revenue Bonds	3.00	Term 2042	2029	" 2,760
	2,925	07/24/19	Wastewater Revenue Bonds	3.00	Serial 2043 to 2044	2029	" 2,925
	27,640	10/12/22	Wastewater Revenue Bonds	3.020 - 4.300	Serial 2024 to 2043	2031	" 26,795
	4,320	10/12/22	Wastewater Revenue Bonds	4.125	Term 2045	2031	" 4,320
	4,685	10/12/22	Wastewater Revenue Bonds	4.250	Term 2047	2031	" 4,685
			Total Wastewater Bonds				\$ 82,730
\$	28,595	05/30/13	Water Revenue Refunding	1.000 - 5.000	Serial 2014 to 2025	2023	Semiannually 2,285
	10,170	08/20/19	Water Revenue Refunding	2.750 - 5.000	Serial 2020 to 2039	2029	" 7,620
			Total Water Bonds				\$ 9,905
\$	48,375	07/11/19	General Obligation Parking System and Refunding Bonds	2.300 - 3.000	Serial 2020 to 2035	2029	Semiannually \$ 27,980
				3.00	Term 2039	2029	" 6,655
			Total Parking Bonds				\$ 34,635
\$	8,340	02/26/13	Solid Waste Management Revenue and Refunding	0.250 - 4.000	Serial 2013 to 2029	2023	Semiannually \$ 2,010
	5,520	07/08/15	Solid Waste Management Revenue	2.000 - 5.000	Serial 2016 to 2035	2025	" 3,610
			Total Solid Waste Management Bonds				\$ 5,620
\$	75,525	06/20/13	Electric Revenue and Refunding Bonds	2.700 - 5.000	Serial 2021 to 2025	2023	Semiannually \$ 29,065
	127,630	03/11/15	Electric Revenue and Refunding Bonds	3.000 - 5.000	Serial 2019 to 2036	2025	" 30,690
	40,170	03/11/15	Electric Revenue and Refunding Bonds	4.000	Term 2040	2025	" 40,710
	116,645	09/01/16	Electric Revenue Refunding Bonds	3.000 - 5.000	Serial 2017 to 2034	2027	" 65,960
	121,205	07/01/18	Electric Revenue Bonds	3.000 - 5.000	Serial 2025 to 2034	2027	" 121,205
	72,200	01/30/20	Electric Revenue Bonds	5.00	Serial 2025 to 2033	2027	" 72,200
	185,150	09/23/20	Electric Revenue Refunding Bonds	.400 - 2.100	Serial 2023 to 2037	2027	" 171,625
			Total Electric Bonds				\$ 531,455
			TOTAL REVENUE BONDS				\$ 664,345

The annual requirements to pay principal and interest on all outstanding debt are as follows (in thousands of dollars):

Fiscal Year Ended August 31	Governmental Activities					
	General Obligation Bonds		Note from Direct Borrowing		COPs	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 17,697	16,008	266	32	4,885	872
2026	17,532	15,325	275	27	4,910	678
2027	18,034	14,599	247	23	3,563	481
2028	16,212	13,851	149	20	2,720	354
2029	16,739	13,200	152	17	1,813	257
2030-2034	87,959	55,920	727	36	4,500	503
2035-2039	91,389	37,853	-	-	1,475	88
2040-2044	87,945	17,314	-	-	234	8
2045-2049	23,045	1,365	-	-	-	-
2047 - 2051	-	-	-	-	-	-
2028 - 2032	-	-	-	-	-	-
Total	\$ 376,552	185,435	1,816	155	24,100	3,241

Fiscal Year Ended August 31	Business-Type Activities					
	Revenue Bonds		Loans/Note from Direct Borrowing		COPs	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 50,630	23,144	2,214	434	120	47
2026	46,675	22,004	2,265	390	125	41
2027	48,915	20,686	2,310	345	135	35
2028	50,520	18,511	2,184	300	140	28
2029	49,895	16,536	2,231	253	145	22
2030-2034	254,800	55,430	9,861	554	315	21
2035-2039	111,550	19,200	-	-	-	-
2040-2044	44,470	4,983	-	-	-	-
2045-2049	6,890	591	-	-	-	-
2047 - 2051	-	-	-	-	-	-
Total	\$ 664,345	181,085	21,065	2,276	980	194

Fiscal Year Ended August 31	Major Enterprise Funds					
	Wastewater System		Water System		Electric System	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 7,460	3,522	3,620	583	37,800	18,385
2026	7,757	3,232	1,381	446	35,740	17,730
2027	8,044	2,935	1,439	396	37,580	16,807
2028	7,793	2,612	1,496	346	39,325	15,063
2029	5,457	2,355	1,554	293	40,915	13,458
2030-2034	20,875	9,258	8,612	693	223,480	43,887
2035-2039	14,005	6,105	-	-	88,945	12,330
2040-2044	16,800	3,312	-	-	27,670	1,670
2045-2049	6,890	591	-	-	-	-
2047 - 2051	-	-	-	-	-	-
Total	\$ 95,081	33,922	18,102	2,757	531,455	139,330

The City issues general obligation, special assessment, and revenue bonds to finance the acquisition and construction of major capital assets. Bonded indebtedness has also been entered into to advance refund several general obligation and revenue bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the government. Special assessment bonds are repaid from amounts levied against affected property owners, but in the unlikely event collections are not sufficient to make debt payments, the responsibility rests with the City to meet that obligation. For revenue bonds the government pledges income derived from the acquired or constructed assets to pay the debt service.

Net position of \$4,380,757, \$2,863,887, \$1,364,479 and \$754,545 is currently available in the debt service funds to service the Tax Allocation Bonds, General Obligation Bonds, Tax Supported Bonds, and Special Assessment Bonds, respectively. Revenue Bonds are funded partially from reserve accounts set up for debt repayment and partially from proceeds of daily operations.

The City has entered into financed purchase agreements for financing the acquisition of land, buildings, streetlights, entry corridor improvements, sidewalks, dump trucks, street sweepers, motor grader, emergency vehicles and equipment, golf equipment and computer equipment and software. These financed purchase agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Assets acquired through capital leases are as follows:

	Governmental Activities	Business-Type Activities
Land	\$ 1,780,066	\$ 199,546
Buildings	29,141,504	1,502,602
Improvements	5,070,465	-
Infrastructure	41,260,921	-
Machinery and Equipment	13,748,376	2,531,221
Construction In Progress	461,516	-
Less Accumulated Depreciation, (where applicable)	<u>(37,688,144)</u>	<u>(2,805,667)</u>
Total	<u>\$ 53,774,704</u>	<u>\$ 1,427,702</u>

Under the City’s Home Rule Charter, there is no legal debt limit. The various bond indentures contain significant limitations and restrictions on annual debt service requirements, minimum amounts to be maintained in various bond reserve funds, and minimum revenue bond coverage.

The general obligation debt of all local governmental units which provide services within the City’s boundaries and which debt must be borne by properties in the City (commonly called overlapping debt) as of August 31, 2024, is summarized below (unaudited):

<u>Governmental Units</u>	Debt Outstanding	Estimated Percentage Applicable	Direct And Overlapping Debt To The City
Direct:			
City	\$ 414,021,000	100.0 %	\$ 414,021,000
Overlapping:			
School District #1	498,335,000	99.5	495,843,000
Public Building Commission	16,850,000	85.4	14,390,000
Lancaster County Correctional Facility	18,765,000	85.4	16,025,000
Lancaster County Fairgrounds	5,320,000	85.4	4,543,000
	<u>539,270,000</u>		<u>530,801,000</u>
Total	<u>\$ 953,291,000</u>		<u>\$ 944,822,000</u>

The City has no direct liability for the School District, Public Building Commission, Lancaster County Fairgrounds or Lancaster County Correctional Facility debt summarized above. This results in a per capita direct City debt of \$1,414.84; a per capita direct and overlapping debt of \$3,257.70; a ratio of direct City debt to 2024 actual valuation of 1.21 percent; and a ratio of direct and overlapping debt to 2024 actual valuation of 2.79 percent.

In addition to the governmental units listed above, the Airport Authority of the City of Lincoln, Nebraska (the “Airport Authority”), a body politic and corporate separate and distinct from the City of Lincoln, provides services within the City’s boundaries and has overlapping general obligation indebtedness. As of June 30, 2024, the Airport Authority had outstanding \$74,055,000 in aggregate principal amount of its general obligation airport bonds. The bonds are secured by a pledge of all revenues and income derived by the Airport Authority directly or indirectly from the ownership, use and operations of the Airport. The Airport Authority is authorized to levy a property tax, at a rate not to exceed three and five-tenths cents (\$.035) on each \$100 of taxable valuation, on all the taxable property in the City. The Airport Authority has a property tax levy rate of \$0.029836 cents per hundred dollars valuation for 2024.

Debt Payment Record

The City of Lincoln has never defaulted on its obligation to pay principal or interest on its indebtedness.

Contingencies

The City is a defendant in a number of lawsuits in its normal course of operations and management is of the opinion that ultimate settlement of such lawsuits will not have a materially adverse effect on the financial statements.

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES
LAST TEN FISCAL YEARS**

Fiscal Year			Total Debt Service	Total General Governmental ¹ Expenditures	Debt Service To Total General Expenditures
	Principal	Interest ²			
2024	\$ 12,890,080	\$ 3,024,797	\$ 15,914,877	\$ 401,797,043	3.96%
2023	10,255,697	2,938,167	13,193,864	380,765,523	3.47%
2022	10,211,126	2,972,526	13,183,652	368,681,862	3.58%
2021	9,043,363	2,645,644	11,689,007	335,012,472	3.49%
2020	11,867,214	3,377,738	15,244,952	319,192,432	4.78%
2019	10,315,005	3,358,108	13,673,113	312,888,830	4.37%
2018	10,687,368	3,611,998	14,299,366	294,450,729	4.86%
2017	10,705,534	4,074,708	14,780,242	281,989,338	5.24%
2016	11,709,540	4,472,154	16,181,694	270,254,505	5.99%
2015	10,134,997	4,812,005	14,947,002	262,329,352	5.70%

¹ Includes: General, Special Revenue, and Debt Service Funds.

² Does not include fiscal and miscellaneous charges.

**SCHEDULE OF GENERAL OBLIGATION DEBT IN RELATION TO POPULATION, ASSESSED VALUATION,
AND REAL PROPERTY VALUATION
LAST TEN FISCAL YEAR**

Fiscal Year	General Obligation		Net General Obligation	Population ¹	Net G.O. Bonded Debt Per Capita	Assessed Valuation Real And Personal	Ratio of Net Debt To Assessed Valuation Real & Personal ²	Assessed Valuation Of Taxable Real Property ²	Ratio of Net Debt To Estimated Valuation Of Taxable Real Property
	Bonded Debt	Sinking Funds	Bonded Debt						
2024	\$ 82,672,000	\$ 9,357,000	\$ 73,315,000	294,757	\$ 248.73	\$ 34,150,789,463	0.21%	\$ 32,954,485,544	0.22%
2023	92,674,000	7,804,000	84,870,000	292,627	290.03	27,874,096,014	0.30%	26,741,588,453	0.32%
2022	79,209,000	6,520,000	72,689,000	292,657	248.38	27,860,581,228	0.26%	26,552,517,913	0.27%
2021	89,349,000	7,440,000	81,909,000	291,082	281.39	23,999,731,796	0.34%	22,926,890,868	0.36%
2020	82,296,000	6,680,000	75,616,000	289,102	261.55	23,267,163,467	0.32%	22,155,576,336	0.34%
2019	93,749,000	8,230,000	85,519,000	287,401	297.56	21,670,357,076	0.39%	20,632,741,929	0.41%
2018	93,973,000	9,261,000	84,712,000	284,736	297.51	20,516,934,853	0.41%	19,579,616,741	0.43%
2017	105,391,000	8,221,000	97,170,000	280,364	346.59	18,870,825,564	0.51%	18,017,244,843	0.54%
2016	116,036,000	8,328,000	107,708,000	277,348	388.35	18,457,318,752	0.58%	17,618,385,582	0.61%
2015	120,451,000	9,143,000	111,308,000	272,996	407.73	17,380,126,373	0.64%	16,602,382,002	0.67%

¹ Source: U.S. Bureau of the Census, population estimates.

² Assessed valuation is 100% of actual

**REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS**

	Gross Revenue	Direct Operating Expenses	Net Available Revenue	Debt Service Requirements			Coverage
				Principal	Interest	Total	
<u>Wastewater System</u>							
2024	\$ 47,318,514	20,141,467	27,177,047	7,173,001	3,800,889	10,973,890	2.48
2023	42,368,731	18,561,072	23,807,659	6,121,951	3,424,271	9,546,222	2.49
2022	39,432,749	18,130,744	21,302,005	5,916,442	2,591,888	8,508,330	2.50
2021	36,556,660	17,269,392	19,287,268	5,736,464	2,901,665	8,638,129	2.23
2020	34,202,886	17,049,907	17,152,979	5,667,004	2,860,124	8,527,128	2.01
2019	33,903,796	15,684,880	18,218,916	4,858,054	2,164,027	7,022,081	2.59
2018	32,381,312	14,863,221	17,518,091	4,599,602	2,361,501	6,961,103	2.52
2017	30,516,105	14,726,200	15,789,905	4,761,635	2,619,980	7,381,615	2.14
2016	29,026,442	14,019,061	15,007,381	4,562,314	2,847,529	7,409,843	2.03
2015	28,026,866	13,541,561	14,485,305	3,747,284	3,114,518	6,861,802	2.11
<u>Water System</u>							
2024	\$ 67,069,572	28,782,979	38,286,593	3,993,311	735,859	4,729,170	8.10
2023	61,721,651	28,215,819	33,505,832	3,862,307	857,212	4,719,519	7.10
2022	52,317,638	22,479,192	29,838,446	4,701,657	1,012,912	5,714,569	5.22
2021	50,654,404	21,046,449	29,607,955	4,866,353	1,284,289	6,150,642	4.81
2020	44,192,982	19,434,182	24,758,800	4,681,388	1,488,760	6,170,148	4.01
2019	41,761,560	18,186,821	23,574,739	4,636,755	1,763,603	6,400,358	3.68
2018	41,473,196	17,768,444	23,704,752	4,517,445	1,877,042	6,394,487	3.71
2017	38,494,901	17,893,434	20,601,467	4,408,451	2,021,708	6,430,159	3.20
2016	37,985,431	16,969,116	21,016,315	4,344,979	2,123,747	6,468,726	3.25
2015	34,481,875	16,955,058	17,526,817	4,290,300	2,116,262	6,406,562	2.74
<u>Parking Facilities</u>							
2024	\$ 14,451,088	8,460,889	5,990,199	3,055,000	984,819	4,039,819	1.48
2023	13,747,064	7,510,810	6,236,254	2,975,000	1,078,538	4,053,538	1.54
2022	12,371,262	6,593,739	5,777,523	2,880,000	1,164,936	4,044,936	1.43
2021	8,672,167	4,167,311	4,504,856	2,515,000	1,240,388	3,755,388	1.20
2020	13,401,784	5,042,333	8,359,451	2,315,000	1,433,544	3,748,544	2.23
2019	13,738,594	5,315,077	8,423,517	1,380,000	1,025,065	2,405,065	3.50
2018	12,691,925	5,152,321	7,539,604	1,345,000	1,066,890	2,411,890	3.13
2017	12,674,910	4,905,848	7,769,062	1,320,000	1,095,315	2,415,315	3.22
2016	10,697,157	4,575,662	6,121,495	1,290,000	1,130,215	2,420,215	2.53
2015	10,419,352	4,577,437	5,841,915	1,260,000	1,148,265	2,408,265	2.43
<u>Solid Waste Management</u>							
2024	\$ 18,173,372	11,886,493	6,286,879	620,000	203,687	823,687	7.63
2023	17,537,242	14,139,997	3,397,245	600,000	243,834	843,834	4.03
2022	15,400,420	11,707,107	3,693,313	575,000	269,284	844,284	4.37
2021	15,343,678	11,720,275	3,623,403	850,000	303,284	1,153,284	3.14
2020	14,237,210	10,871,529	3,365,681	830,000	327,084	1,157,084	2.91
2019	12,860,596	9,512,437	3,348,159	810,000	348,896	1,158,896	2.89
2018	12,863,464	9,083,674	3,779,790	810,000	366,796	1,176,796	3.21
2017	12,697,221	9,460,290	3,236,931	795,000	382,096	1,177,096	2.75
2016	12,371,412	7,896,480	4,474,932	775,000	396,521	1,171,521	3.82
2015	10,074,541	7,519,523	2,555,018	550,000	196,202	746,202	3.42

CITY OF LINCOLN, NEBRASKA
GENERAL FUND
SUMMARY CASH FLOW STATEMENT - CASH BASIS
FOR LAST TEN FISCAL YEARS

	<i>Fiscal Year</i>									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Cash & Investment Balance - September 1 of Year Indicated \$	127,653,430	105,302,663	82,176,145	45,270,259	42,032,717	44,336,245	40,447,532	38,315,059	36,190,807	32,471,866
Receipts:										
Property Tax	83,446,387	71,072,131	67,159,453	61,923,848	55,648,747	50,054,765	46,009,808	42,669,103	40,564,330	37,333,435
City Sales & Use Tax	101,915,837	104,821,993	99,344,559	88,723,756	80,343,337	78,563,436	76,812,830	75,259,945	71,621,717	68,861,600
Other Income	63,787,462	51,338,511	42,269,505	75,934,678	38,283,948	38,650,878	38,470,133	37,291,708	37,383,280	38,281,650
Total Receipts	249,149,686	227,232,635	208,773,517	226,582,282	174,276,032	167,269,079	161,292,771	155,220,756	149,569,327	144,476,685
Less Disbursements	218,157,556	204,881,868	185,646,999	189,676,396	171,038,490	169,572,607	157,404,058	153,088,283	147,445,075	140,757,744
Cash & Investment Balance - August 31 of Year Indicated \$	<u>158,645,560</u>	<u>127,653,430</u>	<u>105,302,663</u>	<u>82,176,145</u>	<u>45,270,259</u>	<u>42,032,717</u>	<u>44,336,245</u>	<u>40,447,532</u>	<u>38,315,059</u>	<u>36,190,807</u>

CITY OF LINCOLN, NEBRASKA
GENERAL BONDED INDEBTEDNESS AND DEBT SERVICE FUND
SUMMARY CASH FLOW STATEMENT - CASH BASIS
FOR LAST TEN FISCAL YEARS

	2024	2023	2022	Fiscal Year 2021	2020	2019	2018	2017	2016	2015
Cash Balance - September 1 of Year Indicated \$	2,912,578	3,027,951	3,207,562	2,980,788	3,289,948	3,892,886	3,663,200	3,361,571	3,572,272	3,561,702
Receipts:										
Property Tax	3,088,562	3,941,503	3,989,442	4,296,600	5,844,422	4,936,360	6,370,523	6,298,844	5,829,094	6,214,882
Interest Income	92,696	46,252	8,809	19,632	35,695	47,528	22,655	12,163	9,711	8,214
Bond Proceeds	-	-	-	-	5,186,389	-	5,016,382	-	-	6,092,475
Other Income	1,010	1,310	1,615	1,900	1,302,722	3,175	6,135	3,769	98,043	119,376
Total Receipts	<u>3,182,268</u>	<u>3,989,065</u>	<u>3,999,866</u>	<u>4,318,131</u>	<u>12,369,228</u>	<u>4,987,063</u>	<u>11,415,695</u>	<u>6,314,776</u>	<u>5,936,848</u>	<u>12,434,947</u>
Disbursements:										
Bonds Paid	2,520,000	3,110,000	3,015,000	2,925,000	6,150,000	4,490,000	4,775,000	4,590,000	4,730,000	4,355,000
Interest Paid	868,652	991,190	1,102,923	1,160,459	1,296,965	1,095,220	1,170,162	1,420,473	1,414,275	1,500,213
Transfer to Trustee	-	-	-	-	5,130,000	-	4,956,976	-	-	5,990,206
Other Disbursements	4,096	3,248	61,554	5,898	101,423	4,781	283,871	2,674	3,274	578,958
Total Disbursements	<u>3,392,748</u>	<u>4,104,438</u>	<u>4,179,477</u>	<u>4,091,357</u>	<u>12,678,388</u>	<u>5,590,001</u>	<u>11,186,009</u>	<u>6,013,147</u>	<u>6,147,549</u>	<u>12,424,377</u>
Cash Balance - August 31 of Year Indicated \$	<u>2,702,098</u>	<u>2,912,578</u>	<u>3,027,951</u>	<u>3,207,562</u>	<u>2,980,788</u>	<u>3,289,948</u>	<u>3,892,886</u>	<u>3,663,200</u>	<u>3,361,571</u>	<u>3,572,272</u>

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Cash & Investment Balance - September 1 of Year Indicated	\$ 915,479	1,020,465	727,754	531,408	2,310,676	2,581,022	2,768,599	2,195,823	2,133,866	2,619,720
Receipts:										
Special Assessment Collections	1,341,695	1,298,999	1,615,868	1,463,701	1,293,247	1,438,699	1,429,730	1,497,442	1,420,191	1,394,764
Interest on Special Assessments	93,002	92,298	104,231	135,662	127,529	166,149	165,098	180,258	161,882	193,995
City's Share of Costs	1,916,003	1,215,291	831,337	1,189,072	1,849,950	2,074,213	1,039,944	1,422,840	1,509,919	901,883
Interest on Investments	40,713	20,486	7,536	10,365	38,939	50,283	34,326	21,763	18,537	19,392
Miscellaneous	-	-	-	-	-	-	-	301,716	188,457	82,000
Total Receipts	<u>3,391,413</u>	<u>2,627,074</u>	<u>2,558,972</u>	<u>2,798,800</u>	<u>3,309,665</u>	<u>3,729,344</u>	<u>2,669,098</u>	<u>3,424,019</u>	<u>3,298,986</u>	<u>2,592,034</u>
Disbursements:										
Construction Costs	1,440,932	1,231,869	1,148,784	1,131,419	1,653,095	1,610,160	1,500,618	1,294,057	1,829,379	1,880,449
Bonds Paid	215,000	210,000	205,000	195,000	190,000	190,000	180,000	180,000	175,000	175,000
Interest Paid on Bonds & Notes	67,623	74,100	80,340	86,163	91,725	95,773	99,448	102,923	106,123	109,122
Other Refunds & Expenses	<u>1,402,127</u>	<u>1,216,091</u>	<u>832,137</u>	<u>1,189,872</u>	<u>3,154,113</u>	<u>2,103,758</u>	<u>1,076,609</u>	<u>1,274,263</u>	<u>1,126,527</u>	<u>913,317</u>
Total Disbursements	<u>3,125,682</u>	<u>2,732,060</u>	<u>2,266,261</u>	<u>2,602,454</u>	<u>5,088,933</u>	<u>3,999,691</u>	<u>2,856,675</u>	<u>2,851,243</u>	<u>3,237,029</u>	<u>3,077,888</u>
Cash & Investment Balance - August 31 of Year Indicated	<u>\$ 1,181,210</u>	<u>915,479</u>	<u>1,020,465</u>	<u>727,754</u>	<u>531,408</u>	<u>2,310,676</u>	<u>2,581,022</u>	<u>2,768,599</u>	<u>2,195,823</u>	<u>2,133,866</u>

APPENDIX B

FINANCIAL STATEMENTS



LINCOLN

Annual Comprehensive Financial Report

City of Lincoln, Nebraska
Fiscal Year Ended August 31, 2024

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**OF THE
CITY OF LINCOLN, NEBRASKA**

FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

Prepared by:

The Accounting Division of the Finance Department

INTRODUCTORY SECTION

OFFICIALS OF THE CITY OF LINCOLN

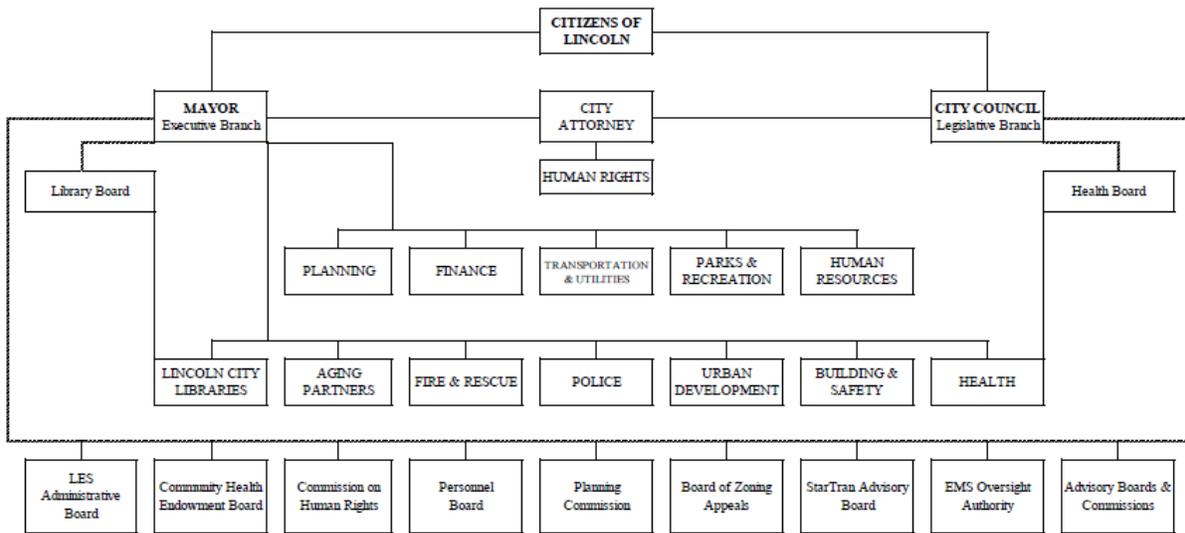
Leirion Gaylor BairdMayor
 S ndra WashingtonChair, City Council
 Justin Carlson.....Vice Chair, City Council
 James Michael Bowers.....Council Member
 Tom Duden.....Council Member
 Tom BeckiusCouncil Member
 Brodey Weber.....Council Member
 Bennie ShobeCouncil Member

* * * * *

Joe DondlingerFinance Director
 Randall JonesDirector of Aging Partners
 David CaryPlanning Director
 Maggie Stuckey-RossDirector of Parks and Recreation
 Emeka AnyanwuLincoln Electric System Chief Executive Officer
 Peter HindDirector of Urban Development
 Ryan Wieber.....Director of Libraries
 Elizabeth Elliott.....Director of Transportation & Utilities
 Chad Blahak.....Director of Building and Safety
 Kerry Kernen Health Director
 Barb McIntyreHuman Resources Director
 Yohance Christie.....City Attorney
 Michon Morrow Chief of Police
 David EnglerFire Chief

* * * * *

CITY OF LINCOLN ORGANIZATION CHART



**CITY OF LINCOLN, NEBRASKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED AUGUST 31, 2024
TABLE OF CONTENTS**

INTRODUCTORY SECTION

Page

Title Page	1
Officials of The City of Lincoln	1
City of Lincoln Organization Chart	2
Table of Contents	6
Letter of Transmittal from the Mayor	7
Letter of Transmittal from the Finance Director	16
Certificate of Achievement for Excellence in Financial Reporting.....	16

FINANCIAL SECTION

Independent Auditor’s Report.....	19
Management’s Discussion and Analysis.....	22
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position.....	35
Statement of Activities.....	36
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	37
Statement of Revenues, Expenditures, and Changes in Fund Balances	
– Governmental Funds	38
Reconciliation of the Statement of Revenues, Expenditures, and Changes in	
Fund Balances of Governmental Funds to the Statement of Activities	39
Statement of Revenues, Expenditures, and Changes in Fund Balances	
– Budget and Actual (Budget Basis) – General Fund.....	40
Statement of Revenues, Expenditures, and Changes in Fund Balances	
– Budget and Actual (Budget Basis) – Street Construction Fund.....	42
Statement of Revenues, Expenditures, and Changes in Fund Balances	
– Budget and Actual (Budget Basis) – Federal Grants Fund.....	43
Statement of Net Position – Proprietary Funds	45
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds.....	48
Statement of Cash Flows – Proprietary Funds	49
Statement of Fiduciary Net Position – Fiduciary Funds.....	51
Statement of Changes in Fiduciary Net Position – Fiduciary Fund.....	52
Notes to the Financial Statements:	<u>Note</u>
Summary of Significant Accounting Policies	1 55
Reconciliation of Government-wide and Fund Financial Statements	2 63
Restricted Assets	3 65
Deposits and Investments.....	4 66
Fund Balances.....	5 72
Receivables and Due From Other Governments	6 73
Capital Assets	7 74
Interfund Balances and Activity.....	8 77
Debt Obligations	9 78
Reconciliation of Budget Basis to GAAP	10 86
Deficit Net Position or Fund Balance.....	11 86
Excess of Expenditures Over Appropriations	12 86
Employees’ Retirement Plans	13 87
Other Postemployment Benefits (OPEB).....	14 96
Property Taxes	15 99
Risk Management	16 100
Commitments and Contingencies.....	17 101
Landfill Closure and Postclosure Care Costs	18 104
Segment Information.....	19 105
Pledged Revenues	20 106
Public Building Commission	21 107
Tax Abatements	22 108
Jointly Owned Facilities.....	23 108
Jointly Governed Organizations.....	24 109
Leases and Subscriptions	25 110
Subsequent Events	26 111

Required Supplementary Information:	
Schedule of Changes in the Police and Fire Pension (PFP) Net Pension Liability and Related Ratios	113
Schedule of Employer Contributions for the Police and Fire Pension	114
Schedule of Investment Returns for the Police and Fire Pension	114
Schedule of Changes in the Total OPEB Liability and Related Ratios	115

Combining and Individual Fund Statements and Schedules:

Governmental Funds:	
Combining Balance Sheet – General Fund	119
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – General Fund.....	120
Combining Balance Sheet – Nonmajor Governmental Funds	122
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	123
Combining Balance Sheet – Nonmajor Special Revenue Funds	127
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds	129
Combining Balance Sheet – Nonmajor Debt Service Funds	133
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Debt Service Funds	134
Combining Balance Sheet – Nonmajor Capital Projects Funds	137
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	138
Combining Balance Sheet – Nonmajor Permanent Funds	141
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Permanent Funds.....	142
Schedules of Revenues, Expenditures, and Changes in Fund Balances	
– Budget and Actual (Budget Basis):	
Athletic Field & Facilities Improvement Fund.....	144
Lincoln Area Agency on Aging Fund	145
911 Communication Fund.....	146
Unemployment Compensation Fund.....	147
Advance Acquisition Fund.....	148
Cable Access Television Fund	149
Lincoln City Libraries Fund.....	150
Lincoln/Lancaster County Health Fund	151
Social Security Fund	152
StarTran Fund	153
Keno Fund.....	154
Building & Safety Fund	155
Impact Fees Fund.....	156
Library Special Trust Fund	157
Lincoln Bike Share Fund	158
Vehicle Tax Residual Revenue Fund	159
Tax Allocation Projects Debt Service Fund	160
Bond Interest & Redemption Debt Service Fund	161
Tax Supported Bonds Debt Service Fund	162
Special Assessment Debt Service Fund	163
Community Health Permanent Endowment Fund.....	164
Proprietary Funds:	
Combining Statement of Net Position – Nonmajor Enterprise Funds.....	167
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Nonmajor Enterprise Funds	170
Combining Statement of Cash Flows – Nonmajor Enterprise Funds	171
Combining Statement of Net Position – Internal Service Funds	175
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds.....	176
Combining Statement of Cash Flows – Internal Service Funds	177
Custodial Funds:	
Statement of Fiduciary Net Position – Custodial Funds.....	180
Statement of Changes in Fiduciary Net Position – Custodial Funds	181

STATISTICAL SECTION

	<u>Table</u>	<u>Page</u>
Net Position by Component	1	184
Changes in Net Position	2	185
Fund Balances of Governmental Funds	3	187
Changes in Fund Balances of Governmental Funds.....	4	188
Lincoln Electric System Megawatt-Hour Sales	5	189
Revenue from Electrical Sales by Customer Type.....	6	190
Total City Taxable Sales	7	191
Sales Tax Rates	8	192
Net Taxable Sales by Business Classification.....	9	193
Assessed Value and Actual Value of Taxable Property	10	194
Property Tax Rates.....	11	195
Principal Property Taxpayers.....	12	196
Property Tax Levies and Collections	13	197
Ratios of Outstanding Debt by Type.....	14	198
Ratios of General Bonded Debt Outstanding	15	199
Direct and Overlapping Governmental Activities Debt	16	200
Pledged Revenue Coverage	17	201
Demographic and Economic Statistics.....	18	202
Principal Employers.....	19	203
Full-Time Equivalent City Government Employees by Function.....	20	204
Operating Indicators by Function.....	21	205
Capital Asset Statistics by Function.....	22	206

SINGLE AUDIT SECTION

Schedule of Expenditures of Federal Awards	209
Notes to Schedule of Expenditures of Federal Awards.....	214
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> – Independent Auditor’s Report	215
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance – Independent Auditor’s Report.....	217
Schedule of Findings and Questioned Costs	220
Summary Schedule of Prior Audit Findings	222





February 26, 2025

Dear Honorable City Council members and residents of Lincoln:

City government - at its best - helps people coexist and reach their full human potential. The work we do is fundamental to freeing members of our community from worry about the basics of city living so that they can pursue opportunities that improve their lives and their families.

A significant responsibility of that work is ensuring both fiscal and operational accountability in our use of public resources. To that end, this letter serves as an introduction to the City of Lincoln's Annual Comprehensive Financial Report for the fiscal year ended August 31, 2024.

This report provides a complete and accurate picture of the City's financial status and fulfills our continuing disclosure responsibilities in accordance with governmental reporting standards. Our ability to manage the City's fiscal affairs and provide a full disclosure of the City's fiscal condition is exhibited by the unmodified audit opinion that follows.

I am proud to report that the 2023 report submitted to the Government Finance Officers Association was recognized with the prestigious Certificate of Achievement for Excellence in Financial Reporting for the 41st consecutive year. This award is a credit to the City and a well-deserved recognition for our dedicated public servants in the Finance Department.

I want to express my appreciation to our Finance Department employees for their continued commitment to ensure our public accounts are accurate and to personnel in all City departments for their cooperation in the preparation of this document. Their excellent work lays a strong foundation for us to achieve our vision of leading Lincoln toward a more successful, secure and shared future.

Sincerely,

Leirion Gaylor Baird
Mayor



February 26, 2025

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Lincoln:

Both the City Charter and State law require an annual audit of the City's funds and accounts be made by a recognized independent and qualified accountant covering all financial transactions, affairs, and financial condition of the City, with the audit report published within six months after the close of the fiscal year. Pursuant to this requirement, the Annual Comprehensive Financial Report of the City of Lincoln, Nebraska for the fiscal year ended August 31, 2024, is hereby submitted.

Responsibility for both the accuracy of the data found in this report, and the completeness and fairness of the presentation, including all disclosures, rests with management. In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss, theft, or misuse, and to ensure the reliability of financial records for preparing financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

To the best of management's knowledge and belief, the enclosed data are accurate in all material respects and reported in a manner designed to present fairly the financial position and financial activities of the City. All disclosures necessary to enable the reader to gain an understanding of the government's financial activities as specified by all currently effective statements of the Governmental Accounting Standards Board have been included.

A firm of licensed certified public accountants has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City are free from material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions that the City's financial statements for the fiscal year ended August 31, 2024, are fairly presented in accordance with GAAP.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found in the Financial Section immediately following the report of the independent auditors.

Profile of the City

The City of Lincoln, capital city of Nebraska, was originally incorporated on April 7, 1869. Lincoln is located in the southeastern corner of the state, is midway between Chicago and Denver. It occupies a land area of approximately 100 square miles, serves a population of approximately 295,000, and in its growth and development has annexed five other municipalities so that the City includes most of the urban area of Lancaster County. It enjoys a unique position in Nebraska as the center of the state's governmental and educational activities.

The City operates under a Home Rule Charter and has a Mayor-Council form of government with an elected full-time chief executive, the Mayor, and an elected legislative body, the Council, composed of seven members. Three Council members are elected at large and four by district on a nonpartisan basis for a term of four years. All legislative powers of the City are exclusively vested in the Council, as well as the power to adopt the budget, set the tax levy, and equalize taxes and assessments. The Mayor is responsible for the proper conduct of the affairs of the City, with the administration of City government performed under the direction of the Mayor through administrative departments.

The City of Lincoln provides a full range of services, including public safety (police and fire); the construction and maintenance of highways, streets, and other infrastructure; health; planning and zoning; golf courses, parks and recreation; urban development; mass transportation; ambulance transport; electric, water, and wastewater utilities; solid waste management; entertainment center; parking facilities; and general administrative services.

The City Council exercises budgetary and/or rate setting authority over the City Library and Lincoln Electric System (LES), neither of which are legally separate from the City and are thus included as part of the primary government. The Lincoln Water System, Lincoln Wastewater System, Emergency Medical Services, Solid Waste Management, Parking System, Golf Courses, Pinnacle Bank Arena, Broadband Enterprise, and Community Health Endowment are all part of administrative departments under the direction of the Mayor and are included as part of the primary government. The City is considered to be financially accountable for the West Haymarket Joint Public Agency and has included the Agency as part of the primary government as a blended component unit. Separately audited financial statements are available for LES, Lincoln Water System, Lincoln Wastewater System, Emergency Medical Services, Solid Waste Management, Parking System, Community Health Permanent Endowment Fund, Pinnacle Bank Arena, and West Haymarket Joint Public Agency.

The biennial budget serves as the basis for the City of Lincoln's financial planning and control. Following public hearings and not later than five days prior to the beginning of the biennium, the budget is legally adopted by resolution of the City Council. Appropriation controls are required at the department level, however, as a matter of policy and practice, appropriations generally are controlled at the next level of organization (division) or by fund within a department. The Mayor has the authority to transfer balances within a department as well as lower appropriations in any fund where actual revenues are less than appropriated in order to avoid incurring a budget deficit for the year. Appropriation transfers between departments may only be authorized by resolution of the City Council. The Council may not make any appropriations in tax supported funds in addition to those authorized in the biennial budget, except in the event of an emergency threatening serious loss of life, health, or property in the community, or for circumstances which could not reasonably have been anticipated at the time the budget was adopted.

Economic Condition and Outlook

Population growth is one of the best indicators of a community's economic well-being. As such, the Lincoln metropolitan area's population growth during the past several years reflects a community that is economically viable and is strongly positioned to meet future challenges.

The Lincoln metropolitan area population base (Lancaster County) continues to demonstrate a pattern of sustained growth. According to the U. S. Census figures, Lancaster County's rate of growth between 2020 and 2023 has been approximately 1.3% per year. The 2023 Census population of Lancaster County has been estimated to be in excess of 326,000 persons.

Lincoln has a healthy pace of expansions, growth, and a high quality of life. For example, Lincoln ranks the #3 Most Liveable State Capitals, the 4th Financial State of the Cities, and the 6th Best Run City in America.

Lincoln's unemployment rate at August 31, 2024, was 2.1%, well below the national average of 4.2%, with employment strongest in the categories of government, educational & health services, and retail trade. Lincoln's current value of construction permits is up 9% when compared to levels 5 years ago.

The City of Lincoln partners with the private sector to aggressively pursue economic opportunities that benefit our community as a whole. This collaboration is exemplified by the operation of the Lincoln Partnership for Economic Development – a joint agency created by the City and the Lincoln Chamber Economic Development Corporation. The 2022-24 budget added a position in the Mayor's Office to facilitate project approvals and identify areas of potential process improvement. Additionally, the position provides additional support in efforts to develop affordable housing in the community.

Net sales and use tax revenue decreased \$2,570,384 or 2.1% from the previous fiscal year, of which \$195,861 comes from the addition of a voter approved .25% tax increase, effective October 1, 2019, to fund street improvements and construction, known as Lincoln on the Move.

Long-Term Planning and Major Initiatives

Urban Development

The City anticipates approximately \$60 million of public expenditures funded through various urban development projects and programs over the next three years. These projects are varied in type and size and are located in the Downtown and Haymarket areas, the Antelope Valley project area, older commercial areas, and in low-to-moderate income neighborhoods throughout the City.

Public financing will be provided by a variety of sources, including Tax Increment Financing (TIF), Parking Revenues, Community Development Block Grants, HOME Investment Partnership Program, Emergency Solutions Grants, Lead Hazard Control, Healthy Homes Production, U.S. Treasury federal grants, Advanced Land Acquisition funds, Special Assessments, ARPA Revenue Replacement and QCT funds, and the General Fund. Funding is often combined with developer, grant, or other private sector funds.

The City's involvement will vary depending upon the project and could likely include property acquisition, relocation, and demolition; housing rehabilitation and development; commercial development; and construction of public improvements including parking, sidewalks, infrastructure and streetscapes.

Ongoing and anticipated future Economic Opportunity projects include:

- Parking Services Projects:
On-going projects that will continue:
 - 1) Repair and restoration issues in all parking garages will continue to be addressed. Center Park and Carriage Park will have some restoration completed the Summer-Fall of 2025. University Square, Market Place, Larson Garage to follow over the next few years.

- 2) Elevator modernization at University Square will be completed in 2025 and Carriage Park will be completed in 2026. Cornhusker, Market Place and Haymarket Square to follow over the next few years.
 - 3) New Parking and Revenue Control equipment will be installed March – July 2025.
 - 4) There will be a Downtown Parking Study completed in 2025 with the results in late 2025 – early 2026. Study items that are prioritized for the City will be implemented over the next few years.
 - 5) Parking Services is completing the Mobile License Plate Reader Unit on an enforcement vehicle to assist with enforcement in 2025.
 - 6) Two digital parking pilot programs removing all single meters with digital payments through signage and cell phones and/or kiosks in the area in summer of 2025.
- Downtown Redevelopment Projects:
 - 1) Pershing Redevelopment
 - 2) Terminal Building Redevelopment
 - 3) Sharp Building Redevelopment Phase I
 - 4) Cotswold Redevelopment
 - 5) Gold’s Building Phase I Redevelopment
 - 6) Central Hotel Redevelopment
 - 7) Campion Redevelopment
 - 8) 300 S. 16th Street Redevelopment
 - 9) Lincoln Bold Redevelopment
 - 10) North Haymarket Arts and Humanities, Phase III Redevelopment
 - 15) Central at South Haymarket
 - 16) League of Nebraska Municipalities Redevelopment
 - 17) South Haymarket Street, Streetscape, and Park Improvements
 - 18) West Haymarket Streetscape
 - 19) Downtown Corridors Phase I
 - 20) Dairy House Phase II Redevelopment
 - 21) Landmark II Redevelopment.
 - 22) Atrium Building Redevelopment
 - 23) 1030 O Street Redevelopment
- Antelope Valley Redevelopment Projects:
 - 1) Telegraph District Redevelopment
 - 2) Downtown Corridors Phase II
 - 3) Antelope Square Apartments
 - 4) Union at Antelope Valley Annex Group Affordable Housing
 - 5) Eighteen N Apartments
 - 6) Hepburn Square
 - 7) Near Net Zero Live-Work
 - 8) 2236 R
 - 9) 25th & Vine Apartments
 - 10) 23rd & Y Housing
 - 11) 26th & U Street
 - 12) Historic Hawley Rehabilitation Project
 - 13) Constellation Studios
- South of Downtown Redevelopment
 - 1) Residential Rental Rehabilitation Program
 - 2) Center Terrace (13th & D)
 - 3) B Street Improvements
- South Street Redevelopment
 - 1) Trabert Hall (Centerpointe)
- University Place Redevelopment:
 - 1) 48th and Madison
 - 2) 48th & Leighton Phase I

- College View Redevelopment:
 - 1) Pioneers Mixed Income Row House
- West O Street Redevelopment:
 - 1) West O Street Streetscape and bike trail including improvements at NW 48th & West O
- North 27th Street Redevelopment Project:
 - 1) 28th & Vine Container Housing
 - 2) 27th and Starr Housing
 - 3) Epworth Church
- Innovation Campus Redevelopment
- VA Victory Park Redevelopment
- Bishop Heights Redevelopment
- Van Dorn Redevelopment
 - 1) Pedestrian Crossing
- Coyote/Finke Redevelopment
- Revolution Wraps Redevelopment
- Gateway/Shops at Lincoln
- Outer Area Redevelopment
 - 1) Instinct
 - 2) Lincoln Logistics
 - 3) Foxtail Meadows
 - 4) Kinney Industries
 - 5) Central Lumber

Ongoing and anticipated Livable Neighborhood projects include:

- Housing rehabilitation programs for quality, affordable housing, and home ownership:
 - 1) Continuation of First-time Homebuyer and Owner-Occupied Housing Rehabilitation Loan programs and Lead-Based Paint Hazard Control grant program.
 - 2) Launch of new Healthy Homes Production grant program.
 - 3) Partner with other non-profit and for-profit housing organizations for affordable housing projects in low-to-moderate income neighborhoods.
 - 4) Continue RESCUE program for neglected/problem properties.
 - 5) Explore ways to continue the rental assistance program through LPAC after the termination of Emergency Rental Assistance (ERA2) funding at the end of FY 24-25.
 - 6) Coordinate with other City Departments to implement neighborhood improvement projects in focused geographic areas. Projects may include infrastructure, parks, trails and housing improvements, etc.
 - 7) Permanent Supportive Housing for Chronic Homeless, 24 units.
 - 8) In partnership with the Parks and Recreation Department, removal and replacement of ash trees on private property for qualifying low-to moderate income homeowners.
 - 9) Continuation of the Heat Pump Incentive program for low-moderate income households.

Ongoing and anticipated Administration projects include:

- Real estate major acquisition, negotiation, and relocation projects:

- 1) For effective transportation:
 - ✓ West A Street, Coddington to SW 40th Street, West Phase
 - ✓ 14th/Old Cheney/Warlick intersection, 2 projects
 - ✓ R Street, 50th to Cotner improvements
 - ✓ Adams, 36th to 49th Street rehab
 - ✓ 33rd and Cornhusker Hwy RTSD project
 - ✓ A Street, Calvert & 56th - multiple projects
 - ✓ 84th and Cornhusker
 - ✓ 1st & Cornhusker
 - ✓ Normal Blvd., 33rd to 70th
 - ✓ Interstate Improvements – Correctional Facility
 - ✓ LFR acquisitions/surplus
 - ✓ East Beltway preliminary acquisitions
 - ✓ StarTran MMTc and bus garage projects
 - ✓ Arterial/residential rehabs, executive order, traffic signals & bridge replacement

- 2) For environmental quality:
 - ✓ Park sites city wide, Prairie Corridor/Greenways, Wilderness Park, NW Community Park, Salt Creek wetland acquisitions, Haymarket Park, Rock Island, Beal Slough, Waterford Estates and West O trail project
 - ✓ Interstate Improvements – Correctional Facility, Water & Sewer
 - ✓ 112th & O Sewer, Salt Valley Sewer 14th & Saltillo, NW 48th Street, I80/Holdrege SS, Cooling pipeline N 56th/70th
 - ✓ Anerobic digester project, Theresa street sewer acquisitions & miscellaneous sanitary sewer upgrades
 - ✓ Ashland Water Main issues
 - ✓ Deadmans Run, miscellaneous storm water improvement projects.
 - ✓ Water 2.0: 98th Street water main, Holdrege to Alvo, Ashland Collector Wells & treatment plant acquisitions and easements, Lincoln 2nd Supply Source

- 3) Relocation activities:
 - ✓ Deadmans Run
 - ✓ 33rd & Cornhusker Transportation Project

West Haymarket Project

The West Haymarket Redevelopment Project is a multi-faceted endeavor to revitalize underutilized property that lies on the western edge of Lincoln’s downtown and Haymarket district. On May 11, 2010, the citizens of Lincoln voted to approve the issuance of arena bonds, which signaled approval for the project to proceed. The project involved the relocation and elimination of existing railroad tracks and completion of other site preparation activities, the construction of a 15,223 seat civic arena, a community ice center, private retail and office space, a new Amtrak Station, residential units, surface and decked parking, public gathering areas, street and utility improvements, landscaping, trails and walkways, pedestrian bridges, and environmental enhancements. The public portion of the project cost was approximately \$365 million. The arena opened and became fully operational in September 2013.

The West Haymarket Joint Public Agency (WHJPA) is the governmental agency responsible for oversight of the project, for issuing bonds, collecting revenue, and making bond payments over the course of the Project. Participants in the agency are the City and the Board of Regents of the University of Nebraska.

Beginning January 1, 2011, an occupation tax was imposed on car rental, hotel, restaurant and bar charges within the City of Lincoln. This revenue has been pledged to repayment of any outstanding WHJPA bonds.

Wastewater System

The Lincoln Wastewater System is projecting a capital improvements program in the amount of approximately \$192,288,000 over the 5-year period of fiscal year 2024-25 through fiscal year 2028-29. Funding for these projects will come from revenue bonds, impact fees and utility user fees. The majority of these dollars are needed for replacement and maintenance of existing infrastructure, new infrastructure to serve development in various basins throughout the City, and improvements to both the Theresa Street and Northeast treatment plants.

Water System

The Lincoln Water System is projecting a capital improvements program in the amount of approximately \$563,314,100 over the 5-year period of fiscal year 2024-25 through 2028-29. These projects will be financed through revenue bonds, impact fees, utility user fees, and grant funding. The major projects contributing to these total dollars include the installation of transmission lines, replacement mains, replacement and new wells, replacement of lead service lines, and additional storage reservoirs as well as a second source of water for the City of Lincoln.

Streets and Highways

The 2024-2029 Streets and Highways capital improvements program and Transportation improvement program identify average annual expenditures of \$35 million for the next six years. Funding for these projects includes \$154 million in City revenues, \$34 million in federal and state aid, and \$22 million in other funds.

Infrastructure Impact Fees

The City's growth in both population and employment have created demands for new residential and nonresidential development, which in turn creates the need for additional public facilities, including water and wastewater systems, arterial streets, and neighborhood parks and trails. The City's laws, taxes, fees, utility charges, and other forms of revenue generated from new development do not provide sufficient funds to finance these new facilities.

In response to these funding needs the City of Lincoln passed an ordinance to provide for the imposition of impact fees to ensure that facilities are available to serve new growth and that new development bears its proportionate share of the cost of improvements to the City's facilities. Impact fees for all types of new construction are set and adopted by the City Council.

Pension Costs

The City currently contributes \$2 for every \$1 contributed by employees that have been grandfathered into the original civilian retirement plan. In an effort to control this significant budget item, the City and the civilian unions, as well as non-union employees, agreed to change these plans to a \$1.29 to \$1 match for new employees hired after a union specific effective date. Newly hired Department Directors and Mayoral Aides receive a \$1 to \$1 match. The City was unable to legally change the match for current employees at the time the change was implemented.

Property Tax Collections

As of August 31, 2024, current tax collections by the County Treasurer were 97.65% of the tax levy, a decrease of less than 1% from last year. Allocations of property tax levy by purpose are as follows:

<u>City Tax Levy by Purpose</u>	<u>2023-2024</u>	<u>2022-2023</u>	<u>2021-2022</u>
General Fund	.22697	.22891	.22727
Library	.03002	.03518	.03529
Police and Fire Pension	.02923	.03472	.04038
General Obligation Debt	<u>.00911</u>	<u>.01412</u>	<u>.01499</u>
Total	<u>.29533</u>	<u>.31293</u>	<u>.31793</u>

Parking Facilities

The City of Lincoln operates the following parking garages:

<u>Facility</u>	<u>Number of Stalls</u>	<u>Date Opened</u>
Center Park	1,057	November, 1978
Cornhusker Square	390	December, 1983
University Square	432	April, 1990
Que Place	810	October, 1994
Carriage Park	701	February, 1995
Market Place	385	August, 2000
Haymarket	408	August, 2002
Larson Building	647	July, 2012
Lumberworks	530	January, 2014
M Street	384	November, 2018
Eagle	301	March, 2019
Gold 4	700	October, 2022

The City’s parking garages have been built to promote downtown redevelopment efforts by working with the private sector in providing necessary parking to various businesses and residential properties in the downtown area.

Solid Waste Management

The City of Lincoln owns and operates a municipal solid waste landfill and a construction and demolition debris landfill that are subject to the U.S. Environmental Protection Agency rule *Solid Waste Disposal Facility Criteria*, which establishes closure and post closure care requirements. As of August 31, 2024, the City estimates that it will incur costs approximating \$47 million to adhere to such requirements (see Note 18 of Notes to the Financial Statements).

Water and Wastewater System

The City's Wastewater Utility System showed an increase in operating revenues and an decrease in operating income. Comparative data for the past two fiscal years is presented in the following table:

<u>Wastewater System</u>	<u>2023-2024</u>	<u>2022-2023</u>
Operating Revenues	\$42,410,790	41,397,882
Operating Income	10,867,977	12,312,516
Revenue Available For Debt Service	27,177,047	23,807,659
Debt Service	10,973,890	9,546,222
Debt Service Coverage Ratio	2.48	2.49

The City's Water Utility System showed a decrease in operating revenues and a decrease in operating income. Comparative data for the past two fiscal years is presented in the following table:

<u>Water System</u>	<u>2023-2024</u>	<u>2022-2023</u>
Operating Revenues	\$57,890,884	58,888,525
Operating Income	19,350,274	21,157,275
Revenue Available For Debt Service	38,286,593	33,505,832
Debt Service	4,729,170	4,719,519
Debt Service Coverage Ratio	8.10	7.10

Lincoln Electric System (LES)

The City owns and operates its own electric utility system that is managed by an administrative board. Actions of the board with regard to rates, budgets, and long-term financing are subject to final review and approval by the City Council. In accordance with Section 4.24.090 of the Lincoln Municipal Code, LES operates on a January 1 - December 31, fiscal year. Audited financial information as of and for LES' fiscal year ended December 31, 2023, is included in the City's August 31, 2024, financial statements.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lincoln, Nebraska, for its annual comprehensive financial report for the fiscal year ended August 31, 2023. This was the forty-first consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and will be submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to those employees of other City departments who assisted and contributed to its preparation. I would also like to thank the Mayor and members of the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and effective manner.

Respectfully submitted,



Joe Dondlinger
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Lincoln
Nebraska**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2023

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION

Independent Auditor's Report

The Honorable Mayor and City Council
City of Lincoln, Nebraska

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lincoln, Nebraska (the City), as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lincoln, Nebraska, as of August 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Street Construction, and Federal Grants Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City of Lincoln, Nebraska, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements, budgetary schedules, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements, budgetary schedules, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Forvis Mazars, LLP

Lincoln, Nebraska
February 26, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the City of Lincoln, Nebraska (the City) offers readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended August 31, 2024. Please consider this discussion in conjunction with the additional information provided in the Letter of Transmittal (beginning on page 7) and the transactions, events and conditions reflected in the City's financial statements (beginning on page 35).

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at August 31, 2024, by \$3,064,608,160 (net position). Of this amount, \$505,674,343 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$230,585,847. Of this amount, \$106,096,986, or 46%, was an increase in governmental activities and \$124,488,861, or 54%, related to business-type activities. Please refer to the fund descriptions preceding the various combining statements (beginning on page 116) for information regarding constraints imposed on the City in spending available funds.
- As of August 31, 2024, the City's governmental funds reported combined ending fund balances of \$551,196,487 an increase of \$53,422,988 in comparison with the prior year. Of this total fund balance, 26%, or \$141,393,953 is available for spending at the City's discretion (unassigned fund balance).
- As of August 31, 2024, unrestricted fund balance (the total of committed, assigned, and unassigned fund balance) for the General Fund was \$181,096,972, or 95% of total General fund expenditures. Following the implementation of GASB Statement No. 54, reference must be made to pages 118-120 of this report for an accurate comparison of the City's General funds based on the structure used for budgeting.
- The City's total bonded debt decreased by \$63,352,382 (6.09 %) during the current fiscal year. The current year activity included the following: the City issued \$385,240 in Tax Allocation Bonds.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and deferred outflows of resources, and the City's liabilities and deferred inflows of resources, with the net difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the year ended August 31, 2024. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all

or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general administrative services, public safety, streets and highways, health, planning and zoning, parks and recreation, libraries, aging services, job programs, urban development, mass transportation, engineering, self-insurance, and fleet management. The business-type activities of the City include water, wastewater and electric utilities; ambulance transport; solid waste management; golf courses; entertainment center; broadband facilities; and parking.

The government-wide financial statements can be found on pages 35-36 of this report.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains thirty-one individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund, the Street Construction fund, the West Haymarket JPA fund, and the Federal Grants fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts a biennial appropriated budget for its general fund and most other governmental funds. A budgetary comparison statement has been provided for the General, Street Construction, and Federal Grants major funds to demonstrate compliance with this budget. The West Haymarket JPA major fund is not required to adopt an annual budget, so a budgetary comparison has not been provided.

The basic governmental fund financial statements can be found on pages 37-44 of this report.

Proprietary funds – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its parking facilities and lots; golf courses; entertainment center; solid waste management; ambulance services; broadband system, and wastewater, water, and electric systems. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its data processing, engineering, insurance, fleet management, and municipal services center operations. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Wastewater and Electric Systems, all of which are considered to be major funds of the City. Data from the other enterprise funds are combined into a single, aggregated presentation. Internal service funds are also combined into a single, aggregated

presentation in the proprietary fund financial statements. Individual fund data for these funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 45-50 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 51-52 of this report.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 55-111 of this report.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City’s progress in funding its obligation to provide pension benefits to its police and fire employees, and to provide other postemployment benefits. Required supplementary information can be found on pages 113-115 of this report.

The combining statements referred to earlier are presented immediately following the required supplementary information on pensions and OPEB. Combining and individual fund statements and schedules can be found beginning on page 116 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$3,064,608,160 at August 31, 2024.

**City of Lincoln
Condensed Statements of Net Position
August 31, 2024* and 2023**

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and Other Assets	\$ 733,056,639	695,292,253	545,524,203	516,314,161	1,278,580,842	1,211,606,414
Capital Assets	1,442,458,521	1,420,450,696	1,974,917,078	1,908,667,510	3,417,375,599	3,329,118,206
Total Assets	2,175,515,160	2,115,742,949	2,520,441,281	2,424,981,671	4,695,956,441	4,540,724,620
Deferred Outflows of Resources	26,622,059	31,206,017	16,664,921	16,024,711	43,286,980	47,230,728
Long-Term Liabilities Outstanding	567,092,900	588,289,296	805,868,431	836,278,938	1,372,961,331	1,424,568,234
Other Liabilities	64,075,092	92,094,875	150,294,775	146,624,219	214,369,867	238,719,094
Total Liabilities	631,167,992	680,384,171	956,163,206	982,903,157	1,587,331,198	1,663,287,328
Deferred Inflows of Resources	24,422,385	26,114,939	62,881,678	64,530,768	87,304,063	90,645,707
Net Position:						
Net Investment in Capital Assets	1,034,156,868	1,006,682,574	1,212,363,535	1,099,894,307	2,246,520,403	2,106,576,881
Restricted	277,061,518	229,988,358	35,351,896	27,954,202	312,413,414	257,942,560
Unrestricted	235,328,456	203,778,924	270,345,887	265,723,948	505,674,343	469,502,872
Total Net Position	\$ 1,546,546,842	1,440,449,856	1,518,061,318	1,393,572,457	3,064,608,160	2,834,022,313

*During fiscal year 2024, LES implemented the provisions of GASB Statement No. 96, Subscription Based Information Technology Arrangements (SBITA). The condensed financial information for 2023 has not been adjusted for the impact of the implementation of the new standard for LES.

By far the largest portion of the City's net position (73%) reflects its investment in capital assets (e.g., land, buildings, improvements, utility plant, infrastructure, and machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (10%) represents resources that are subject to external restrictions on their use. The remaining balance of unrestricted net position (17%) may be used to meet the government's ongoing obligations to citizens and creditors.

At August 31, 2024, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

City of Lincoln
Condensed Statements of Activities
For the Years Ended August 31, 2024 and 2023**

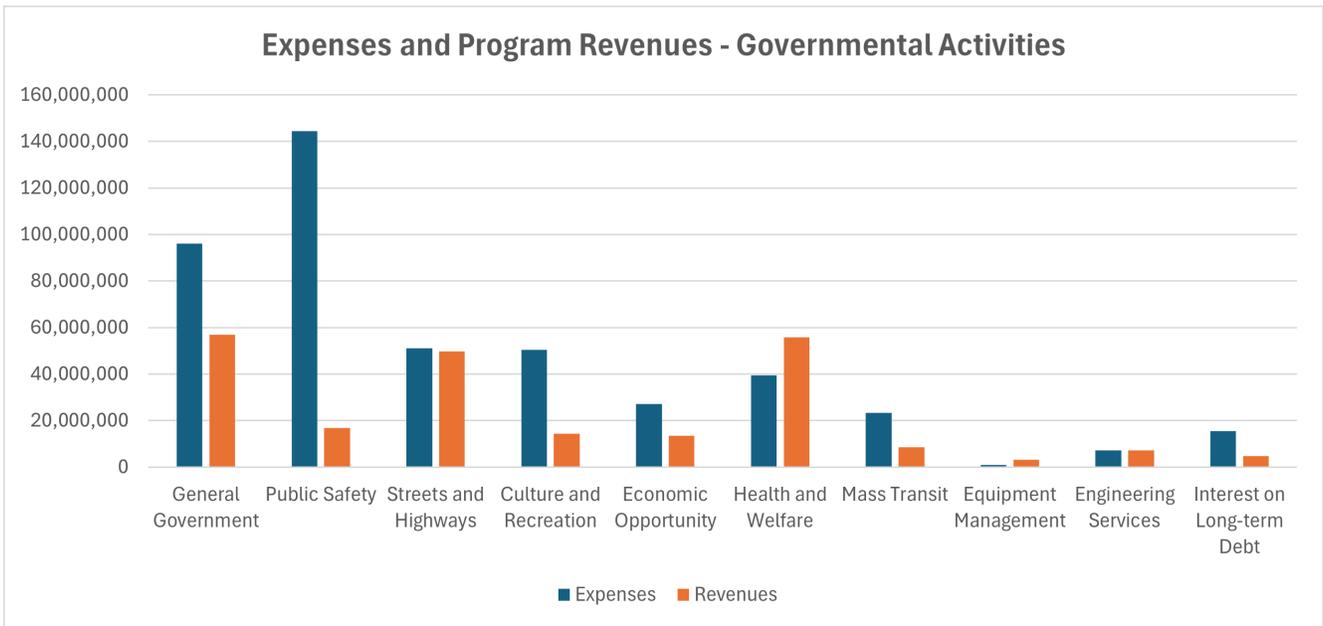
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for Services	\$ 96,250,810	88,147,107	487,451,560	517,086,688	583,702,370	605,233,795
Operating Grants and Contributions	123,445,439	108,152,182	2,139,156	2,099,741	125,584,595	110,251,923
Capital Grants and Contributions	11,199,694	22,309,320	36,498,059	14,439,996	47,697,753	36,749,316
General Revenues:						
Property Tax	106,664,440	92,516,589	-	-	106,664,440	92,516,589
Sales and Use Tax	120,165,635	122,736,019	-	-	120,165,635	122,736,019
Occupation Tax	30,051,413	29,841,524	5,992,413	5,715,780	36,043,826	35,557,304
Other Taxes	30,270,783	29,417,321	-	-	30,270,783	29,417,321
Unrestricted Grants and Contributions	31,926	30,170	-	-	31,926	30,170
Unrestricted Investment Earnings (Loss)	23,773,558	24,898,619	23,015,666	5,097,820	46,789,224	29,996,439
Other	2,162,600	4,474,836	22,458,145	1,558,315	24,620,745	6,033,151
Total Revenues	<u>544,016,298</u>	<u>522,523,687</u>	<u>577,554,999</u>	<u>545,998,340</u>	<u>1,121,571,297</u>	<u>1,068,522,027</u>
Expenses:						
General Government	96,074,091	87,469,415	-	-	96,074,091	87,469,415
Public Safety	144,514,723	133,864,552	-	-	144,514,723	133,864,552
Streets and Highways	51,107,102	69,761,860	-	-	51,107,102	69,761,860
Culture and Recreation	50,301,257	48,607,218	-	-	50,301,257	48,607,218
Economic Opportunity	27,201,218	25,519,922	-	-	27,201,218	25,519,922
Health and Welfare	39,345,040	38,174,446	-	-	39,345,040	38,174,446
Mass Transit	23,408,298	21,355,145	-	-	23,408,298	21,355,145
Equipment Management	833,572	2,480,241	-	-	833,572	2,480,241
Engineering Services	7,096,334	6,717,158	-	-	7,096,334	6,717,158
Interest on Long-Term Debt	15,457,325	16,330,688	-	-	15,457,325	16,330,688
Golf	-	-	5,492,500	5,201,449	5,492,500	5,201,449
Parking System	-	-	12,303,448	11,530,177	12,303,448	11,530,177
Municipal Arena	-	-	14,494,565	12,645,849	14,494,565	12,645,849
Solid Waste Management	-	-	15,919,408	16,261,556	15,919,408	16,261,556
Emergency Medical Services	-	-	11,452,030	9,558,747	11,452,030	9,558,747
Broadband Enterprise	-	-	2,739,867	4,323,255	2,739,867	4,323,255
Wastewater System	-	-	35,005,370	32,561,876	35,005,370	32,561,876
Water System	-	-	39,156,972	38,477,447	39,156,972	38,477,447
Electric System	-	-	299,749,000	311,561,000	299,749,000	311,561,000
Total Expenses	<u>455,338,960</u>	<u>450,280,645</u>	<u>436,313,160</u>	<u>442,121,356</u>	<u>891,652,120</u>	<u>892,402,001</u>
Increase in Net Position Before Transfers	88,677,338	72,243,042	141,241,839	103,876,984	229,919,177	176,120,026
Transfers	17,419,648	10,773,576	(16,752,978)	(9,985,896)	666,670	787,680
Increase in Net Position	106,096,986	83,016,618	124,488,861	93,891,088	230,585,847	176,907,706
Net Position - Beginning	1,440,449,856	1,357,433,238	1,393,572,457	1,299,681,369	2,834,022,313	2,657,114,607
Net Position - Ending	<u>\$ 1,546,546,842</u>	<u>1,440,449,856</u>	<u>1,518,061,318</u>	<u>1,393,572,457</u>	<u>3,064,608,160</u>	<u>2,834,022,313</u>

**During fiscal year 2024, LES implemented the provisions of GASB Statement No. 96, SBITAs. The condensed financial information for 2023 has not been adjusted for the impact of the implementation of the new standard for LES.

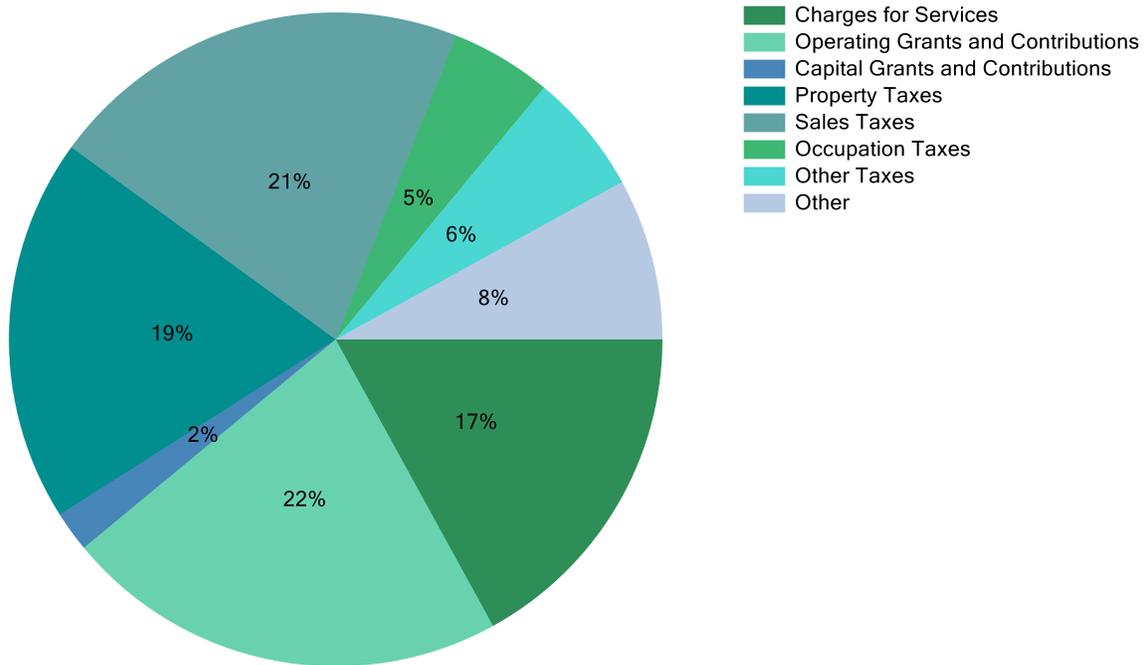
GOVERNMENTAL ACTIVITIES

Governmental activities increased the City’s net position by \$106,096,986, accounting for 46% of the total growth in the net position of the City of Lincoln. Key elements of this increase are as follows:

- Capital Grants and Contributions decreased approximately \$11.1 million (49.75%) in 2024 primarily approximately \$9.5 million was in Streets and Highways. This decrease was due to in prior year a large payment from the State of Nebraska for an old highway that did not happen this fiscal year as well as a decrease of approximately \$4 million in developer contributions.
- Property Tax increased \$14.1 million (15.2%) in 2024 mainly to do with increased construction and buildings and valuations.
- Unrestricted investment earnings decreased by approximately \$1.1 million during 2024 due to market value changes from interest rates. The investment portfolio yield as of 08/31/24 was 4.7717 and as of 08/31/23 was 4.6051.
- Total governmental expenses for Public Safety increased by approximately \$10.7 million during 2024. This increase in expense amount was mainly related to new contracts negotiated by Public Safety.



Revenues By Source - Governmental Activities

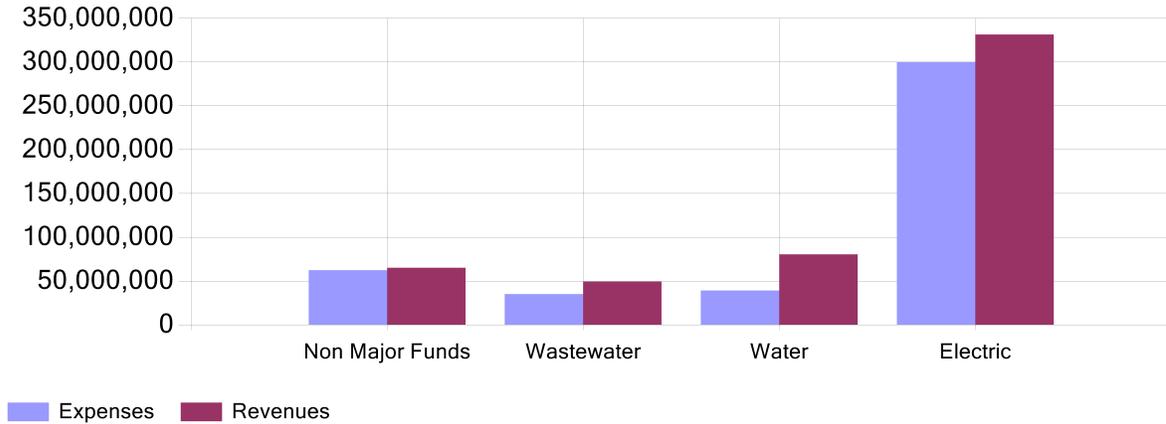


BUSINESS-TYPE ACTIVITIES

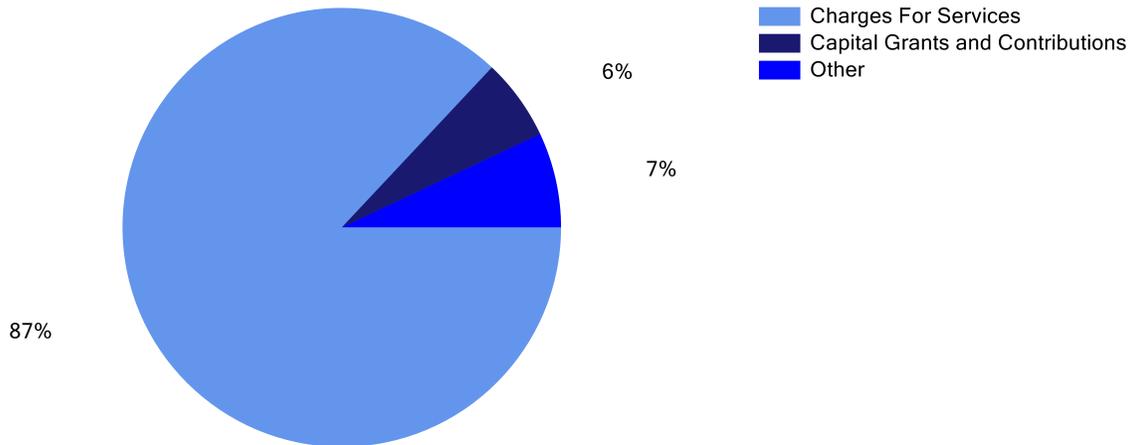
Business-type activities increased the City's net position by \$124,488,861, accounting for 54 % of the total growth in the government's net position. Key elements of this increase are as follows:

- Lincoln Electric System (LES) operating revenue in 2023 was down 3.1% from 2022. Retail revenue was 5.5% higher due to higher energy sales. Wholesale revenue was down 40.7% due primarily to lower local marginal prices in the SPP IM market and lower generation output. Operating expenses in 2023 was down 4.3% from 2022. Purchased power and produced power expenses were down 16.4% primarily due to lower market prices in the SPP IM, resulting in reduced purchased and produced energy costs. Depreciation and amortization expenses were up 3.1% primarily due to an increase in utility plan assets being depreciated. Administrative and general expenses were up 4.2%, primarily due to increased payroll related costs and increased Sustainable Energy Program incentives in 2023. Operations and maintenance expenses were up 42.8% due to higher transmission expenses due to the expiration of the SPP Balanced Portfolio credit.
- Lincoln Wastewater System reported an increase in Operating Revenues due to a November 1, 2023 rate increase.
- Lincoln Wastewater and Water Systems reported an increase in capital assets due to capital asset purchases exceeding the annual depreciation expense in 2024.
- Lincoln Wastewater and Water Systems reported a decrease in liabilities primarily due to debt service payments made during the year.
- Lincoln Water System reported current assets increased in part due to a growth in cash and investments and an increase in rates and due to an increase in amounts owed from other City Funds and other governments due to certain grant funding related to the American Rescue Plan Act funding.
- Lincoln Water System reported an increase in grant revenues due to the receipt of ARPA Grant funds for a future second Lincoln water source.

Expenses And Program Revenues - Business-type Activities



Revenues By Source - Business-type Activities



FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

GOVERNMENTAL FUNDS

The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary spending at the end of the fiscal year.

As of August 31, 2024, the City’s governmental funds reported combined ending fund balances of \$551,196,487, an increase of \$53,422,988 in comparison with the prior year. Of this total amount, 26% constitutes unassigned fund balance, which is available for spending at the City’s discretion. The remainder of fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is not in spendable form (\$3,138,532), legally required to be maintained intact (\$37,160,000), restricted for particular purposes (\$248,779,227), committed for particular purposes (\$301,526), or assigned for particular purposes (\$120,423,249).

The General Fund is the chief operating fund of the City. At August 31, 2024, the unrestricted fund balance of the General Fund was \$181,096,972, while total fund balance reached \$193,184,492. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total fund expenditures. Unrestricted fund balance represents 95% of total General Fund expenditures, while total fund balance represents 101% of that same amount.

The fund balance of the City's General Fund increased by \$23,381,954 during 2024.

Capital improvement project expenditures in the current year were less than appropriated. The remaining appropriations remain, and the expenditures will occur in future years. The City appropriates General Fund balance as a funding source for budget, with the allocation of balances spread over the two-year budget cycle.

The Street Construction Fund has a total fund balance of \$89,959,954, which is to be used in the construction and maintenance of streets and highways. The net increase in fund balance during 2024 in the Street Construction Fund was \$10,497,613, with total revenues showing a 6.71% decrease and capital construction expenses showing a 39.73% decrease.

The Federal Grants Fund has a total fund balance of \$20,811,056, which is to be used towards federal expenditures. The net decrease in fund balance during 2024 in the Federal Grants Fund was \$3,306,245.

The West Haymarket JPA Fund had a fund balance of \$49,594,951, which is to be used for funding improvements of the West Haymarket Redevelopment Project and debt service on the related debt. The current year change in fund balance is an increase of \$3,632,023. The fund balance is a result of the issuance of bonds in prior years, occupation tax and donation revenue, less the Agency's expenditures for construction, debt service and general operations.

PROPRIETARY FUNDS

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Wastewater System, Water System, LES, and other enterprise funds amounted to \$31,730,162, \$85,649,703, \$160,203,000 and \$(7,236,978), respectively, at August 31, 2024 (December 31, 2023 for LES). Factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget can be summarized as follows:

Revenue projections:

- \$7,009,105 increase to investment earnings.

Expenditure appropriations:

- \$1,224,833 decrease in general government miscellaneous activities.
- \$515,000 increase in public safety.
- \$747,312 decrease in streets and highways.

Variances between actual General Fund revenues and expenditures and the final amended budget include the following:

- \$6,323,459 positive variance in real estate and personal property tax. Estimated tax revenue is based on 90% collections as provided by the City Charter.

- \$2,306,877 positive variance in permits and fees. The gas company franchise fee revenue came in higher by \$2.1million than expected.
- \$8,122,554 positive variance in investment gain (loss). Projected investment earnings for 2024 exceeded projects and ended in a larger than expected gain due to the market throughout the fiscal year.
- \$18,246,202 positive variance in public safety expenditures. A portion is due to Police and Fire departments each receiving revenue from the State of Nebraska through the CARES Act in a prior year. The unspent CARES Act funds from prior years were carried over, and resulted in an increased budget for fiscal year 2023/2024. However, the funds were not fully expended in this fiscal year and will be carried over into next fiscal year.
- \$16,578,990 positive variance in miscellaneous general government expenditures. Significant savings were realized in several service line items that are reappropriated to cover future expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of August 31, 2024, amounts to \$3,417,375,599 (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings, improvements, machinery and equipment, streets, bridges, storm sewers, electric plant, water and sewer plant, lease assets, and software subscription assets. The total increase in the City's investment in capital assets for 2024 was 2.6% (1.5% increase for governmental activities and 3.3% increase for business-type activities).

Major capital asset events during 2024 included the following:

- The City increased its investment in infrastructure, including streets, bridges, drainage and traffic systems, in excess of \$51 million.
- The Health department is continuing construction of their renovation and upgrade which total costs in 2024 was approximately \$1.8 million.
- StarTran, the City's mass transit system has a new Fueling Station in construction in progress (CIP) that accounted for almost \$2.8 million in expenditures.
- The Fire department was continuing construction work on Station 8 as the end of the fiscal year it was still in construction in progress and will be placed in service in FY 24/25 as it will be open in February 2025.
- LES' share of capital improvements at Laramie River Station and Walter Scott Energy Center for 2023 were \$3,506,000 and \$1,415,000, respectively.
- LES costs for Underground Relocations in 2023 totaled \$3,742,000. This project relocates existing underground equipment in conflict with non-LES projects and converts existing overhead to underground.
- LES costs for Underground Residential Extensions and Development in 2023 totaled \$4,611,000. This project installs primary and secondary extensions to new homes, residential developments and apartment complexes.
- GASB Standard 96 changed the accounting for certain software subscription costs to be treated as capital expenses rather than operating expenses effective in 2023. LES implementation of the standard resulted in \$2,834,000 in new software costs being capitalized within the utility plant.
- Continued work on Tery Bundy Generating Stations' Units 3 and 4 resulted in \$2,958,000 in capital costs in 2023. Work on Unit 1 will begin in 2024 once the other two units are back in service. The project is for the repairs and upgrades of the three combustion turbines and is expected to be completed in early 2025 with an estimated cost of \$11,329,000.
- Significant work on the Walter A. Canney Service Center's HVAC and electrical systems took place in 2023 totaling \$2,137,000. The project is set to be completed in 2026, with the total project cost estimated at \$15,000,000.
- Lincoln Water System 2024 capital assets activity included annual selected water main replacements.

City Of Lincoln
Capital Assets (net of depreciation and amortization)
August 31, 2024 and 2023**

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 174,384,096	172,189,863	33,911,942	33,911,942	208,296,038	206,101,805
Buildings	291,234,071	297,900,141	145,406,022	147,867,119	436,640,093	445,767,260
Improvements Other Than Buildings	87,085,876	87,034,312	704,845,414	677,012,827	791,931,290	764,047,139
Machinery and Equipment	71,397,918	74,224,049	29,125,594	27,367,223	100,523,512	101,591,272
Utility Plant	-	-	905,406,000	903,933,000	905,406,000	903,933,000
Infrastructure	627,249,180	641,486,314	-	-	627,249,180	641,486,314
Construction-in-progress	188,033,132	145,570,758	151,173,685	114,871,224	339,206,817	260,441,982
Lease Assets	1,000,362	769,104	3,229,368	3,600,892	4,229,730	4,369,996
Software Subscriptions	2,073,886	1,276,155	1,819,053	855,282	3,892,939	2,131,437
Total	\$ 1,442,458,521	1,420,450,696	1,974,917,078	1,909,419,509	3,417,375,599	3,329,870,205

**LES implemented the provisions of GASB Statement No. 96, Subscription Based Information Technology Arrangements. The condensed financial information for 2023 has not been adjusted for the impact of LES's implementation of the new standard.

Additional information on the City's capital assets can be found in Note 7 of the notes to the financial statements on pages 74-77 of this report.

LONG-TERM DEBT

At August 31, 2024, the City of Lincoln had total bonded debt outstanding of \$1,040,896,776. Of this amount, \$376,551,776 comprises debt backed by the full faith and credit of the City. The remainder of the City's debt represents bonds secured by specified revenue sources (i.e., revenue bonds).

City Of Lincoln
Outstanding Bonded Debt
August 31, 2024 and 2023

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
General Obligation Bonds	\$ 376,551,776	396,534,158	-	-	376,551,776	396,534,158
Revenue Bonds	-	-	664,345,000	707,715,000	664,345,000	707,715,000
Total	\$ 376,551,776	396,534,158	664,345,000	707,715,000	1,040,896,776	1,104,249,158

- The City's total bonded debt decreased by \$63,352,382 (6.09%) during the current fiscal year.

The City maintains the following credit ratings:

	Moody's Investors <u>Service</u>	Standard & <u>Poor's</u>	Fitch Investors <u>Service</u>
General Obligation Bonds	Aaa	AAA	-
West Haymarket JPA Bonds	Aa1	AAA	-
Water Revenue Bonds	Aa1	AA+	-
Wastewater Revenue Bonds	Aa1	AA+	-
General Obligation Parking System Bonds	Aaa	AAA	-
Solid Waste Management Revenue Bonds	Aa2	AA+	-
Lincoln Electric System			
Revenue Bonds	-	AA	AA
Commercial Paper	-	A-1+	F1+

Under the City's Home Rule Charter, there is no legal debt limit.

Additional information on the City's long-term debt can be found in Note 9 of the notes to the financial statements on pages 78-85 of this report.

ECONOMIC FACTORS AND FUTURE BUDGETS AND RATES

- In August 2024, the Lincoln City Council approved a 5% revenue increase effective November 2024 for both Water and Wastewater Systems. This will be attained through increases in the usage rates and service charges.
- The approved Capital Improvement Program for Fiscal Year 2024/25 – 2029/2030 identifies the need for \$192,288,000 to fund capital improvements for Wastewater and \$563,314,100 for Water. A portion of that total is projected to be funded by revenue bonds. Future user fee increases will be necessary to make the needed improvements possible.
- In 2022, the Nebraska State Legislature approved \$20 million in American Rescue Plan Act funds for Lincoln to begin work securing a second source of reliable drinking water and followed up with another \$177.2 million appropriation in 2023. Enhancing the existing capacity will help the capital city and surrounding communities in the decades to come.
- Lincoln Water System plans to replace lead pipes in homes and other property with the help of a \$32.6 million dollar loan from the federal government through the Nebraska Department of Environment and Energy.
- The electric utility industry repeatedly has been faced with new and proposed environmental regulations. The increase in legislation has been a major issue facing LES and all electric utility providers. LES continues to work diligently with industry groups and government representatives to help shape legislation and to implement cost-effective means to comply with all regulations.
- Property tax revenue expected to fund the 2024-2025 budget increased \$11,128,594 from the prior year.
- The budgeted local sales tax rate is 1.5%, which supports the General Fund. Projected sales tax collections could be impacted by legislative changes and unanticipated changes in economic activity. Nebraska began collecting online sales tax in 2019 which has a positive impact on revenues.
- In addition to the 1.5% Sales Tax rate to support the General Fund, Lincoln voters approved a 0.25% sales tax rate increase in 2019 for six years to provide funding for street rehabilitation, reconstruction, and new construction of arterial streets in all quadrants of the City. This tax began on October 1, 2019, and is scheduled to end on October 1, 2025. There will be a vote in April of 2025 to extend the .25% sales tax rate increase to future years.
- The City negotiates with six different bargaining units. Two contracts will expire in August 2025, one will expire in August 2026, one will expire in August 2027, and two bargaining units that expired in August 2024 and are currently in negotiations with the City.
- Staffing changes included in the 2024-2025 fiscal year budget resulted in an increase for all funds of 43.05 full-time equivalents, Public Safety accounting for an increase of 19.04 of the 43.05 full-time equivalents.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Lincoln's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Lincoln, Finance Department, 555 South 10th Street, Lincoln, NE 68508. This report and other financial information are also available online at www.lincoln.ne.gov/city/departments/finance/accounting.



BASIC FINANCIAL STATEMENTS

CITY OF LINCOLN, NEBRASKA
STATEMENT OF NET POSITION
AUGUST 31, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 33,932,834	\$ 40,153,306	\$ 74,086,140
Investments	567,869,869	236,693,369	804,563,238
Receivables, (Net of Allowance for Uncollectibles)	59,737,624	97,493,478	157,231,102
Internal Balances	(22,073,747)	22,073,747	-
Due from Other Governments	46,640,026	4,536,065	51,176,091
Inventories	3,449,590	35,234,658	38,684,248
Plant Operation Assets	-	18,432,000	18,432,000
Prepaid Items	1,684,085	4,665,182	6,349,267
Other Assets	4,656,358	3,770,377	8,426,735
Restricted Assets:			
Cash and Cash Equivalents	-	8,905,166	8,905,166
Investments	37,160,000	71,664,765	108,824,765
Receivables	-	1,902,090	1,902,090
Capital Assets:			
Non-depreciable	362,417,228	185,085,627	547,502,855
Depreciable (Net)	1,076,967,045	1,784,783,030	2,861,750,075
Lease Assets:			
Lease Assets, Net	1,000,362	3,229,368	4,229,730
Subscriptions Assets:			
Subscription Assets, Net	2,073,886	1,819,053	3,892,939
Total Capital Assets, Net	<u>1,442,458,521</u>	<u>1,974,917,078</u>	<u>3,417,375,599</u>
Total Assets	<u>2,175,515,160</u>	<u>2,520,441,281</u>	<u>4,695,956,441</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Loss on Refunding	2,006,073	9,263,690	11,269,763
Deferred Outflows for Pension	21,092,360	1,769,250	22,861,610
Deferred Outflows for OPEB	3,523,626	441,981	3,965,607
Deferred Costs for Asset Retirement Obligations	-	5,190,000	5,190,000
Total Deferred Outflows of Resources	<u>26,622,059</u>	<u>16,664,921</u>	<u>43,286,980</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	28,336,499	34,066,000	62,402,499
Accrued Liabilities	9,113,369	37,590,627	46,703,996
Due to Other Governments	648,753	274,153	922,906
Unearned Revenue	21,966,605	5,574,260	27,540,865
Commercial Paper	-	65,500,000	65,500,000
Accrued Interest Payable	4,009,866	7,289,735	11,299,601
Noncurrent Liabilities:			
Payable within One Year	42,528,912	59,374,474	101,903,386
Payable in More Than One Year	524,563,988	746,493,957	1,271,057,945
Total Liabilities	<u>631,167,992</u>	<u>956,163,206</u>	<u>1,587,331,198</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Beneficial Interest Revenue	2,917,593	-	2,917,593
Deferred Gain on Refunding	422,227	-	422,227
Reductions of Future Billings	-	34,932,000	34,932,000
Deferred Inflows for Pension	528,957	203,783	732,740
Deferred Inflows for OPEB	9,889,252	1,240,439	11,129,691
Deferred Inflows for Leases	10,664,356	26,505,456	37,169,812
Total Deferred Inflows of Resources	<u>24,422,385</u>	<u>62,881,678</u>	<u>87,304,063</u>
NET POSITION			
Net Investment in Capital Assets	1,034,156,868	1,212,363,535	2,247,654,493
Restricted for:			
Debt Service	7,809,048	16,051,438	23,860,486
Capital Projects	144,222,305	16,355,458	160,577,763
Grantor Loan Programs	22,958,000	-	22,958,000
Other	24,239,619	2,945,000	26,050,529
Trust Donations:			
Expendable	3,037,675	-	3,037,675
Nonexpendable	160,000	-	160,000
Health Care:			
Expendable	37,634,871	-	37,634,871
Nonexpendable	37,000,000	-	37,000,000
Unrestricted	<u>235,328,456</u>	<u>270,345,887</u>	<u>505,674,343</u>
Total Net Position	<u>\$ 1,546,546,842</u>	<u>\$ 1,518,061,318</u>	<u>\$ 3,064,608,160</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, 2024

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General Government	\$ 96,074,091	\$ 52,549,740	\$ 3,414,325	\$ 991,819	\$ (39,118,207)	\$ -	\$ (39,118,207)
Public Safety	144,514,723	8,522,215	7,134,164	1,107,241	(127,751,103)	-	(127,751,103)
Streets and Highways	51,107,102	6,736,226	37,415,012	5,579,441	(1,376,423)	-	(1,376,423)
Culture and Recreation	50,301,257	8,043,732	4,983,806	1,372,005	(35,901,714)	-	(35,901,714)
Economic Opportunity	27,201,218	66,789	12,301,048	1,111,379	(13,722,002)	-	(13,722,002)
Health and Welfare	39,345,040	6,681,522	49,113,986	51,723	16,502,191	-	16,502,191
Mass Transit	23,408,298	2,902,204	5,638,615	-	(14,867,479)	-	(14,867,479)
Equipment Management	833,572	3,057,357	-	129,461	2,353,246	-	2,353,246
Engineering Services	7,096,334	7,212,238	-	20,375	136,279	-	136,279
Interest on Long-Term Debt	15,457,325	478,787	3,444,483	836,250	(10,697,805)	-	(10,697,805)
Total Governmental Activities	455,338,960	96,250,810	123,445,439	11,199,694	(224,443,017)	-	(224,443,017)
Business-Type Activities:							
Golf	5,492,500	6,935,873	111	861,293	-	2,304,777	2,304,777
Parking System	12,303,448	13,844,667	-	-	-	1,541,219	1,541,219
Municipal Arena	14,494,565	15,901,151	-	649,463	-	2,056,049	2,056,049
Solid Waste Management	15,919,408	11,166,477	355,600	196,870	-	(4,200,461)	(4,200,461)
Emergency Medical Services	11,452,030	11,550,272	-	-	-	98,242	98,242
Broadband Enterprise	2,739,867	92,393	55,499	3,464,001	-	872,026	872,026
Wastewater System	35,005,370	41,052,810	1,357,979	6,846,218	-	14,251,637	14,251,637
Water System	39,156,972	57,520,917	369,967	22,532,214	-	41,266,126	41,266,126
Electric System	299,749,000	329,387,000	-	1,948,000	-	31,586,000	31,586,000
Total Business-Type Activities	436,313,160	487,451,560	2,139,156	36,498,059	-	89,775,615	89,775,615
Total	\$ 891,652,120	\$ 583,702,370	\$ 125,584,595	\$ 47,697,753	(224,443,017)	89,775,615	(134,667,402)
General Revenues:							
Property Tax					106,664,440	-	106,664,440
Motor Vehicle Tax					7,515,298	-	7,515,298
Wheel Tax					20,322,961	-	20,322,961
Sales and Use Tax					120,165,635	-	120,165,635
Turnback Tax					2,364,718	-	2,364,718
Sundry and In Lieu Tax					67,806	-	67,806
Occupational Tax					30,051,413	5,992,413	36,043,826
Unrestricted Grants and Contributions					31,926	-	31,926
Unrestricted Investment Earnings					23,773,558	23,015,666	46,789,224
Miscellaneous General Revenues					1,820,590	22,413,555	24,234,145
Gain on Sale of Capital Assets					342,010	44,590	386,600
Transfers					17,419,648	(16,752,978)	666,670
Total General Revenues and Transfers					330,540,003	34,713,246	365,253,249
Change in Net Position					106,096,986	124,488,861	230,585,847
Net Position - Beginning					1,440,449,856	1,393,572,457	2,834,022,313
Net Position - Ending					\$ 1,546,546,842	\$ 1,518,061,318	\$ 3,064,608,160

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

CITY OF LINCOLN, NEBRASKA
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2024

	General Fund	Street Construction Fund	West Haymarket JPA Fund	Federal Grants Fund	Other Governmental Funds	Total
ASSETS						
Cash and Cash Equivalents	\$ 13,538,667	\$ 1,612,845	\$ 1,315,193	\$ 5,089,973	\$ 9,856,058	\$ 31,412,736
Investments	174,389,142	60,197,795	51,995,223	12,938,738	223,105,489	522,626,387
Receivables, (Net of Allowance for Uncollectibles)	22,071,631	965,012	4,374,727	24,858,103	5,226,319	57,495,792
Due from Other Funds	4,622,336	29,950,286	211,651	-	9,412,523	44,196,796
Due from Other Governments	20,128,778	7,010,276	710,135	11,761,873	6,180,731	45,791,793
Inventories	51,541	690,425	-	-	1,399,882	2,141,848
Beneficial Interest Asset	-	-	-	-	2,917,593	2,917,593
Assets Held for Resale	-	-	1,738,765	-	-	1,738,765
Prepaid Items	799,338	-	187,930	-	-	987,268
Total Assets	<u>\$ 235,601,433</u>	<u>\$ 100,426,639</u>	<u>\$ 60,533,624</u>	<u>\$ 54,648,687</u>	<u>\$ 258,098,595</u>	<u>\$ 709,308,978</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts Payable	4,601,423	6,790,563	929,634	4,340,840	5,198,552	21,861,012
Contracts Payable	-	1,256,681	-	84,778	688,115	2,029,574
Accrued Liabilities	5,204,253	377,169	183,000	596,543	1,846,433	8,207,398
Due to Other Funds	17,837,524	779,544	403,788	6,712,269	44,409,221	70,142,346
Due to Other Governments	196,019	-	294,521	11,170	146,953	648,663
Due to Other Contractors	-	-	-	-	2,538,447	2,538,447
Unearned Revenue	1,710,156	-	7,319,881	12,436,240	415,471	21,881,748
Total Liabilities	<u>29,549,375</u>	<u>9,203,957</u>	<u>9,130,824</u>	<u>24,181,840</u>	<u>55,243,192</u>	<u>127,309,188</u>
Deferred Inflows of Resources:						
Unavailable Revenues	4,274,327	1,262,728	1,099,167	9,655,791	2,284,945	18,576,958
Beneficial Interest Revenue	-	-	-	-	2,917,593	2,917,593
Deferred Inflow for Leases	8,593,239	-	708,682	-	6,831	9,308,752
Total Deferred Inflows of Resources	<u>12,867,566</u>	<u>1,262,728</u>	<u>1,807,849</u>	<u>9,655,791</u>	<u>5,209,369</u>	<u>30,803,303</u>
Fund Balances:						
Nonspendable	860,295	690,425	187,930	-	38,559,882	40,298,532
Restricted	11,227,225	89,065,149	3,404,408	22,958,000	122,124,445	248,779,227
Committed	-	-	-	-	301,526	301,526
Assigned	36,187,002	204,380	46,002,613	575,693	37,453,561	120,423,249
Unassigned	144,909,970	-	-	(2,722,637)	(793,380)	141,393,953
Total Fund Balances	<u>193,184,492</u>	<u>89,959,954</u>	<u>49,594,951</u>	<u>20,811,056</u>	<u>197,646,034</u>	<u>551,196,487</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 235,601,433</u>	<u>\$ 100,426,639</u>	<u>\$ 60,533,624</u>	<u>\$ 54,648,687</u>	<u>\$ 258,098,595</u>	<u>\$ 709,308,978</u>

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

Capital, lease, and subscription assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,404,494,903
Balances representing the net exchange of property in an asset bank are not financial resources and, therefore, not reported in the funds.	216,301
Revenues earned during the current period are not available for current period expenditures and, therefore, are recognized as unavailable revenue in the funds.	18,576,958
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.	99,192,883
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(527,130,690)</u>
Net position of governmental activities	<u>\$ 1,546,546,842</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, 2024

	General Fund	Street Construction Fund	West Haymarket JPA Fund	Federal Grants Fund	Other Governmental Funds	Total
REVENUES						
Taxes:						
Property	\$ 78,683,791	\$ -	\$ -	\$ -	\$ 26,882,258	\$ 105,566,049
Motor Vehicle	7,515,298	-	-	-	-	7,515,298
Wheel	-	-	-	-	20,322,961	20,322,961
Sales and Use	102,156,018	-	-	-	18,009,617	120,165,635
Turnback	-	-	-	-	2,364,718	2,364,718
Sundry and In Lieu	60,876	-	-	-	6,930	67,806
Occupation	6,001,857	-	22,344,364	-	1,705,848	30,052,069
Special Assessment	46,071	2,476	-	-	1,436,758	1,485,305
Intergovernmental	6,271,922	37,124,610	3,460,059	41,801,855	19,035,191	107,693,637
Permits and Fees	7,827,405	5,305,510	-	144,273	15,489,883	28,767,071
Reimbursement for Services	9,255,754	15,906	10,206,958	767,616	941,157	21,187,391
Investment Earnings	11,712,372	1,552,435	2,812,758	1,371,343	18,017,208	35,466,116
Donations	920,974	-	-	95,314	2,800,794	3,817,082
Keno Proceeds	-	-	-	-	7,122,437	7,122,437
Miscellaneous	1,450,592	1,204,635	-	645,631	1,580,898	4,881,756
Total Revenues	<u>231,902,930</u>	<u>45,205,572</u>	<u>38,824,139</u>	<u>44,826,032</u>	<u>135,716,658</u>	<u>496,475,331</u>
EXPENDITURES						
Current:						
General Government	54,255,034	-	10,575,516	7,281,095	13,860,180	85,971,825
Public Safety	104,167,952	-	-	5,919,914	9,173,240	119,261,106
Streets and Highways	6,619,734	27,051,206	-	-	95	33,671,035
Culture and Recreation	19,582,285	-	-	732,498	13,126,655	33,441,438
Economic Opportunity	18,620	-	-	16,867,698	-	16,886,318
Health and Welfare	4,382,512	-	-	17,357,858	19,575,821	41,316,191
Mass Transit	-	-	-	122,887	24,086,349	24,209,236
Bond Retirement	1,165,815	75,000	9,980,000	-	13,185,080	24,405,895
Leases and SBITA Retirement	160,193	-	-	25,100	578,139	763,432
Interest	807,286	34,950	13,438,548	-	3,214,997	17,495,781
Leases and SBITA Interest	45,553	-	-	208	2,605	48,366
Developer Purchased TIF Payments	-	-	-	-	3,956,574	3,956,574
Miscellaneous	1,183	61	2,720	-	365,882	369,846
Capital Outlay:						
General Government	-	-	2,395,332	-	10,947	2,406,279
Public Safety	-	1,932,332	-	-	6,659,767	8,592,099
Streets and Highways	-	36,042,754	-	-	1,080,472	37,123,226
Culture and Recreation	-	-	-	4,375	9,105,441	9,109,816
Economic Opportunity	-	-	-	-	5,435,484	5,435,484
Health & Welfare	-	-	-	-	290,367	290,367
Total Expenditures	<u>191,206,167</u>	<u>65,136,303</u>	<u>36,392,116</u>	<u>48,311,633</u>	<u>123,708,095</u>	<u>464,754,314</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>40,696,763</u>	<u>(19,930,731)</u>	<u>2,432,023</u>	<u>(3,485,601)</u>	<u>12,008,563</u>	<u>31,721,017</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	18,673,100	39,810,996	1,200,000	509,424	48,251,392	108,444,912
Transfers Out	(36,955,851)	(9,383,302)	-	(331,248)	(41,885,368)	(88,555,769)
Issuance of Debt	-	-	-	-	385,240	385,240
Leases	904,559	-	-	-	-	904,559
Sale of Capital Assets	63,383	650	-	1,180	457,816	523,029
Total Other Financing Sources (Uses)	<u>(17,314,809)</u>	<u>30,428,344</u>	<u>1,200,000</u>	<u>179,356</u>	<u>7,209,080</u>	<u>21,701,971</u>
Net Change in Fund Balances	<u>23,381,954</u>	<u>10,497,613</u>	<u>3,632,023</u>	<u>(3,306,245)</u>	<u>19,217,643</u>	<u>53,422,988</u>
Fund Balances - Beginning of Year	<u>169,802,538</u>	<u>79,462,341</u>	<u>45,962,928</u>	<u>24,117,301</u>	<u>178,428,391</u>	<u>497,773,499</u>
Fund Balances - Ending	<u>\$ 193,184,492</u>	<u>\$ 89,959,954</u>	<u>\$ 49,594,951</u>	<u>\$ 20,811,056</u>	<u>\$ 197,646,034</u>	<u>\$ 551,196,487</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, 2024

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

Net change in fund balances - total governmental funds	\$ 53,422,988
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 depreciation exceeded capital outlays in the current period.	21,481,416
The net effect of various transactions involving capital contributions is to increase net position.	1,967,949
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.	5,634,124
The issuance of long-term debt (e.g., bonds, COPs) 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.	25,667,333
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.	(2,756,681)
Changes in the net pension liability, deferred inflows and outflows related to the net pension liability, total OPEB liability, and deferred inflows and outflows related to the total OPEB liability do not represent financial activity in the governmental funds.	(4,778,899)
Internal service funds are used by management to charge the costs of certain services to individual funds. The net income of the internal service funds is reported within governmental activities.	<u>5,458,756</u>
Change in net position of governmental activities	<u>\$ 106,096,986</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, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Real Estate and Personal Property Tax	\$ 72,488,719	79,497,824	85,821,283	6,323,459
Taxes Collected by Others	101,000,000	101,000,000	101,915,837	915,837
Sundry Taxes and In Lieu	29,710	29,710	61,983	32,273
Occupation Taxes	5,181,580	5,181,580	5,987,918	806,338
Intergovernmental	3,176,946	3,180,724	3,313,732	133,008
Permits and Fees	4,700,399	4,620,399	6,927,276	2,306,877
Reimbursement for Services	4,710,762	4,710,762	5,223,491	512,729
Court Fees	-	80,000	106,170	26,170
Court Settlements	-	-	5,149	5,149
Recreation Receipts	2,582,817	2,582,817	2,296,976	(285,841)
Investment Earnings (Loss)	12,722,108	12,722,108	20,844,662	8,122,554
Donations	102,320	102,320	920,900	818,580
Client Contributions	-	-	55	55
Rental Income	583,151	583,151	790,755	207,604
Miscellaneous	604,191	604,191	887,355	283,164
Total Revenues	<u>207,882,703</u>	<u>214,895,586</u>	<u>235,103,542</u>	<u>20,207,956</u>
Expenditures:				
General Government:				
Legislative	661,969	661,969	269,078	392,891
Executive	2,831,020	2,799,566	2,450,275	349,291
Financial Administration	5,127,945	5,093,863	4,369,112	724,751
Law	3,947,362	3,947,362	3,522,476	424,886
Personnel Administration	3,317,469	3,317,469	2,972,663	344,806
Planning and Zoning	2,509,703	2,509,703	2,295,964	213,739
Urban Development	1,447,401	1,562,401	1,176,920	385,481
Miscellaneous	53,713,477	51,011,765	34,432,775	16,578,990
Total General Government	<u>73,556,346</u>	<u>70,904,098</u>	<u>51,489,263</u>	<u>19,414,835</u>
Public Safety:				
Police	62,054,903	62,054,903	54,300,114	7,754,789
Fire	51,331,565	51,846,565	41,355,152	10,491,413
Total Public Safety	<u>113,386,468</u>	<u>113,901,468</u>	<u>95,655,266</u>	<u>18,246,202</u>
Streets and Highways:				
Street Maintenance	4,203,217	3,455,905	2,664,187	791,718
Street Lighting	4,395,100	4,395,100	3,789,648	605,452
Total Streets and Highways	<u>8,598,317</u>	<u>7,851,005</u>	<u>6,453,835</u>	<u>1,397,170</u>
Culture and Recreation:				
Parks and Recreation	21,139,937	21,139,937	19,461,413	1,678,524
Libraries	179,761	179,761	179,761	-
Total Culture and Recreation	<u>21,319,698</u>	<u>21,319,698</u>	<u>19,641,174</u>	<u>1,678,524</u>
Economic Opportunity:				
Job Programs	18,327	18,327	18,327	-
Total Economic Opportunity	<u>18,327</u>	<u>18,327</u>	<u>18,327</u>	<u>-</u>
Health and Welfare:				
Health Services	197,591	197,591	197,591	-
Aging Assistance	141,030	141,030	141,030	-
Total Health and Welfare	<u>338,621</u>	<u>338,621</u>	<u>338,621</u>	<u>-</u>
Debt Service:				
Issuance and Management Costs	6,591,420	6,642,594	1,975,807	4,666,787
Total Expenditures	<u>223,809,197</u>	<u>220,975,811</u>	<u>175,572,293</u>	<u>45,403,518</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(15,926,494)</u>	<u>(6,080,225)</u>	<u>59,531,249</u>	<u>65,611,474</u>
Other Financing Sources (Uses):				
Transfers In	19,947,070	19,996,370	20,709,878	713,508
Transfers Out	(60,761,449)	(60,056,100)	(46,372,914)	13,683,186
Sale of Capital Assets	-	-	61,990	61,990
Total Other Financing Sources (Uses)	<u>(40,814,379)</u>	<u>(40,059,730)</u>	<u>(25,601,046)</u>	<u>14,458,684</u>
Net Change in Fund Balances	<u>\$ (56,740,873)</u>	<u>(46,139,955)</u>	<u>33,930,203</u>	<u>80,070,158</u>
Fund Balances - Beginning			127,175,169	
Fund Balances - Ending			<u>\$ 161,105,372</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, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Special Assessment	\$ -	-	1,743	1,743
Intergovernmental	28,377,750	28,377,750	36,247,490	7,869,740
Permits and Fees	48,500	48,500	44,548	(3,952)
Reimbursement for Services	800,000	800,000	16,081	(783,919)
Investment Earnings	500	500	21,642	21,142
Miscellaneous	131,000	131,000	26,958	(104,042)
Total Revenues	<u>29,357,750</u>	<u>29,357,750</u>	<u>36,358,462</u>	<u>7,000,712</u>
Expenditures -- Streets and Highways:				
Personal Services	13,311,441	13,311,441	12,306,249	1,005,192
Materials and Supplies	3,177,146	3,177,146	3,045,053	132,093
Other Services and Charges	19,882,317	19,882,317	11,888,426	7,993,891
Capital Outlay	333,121	333,121	203,157	129,964
Lease Principal	-	-	75,000	(75,000)
Interest	-	-	34,950	(34,950)
Fiscal Charges	-	-	61	(61)
Total Expenditures	<u>36,704,025</u>	<u>36,704,025</u>	<u>27,552,896</u>	<u>9,151,129</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,346,275)</u>	<u>(7,346,275)</u>	<u>8,805,566</u>	<u>16,151,841</u>
Other Financing Sources (Uses):				
Transfers In	39,810,996	39,810,996	39,810,996	-
Transfers Out	(9,369,398)	(9,369,398)	(9,369,398)	-
Sale of Capital Assets	10,000	10,000	650	(9,350)
Total Other Financing Sources (Uses)	<u>30,451,598</u>	<u>30,451,598</u>	<u>30,442,248</u>	<u>(9,350)</u>
Net Change in Fund Balances	<u>\$ 23,105,323</u>	<u>23,105,323</u>	39,247,814	<u>16,142,491</u>
Amount Budgeted on Project Basis			(38,011,236)	
Fund Balances - Beginning			<u>84,560,995</u>	
Fund Balances - Ending			<u>\$ 85,797,573</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, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 26,391,157	28,243,490	27,518,315	(725,175)
Permits and Fees	144,091	144,091	144,091	-
Reimbursement for Services	794,449	794,449	873,326	78,877
Program Income	1,030,122	1,030,122	1,251,981	221,859
Investment Earnings (Loss)	1,440,677	1,440,677	1,440,719	42
Donations	95,144	95,144	95,144	-
Private Sector Share of Project	-	-	80,502	80,502
Miscellaneous	711,961	711,961	631,458	(80,503)
Total Revenues	<u>30,607,601</u>	<u>32,459,934</u>	<u>32,035,536</u>	<u>(424,398)</u>
Expenditures:				
General Government:				
Personal Services	293,577	293,577	293,577	-
Materials and Supplies	2,078	2,078	2,078	-
Other Services and Charges	5,128,100	5,128,100	5,128,100	-
Total General Government	<u>5,423,755</u>	<u>5,423,755</u>	<u>5,423,755</u>	<u>-</u>
Public Safety:				
Personal Services	3,488,311	3,488,311	3,488,311	-
Materials and Supplies	249,962	249,962	249,962	-
Other Services and Charges	1,835,704	1,835,704	1,835,704	-
Capital Outlay	567,700	567,700	567,700	-
Total Public Safety	<u>6,141,677</u>	<u>6,141,677</u>	<u>6,141,677</u>	<u>-</u>
Culture and Recreation:				
Personal Services	322,979	322,979	322,979	-
Materials and Supplies	100,209	100,209	100,209	-
Other Services and Charges	237,112	237,112	237,112	-
Capital Outlay	127,478	127,478	127,478	-
Total Culture and Recreation	<u>787,778</u>	<u>787,778</u>	<u>787,778</u>	<u>-</u>
Economic Opportunity:				
Personal Services	1,717,977	1,796,206	1,585,429	210,777
Materials and Supplies	9,621	9,621	19,227	(9,606)
Other Services and Charges	6,027,522	6,488,588	6,090,538	398,050
Capital Outlay	125,000	728,037	187,907	540,130
Loans and Grants	11,916,961	12,626,962	13,213,501	(586,539)
Total Economic Opportunity	<u>19,797,081</u>	<u>21,649,414</u>	<u>21,096,602</u>	<u>552,812</u>

(Continued)

(Federal Grants Fund, Continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Health and Welfare:				
Personal Services	9,331,508	9,331,508	9,331,508	-
Materials and Supplies	692,239	692,239	692,239	-
Other Services and Charges	4,573,811	4,573,811	4,573,811	-
Capital Outlay	1,473,707	1,473,707	1,473,707	-
Loans and Grants	644,014	644,014	644,014	-
Total Health and Welfare	<u>16,715,279</u>	<u>16,715,279</u>	<u>16,715,279</u>	<u>-</u>
Mass Transit:				
Personal Services	107,646	107,646	107,646	-
Other Services and Charges	<u>13,619</u>	<u>13,619</u>	<u>13,619</u>	<u>-</u>
Total Mass Transit	<u>121,265</u>	<u>121,265</u>	<u>121,265</u>	<u>-</u>
Total Expenditures	<u>48,986,835</u>	<u>50,839,168</u>	<u>50,286,356</u>	<u>552,812</u>
Excess of Revenues Over Expenditures	<u>(18,379,234)</u>	<u>(18,379,234)</u>	<u>(18,250,820)</u>	<u>128,414</u>
Other Financing Sources (Uses):				
Transfers In	509,424	509,424	509,424	-
Transfers Out	(356,248)	(356,248)	(331,248)	25,000
Sale of Assets	<u>1,180</u>	<u>1,180</u>	<u>1,180</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>154,356</u>	<u>154,356</u>	<u>179,356</u>	<u>25,000</u>
Net Change in Fund Balances	<u>\$ (18,224,878)</u>	<u>(18,224,878)</u>	<u>(18,071,464)</u>	<u>153,414</u>
Fund Balance - Beginning			<u>34,566,114</u>	
Fund Balance - Ending			<u>\$ 16,494,650</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, 2024

	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds	Total	
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 941,399	\$ 1,727,856	\$ 27,410,000	\$ 10,074,051	\$ 40,153,306	\$ 2,520,098
Investments	21,797,427	58,449,109	121,519,000	25,790,472	227,556,008	74,895,903
Restricted Assets:						
Cash and Cash Equivalents	-	-	4,801,000	-	4,801,000	-
Receivables, (Net of Allowance for Uncollectibles)	3,417,338	6,424,248	25,749,000	6,502,134	42,092,720	884,710
Unbilled Revenues	4,355,394	7,513,696	17,618,000	-	29,487,090	-
Due from Other Funds	3,573,998	5,172,978	-	2,011,548	10,758,524	4,666,789
Due from Other Governments	-	4,518,879	-	17,186	4,536,065	631,932
Inventories	116,981	2,556,136	31,727,000	834,541	35,234,658	1,307,742
Plant Operation Assets	-	-	18,432,000	-	18,432,000	-
Prepaid Expenses	-	-	4,546,000	119,182	4,665,182	696,817
Total Current Assets	34,202,537	86,362,902	251,802,000	45,349,114	417,716,553	85,603,991
Noncurrent Assets:						
Investments	937,458	5,590,501	-	2,609,402	9,137,361	7,507,579
Costs Recoverable from Future Billings	645,709	130,668	2,994,000	-	3,770,377	-
Lease Receivable	-	-	6,929,000	18,984,668	25,913,668	1,357,122
Restricted Assets:						
Cash and Cash Equivalents	-	-	2,808,000	1,296,166	4,104,166	-
Investments	21,685,569	4,490,512	41,313,000	4,175,684	71,664,765	-
Receivables	683,575	1,005,581	-	212,934	1,902,090	-
Due from Other Funds	1,826,412	11,304,505	-	-	13,130,917	-
Total Restricted Assets	24,195,556	16,800,598	44,121,000	5,684,784	90,801,938	-
Capital Assets:						
Land	8,319,748	5,855,753	-	19,736,441	33,911,942	1,594,451
Buildings	86,522,896	88,608,863	-	104,054,644	279,186,403	22,361,139
Improvements Other Than Buildings	448,611,236	473,729,467	-	138,594,717	1,060,935,420	2,414,070
Machinery and Equipment	20,469,451	35,125,207	-	29,537,338	85,131,996	50,409,201
Utility Plant	-	-	1,840,767,000	-	1,840,767,000	-
Construction in Progress	10,381,156	33,436,067	104,732,000	2,624,462	151,173,685	737,929
Less Accumulated Depreciation	(213,036,392)	(220,714,481)	(935,361,000)	(112,125,916)	(1,481,237,789)	(41,466,271)
Total Capital Assets, Net	361,268,095	416,040,876	1,010,138,000	182,421,686	1,969,868,657	36,050,519
Lease Assets:						
Lease Assets	-	-	-	4,205,470	4,205,470	18,917
Less Amortization	-	-	-	(976,102)	(976,102)	(4,256)
Total Lease Assets, Net	-	-	-	3,229,368	3,229,368	14,661
Subscription Assets:						
Subscription Assets	-	-	2,223,000	120,915	2,343,915	2,928,517
Less Amortization	-	-	(477,000)	(47,862)	(524,862)	(1,030,079)
Total Subscription Assets, Net	-	-	1,746,000	73,053	1,819,053	1,898,438
Total Capital Assets, Net	361,268,095	416,040,876	1,011,884,000	185,724,107	1,974,917,078	37,963,618
Total Noncurrent Assets	387,046,818	438,562,643	1,065,928,000	213,002,961	2,104,540,422	46,828,319
Total Assets	421,249,355	524,925,545	1,317,730,000	258,352,075	2,522,256,975	132,432,310
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Loss on Refunding	319,494	150,979	8,127,000	666,217	9,263,690	-
Deferred Outflows for Pension	-	-	-	1,769,250	1,769,250	-
Deferred Outflows for OPEB	93,348	112,501	-	236,132	441,981	166,386
Deferred Costs for Asset Retirement Obligations	-	-	5,190,000	-	5,190,000	-
Total Deferred Outflows of Resources	412,842	263,480	13,317,000	2,671,599	16,664,921	166,386

(Continued)

(Proprietary Funds, Statement of Net Position, continued)

	Business-Type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds		
LIABILITIES						
Current Liabilities:						
Accounts Payable	1,859,357	7,245,573	21,640,000	3,321,070	34,066,000	1,907,466
Accrued Liabilities	967,706	917,093	34,852,000	853,828	37,590,627	695,054
Accrued Compensated Absences	418,450	620,543	-	446,428	1,485,421	1,105,753
Notes Payable	-	-	-	164,030	164,030	-
Due to Other Funds	471,124	782,226	-	562,344	1,815,694	794,986
Due to Other Governments	-	-	-	274,153	274,153	90
Unearned Revenue	-	-	-	5,574,260	5,574,260	84,858
Claims	-	-	-	-	-	6,931,453
Accrued Interest	735,283	55,204	6,375,000	84,408	7,249,895	87,812
Accrued Lease Interest	-	-	-	13,082	13,082	154
Accrued Subscription Interest	-	-	26,000	758	26,758	55,450
Current Portion of Commercial Paper and Notes Payable	-	-	65,500,000	-	65,500,000	-
Current Portion of COPs	-	-	-	120,000	120,000	1,660,000
Current Portion of Long-Term Debt	7,459,608	3,619,676	37,800,000	3,800,000	52,679,284	-
Current Portion of Developer Performance Deposits	-	-	3,913,000	-	3,913,000	-
Current Portion of OPEB Liability	14,588	17,581	-	36,901	69,070	26,003
Current Portion of Lease Liability	-	-	-	434,769	434,769	1,333
Current Portion of Subscription Liability	-	-	479,000	29,900	508,900	784,754
Total Current Liabilities	<u>11,926,116</u>	<u>13,257,896</u>	<u>170,585,000</u>	<u>15,715,931</u>	<u>211,484,943</u>	<u>14,135,166</u>
Noncurrent Liabilities:						
Accrued Compensated Absences	1,353,131	1,774,984	-	557,892	3,686,007	2,016,318
Long-Term Debt, Net	92,084,231	15,940,774	528,310,000	37,218,003	673,553,008	662,654
Developer Performance Deposits	-	-	11,919,000	-	11,919,000	-
Claims	-	-	722,000	-	722,000	9,178,494
COPs Payable	-	-	-	860,000	860,000	4,045,000
Notes Payable	-	-	-	353,633	353,633	-
Net Pension Liability	-	-	-	5,562,590	5,562,590	-
Total OPEB Liability, Net	386,691	466,033	-	978,173	1,830,897	689,247
Lease Liability	-	-	-	2,524,220	2,524,220	13,956
Subscription Liability	-	-	960,000	30,543	990,543	838,625
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	39,302,059	39,302,059	-
Asset Retirement Obligation	-	-	5,190,000	-	5,190,000	-
Total Noncurrent Liabilities	<u>93,824,053</u>	<u>18,181,791</u>	<u>547,101,000</u>	<u>87,387,113</u>	<u>746,493,957</u>	<u>17,444,294</u>
Total Liabilities	<u>105,750,169</u>	<u>31,439,687</u>	<u>717,686,000</u>	<u>103,103,044</u>	<u>957,978,900</u>	<u>31,579,460</u>
DEFERRED INFLOWS OF RESOURCES						
Reductions of future billings	-	-	34,932,000	-	34,932,000	-
Deferred Inflows for Refunding	-	-	-	-	-	3,781
Deferred Inflows for Pension	-	-	-	203,783	203,783	-
Deferred Inflows for OPEB	261,985	315,739	-	662,715	1,240,439	466,968
Deferred Inflows for Leases	-	-	6,827,000	19,678,456	26,505,456	1,355,604
Total Deferred Inflows of Resources	<u>261,985</u>	<u>315,739</u>	<u>41,759,000</u>	<u>20,544,954</u>	<u>62,881,678</u>	<u>1,826,353</u>
NET POSITION						
Net Investment in Capital Assets	280,129,045	395,033,377	395,813,000	141,388,113	1,212,363,535	29,126,610
Restricted for:						
Debt Service	1,964,424	1,446,014	12,641,000	-	16,051,438	-
Capital Projects	1,826,412	11,304,505	-	3,224,541	16,355,458	-
Other	-	-	2,945,000	-	2,945,000	-
Unrestricted	31,730,162	85,649,703	160,203,000	(7,236,978)	270,345,887	70,066,273
Total Net Position	<u>\$ 315,650,043</u>	<u>\$ 493,433,599</u>	<u>\$ 571,602,000</u>	<u>\$ 137,375,676</u>	<u>\$ 1,518,061,318</u>	<u>\$ 99,192,883</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, 2024

	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	\$ 42,410,790	\$ 57,890,884	\$ 329,387,000	\$ 14,077,579	\$ 443,766,253	\$ 109,101,128
Fees	-	-	-	18,032,349	18,032,349	209,290
Parking Revenue	-	-	-	10,583,622	10,583,622	-
Performance Revenue	-	-	-	13,821,890	13,821,890	-
Other Operating Revenue	-	-	20,642,000	3,370,764	24,012,764	2,752,759
Total Operating Revenues	42,410,790	57,890,884	350,029,000	59,886,204	510,216,878	112,063,177
Operating Expenses						
Personal Services	-	-	-	20,688,739	20,688,739	19,388,764
Contractual Services	-	-	-	12,740,826	12,740,826	11,781,400
Operation and Maintenance	16,332,621	24,274,552	233,393,000	18,669,007	292,669,180	72,412,425
Depreciation	11,401,346	9,757,631	36,145,000	8,411,667	65,715,644	4,547,487
Amortization	-	-	477,000	401,753	878,753	891,082
Administrative Costs	3,808,846	4,508,427	-	-	8,317,273	-
Total Operating Expenses	31,542,813	38,540,610	270,015,000	60,911,992	401,010,415	109,021,158
Operating Income (Loss)	10,867,977	19,350,274	80,014,000	(1,025,788)	109,206,463	3,042,019
Nonoperating Revenues (Expenses)						
Investment Earnings	4,113,011	6,127,135	10,490,000	1,964,607	22,694,753	472,978
Lease Income	-	-	-	1,357,458	1,357,458	124,007
Lease Interest Income	-	-	-	376,412	376,412	29,619
Grant Revenue	-	13,856,544	-	355,600	14,212,144	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	(91,774)	(91,774)	344,235
Insurance Recoveries	-	-	-	18,836	18,836	442,910
Occupation Tax	-	-	-	5,992,413	5,992,413	-
Payments in Lieu of Taxes	-	-	(10,357,000)	-	(10,357,000)	-
Net Costs Recoverable	(73,021)	(34,348)	-	-	(107,369)	-
Interest Expense and Fiscal Charges	(3,389,536)	(582,014)	(17,429,000)	(1,353,462)	(22,754,012)	(148,438)
Total Nonoperating Revenues (Expenses)	650,454	19,367,317	(17,296,000)	8,620,090	11,341,861	1,265,311
Income Before Contributions and Transfers	11,518,431	38,717,591	62,718,000	7,594,302	120,548,324	4,307,330
Capital Contributions	6,846,218	8,675,670	1,948,000	8,612,810	26,082,698	179,740
Plant Costs Recovered through Capital Contribution	-	-	(1,948,000)	-	(1,948,000)	-
Transfers In	-	-	-	626,357	626,357	1,446,223
Transfers Out	(108,361)	(110,291)	(14,310,000)	(6,291,866)	(20,820,518)	(474,537)
Change in Net Position	18,256,288	47,282,970	48,408,000	10,541,603	124,488,861	5,458,756
Net Position - Beginning of Year	297,393,755	446,150,629	523,194,000	126,834,073	1,393,572,457	93,734,127
Net Position - Ending	\$ 315,650,043	\$ 493,433,599	\$ 571,602,000	\$ 137,375,676	\$ 1,518,061,318	\$ 99,192,883

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, 2024

	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	\$ 38,217,675	53,091,536	355,748,000	54,050,317	501,107,528	34,023,477
Receipts from Interfund Services Provided	-	-	-	262,485	262,485	75,338,311
Receipts from Sales Tax	2,635,578	726,193	16,127,000	-	19,488,771	-
Payments for Sales Tax	(2,645,070)	(751,228)	(16,169,000)	-	(19,565,298)	-
Payments to Suppliers for Goods and Services	(9,969,555)	(17,872,255)	(224,493,000)	(23,307,544)	(275,642,354)	(80,252,506)
Payments to Employees	(7,610,499)	(10,660,756)	(18,100,000)	(20,799,859)	(57,171,114)	(19,013,577)
Payments for Interfund Services Provided	-	-	-	(4,715,611)	(4,715,611)	(3,708,313)
Other Receipts	-	-	-	3,370,773	3,370,773	-
Net Cash Provided by Operating Activities	<u>20,628,129</u>	<u>24,533,490</u>	<u>113,113,000</u>	<u>8,860,561</u>	<u>167,135,180</u>	<u>6,387,392</u>
Cash Flows from Noncapital Financing Activities						
Occupation Tax	-	-	-	5,935,838	5,935,838	-
Payments in Lieu of Taxes	-	-	(12,740,000)	-	(12,740,000)	-
Transfers from Other Funds	312,542	714,078	-	626,357	1,652,977	1,446,223
Transfers to Other Funds	(108,361)	(110,291)	(11,558,000)	(6,291,866)	(18,068,518)	(474,537)
Repayments from Other Funds	-	-	-	121,924	121,924	162,566
Grant Proceeds	-	-	-	355,600	355,600	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>204,181</u>	<u>603,787</u>	<u>(24,298,000)</u>	<u>747,853</u>	<u>(22,742,179)</u>	<u>1,134,252</u>
Cash Flows from Capital and Related Financing Activities						
Additions to Capital Assets	(17,320,076)	(30,238,631)	(51,421,000)	(7,863,292)	(106,842,999)	(3,929,754)
Capital Contributions	-	-	17,530,000	1,058,163	18,588,163	-
Insurance Recoveries	-	-	-	18,836	18,836	442,910
Proceeds from Sale of Capital Assets	-	-	-	44,590	44,590	346,735
Debt Issuance Costs	-	-	-	-	-	-
Cost of Debt Issuance	-	-	-	-	-	(2,087)
Net Cost of Retiring Plant	-	-	(2,442,000)	-	(2,442,000)	-
Other Capital and Related Financing Activities	-	9,965,614	-	-	9,965,614	-
Proceeds from Leases/Lease Interest	-	-	530,000	1,575,290	2,105,290	123,772
Proceeds from Long Term Debt	-	-	-	-	-	-
Principal Payments of Leases	-	-	-	(486,966)	(486,966)	(1,452)
Principal Payments of Subscriptions	-	-	(784,000)	(29,271)	(813,271)	(976,571)
Principal Payments of COPs	-	-	-	(115,000)	(115,000)	(1,610,000)
Principal Payments of Notes	-	-	-	(156,055)	(156,055)	-
Principal Payments of Long-Term Debt	(7,173,001)	(3,993,311)	(30,535,000)	(3,675,000)	(45,376,312)	-
Interest and Fiscal Charges Paid	(3,896,999)	(823,262)	(20,979,000)	(1,359,465)	(27,058,726)	(296,337)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(28,390,076)</u>	<u>(25,089,590)</u>	<u>(88,101,000)</u>	<u>(10,988,170)</u>	<u>(152,568,836)</u>	<u>(5,902,784)</u>
Cash Flows from Investing Activities						
Proceeds from Sale and Maturities of Investments	36,991,023	54,518,809	283,458,000	26,707,605	401,675,437	68,182,007
Purchases of Investments	(30,467,100)	(55,909,283)	(279,400,000)	(28,272,244)	(394,048,627)	(71,301,214)
Interest and Other Receipts	37,547	146,105	9,457,000	879,182	10,519,834	336,003
Net Cash Provided (Used) by Investing Activities	<u>6,561,470</u>	<u>(1,244,369)</u>	<u>13,515,000</u>	<u>(685,457)</u>	<u>18,146,644</u>	<u>(2,783,204)</u>
Net Increase/Decrease in Cash and Cash Equivalents	(996,296)	(1,196,682)	14,229,000	(2,065,213)	9,970,809	(1,164,344)
Cash and Cash Equivalents - Beginning	1,937,695	2,924,538	20,790,000	13,435,430	39,087,663	3,684,442
Cash and Cash Equivalents - Ending	<u>\$ 941,399</u>	<u>1,727,856</u>	<u>35,019,000</u>	<u>11,370,217</u>	<u>49,058,472</u>	<u>2,520,098</u>

(Continued)

(Proprietary Funds, Statement of Cash Flows, continued)

	Business-Type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds		
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating Income (Loss)	\$ 10,867,977	19,350,274	80,014,000	(1,025,788)	109,206,463	3,042,019
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation and Amortization	11,401,346	9,757,631	36,622,000	8,813,420	66,594,397	5,438,569
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:						
Accounts Receivable and Unbilled Revenues	(1,557,037)	(4,072,155)	417,000	(858,420)	(6,070,612)	63,654
Due from Other Funds	-	-	-	(75,401)	(75,401)	(2,267,100)
Due from Other Governments	-	-	-	497	497	(533,691)
Inventories	111,851	295,496	(4,036,000)	14,538	(3,614,115)	93,534
Plant Operation Assets	-	-	(4,040,000)	-	(4,040,000)	-
Prepaid Expenses	-	-	-	5,472	5,472	255,164
Other Assets	-	-	(96,000)	-	(96,000)	-
Deferred Outflows for Pension	-	-	-	(260,853)	(260,853)	-
Deferred Outflows for OPEB	15,058	23,971	-	59,226	98,255	47,701
Accounts Payable	(412,854)	(1,160,954)	4,994,000	7,434	3,427,626	(1,194,835)
Accrued Liabilities	12,947	126,753	(42,000)	218,678	316,378	84,067
Accrued Compensated Absences	218,853	248,643	-	106,649	574,145	296,924
Due to Other Funds	-	-	-	328,148	328,148	(285,403)
Due to Other Governments	-	-	-	(137,946)	(137,946)	(23,554)
Unearned Revenue	-	-	-	(1,269,306)	(1,269,306)	35,750
Reductions in Future Billings	-	-	14,000	-	14,000	-
Claims	-	-	(734,000)	-	(734,000)	1,388,086
Net Pension Liability	-	-	-	735,617	735,617	-
Total OPEB Liability	2,348	2,830	-	8,210	13,388	4,186
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	2,347,059	2,347,059	-
Deferred Inflows for Pension	-	-	-	(76,492)	(76,492)	-
Deferred Inflows for OPEB	(32,360)	(38,999)	-	(80,181)	(151,540)	(57,679)
Total Adjustments	9,760,152	5,183,216	33,099,000	9,886,349	57,928,717	3,345,373
Net Cash Provided by Operating Activities	\$ 20,628,129	24,533,490	113,113,000	8,860,561	167,135,180	6,387,392
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities:						
Contribution of Capital Assets	\$ 6,051,505	5,624,117	-	7,554,647	19,230,269	179,740
Capital Asset Trade-Ins	-	-	-	(225,000)	(225,000)	-
Purchase of Capital Assets on Account	1,584,142	5,592,903	316,000	584,197	8,077,242	826,905
SBITA Additions	-	-	1,471,000	-	1,471,000	1,235,885
Change in Fair Value of Investments	128,322	81,238	(1,766,000)	164,817	(1,391,623)	96,702
Amortization of Debt Premiums	518,379	310,876	6,027,000	58,132	6,914,387	191,906

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, 2024

	Police & Fire Pension Trust Fund	Custodial Funds
ASSETS		
Cash and Cash Equivalents	\$ 10,034,310	\$ 8,989,668
Investments:		
Pooled Investment Funds	986,742	-
Mutual Funds	56,435,328	-
Limited Partnership	200,141,134	-
Real Estate Limited Partnerships	41,203,385	-
Other	30,874,665	-
Total Investments	329,641,254	-
Receivables:		
Contributions	531,490	-
Taxes	-	169,616
Accrued Interest	96,714	62,794
Due from Other Governments	155	-
Total Assets	340,303,923	9,222,078
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows for OPEB	1,191	-
LIABILITIES		
Accounts Payable	10,750	-
Accrued Liabilities	5,777	-
Accrued Compensated Absences	28,666	-
Total OPEB Liability	5,123	-
Due to Other Contractors	-	8,597,394
Total Liabilities	50,316	8,597,394
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows for OPEB	3,344	-
NET POSITION		
Restricted for:		
Pensions	340,251,454	-
Developers, Seized Cash, and Other Governments	-	624,684
Total Net Position	\$ 340,251,454	\$ 624,684

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 FUNDS
FOR THE YEAR ENDED AUGUST 31, 2024

	Police & Fire Pension Trust Fund	Custodial Funds
Additions:		
Contributions:		
Employer	\$ 10,919,369	\$ -
Employee	4,609,406	-
Total Contributions	15,528,775	-
Investment Earnings:		
Interest	386,534	-
Dividends	2,731,195	-
Increase in Fair Value of Investments	32,685,966	215,162
Investment Earnings	35,803,695	215,162
Less Investment Expense	(744,476)	-
Net Investment Earnings	35,059,219	215,162
Real Property and Personal Property Tax	-	13,646,757
Sales Tax Collections For Other Governments	-	452,432
Seized Cash	-	163,542
Miscellaneous	-	86,679
Total Additions	50,587,994	14,564,572
Deductions:		
Benefit Payments	21,849,953	-
Refunds of Contributions	627,794	-
Administrative Costs	448,400	-
Seized Cash Used	-	126,138
Payments of Sales Tax to Other Governments	-	452,432
Developer Purchased TIF Payments	-	13,389,418
Miscellaneous	-	529,781
Total Deductions	22,926,147	14,497,769
Change in Net Position	27,661,847	66,803
Net Position Restricted - Beginning	312,589,607	557,881
Net Position Restricted - Ending	\$ 340,251,454	\$ 624,684

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



**NOTES TO THE
FINANCIAL STATEMENTS**

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August, 31, 2024

(1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**
REPORTING ENTITY

The accompanying financial statements present the government of the City of Lincoln, Nebraska (City) and its blended component unit, the West Haymarket Joint Public Agency (WHJPA), established April 2, 2010, for which the City is considered to be financially accountable, as the City is ultimately responsible for the debt of the WHJPA if such revenues are insufficient to make the necessary debt service payments. Regarding related organizations, the City's Mayor appoints, and the City Council approves all of the board appointments of the Housing Authority of the City of Lincoln. However, the City has no further accountability for this organization.

Blended component units, although legally separate entities, are, in substance, part of the government's operations. The participants in the WHJPA are the City and University of Nebraska and the agency is governed by a board consisting of the Mayor, a member of the UNL Board of Regents, and a member of the City Council. The purpose of the agency is to make the most efficient use of the taxing authority and other powers of the participants to facilitate the redevelopment of the West Haymarket Redevelopment Area. The WHJPA almost exclusively benefits the City as its primary function is to finance and construct those City owned assets located in the redevelopment area. The WHJPA is reported as a major governmental fund in the City's financial statements. Complete separate financial statements for the WHJPA may be obtained online at www.lincoln.ne.gov/City/Departments/Finance/Accounting/West-Haymarket-JPA.

FISCAL YEAR-END

All funds of the City, with the exception of Lincoln Electric System (LES), are reported as of and for the year ended August 31, 2024. December 31st is the fiscal year-end of LES as established by the City Charter, and the last separate financial statements were as of and for the year ended December 31, 2023. The amounts included in the City's 2024 financial statements for LES are amounts as of and for the year ended December 31, 2023.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its blended component unit. Fiduciary activities, whose resources are not available to finance the City's programs, are excluded from the government-wide statements. The material effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Functional expenses may also include an element of indirect cost, designed to recover administrative (overhead) costs. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August, 31, 2024

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the *total economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. Custodial funds use the economic resources measurement focus.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including interest on long-term debt, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property taxes, sales taxes, highway user fees, interdepartmental charges, and intergovernmental revenues are all considered to be susceptible to accrual. Special assessments are recorded as revenues in the year the assessments become current. Annual installments not yet due are reflected as special assessment receivables and deferred revenues. Other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The General Fund finances the day-to-day operation of the basic governmental activities, such as legislative, judicial, administration, aging services, police and fire protection, emergency communications, legal services, planning, and parks and recreation. Primary resources of the fund include property, sales, and occupation taxes.

The Street Construction Fund, a special revenue fund, accounts for the resources accumulated, primarily highway allocation fees received from the State of Nebraska, and the payments made for the maintenance, construction, and improvement of the streets and highways in the City. Certain capital outlay expenditures reported in this fund are paid with a combination of these restricted resources, vehicle tax monies, impact fees, and state/federal aid.

The Federal Grants Fund, a special revenue fund, includes federal sub-funds as follows:

- Community Development Block Grant Fund – to account for the costs of providing services under the City’s Community Development Block Grant Program with funding provided by grants from the Department of Housing and Urban Development.
- Grants-In-Aid Fund – to account for monies received from various federal and state agencies under several small categorical grants and the City’s matching funds where applicable. Monies are utilized to provide services as stipulated in the individual grant agreements.
- Workforce Investment Act (WIA) Fund – to account for the costs of providing services under the Workforce Investment Act with funding provided by grants from the Department of Labor.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August, 31, 2024

- Disaster Recovery Fund (FEMA) Fund – to account for reimbursements from the Federal Emergency Management Agency due to disasters caused by storm and flood damage and pandemic expenses. Funds are used to reimburse other funds for related costs and to pay disaster and pandemic related expenses.
- American Rescue Plan Act (ARPA) Fund – to account for monies received from federal Treasury due to the COVID-19 pandemic. Monies are utilized as stipulated in the Final Rule from the US Treasury Department.

The West Haymarket JPA Fund accounts for the activities of the joint public agency, a blended component unit of the City, established to facilitate the redevelopment of the West Haymarket Area. Occupation taxes imposed on bar, restaurant, car rental, and hotel revenues, along with several other smaller sources provide the resources to finance the activities of the JPA.

The City reports the following major enterprise funds:

The Lincoln Wastewater System Fund accounts for the activities of the City’s wastewater utility.

The Lincoln Water System Fund accounts for the activities of the City’s water distribution operations.

The Lincoln Electric System Fund accounts for the activities of the City’s electric distribution operations.

Additionally, the City reports the following fund types:

Internal Service Funds account for information technology services, engineering, risk management, fleet management, and municipal services center operations services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

The Police & Fire Pension Trust Fund accounts for the receipt, investment, and distribution of retirement contributions made for the benefit of police officers and firefighters.

The Custodial Funds account for the collection of sales tax to be remitted to other governmental entities, developer’s money held for tax increment financing, and seized funds held for final court decisions of disbursement.

The effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes, return on equity, and charges between the business-type functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, fines and forfeitures, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the enterprise funds and of the government’s internal service funds are charges to customers for goods and services. Operating expenses include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August, 31, 2024

In 2011, the City Council approved an ordinance requiring LES to pay an annual dividend to the City for the City's ownership of LES, in an amount based on the total net position of LES as of the most recent audited year-end financial statements. The annual dividend shall be remitted to the City on a semiannual basis on the 20th day of February and August of each year, with each payment representing fifty percent of the annual dividend payment.

ASSETS, LIABILITIES, AND NET POSITION OR FUND EQUITY

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. These investments are not specifically identified with any one fund. Interest is allocated to the individual funds on the basis of average cash balances.

The City may invest in certificates of deposit, in time deposits, and in any securities in which the state investment officer is authorized to invest pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act and as provided in the authorized investment guidelines of the Nebraska Investment Council and the City Investment Policy in effect on the date the investment is made.

Investments in the Police & Fire Pension Trust Fund are carried at either fair value or net asset value. Investments in other funds are carried at fair value, except for short-term investments, which are reported at amortized cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair value, based on relevant market information of similar financial instruments. Income from investments held by the individual funds is recorded in the respective funds as it is earned.

Receivables and Payables

Loans receivable in governmental funds consist of rehabilitation and redevelopment loans that are generally not expected or scheduled to be collected in the subsequent year.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Recognition of governmental fund type revenues represented by noncurrent receivables generally is deferred until they become current receivables.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Inventories and Prepaid Items

Materials, supplies, and fuel inventories are stated at cost, which is generally determined using the average cost method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Amounts of governmental fund inventories and vendor prepaid items are reported as nonspendable fund balance to indicate that they do not represent "available spendable resources".

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August, 31, 2024

Plant Operation Assets

LES' interest in jointly owned facilities Laramie River Station and Walter Scott Energy Center (see Note 23), is reported as plant operation assets on the statement of net position.

Costs Recoverable from Future Billings

Certain income and expense items of the Wastewater System, Water System, and LES, which would be recognized during the current period are deferred and not included in the determination of the change in net position until such costs are expected to be recovered through rates, in accordance with the regulated operations provisions of GASB Codification Section Re10, *Regulated Operations*.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, drainage systems, streetlights, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Prior to September 1, 2017, and the implementation of GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, interest incurred during the construction phase of capital assets of business-type activities was included as part of the capitalization value of the assets constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	10 - 50
Improvements	5 - 40
Infrastructure	20 - 100
Equipment	2 - 20

The exceptions to this rule are library media, which is depreciated using a composite depreciation method, and LES, which depreciates its utility plant on a straight-line basis using composite rates ranging between 0.6% and 20%, depending on the respective asset type.

Lease and Software Subscription Assets

Lease and subscription assets are initially recorded at the initial measurement of the lease and subscription liability, plus lease or subscription payments made at or before the commencement of the term, less any incentives received from the lessor at or before the commencement of the lease or subscription, plus initial direct costs that are ancillary to place the asset into service. Lease and subscription assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Capital, Lease, and Subscription Asset Impairment

The City evaluates capital, lease, and subscription assets for impairment whenever events or circumstances indicate a significant, unexpected decline in the service utility of a capital, lease, or subscription asset has occurred. If a capital, lease, or subscription asset is tested for impairment and the magnitude of the decline

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

in service utility is significant and unexpected, the capital, lease, or subscription asset historical cost and related accumulated depreciation or amortization are decreased proportionately such that the net decrease equals the impairment loss. No asset impairment was recognized during the year ended August 31, 2024.

Compensated Absences

City employees generally earn vacation days at a variable rate based on years of service. In the event of termination, an employee is reimbursed for accumulated vacation time up to a maximum allowed accumulation, which is in no case longer than 37 days.

Employees earn sick leave at the rate of one day per month with total accumulation unlimited. Upon retirement, an employee is reimbursed for a percentage of accumulated sick leave with percentages and maximums depending on the employees' bargaining unit contract. Upon resignation from City service an employee may also be compensated for a percentage of accumulated sick leave, again, based on the employees' bargaining union contract. In some cases, payment may be placed in a medical spending account rather than reimbursing the employee directly.

LES is covered by a separate personnel plan regarding vacation and sick leave with the liability for these benefits recorded in accrued liabilities.

Vacation leave and other compensated absences with similar characteristics are accrued as the benefits are earned if the leave is attributable to past service and it is probable that the City will compensate the employees for such benefits. Sick leave and other compensated absences with similar characteristics are accrued as the benefits are earned only to the extent it is probable that the City will compensate the employees for such benefits through cash payments conditioned on the employee's termination or retirement, and is recorded based on the termination method. Such accruals are based on current salary rates and include salary-related payments directly and incrementally associated with payments made for compensated absences on termination.

All vacation and sick leave is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. In the governmental funds, only compensated absences that have matured as of year-end, for example, as a result of employee resignations and retirements, are recorded as a fund liability.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. For current and advance refunding of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter. The unamortized balance of the refunding gain or loss is reported as deferred inflows or outflows of resources, as applicable, on the statement of net position.

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as another financing source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current expenditures.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Fund Balances

Fund balances reflect assets plus deferred outflows of resources minus liabilities and deferred inflows of resources in the governmental fund statements. Fund balance is divided into five classifications; nonspendable, restricted, committed, assigned and unassigned. Fund balance is reported as nonspendable when not in spendable form or legally or contractually required to be maintained intact. Fund balance is reported as restricted when constraints placed on the use are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when constraints are imposed by formal action (ordinance) of the City Council, the City's highest level of decision-making authority. Once adopted, the limitations imposed by the ordinance remain in place until the adoption of another ordinance to remove or revise the limitation.

Fund balance is reported as assigned when the intent of the City (resolutions approved by Council and executive orders approved by the Mayor) is to use the funds for a specific purpose. Unlike commitments, assignments generally only exist temporarily, as an additional formal action does not have to be taken to alter an assignment. Unassigned fund balance is the residual amount and only the General Fund can report a positive unassigned balance.

The City has established a policy intended to address the primary consideration of meeting unanticipated short-term cash flow needs of the City and the long-term goal of managing General Fund balances in a manner that at all times preserves the City's ability to meet its cash flow needs. No less than twenty percent of the ensuing year's General Fund budget is to be set aside to meet excess cash flow needs. Currently \$48,766,474 of the General Fund's spendable and unrestricted fund balance meets the requirements of this policy.

Net Position Classification

Net position is assets plus deferred outflows of resources minus liabilities and deferred inflows of resources and is shown in the entity-wide, proprietary, and fiduciary fund financial statements. Net position is required to be classified into three components – net investment in capital assets, restricted, and unrestricted. These classifications are defined as follows:

Net investment in capital assets – This component of net position consists of capital, lease, and subscription assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvements of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets.

Restricted – This component of net position consists of restricted assets, reduced by liabilities related to those assets, with constraints placed on their use through external parties such as creditors (debt covenants), grantors, contributors, or law or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. The government-wide statement of net position reports \$312,413,414 of restricted net position, of which enabling legislation restricts \$81,929,453.

Unrestricted – This component consists of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the "restricted" or "net investment in capital assets" components of net position.

When both restricted and unrestricted resources are available for use, it is generally the City's policy to use restricted resources first, then unrestricted resources as they are needed.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

BUDGETARY DATA

The City Council follows these procedures, set out in the City Charter, in establishing the budgetary data reflected in the financial statements:

- 1) No later than June 15, prior to the beginning of the biennial budget period, the Mayor submits to the City Council a proposed biennial budget for the ensuing years. The biennial budget is a complete financial plan for the biennial period and consists of an operating budget and a capital budget.
- 2) Public hearing on the proposed budget is scheduled for not later than 10 days prior to the budget adoption date.
- 3) Not later than 5 days prior to the end of the biennial period, the budget is legally adopted by resolution of the City Council.
- 4) The Mayor is authorized to transfer unencumbered balances between appropriations of the same department or agency during the biennium. The Mayor also has authority to lower appropriations in any fund where actual revenues are less than appropriated in order to avoid incurring a budget deficit for that fiscal or biennial period.

Appropriation transfers between departments or agencies may only be authorized by resolution of the City Council. The Council may not make any appropriations in addition to those authorized in the biennial budget, except that it may authorize emergency appropriations in the event of an emergency threatening serious loss of life, health, or property in the community, or for circumstances which could not reasonably have been anticipated at the time the budget was adopted.

- 5) Budgets for all funds are adopted on a basis inconsistent with accounting principles generally accepted in the United States of America (GAAP). Since encumbrances are included in the City's budget accounting, year-end encumbrances are reappropriated to the next year in the budget process. Various funds have expenditures automatically appropriated through the budget resolution, based on funds available. These expenditures are reflected in the original and final budgets at amounts equal to the actual expenditures. Budget basis expenditures are presented on a cash basis.

Amendments to the adopted budget were made this year and resulted from prior fiscal year encumbrances identified subsequent to budget adoption, appropriation of unanticipated revenues to certain funds as provided in the budget resolution, and appropriation revisions between or among departments as provided for under the City Charter.

- 6) Appropriation controls are required at the departmental level. However, as a matter of policy and practice, appropriations generally are controlled at the next level of organization (division) or by fund within a department.
- 7) Operating appropriations lapse at the end of the biennial period for which authorized except for those reappropriated by Council resolution, capital improvement appropriations and year-end encumbrances against operating budgets. Capital improvement appropriations are continuing appropriations through completion of the project.
- 8) Budgets are adopted by resolution for the following fund types: general, special revenue, debt service, capital projects, permanent, enterprise, internal service, and pension trust. Legally adopted annual budgets are not established for the West Haymarket JPA component unit, certain special revenue (Police and Fire Pension Contribution, Casino, Special Assessment, Parks & Recreation Special Projects, and RP Crawford Park), permanent (JJ Hompes), and custodial funds. In addition, capital project funds are budgeted on a project rather than a biennial basis.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

ENDOWMENTS

The Community Health Permanent Endowment Fund was established in 1997 with the \$37,000,000 cash proceeds realized by the City from the sale of Lincoln General Hospital, and may be increased by donations, bequests, or appropriations to the fund. Investment earnings of the fund are used for funding health and health-related programs that further the health, safety, or welfare of the citizens of Lincoln. Earnings deposited with the City Treasurer shall be paid out only by order of those persons designated by the Community Health Endowment (CHE) Board of Trustees as outlined in the Fiscal and Budget Directives policy between the CHE and the City. State law directs that, subject to the intent of a donor expressed in the gift instrument, an institution may appropriate for expenditure or accumulate so much of an endowment fund as the institution determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established. The current amount of net appreciation available for expenditure is \$36,769,871 which is reported along with \$865,000 of contingency funds as expendable health care restricted net position in the statement of net position. The initial endowment principal is reported as nonexpendable health care restricted net position in the statement of net position.

ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, and deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ materially from those estimates.

IMPLEMENTATION OF NEW ACCOUNTING PRINCIPLES

During the fiscal year ended August 31, 2024, the City implemented the following GASB Pronouncement:

GASB Statement No. 100, *Accounting Changes and Error Corrections* (GASB 100).

(2) RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUNDS BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

The governmental funds balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position of governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, “Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of the \$527,130,690 difference are as follows:

Bonds Payable	\$ 376,551,776
Less issuance discounts	(887,747)
Plus issuance premiums	9,005,461
Plus deferred gain on refunding	418,446
Less deferred loss on refunding	(2,006,073)
Notes Payable	1,815,608
COPs Payable	18,395,000
Accrued Interest Payable	3,860,320
Accrued Lease Interest Payable	3,590
Accrued SBITA Interest Payable	2,540
Net Pension Liability	85,239,268
Deferred Outflows for Pension	(21,092,360)
Deferred Inflows for Pension	528,957

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Total OPEB Liability	14,432,008
Deferred Outflows for OPEB	(3,357,240)
Deferred Inflows for OPEB	9,422,284
Leases	1,001,769
SBITAs	132,321
Compensated Absences	33,453,846
Other	<u>210,916</u>
Net difference	<u>\$ 527,130,690</u>

EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total governmental funds* and *change in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “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 or amortization expense.” The details of this \$21,481,416 difference are as follows:

Capital outlay	\$ 71,795,361
Leases	904,559
Depreciation expense	(50,453,948)
Amortization expense	<u>(764,556)</u>
Net difference	<u>\$ 21,481,416</u>

Another element of that reconciliation states, “The issuance of long-term debt (e.g., bonds, COPs) 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.” The details of this \$25,667,333 difference are as follows:

Debt issued or incurred:	
Issuance of tax allocation bonds	\$ (385,240)
Issuance of Leases	(904,559)
Amortization of deferred premiums, discounts, and amounts from refundings	1,264,333
Principal repayments	<u>25,692,799</u>
Net difference	<u>\$ 25,667,333</u>

Another element of that reconciliation states, “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.” The details of this \$(2,756,681) difference are as follows:

Loss on disposal of capital assets	\$ (263,200)
Accrued interest	212,350
Compensated absences	(2,605,223)
Other	<u>(100,608)</u>
Net difference	<u>\$ (2,756,681)</u>

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

(3) RESTRICTED ASSETS

Certain proceeds of the enterprise funds revenue bonds and resources set aside for their repayment are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. Assets included in the Bond Principal and Interest Account and the Bond Reserve Account are restricted for the payment of bond principal and interest. Assets included in the Surplus Account and in the Renewal and Replacement Account are restricted for specific purposes including improvements, repairs and replacements, acquisition of equipment, and the payment of bond principal and interest. Assets included in the Construction Account are restricted for paying the cost of capital improvements. Also, Lincoln Electric System has assets restricted for paying employee health claims and for deposits provided by both customers and developers.

A recap of the proprietary funds' restrictions and related balances at August 31, 2024, are as follows:

Fund Account	Parking System	Solid Waste Management	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Total
Principal and						
Interest	\$ -	-	2,287,967	328,441	18,810,000	21,426,408
Reserve	-	1,117,084	9,315,964	4,162,071	9,399,000	23,994,119
Surplus	-	1,343,159	2,509,987	12,310,086	-	16,163,232
Renewal and						
Replacement	2,830,260	-	-	-	-	2,830,260
Capital Construction and Equipment	212,073	182,208	10,081,638	-	-	10,475,919
Customer/Developer Deposits	-	-	-	-	17,047,000	17,047,000
Claims	-	-	-	-	3,666,000	3,666,000
Total	<u>\$ 3,042,333</u>	<u>2,642,451</u>	<u>24,195,556</u>	<u>16,800,598</u>	<u>48,922,000</u>	<u>95,602,938</u>

Resources of the permanent funds totaling \$37,160,000 are legally restricted to the extent that only earnings and not principal may be used to support the City's programs.

(4) **DEPOSITS AND INVESTMENTS**

DEPOSITS

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The City's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State Statutes 15-846 and 15-847 R.R.S., 1943 require banks either to provide a bond or may give security as provided in the Public Funds Deposit Security Act to the City Treasurer in the amount of the City's deposits. The Statutes allow pledged securities to be reduced by the amount of the deposit insured by the Federal Deposit Insurance Corporation (FDIC).

The City's cash deposits, including certificates of deposit, are insured up to \$250,000 by the FDIC. Any cash deposits and certificates of deposit in excess of the \$250,000 FDIC limits are covered by collateral held in a Federal Reserve pledge account or by an agent for the City, or a letter of credit issued by a Federal Reserve Bank, and thus no custodial risk exists. No legal opinion has been obtained regarding the enforceability of any of the collateral arrangements.

INVESTMENTS

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities.

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall on August 31, 2024.

Money Market Funds and External Investment Trusts are carried at cost, and thus are not included within the fair value hierarchy. Certain investments that are measured using the net asset value per share (or its equivalent) practical expedient have also not been classified in the fair value hierarchy. Other than the pension trust fund investments noted specifically on page 71, the City's remaining investments carried at net asset value have no unfunded commitments and these investments can be redeemed at any time. These investments have been noted with NAV in the table below.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

At August 31, 2024, the City had the following investments, maturities, credit ratings, and fair value measurement:

Type	August 31, 2024					Credit Rating Moody's	S&P	Hierarchy Level
	Carrying Value	Less than 1	1-5	6-10	More than 10			
General City:								
U.S. Treasury Obligations	\$ 305,981,151	304,633,336	1,347,814	-	-	Aaa	AA+	2
U.S. Sponsored Agency Obligations	451,488,138	380,795,204	59,518,037	11,174,897	-	Aaa	AA+	2
Commercial Issuers (Commercial Paper)	72,152,000	72,152,000	-	-	-	P1	A1	2
Money Market Funds - U.S. Treasury	934,154	934,154	-	-	-	Aaa-mf	AAAm	N/A
Money Market Funds - U.S. Agencies	10,707,717	10,707,717	-	-	-	Aaa-mf	AAAm	N/A
Money Market Funds	23,295,000	23,295,000	-	-	-	Aaa-mf	Not Rated	N/A
Money Market Funds	23,560,479	23,560,479	-	-	-	Not Rated	Not Rated	N/A
External Investment Trust	5,000,000	5,000,000	-	-	-	Not Rated	Not Rated	N/A
Tax Increment Financing Investments	5,443,523	-	1,052,868	3,265,387	1,125,268	Not Rated	Not Rated	2
Equities	7,300,407	7,300,407	-	-	-	Not Rated	Not Rated	1
Total General City	905,862,569	828,378,297	61,918,719	14,440,284	1,125,268			
Community Health Endowment:								
Money Market Mutual Funds	2,141,622	2,141,622	-	-	-			
Mutual Funds	71,900,435	71,900,435	-	-	-			
Total Community Health	74,042,057	74,042,057	-	-	-			
Total Primary Government	979,904,626	902,420,354	61,918,719	14,440,284	1,125,268			
Police & Fire Pension Trust:								
Limited Partnership	200,141,134							
Mutual Funds	56,435,328							
Real Estate Limited Partnerships	41,203,385							
Other	30,874,665							
Total Police & Fire Pension Trust	328,654,512							
Total	\$ 1,308,559,138							

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The City has no investments at August 31, 2024 that are classified within Level 3 of the hierarchy.

INVESTMENT POLICIES

General City Policy

Generally, the City's investment activities are managed under the custody of the City Treasurer. Investing is performed in accordance with the investment policy adopted by the City Council complying with state statutes and the City Charter. The City may legally invest in U.S. government securities and agencies and U.S. government sponsored agencies. It may also invest to a limited extent in interest bearing time certificates of deposit or saving accounts, repurchase agreements, commercial paper, high grade corporate notes, bankers' acceptances, local government debt, money market mutual funds, investment agreements, mortgage-backed securities, asset-backed securities, bond funds and other fixed term investments.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment securities that are in the possession of an outside party.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City’s investment policy limits current operating funds to be invested with maturities of no longer than twenty-four months. Fixed income investments held in construction funds, operating funds, and other nonoperating funds are limited to ten-year maturities. Investment agreements are not subject to interest rate risk, as the issuer guarantees the interest rate. Money market mutual funds and external investment funds are presented as investments with a maturity of less than one year because they are redeemable in full immediately. Tax Increment Financing investments can exceed 10 years as the interest rates are guaranteed by the fund and the investment is made within the City’s funds.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City’s investment policy establishes requirements for certain investment securities to be rated at certain rates or higher without having collateral pledged to the City. The following investment types must be rated at the minimum rates noted below:

	<u>S&P</u>	<u>Moody’s</u>
Money Markets	Aam/Aam-G	---
Corporate Notes	AA-	Aa3
Investment Agreements	AA-	Aa3
Commercial Paper	A-1	P-1
Bankers’ Acceptance	A-1	P-1
Local Government Debt	AA-	Aa3

The external investment funds are held in the City’s idle fund pool and are comprised of Nebraska Public Agency Investment Trust (NPAIT), NebraskaCLASS and Short-Term Federal Investment Trust (STFIT) funds. These Funds are carried by the City at amortized cost and only invested in the highest quality securities, including U.S. government, rated U.S. sponsored agencies, and guaranteed student loans, and their investment portfolios are valued at amortized cost, which approximates fair value based on the short-term nature of the instruments.

Concentration of Credit Risk. The City’s investment policy places various limits on the amount that may be invested in any one issuer. Per the policy, allocation limits do not apply to the investment of proceeds from issuance of debt. These investments shall be governed by the debt covenant included in the debt instrument. Non-compliance due to a decrease in investment balance does not require corrective action.

<u>Type</u>	<u>Portfolio Composition</u>	<u>Policy Limits on Issuer</u>
U.S. agency obligations:		
Federal Home Loan Bank	30.47 %	40.00 %
Federal Home Loan Mortgage Corporation	2.68	40.00
Federal National Mortgage Association	5.50	40.00
Federal Farm Credit Bank	10.98	40.00
Federal Agricultural Mortgage Corporation	0.11	40.00
Government National Mortgage Association	0.09	50.00

Community Health Endowment (CHE) Policy

As a public endowment fund, under State law, CHE is permitted to invest in the manner required of a prudent investor acting with care, skill and diligence under the prevailing circumstance, without restrictions as to the type and limits of investments.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure, CHE compares the risk and return characteristics derived from the actual performance of an investment to appropriate benchmarks, at least annually. Asset allocation and investments are adjusted as necessary by this monitoring.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. It is CHE's policy to limit its investments in individual fixed income securities to issues with at least BBB-/Baa3 ratings. Short-term fixed income issues should have a minimum A-2/P-2 rating. CHE's investments in fixed income securities at August 31, 2024 were made through mutual funds, which do not receive individual credit ratings.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, CHE will not be able to recover the value of its investment securities that are in the possession of an outside party. All investments are held in CHE's name.

Concentration of Credit Risk. Concentration of credit risk is the risk associated with the amount of investments CHE has with any one issuer that exceeds 5% or more of its total investments. None of CHE's investments exceeded 5% or more of its total investments at August 31, 2024.

Foreign Currency Risk. This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. CHE had no investment denominated in foreign currency at August 31, 2024.

Police & Fire Pension Trust Policy

The Police & Fire Pension Trust Investment Board, established by the City Council in accordance with Lincoln Municipal Code chapter 4.62, directs and oversees the trust's investments for the sole benefit of plan participants and beneficiaries. The Board consists of nine members. Two board positions shall be filled by the City Finance Director and the City Human Resources Director; two board positions shall be elected by secret ballot by the active paid police officers of the City; two board positions shall be elected by secret ballot by the active paid firefighters of the City; and three board positions shall be appointed by the Mayor, after consultation with the other six members, subject to approval by the City Council. The three appointed members shall have at least five years demonstrated experience in financial, actuarial, investment or employee benefit plan matters.

The board also provides oversight and directions to the plan administrator with regard to the investments of the trust's funds. The daily management responsibility of the trust and routine investment transactions are delegated to the plan administrator.

The Police & Fire Pension Trust can invest in domestic and international equity funds, domestic and foreign bonds, real estate, and alternative investments.

The investment board has the responsibility to allocate plan assets in various investment strategies to reach the overall return and risk objectives of the plan. Annually the board reviews the plan's investments from an "asset allocation" perspective. The strategic allocation process is based on such factors as historical absolute returns of the benchmarks, recent returns for benchmarks, volatility of benchmark returns as measured by standard deviation, and the correlation of returns with other asset classes used in the portfolio.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

The following was the asset allocation as of August 31, 2024:

Asset Class	Target Allocation	Minimum Allocation	Maximum Allocation
Public Equity	50 %	40 %	60 %
US Equity	21	16	26
Non-US Developed Equity	5	3	7
Emerging Market Equity	6	4	8
Global Equity	18	14	22
Private Equity	10	6	14
Fixed Rate Debt	15	12	18
Floating Rate Debt	10	8	12
Real Estate	15	12	18
Total	100 %	n/a	n/a

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Police & Fire Pension Trust will not be able to recover the value of its investment securities that are in the possession of an outside party.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Investment Board for the Police & Fire Pension Trust compares the risk and return characteristics derived from the actual performance of the Fund, by separate asset classes and specific securities to appropriate benchmarks, and financial indices and/or funds, at least annually. Asset allocation, investments, and/or investment managers are adjusted as necessary by this monitoring.

Credit Risk. The policy states that the plan will select appropriate investments, or investment manager(s), to fill each asset class allocation. The individual investment, or investment managers, chosen shall be those determined to meet the board's objectives in terms of their overall combination of risk, return, and liquidity.

Concentration of Credit Risk. The policy places no limit on the amount that may be invested in any one issuer. The following individual investments held by the Plan as of August 31, 2024, are greater than 5% of the Plan's fiduciary net position:

Nt Collective	20.57 %
J.P. Morgan Core Bond Fund	17.52
GQG Partners Emrging Markets Equity	7.19
RREEF America REIT II	6.50
Bain Capital Senior Loan Fund	6.23
Pzena International Value Institutional	5.03

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

The Trust does not currently hold any investments with mandatory redemption periods. The Trust is required to fund the following additional amounts in accordance with the related investment agreements:

Ares Pathfinder II (Offshore) LP - \$10,171,429
Grosvenor Co-Investment Opportunities Feeder II - \$5,195,068
Weathergag Venture Capital IV - \$840,000
StepStone VC Global Partners IX-B - \$787,500
Varde Dislocation Offshore LP - \$615,000
Golub Capital Partners International Fund 11 - \$500,000
Principal Real Estate Debt Fund II - \$307,364
OHA Tactical Opportunities Fund (Offshore) - \$299,185
HighVista Private Equity VI LP - \$247,500
Warburg Pincus Global Growth - \$203,000
TenaskaTPF II, LP - \$53,712

Summary of Deposit and Investment Balances

Following is a reconciliation of the City's deposit and investment balances as of August 31, 2024:

	<u>Totals</u>		
Investments	\$ 1,308,559,138		
Deposits and Cash on Hand	36,485,403		
	<u>\$ 1,345,044,541</u>		
	<u>Government-wide</u>	<u>Fiduciary Funds</u>	
	Statement of	Statement of	
	Net Position	Net Position	<u>Totals</u>
Cash and Cash Equivalents	\$ 74,086,140	19,023,978	93,110,118
Investments	804,563,238	329,641,254	1,134,204,492
Restricted Assets:			
Cash and Cash Equivalents	8,905,166	-	8,905,166
Investments	108,824,765	-	108,824,765
	<u>\$ 996,379,309</u>	<u>348,665,232</u>	<u>1,345,044,541</u>

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

(5) FUND BALANCES

Fund balances are classified as nonspendable, restricted, committed, assigned or unassigned. The City generally follows this same order in spending available resources unless special circumstances apply. The following provides details of the aggregate amounts displayed on the face of the governmental funds balance sheet:

	Major Funds					Total
	General Fund	Street Construction	West Haymarket JPA	Federal Grants Fund	Other Governmental Funds	
Fund Balances:						
Nonspendable:						
Inventory	\$ 51,541	690,425	-	-	1,399,882	2,141,848
Prepaid Items	808,754	-	187,930	-	-	996,684
Permanent Fund Principal	-	-	-	-	37,160,000	37,160,000
Total Nonspendable	<u>860,295</u>	<u>690,425</u>	<u>187,930</u>	<u>-</u>	<u>38,559,882</u>	<u>40,298,532</u>
Restricted For:						
Capital Improvements	934,154	89,065,149	1,144,676	-	56,227,651	147,371,630
Human Services	2,452,293	-	-	-	-	2,452,293
Donor Purposes	6,232,276	-	-	-	5,590,079	11,822,355
Public Improvements	1,608,502	-	-	-	-	1,608,502
Agency Activities	-	-	2,259,732	-	-	2,259,732
Land Purchases	-	-	-	-	2,322,978	2,322,978
Social Security Obligations	-	-	-	-	28	28
Community Betterment	-	-	-	-	7,944,968	7,944,968
Federal Loan Programs	-	-	-	22,958,000	-	22,958,000
Special Assessment Improvements	-	-	-	-	540,671	540,671
Debt Service	-	-	-	-	9,356,882	9,356,882
Health Care	-	-	-	-	36,769,874	36,769,874
Claims Contingencies	-	-	-	-	865,000	865,000
Library Media	-	-	-	-	1,310,705	1,310,705
Street Maintenance	-	-	-	-	1,195,609	1,195,609
Total Restricted	<u>11,227,225</u>	<u>89,065,149</u>	<u>3,404,408</u>	<u>22,958,000</u>	<u>122,124,445</u>	<u>248,779,227</u>
Committed To:						
Public Access Television	-	-	-	-	294,741	294,741
Debt Service	-	-	-	-	6,785	6,785
Total Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>301,526</u>	<u>301,526</u>
Assigned To:						
Capital Improvements	-	204,380	-	-	-	204,380
Building Code Enforcement	-	-	-	-	10,845,377	10,845,377
Donor Purposes	1,589,724	-	-	-	-	1,589,724
Public Improvements	112,106	-	-	-	-	112,106
Athletic Facility Improvements	786,553	-	-	-	-	786,553
Senior Care	3,385,449	-	-	-	-	3,385,449
Emergency Communications	7,830,915	-	-	-	-	7,830,915
Economic Development Projects	6,817,810	-	-	-	-	6,817,810
Debt Service	-	-	46,002,613	-	-	46,002,613
Land Purchases	-	-	-	-	512,113	512,113
Library Services	-	-	-	-	4,773,903	4,773,903
Health Care	-	-	-	-	13,042,682	13,042,682
Public Transportation	-	-	-	-	-	-
Community Betterment	-	-	-	-	356,912	356,912
Park Projects	-	-	-	-	196,209	196,209
Subsequent Year's Appropriated Fund Balance	13,578,873	-	-	-	5,178,220	18,757,093
Other Purposes	2,085,572	-	-	575,693	2,548,145	5,209,410
Total Assigned	<u>36,187,002</u>	<u>204,380</u>	<u>46,002,613</u>	<u>575,693</u>	<u>37,453,561</u>	<u>120,423,249</u>
Unassigned	<u>144,909,970</u>	<u>-</u>	<u>-</u>	<u>(2,722,637)</u>	<u>(793,380)</u>	<u>141,393,953</u>
Total Fund Balances	<u>\$ 193,184,492</u>	<u>89,959,954</u>	<u>49,594,951</u>	<u>20,811,056</u>	<u>197,646,034</u>	<u>551,196,487</u>

CITY OF LICOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

(6) RECEIVABLES AND DUE FROM OTHER GOVERNMENTS

Receivables at August 31, 2024, consist of the following (in thousands):

Fund	Taxes	Accounts	Accrued Interest	Lease Accounts	Lease Interest	Loans	Special Assessment		Contributions	Gross Receivables	Allowance For Uncollectibles	Net
							Current	Deferred				
General	\$ 5,033	4,014	3,771	9,252	2	-	-	-	-	22,072	-	22,072
Street Construction	-	646	319	-	-	-	-	-	-	965	-	965
West Haymarket JPA	2,260	707	678	729	1	-	-	-	-	4,375	-	4,375
Federal Grants	-	1,561	339	-	-	24,386	-	-	-	26,286	1,428	24,858
Wastewater System	-	8,456	-	-	-	-	-	-	-	8,456	-	8,456
Water System	-	14,943	-	-	-	-	-	-	-	14,943	-	14,943
Electric System	-	43,396	2,293	7,202	86	-	-	-	-	52,977	2,681	50,296
Nonmajor -												
Special Revenue	1,082	472	1,007	-	-	-	-	-	-	2,561	-	2,561
Debt Service	274	150	133	-	-	-	227	1,219	-	2,003	107	1,896
Capital Projects	-	-	751	7	-	-	-	-	-	758	-	758
Permanent	-	-	11	-	-	-	-	-	-	11	-	11
Enterprise	-	9,609	393	20,182	35	-	-	-	-	30,219	4,519	25,700
Internal Service	-	687	98	1,457	-	-	-	-	-	2,242	-	2,242
Fiduciary	170	-	160	-	-	-	-	-	531	861	-	861
Total	<u>\$ 8,819</u>	<u>84,641</u>	<u>9,953</u>	<u>38,829</u>	<u>124</u>	<u>24,386</u>	<u>227</u>	<u>1,219</u>	<u>531</u>	<u>168,729</u>	<u>8,735</u>	<u>159,994</u>

Enterprise funds customer accounts receivable include unbilled charges for services. Delinquent special assessment receivables at August 31, 2024, were \$176,004.

The total of Due From Other Governments of \$51,176,091 includes the following significant items:

<u>Fund/Fund Type</u>	<u>Amount</u>	<u>Service</u>
General/Major Governmental	\$ 17,833,384	State of Nebraska, July/August Sales & Use Tax
	679,792	August Motor Vehicle Taxes Collected by Lancaster County
	1,251,690	Federal Government, Cost Reimbursements
	288,125	Lancaster County, Cost Reimbursements
	85,415	State of Nebraska, Cost Reimbursements
Street Construction/Major Governmental	6,322,340	State of Nebraska, July/August Highway User Fees
	673,513	Federal Government, Cost Reimbursements
	13,690	State of Nebraska, Cost Reimbursements
West Haymarket JPA/Major Governmental	710,135	Federal Government, Cost Reimbursements
Federal Grants/Major Governmental	8,539,563	Federal Government, Cost Reimbursements
Health/Special Revenue	162,188	State of Nebraska, Cost Reimbursements
StarTran/Special Revenue	623,959	Federal Government, Cost Reimbursements
Aging/Special Revenue	244,617	State of Nebraska, Cost Reimbursements
Urban Development/Special Revenue	2,312,412	State of Nebraska, Cost Reimbursements
Health/Special Revenue	498,813	Lancaster County, Cost Reimbursements
Vehicle Tax Residual Revenue/Special Revenue	963,538	August Motor Vehicle Taxes Collected by Lancaster County
Casino Tax/Special Revenue	219,833	July/August Casino Taxes Collected by Lancaster County
Special Assessment/Debt Service	31,761	August Special Assessments Collected by Lancaster County
Lincoln On The Move/Capital Projects	3,064,087	State of Nebraska, July/August Sales & Use Tax
Vehicle Tax/Capital Projects	963,538	State of Nebraska, July/August Sales & Use Tax
Federal Grants/Capital Projects	285,935	Federal Government, Cost Reimbursements
Lincoln Water System/Enterprise Fund	4,518,878	Federal Government, Cost Reimbursements
Solid Waste Management/Enterprise Fund	17,182	Federal Government, Cost Reimbursements
Information Services/Internal Service	606,483	Lancaster County Billings
Police Garage/Internal Service	24,707	State of Nebraska Billings
Subtotal	<u>50,935,578</u>	
All other	24,212	
LPS Asset Bank Balance	216,301	
Total Due From Other Governments	<u>\$ 51,176,091</u>	

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

(7) CAPITAL ASSETS

Capital asset activity for the year ended August 31, 2024, was as follows:

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Governmental Activities:					
Capital Assets, not being Depreciated:					
Land	\$ 172,189,863	2,279,466	85,233	-	174,384,096
Construction in Progress	145,570,758	59,749,445	13,845,888	(3,441,183)	188,033,132
Total Capital Assets, not being Depreciated	<u>317,760,621</u>	<u>62,028,911</u>	<u>13,931,121</u>	<u>(3,441,183)</u>	<u>362,417,228</u>
Capital Assets, being Depreciated:					
Buildings	411,683,506	2,884,368	629,269	-	413,938,605
Improvements Other Than Buildings	158,169,920	5,081,397	420,150	-	162,831,167
Machinery and Equipment	168,309,715	7,747,931	9,949,262	-	166,108,384
Infrastructure	1,141,419,021	15,790,436	13,600	-	1,157,195,857
Leases	2,072,984	904,559	1,808,883	-	1,168,660
SBITAs	2,000,192	1,780,068	531,238	-	3,249,022
Total Capital Assets, being Depreciated	<u>1,883,655,338</u>	<u>34,188,759</u>	<u>13,352,402</u>	<u>-</u>	<u>1,904,491,695</u>
Less Accumulated Depreciation and Amortization for:					
Buildings	113,783,365	9,510,824	589,655	-	122,704,534
Improvements Other Than Buildings	71,135,608	4,955,226	345,543	-	75,745,291
Machinery and Equipment	94,085,666	10,507,815	9,883,015	-	94,710,466
Infrastructure	499,932,707	30,027,570	13,600	-	529,946,677
Leases	1,303,880	673,301	1,808,883	-	168,298
SBITAs	724,037	982,337	531,238	-	1,175,136
Total Accumulated Depreciation and Amortization	<u>780,965,263</u>	<u>56,657,073</u>	<u>13,171,934</u>	<u>-</u>	<u>824,450,402</u>
Total Capital Assets, being Depreciated, Net	<u>1,102,690,075</u>	<u>(22,468,314)</u>	<u>180,468</u>	<u>-</u>	<u>1,080,041,293</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,420,450,696</u>	<u>39,560,597</u>	<u>14,111,589</u>	<u>(3,441,183)</u>	<u>1,442,458,521</u>
Business-type Activities:					
Capital Assets, not being Depreciated:					
Land	\$ 33,911,942	-	-	-	33,911,942
Construction in Progress	114,871,224	109,877,778	73,575,317	-	151,173,685
Total Capital Assets, not being Depreciated	<u>148,783,166</u>	<u>109,877,778</u>	<u>73,575,317</u>	<u>-</u>	<u>185,085,627</u>
Capital Assets, being Depreciated:					
Buildings	275,689,958	3,504,389	7,944	-	279,186,403
Improvements Other Than Buildings	1,014,064,685	43,931,755	502,203	3,441,183	1,060,935,420
Machinery and Equipment	80,637,720	6,184,544	1,690,268	-	85,131,996
Utility Plant	1,810,643,000	35,176,000	5,052,000	-	1,840,767,000
Leases	4,205,470	-	-	-	4,205,470
SBITAs	872,915	1,471,000	-	-	2,343,915
Total Capital Assets, being Depreciated	<u>3,186,113,748</u>	<u>90,267,688</u>	<u>7,252,415</u>	<u>3,441,183</u>	<u>3,272,570,204</u>
Less Accumulated Depreciation and Amortization for:					
Buildings	127,822,839	5,965,486	7,944	-	133,780,381
Improvements Other Than Buildings	337,051,858	19,384,378	346,230	-	356,090,006
Machinery and Equipment	53,270,497	4,220,780	1,484,875	-	56,006,402
Utility Plant	906,710,000	36,145,000	7,494,000	-	935,361,000
Leases	604,578	371,524	-	-	976,102
SBITAs	17,633	507,229	-	-	524,862
Total Accumulated Depreciation and Amortization	<u>1,425,477,405</u>	<u>66,594,397</u>	<u>9,333,049</u>	<u>-</u>	<u>1,482,738,753</u>
Total Capital Assets, being Depreciated, Net	<u>1,760,636,343</u>	<u>23,673,291</u>	<u>(2,080,634)</u>	<u>3,441,183</u>	<u>1,789,831,451</u>
Business-type Activities Capital Assets, Net	<u>\$ 1,909,419,509</u>	<u>133,551,069</u>	<u>71,494,683</u>	<u>3,441,183</u>	<u>1,974,917,078</u>

*The beginning balance shown represents the restated beginning balance as a result of LES's implementation of GASB Statement No. 96, LES has a fiscal year of January 1st to December 31st.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Depreciation and amortization expense was charged to functions/programs as follows:

Governmental Activities:	
General Government	\$ 1,457,049
Public Safety	5,383,951
Streets and Highways, including Infrastructure	29,301,180
Culture and Recreation	10,822,338
Economic Opportunity	1,803
Health and Welfare	1,256,697
Mass Transit	2,995,486
Subtotal	<u>51,218,504</u>
Internal Service Funds Capital Assets	
Depreciation is charged to the various functions based on usage of the assets.	5,438,569
Total Depreciation and Amortization Expense - Governmental	<u><u>\$ 56,657,073</u></u>
Business-type Activities:	
Golf	\$ 689,861
Parking System	2,741,838
Pinnacle Bank Arena	129,274
Solid Waste Management	2,992,847
Emergency Medical Services	342,261
Broadband Enterprise	1,917,339
Wastewater System	11,401,346
Water System	9,757,631
Lincoln Electric System	36,622,000
Total Depreciation and Amortization Expense - Business-type	<u><u>\$ 66,594,397</u></u>

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Capital asset activity of each major enterprise fund was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Lincoln Wastewater System:				
Capital Assets, not being Depreciated:				
Land	\$ 8,319,748	-	-	8,319,748
Construction in Progress	11,313,541	15,857,562	16,789,947	10,381,156
Total Capital Assets, not being Depreciated	<u>19,633,289</u>	<u>15,857,562</u>	<u>16,789,947</u>	<u>18,700,904</u>
Capital Assets, being Depreciated:				
Buildings	84,790,833	1,732,063	-	86,522,896
Improvements Other Than Buildings	427,487,162	21,391,937	267,863	448,611,236
Machinery and Equipment	20,193,802	275,649	-	20,469,451
Total Capital Assets, being Depreciated	<u>532,471,797</u>	<u>23,399,649</u>	<u>267,863</u>	<u>555,603,583</u>
Less Accumulated Depreciation for:				
Buildings	45,245,303	1,978,908	-	47,224,211
Improvements Other Than Buildings	144,213,100	8,338,320	111,893	152,439,527
Machinery and Equipment	12,444,506	1,084,118	155,970	13,372,654
Total Accumulated Depreciation	<u>201,902,909</u>	<u>11,401,346</u>	<u>267,863</u>	<u>213,036,392</u>
Total Capital Assets, being Depreciated, Net	<u>330,568,888</u>	<u>11,998,303</u>	<u>-</u>	<u>342,567,191</u>
Wastewater System Capital Assets, Net	<u>\$ 350,202,177</u>	<u>27,855,865</u>	<u>16,789,947</u>	<u>361,268,095</u>
Lincoln Water System:				
Capital Assets, not being Depreciated:				
Land	\$ 5,855,753	-	-	5,855,753
Construction in Progress	10,343,525	38,242,453	15,149,911	33,436,067
Total Capital Assets, not being Depreciated	<u>16,199,278</u>	<u>38,242,453</u>	<u>15,149,911</u>	<u>39,291,820</u>
Capital Assets, being Depreciated:				
Buildings	87,932,970	675,893	-	88,608,863
Improvements Other Than Buildings	457,074,078	16,655,389	-	473,729,467
Machinery and Equipment	33,444,667	1,723,011	42,471	35,125,207
Total Capital Assets, being Depreciated	<u>578,451,715</u>	<u>19,054,293</u>	<u>42,471</u>	<u>597,463,537</u>
Less Accumulated Depreciation for:				
Buildings	42,588,772	1,704,757	-	44,293,529
Improvements Other Than Buildings	144,401,012	6,812,925	-	151,213,937
Machinery and Equipment	24,009,537	1,239,949	42,471	25,207,015
Total Accumulated Depreciation	<u>210,999,321</u>	<u>9,757,631</u>	<u>42,471</u>	<u>220,714,481</u>
Total Capital Assets, being Depreciated, Net	<u>367,452,394</u>	<u>9,296,662</u>	<u>-</u>	<u>376,749,056</u>
Water System Capital Assets, Net	<u>\$ 383,651,672</u>	<u>47,539,115</u>	<u>15,149,911</u>	<u>416,040,876</u>

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

	Beginning Balances*	Increases	Decreases	Ending Balances
Lincoln Electric System:				
Capital Assets, not being Depreciated:				
Construction in Progress	\$ 91,931,000	51,890,000	39,089,000	104,732,000
Capital Assets, being Depreciated:				
Utility Plant	1,810,643,000	35,176,000	5,052,000	1,840,767,000
SBITAs	752,000	1,471,000	-	2,223,000
Total Capital Assets, being Depreciated	1,811,395,000	36,647,000	5,052,000	1,842,990,000
Less Accumulated Depreciation and Amortization for:				
Utility Plant	906,710,000	36,145,000	7,494,000	935,361,000
SBITAs	-	477,000	-	477,000
Total Accumulated Depreciation and Amortization	906,710,000	36,622,000	7,494,000	935,838,000
Total Capital Assets, being Depreciated, Net	904,685,000	25,000	(2,442,000)	907,152,000
Electric System Capital Assets, Net	\$ 996,616,000	51,915,000	36,647,000	1,011,884,000

*The beginning balances shown represent beginning balances as a result of LES's implementation of GASB Statement No. 96, LES has a fiscal year of January 1 to December 31.

(8) INTERFUND BALANCES AND ACTIVITY

Balances Due To/From Other Funds at August 31, 2024, consist of the following:

	Due To	Due From								Total
		General Fund	Street Construction	West Haymarket JPA	Federal Grants	Nonmajor Governmental	Nonmajor Enterprise	Wastewater	Water	
General Fund	\$ 27,402	481,841	-	1,265,746	985,929	278,818	348,003	515,721	718,876	4,622,336
Street Construction	1,560,477	-	-	700,820	27,620,023	64,391	-	-	4,575	29,950,286
West Haymarket JPA	-	-	-	-	-	211,651	-	-	-	211,651
Lincoln Wastewater System	3,307,494	-	-	-	1,826,411	-	-	266,505	-	5,400,410
Lincoln Water System	5,049,857	-	-	-	11,304,505	-	123,121	-	-	16,477,483
Nonmajor Governmental	2,252,558	249	-	4,744,587	2,415,129	-	-	-	-	9,412,523
Nonmajor Enterprise	1,564,174	9,318	403,788	-	34,268	-	-	-	-	2,011,548
Internal Service	4,075,562	288,136	-	1,116	222,956	7,484	-	-	71,535	4,666,789
Total	\$ 17,837,524	779,544	403,788	6,712,269	44,409,221	562,344	471,124	782,226	794,986	72,753,026

“Due to” and “Due from” balances are recorded when funds overdraw their share of pooled cash. Other balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Transfers To/From Other Funds for the year ended August 31, 2024, consist of the following:

	Transfer To	Transfer From								Total
		General Fund	Street Construction	Federal Grants	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Nonmajor Governmental	Nonmajor Enterprise	
General Fund	\$ -	62,491	204,041	8,361	10,291	14,976,668	815,919	2,166,771	428,558	18,673,100
Street Construction	2,053,764	13,905	-	-	-	-	37,697,132	8,783	37,412	39,810,996
West Haymarket JPA	-	-	-	-	-	-	-	1,200,000	-	1,200,000
Federal Grants	509,424	-	-	-	-	-	-	-	-	509,424
Nonmajor Governmental	32,578,290	9,306,906	77,567	-	-	-	3,372,317	2,916,312	-	48,251,392
Nonmajor Enterprise	368,150	-	49,640	100,000	100,000	-	-	-	8,567	626,357
Internal Service	1,446,223	-	-	-	-	-	-	-	-	1,446,223
Total	\$ 36,955,851	9,383,302	331,248	108,361	110,291	14,976,668	41,885,368	6,291,866	474,537	110,517,492

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (3) transfer payment in lieu of taxes and return on equity from LES to the General Fund.

On the fund statements, because the governmental funds do not record capital assets, the movement of capital assets from governmental to enterprise funds are shown as capital contributions. On the government-wide Statement of Activities these transactions are recorded as transfers and shown netted with other operating transfers. The current year reassignment of capital assets amounted to \$3,441,183.

The \$666,670 variance for transfers on the Statement of Activities is caused by the different fiscal year end dates used by the City (August 31) and Lincoln Electric System (December 31). Lincoln Electric System records an estimate for payments of return on equity as an accrued liability at December 31. The City, however, receives the payments before the August 31 fiscal year end, and records the total amount as a transfer in.

(9) DEBT OBLIGATIONS

SHORT-TERM

Established by City Ordinance, LES may borrow up to \$150 million under a commercial paper note program. The payment of the commercial paper notes is subordinated to the payment of the principal of, and interest on, the outstanding bonds. At December 31, 2023, LES had \$65.5 million of commercial paper notes outstanding. The notes mature at various dates but not more than 270 days after the date of issuance. The weighted-average interest rate for the year ended December 31, 2023, was 3.35%. The outstanding commercial paper notes are secured by a revolving credit agreement with JPMorgan Chase Bank, National Association, that expires on August 19, 2024. There were no advances outstanding under the credit agreement at December 31, 2023. The revolving credit agreement which secures LES' commercial paper program also includes a note purchase agreement which provides LES the ability to borrow monies on a short-term basis. There were no amounts outstanding under the note purchase agreement as of December 31, 2023. Amounts outstanding under the note purchase agreement reduce the amount available under the revolving credit agreement. LES uses commercial paper notes as part of their long-term financing strategy. As such, commercial paper is typically renewed as it matures. The weighted average length of maturity of commercial paper for 2023 was 69 days.

Commercial paper activity for the year ended December 31, 2023, is as follows:

Lincoln Electric System:	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Commercial Paper Notes	<u>\$ 65,500,000</u>	<u>359,000,000</u>	<u>(359,000,000)</u>	<u>65,500,000</u>	<u>65,500,000</u>

In 2023, LES entered into a revolving credit agreement with Bank of America National Association. The agreement permits LES to draw up to \$50,000,000 on a variable rate basis. The agreement was executed on April 6, 2023, and it replaced a similar agreement with U.S. Bank National Association that expired on March 17, 2023. The revolving credit agreement with Bank of America National Association will expire in April 2026. Electric revenues secure the agreement. There were no amounts outstanding on the agreement as of December 31, 2023.

Also in 2023, LES entered a revolving credit agreement with Union Bank and Trust Company. The revolving credit agreement allows LES to draw up to \$50,000,000 on a variable rate basis. The agreement was executed on July 12, 2023 and will expire on August 12, 2026. The Union Bank and Trust Company revolving credit agreement is secured by electric revenues and is subordinate to the Bank of America National Association revolving credit agreement. There were no amounts outstanding on the agreement as of December 31, 2023.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

LONG-TERM

The City issues general obligation, special assessment, and revenue bonds to finance the acquisition and construction of major capital assets. Bonded indebtedness has also been entered into to advance refund several general obligation and revenue bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the government. Special assessment bonds are repaid from amounts levied against affected property owners, but in the unlikely event collections are not sufficient to make debt payments, the responsibility rests with the City to meet that obligation. For revenue bonds the government pledges income derived from the acquired or constructed assets to pay the debt service.

Net position of \$4,380,757, \$2,863,887, \$1,364,479, and \$754,545 is currently available in the debt service funds to service the Tax Allocation Bonds, General Obligation Bonds, Tax Supported Bonds, and Special Assessment Bonds, respectively. Revenue Bonds are funded partially from reserve accounts set up for debt repayment and partially from proceeds of daily operations.

The City has entered into financed purchase agreements for financing the acquisition of land, buildings, streetlights, entry corridor improvements, sidewalks, dump trucks, street sweepers, motor grader, emergency vehicles and equipment, golf equipment, and computer equipment and software. These financed purchase agreements have been recorded at the present value of their future minimum payments as of the inception date.

Assets acquired through finance purchases are as follows:

	Governmental Activities	Business-Type Activities
Land	\$ 1,780,066	\$ 199,546
Buildings	29,141,504	1,502,602
Improvements	5,070,465	-
Infrastructure	41,260,921	-
Machinery and Equipment	13,748,376	2,531,221
Construction in Progress	461,516	-
Less Accumulated Depreciation, (where applicable)	<u>(37,688,144)</u>	<u>(2,805,677)</u>
Total	<u>\$ 53,774,704</u>	<u>\$ 1,427,692</u>

Under the City's Home Rule Charter, there is no legal debt limit. The various bond indentures contain significant limitations and restrictions on annual debt service requirements, minimum amounts to be maintained in various bond reserve funds, and minimum revenue bond coverages.

Lincoln Wastewater System has entered into a loan agreement with the Nebraska Department of Environment and Energy (NDEE) consisting of three separate contracts. Under Contract 317247, the Lincoln Wastewater System has borrowed \$4,808,792 to fund certain sewer system extension and sewer repairs. The interest rate throughout the term of the loan is 2.0%. The Lincoln Wastewater System has also borrowed \$5,000,000 under Contract 317078 to fund certain projects at the Theresa Street and Northeast Wastewater Treatment Facilities. The interest rate throughout the term of the loan is 2.0%. The Lincoln Wastewater System has also borrowed \$17,000,000 under Contract 317830 to fund certain wastewater solids handling, trunk sewer, and selected facility replacement improvements. The interest rate throughout the term of the loan is 3.25%. In addition, an administrative fee of 1% will be incurred on the loan.

The Lincoln Water System has entered into a loan agreement with the NDEE, borrowing \$14,977,829 to fund certain water system extension and water repairs. The interest rate throughout the term of the loan is 2.25%. In addition, an administrative fee of 1% will be incurred on the loan.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Long-term bonded debt of the City is comprised of the following individual issues (in thousands of dollars):

Original Amount	Issued	Issue	Interest Rate	When Due	Date Callable	Interest Date	Outstanding
Governmental Activities:							
General Obligation Bonds:							
General Bonds:							
\$ 6,385	03/20/13	Stormwater Bonds	2.000 - 4.000	Serial 2014 to 2029	2023	Semiannually	\$ 2,660
1,515	03/20/13	Stormwater Bonds	3.125	Term 2032	2023	"	1,515
5,720	04/15/15	Stormwater Refunding Bonds	1.000 - 5.000	Serial 2016 to 2025	--	"	640
6,300	06/28/16	Stormwater Bonds	2.000 - 3.000	Serial 2017 to 2036	2026	"	4,330
4,345	09/20/17	Stormwater Refunding Bonds	2.000 - 5.000	Serial 2018 to 2027	--	"	1,545
9,900	08/08/19	Stormwater Bonds	2.750 - 5.000	Serial 2020 to 2039	2029	"	8,560
4,140	08/20/20	Stormwater Refunding Bonds	5.00	Serial 2021 to 2030	--	"	2,725
Total General Bonds							<u>\$ 21,975</u>
Tax Allocation Bonds:							
\$ 103	4/15/13	Tax Allocation Bonds	2.370	Serial 2013 to 2025	Anytime	Semiannually	\$ 11
140	07/01/16	Tax Allocation Bonds	2.200	Serial 2016 to 2028	Anytime	"	55
128	03/15/19	Tax Allocation Bonds	3.090	Serial 2020 to 2034	Anytime	"	95
180	10/15/20	Tax Allocation Bonds	1.240	Serial 2022 to 2035	Anytime	"	148
120	12/01/20	Tax Allocation Bonds	1.420	Serial 2021 to 2034	Anytime	"	90
222	01/01/21	Tax Allocation Bonds	1.450	Serial 2021 to 2034	Anytime	"	166
192	01/01/21	Tax Allocation Bonds	1.450	Serial 2022 to 2035	Anytime	"	185
52	06/01/21	Tax Allocation Bonds	2.060	Serial 2022 to 2035	Anytime	"	44
240	02/01/23	Tax Allocation Bonds	4.020	Serial 2025 to 2039	Anytime	"	240
308	03/01/23	Tax Allocation Bonds	4.360	Serial 2025 to 2044	Anytime	"	308
385	12/1/23	Tax Allocation Bonds	4.890	Serial 2025 to 2045	Anytime	"	385
Total Tax Allocation Bonds							<u>\$ 1,727</u>
Tax Supported Bonds:							
\$ 14,735	12/15/16	Highway Allocation Fund Refunding	2.000 - 5.000	Serial 2018 to 2027	2026	Semiannually	\$ 5,025
21,765	08/20/20	Limited Tax Arena Refunding Bonds	.200 - 3.000	Serial 2021 to 2037	2030	"	17,225
15,260	05/15/21	Highway Allocation Fund Bonds	2.000 - 5.000	Serial 2022 to 2037	2029	"	12,600
11,550	10/19/22	Highway Allocation Fund Bonds	4.000 - 5.000	Serial 2023 to 2042	2030	"	11,210
Total Tax Supported Bonds							<u>\$ 46,060</u>
Special Assessment Bonds:							
\$ 825	08/18/11	Special Assessment	0.400 - 3.700	Serial 2012 to 2026	2016	Semiannually	\$ 130
375	08/18/11	Special Assessment	4.200	Term 2031	2016	"	375
3,000	11/23/11	Special Assessment	2.000 - 3.500	Serial 2012 to 2031	2021	"	1,245
Total Special Assessment Bonds							<u>\$ 1,750</u>
Municipal Improvement Bonds:							
\$ 8,360	10/26/2022	Municipal Improvement Bonds	3.270 - 4.250	Serial 2023 to 2028	2030	Semiannually	\$ 7,970
1,525	10/26/2022	Municipal Improvement Bonds	4.375	Term 2040	2030	"	1,525
1,665	10/26/2022	Municipal Improvement Bonds	4.500	Term 2042	2030	"	1,665
Total Municipal Improvement Bonds							<u>11,160</u>
West Haymarket Joint Public Agency Bonds:							
\$ 31,515	09/08/10	Facility Bonds Taxable Build America Bonds	3.500 - 4.450	Serial 2020 to 2030	Anytime	Semiannually	\$ 21,315
68,485	09/08/10	Facility Bonds Taxable Build America Bonds	4.750 / 5.000	Term 2035 & 2045	Anytime	"	68,485
15,785	12/01/10	Facility Bonds Taxable Build America Bonds	4.000 - 5.000	Serial 2020 to 2025	Anytime	"	5,585
52,180	12/01/10	Facility Bonds Taxable Build America Bonds	5.400 / 5.800 / 6.000	Term 2030 2035 2039	Anytime	"	52,180
32,035	12/01/10	Recovery Zone Economic Development	6.750	Term 2045	Anytime	"	32,035
20,850	12/04/13	Facility Bonds	2.000 - 5.000	Serial 2014 to 2038	2023	"	14,775
7,325	12/04/13	Facility Bonds	4.500	Term 2043	2023	"	7,325
88,270	11/21/19	Facility Refunding Bonds	2.375 - 3.050	Serial 2022 to 2040	2029	"	80,450
11,730	11/21/19	Facility Refunding Bonds	3.250	Term 2042	2029	"	11,730
Total West Haymarket Joint Public Agency Bonds							<u>\$ 293,880</u>
TOTAL GENERAL OBLIGATION BONDS							<u>\$ 376,552</u>

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Original Amount	Issued	Issue	Interest Rate	When Due	Date Callable	Interest Date	Outstanding
Business-Type Activities:							
Revenue Bonds:							
\$ 38,290	05/24/12	Wastewater Revenue Refunding	1.000 - 5.000	Serial 2013 to 2028	2023	Semiannually	\$ 11,030
12,220	04/09/15	Wastewater Revenue Refunding	1.000 - 4.000	Serial 2016 to 2030	2025	"	5,405
13,235	09/13/17	Wastewater Revenue Refunding	2.000 - 5.000	Serial 2018 to 2032	2027	"	8,125
20,120	07/24/19	Wastewater Revenue Bonds	2.000 - 5.000	Serial 2020 to 2040	2029	"	16,685
2,760	07/24/19	Wastewater Revenue Bonds	3.00	Term 2042	2029	"	2,760
2,925	07/24/19	Wastewater Revenue Bonds	3.00	Serial 2043 to 2044	2029	"	2,925
27,640	10/12/22	Wastewater Revenue Bonds	3.020 - 4.300	Serial 2024 to 2043	2031	"	26,795
4,320	10/12/22	Wastewater Revenue Bonds	4.125	Term 2045	2031	"	4,320
4,685	10/12/22	Wastewater Revenue Bonds	4.250	Term 2047	2031	"	4,685
Total Wastewater Bonds							<u>\$ 82,730</u>
\$ 28,595	05/30/13	Water Revenue Refunding	1.000 - 5.000	Serial 2014 to 2025	2023	Semiannually	2,285
10,170	08/20/19	Water Revenue Refunding	2.750 - 5.000	Serial 2020 to 2039	2029	"	7,620
Total Water Bonds							<u>\$ 9,905</u>
\$ 48,375	07/11/19	General Obligation Parking System and Refunding Bonds	2.300 - 3.000	Serial 2020 to 2035	2029	Semiannually	27,980
			3.00	Term 2039	2029	"	6,655
Total Parking Bonds							<u>\$ 34,635</u>
\$ 8,340	02/26/13	Solid Waste Management Revenue and Refunding	0.250 - 4.000	Serial 2013 to 2029	2023	Semiannually	2,010
5,520	07/08/15	Solid Waste Management Revenue	2.000 - 5.000	Serial 2016 to 2035	2025	"	3,610
Total Solid Waste Management Bonds							<u>\$ 5,620</u>
\$ 75,525	06/20/13	Electric Revenue and Refunding Bonds	2.700 - 5.000	Serial 2021 to 2025	2023	Semiannually	29,065
127,630	03/11/15	Electric Revenue and Refunding Bonds	3.000 - 5.000	Serial 2019 to 2036	2025	"	30,690
40,170	03/11/15	Electric Revenue and Refunding Bonds	4.000	Term 2040	2025	"	40,710
116,645	09/01/16	Electric Revenue Refunding Bonds	3.000 - 5.000	Serial 2017 to 2034	2027	"	65,960
121,205	07/01/18	Electric Revenue Bonds	3.000 - 5.000	Serial 2025 to 2034	2027	"	121,205
72,200	01/30/20	Electric Revenue Bonds	5.00	Serial 2025 to 2033	2027	"	72,200
185,150	09/23/20	Electric Revenue Refunding Bonds	.400 - 2.100	Serial 2023 to 2037	2027	"	171,625
Total Electric Bonds							<u>\$ 531,455</u>
TOTAL REVENUE BONDS							<u>\$ 664,345</u>

Annual requirements to pay principal and interest to maturity on outstanding debt follow (in thousands of dollars):

Fiscal Year Ended	Governmental Activities					
	General Obligation Bonds		Note from Direct Borrowing		COPs	
	Principal	Interest	Principal	Interest	Principal	Interest
August 31						
2025	\$ 17,697	16,008	266	32	4,885	872
2026	17,532	15,325	275	27	4,910	678
2027	18,034	14,599	247	23	3,563	481
2028	16,212	13,851	149	20	2,720	354
2029	16,739	13,200	152	17	1,813	257
2030-2034	87,959	55,920	727	36	4,500	503
2035-2039	91,389	37,853	-	-	1,475	88
2040-2044	87,945	17,314	-	-	234	8
2045-2049	23,045	1,365	-	-	-	-
Total	<u>\$ 376,552</u>	<u>185,435</u>	<u>1,816</u>	<u>155</u>	<u>24,100</u>	<u>3,241</u>

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Fiscal Year Ended August 31	Business-Type Activities					
	Revenue Bonds		Loans/Note from Direct Borrowing		COPs	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 50,630	23,144	2,214	434	120	47
2026	46,675	22,004	2,265	390	125	41
2027	48,915	20,686	2,310	345	135	35
2028	50,520	18,511	2,184	300	140	28
2029	49,895	16,536	2,231	253	145	22
2030-2034	254,800	55,430	9,861	554	315	21
2035-2039	111,550	19,200	-	-	-	-
2040-2044	44,470	4,983	-	-	-	-
2045-2049	6,890	591	-	-	-	-
Total	\$ 664,345	181,085	21,065	2,276	980	194

Major Enterprise fund annual requirements to pay principal and interest to maturity on outstanding debt follow (in thousands of dollars):

Fiscal Year Ended August 31	Major Enterprise Funds					
	Wastewater System		Water System		Electric System	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 7,460	3,522	3,620	583	37,800	18,385
2026	7,757	3,232	1,381	446	35,740	17,730
2027	8,044	2,935	1,439	396	37,580	16,807
2028	7,793	2,612	1,496	346	39,325	15,063
2029	5,457	2,355	1,554	293	40,915	13,458
2030-2034	20,875	9,258	8,612	693	223,480	43,887
2035-2039	14,004	6,105	-	-	88,945	12,330
2040-2044	16,800	3,312	-	-	27,670	1,670
2045-2049	6,890	591	-	-	-	-
Total	\$ 95,080	33,922	18,102	2,757	531,455	139,330

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Long-term liability activity for the year ended August 31, 2024, was as follows (in thousands of dollars):

	Beginning Balance*	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bond, Notes, and COPs Payable:					
General Bonds	\$ 24,495	-	(2,520)	21,975	2,625
Tax Allocation Bonds	1,779	385	(437)	1,727	102
Tax Supported Bonds	52,885	-	(6,825)	46,060	4,135
Municipal Improvement Bonds	11,550	-	(390)	11,160	370
Special Assessment Debt with Government Commitment	1,965	-	(215)	1,750	225
West Haymarket Joint Public Agency Bonds	303,860	-	(9,980)	293,880	10,240
Note from Direct Borrowing	2,072	-	(256)	1,816	266
COPs	30,015	-	(5,915)	24,100	4,885
Gross Bonds and COPs Payable	428,621	385	(26,538)	402,468	22,848
Deferred Amounts:					
For Issuance Premiums	11,276	-	(1,608)	9,668	-
For Issuance Discounts	(914)	-	26	(888)	-
Net Bonds, Notes, and COPs Payable	438,983	385	(28,120)	411,248	22,848
Other Liabilities:					
Leases	786	905	(674)	1,017	91
Subscription Software	1,017	1,780	(1,041)	1,756	870
Compensated Absences	33,680	13,953	(11,057)	36,576	11,238
Claims and Judgements	14,722	7,208	(5,820)	16,110	6,931
Net Pension Liability	84,070	1,169	-	85,239	-
Total OPEB Liability	15,031	684	(568)	15,147	551
Governmental Activities Long-Term Liabilities	<u>\$ 588,289</u>	<u>26,084</u>	<u>(47,280)</u>	<u>567,093</u>	<u>42,529</u>
Business-Type Activities:					
Bonds, Loans, Note, and COPs:					
Wastewater Revenue Bonds	\$ 88,620	-	(5,890)	82,730	6,150
Wastewater Loans from Direct Borrowing	13,633	-	(1,283)	12,350	1,310
Water Revenue Bonds	13,175	-	(3,270)	9,905	2,880
Water Loan from Direct Borrowing	8,920	-	(723)	8,197	740
Electric System Revenue Bonds	561,990	-	(30,535)	531,455	37,800
Parking Revenue Bonds	37,690	-	(3,055)	34,635	3,155
Solid Waste Management Revenue Bonds	6,240	-	(620)	5,620	644
Note from Direct Borrowing	674	-	(156)	518	164
COPs	1,120	-	(140)	980	120
Gross Bonds, Loans, Note, and COPs Payable	732,062	-	(45,672)	686,390	52,963
Deferred Amounts:					
For Issuance Premiums	48,277	-	(6,936)	41,341	-
Net Bonds, Loans, Note, and COPs Payable	780,339	-	(52,608)	727,731	52,963
Other Liabilities:					
Compensated Absences	4,597	2,511	(1,937)	5,171	1,485
Developer Performance Deposits	250	16,060	(478)	15,832	3,913
Claims and Judgements	708	14	-	722	-
Leases	3,446	-	(487)	2,959	435
Subscription Software	842	1,471	(814)	1,499	509
Net Pension Liability	4,827	736	-	5,563	-
Total OPEB Liability	1,887	55	(43)	1,899	69
Accrued Landfill Closure/Postclosure Care Costs	36,955	2,347	-	39,302	-
Asset Retirement Obligation	3,180	2,249	(239)	5,190	-
Business-Type Activities Long-Term Liabilities	<u>\$ 837,031</u>	<u>25,443</u>	<u>(56,606)</u>	<u>805,868</u>	<u>59,374</u>

*The beginning balances shown represent the beginning balances as a result of LES's implementation of GASB Statement No. 96, LES has a fiscal year of January 1 to December 31.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Internal Service funds predominantly serve the governmental funds; therefore, their long-term liabilities are included with the governmental activities. Compensated absences for governmental activities are generally liquidated in the General Fund as well as various other Special Revenue and Internal Service funds where personnel costs are incurred. The claims and judgments liability will generally be liquidated through the City's Insurance Revolving Internal Service Fund, which will finance the payment of those claims by charging other funds based on management's assessment of the relative insurance risk that should be assumed by individual funds. The net pension liability will be liquidated through the Police & Fire Pension Contributions Special Revenue Fund with financing provided by an annual property tax levy. The total OPEB liability for an implicit rate subsidy will be liquidated with those governmental funds where personnel health insurance costs are incurred.

Long-term liability activity for the major enterprise funds for the year ended August 31, 2024, was as follows (in thousands of dollars):

	Beginning Balance*	Additions	Reductions	Ending Balance	Due Within One Year
Lincoln Wastewater System:					
Bonds and Loans Payable:					
Wastewater Revenue Bonds	\$ 88,620	-	(5,890)	82,730	6,150
Wastewater Loans from Direct Borrowing	13,633	-	(1,283)	12,350	1,310
COPs	25	-	(25)	-	-
Deferred for Issuance Premiums	4,982	-	(518)	4,464	-
Net Bonds and Loans Payable	<u>107,260</u>	<u>-</u>	<u>(7,716)</u>	<u>99,544</u>	<u>7,460</u>
Other Liabilities:					
Compensated Absences	1,553	668	(449)	1,772	418
Total OPEB Liability	399	2	-	401	15
Total Long-Term Liabilities	<u>\$ 109,212</u>	<u>670</u>	<u>(8,165)</u>	<u>101,717</u>	<u>7,893</u>
Lincoln Water System:					
Bonds and Loan Payable:					
Water Revenue Bonds	\$ 13,175	-	(3,270)	9,905	2,880
Water Loan from Direct Borrowing	8,920	-	(723)	8,197	740
Deferred for Issuance Premiums	1,770	-	(311)	1,459	-
Net Bonds and Loan Payable	<u>23,865</u>	<u>-</u>	<u>(4,304)</u>	<u>19,561</u>	<u>3,620</u>
Other Liabilities:					
Compensated Absences	2,147	853	(604)	2,396	621
Total OPEB Liability	481	3	-	484	18
Total Long-Term Liabilities	<u>\$ 26,493</u>	<u>\$ 856</u>	<u>\$ (4,908)</u>	<u>\$ 22,441</u>	<u>\$ 4,259</u>
Lincoln Electric System:					
Bonds Payable:					
Electric System Revenue Bonds	\$ 561,990	-	(30,535)	531,455	37,800
Deferred for Issuance Premiums	40,682	-	(6,027)	34,655	-
Net Bonds Payable	<u>602,672</u>	<u>-</u>	<u>(36,562)</u>	<u>566,110</u>	<u>37,800</u>
Other Liabilities:					
Developer Performance Deposits	250	16,060	(478)	15,832	3,913
Claims and Judgements	708	14	-	722	-
Software Liabilities	752	1,471	(784)	1,439	479
Asset Retirement Obligation	3,180	2,249	(239)	5,190	-
Total Long-Term Liabilities	<u>\$ 607,562</u>	<u>19,794</u>	<u>(38,063)</u>	<u>589,293</u>	<u>42,192</u>

*The beginning balances shown represent the beginning balances as a result of LES's implementation of GASB Statement No. 96, LES has a fiscal year of January 1 to December 31.

DEVELOPER PURCHASED TAX INCREMENT FINANCING NOTES AND BONDS

At August 31, 2024, \$133,864,883 of developer purchased tax increment financing notes and bonds were outstanding. Developer purchased tax increment financing allows the City to create special districts to enable public/private improvements within those districts that will generate public/private-sector development. For a period of 15 or 20 years, depending on the project location as provided by State Statute, the tax base is frozen at the predevelopment level, and taxes generated from the incremental increases in assessed value are remitted to the developer. The agreements between the City and developer expressly limit the City's commitment for debt repayment to the incremental tax collected during the 15 or 20-year

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

period. At the end of the 15 or 20-year period, the tax jurisdiction collects on the increased property values. The related tax increment districts are not component units of the City; therefore, the City is not liable for the outstanding debt. The City's responsibility for this liability is limited only to remittance of paid taxes, thus these notes and bonds are not reflected in the City's financial statements.

CONDUIT DEBT

On March 30, 2021, the City issued its taxable \$11,562,000 of Educational Facilities Revenue Refunding Bonds, which were converted to tax-exempt bonds on January 4, 2022. The Bonds were issued to refund the City's \$19,815,000 of Educational Facilities Revenue and Refunding Bonds which were issued for the purpose of paying the cost of acquiring, constructing, equipping, and furnishing improvements to Nebraska Wesleyan University's (NWU) higher education facilities and refinancing certain outstanding indebtedness of NWU. The Bonds are limited obligations of the City and are payable solely from payments to be made by NWU pursuant to a loan agreement dated March 1, 2021 by and between the City and NWU. The Bonds shall not be a charge against the City's general credit or taxing powers. The Bonds shall never constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the City, thus these bonds are not reflected in the City's financial statements. At August 31, 2024, \$8,331,000 of these bonds remain outstanding.

On December 1, 2021, the City issued a maximum of \$10,000,000 of Multifamily Revenue Bonds, Series 2021 Bonds for the purpose of providing all or part of the funds with which to pay the cost of the acquisition, construction, and equipping of a 98-unit multifamily housing development located in the City of Lincoln, Nebraska to be known as Gatehouse Rows. The Bonds are limited obligations of the City and are payable solely from payments to be made by Gatehouse Rows, LP pursuant to a loan agreement dated December 1, 2021, by and between the City, Horizon Bank, and Gatehouse Rows, LP. The Bonds shall not be a charge against the City's general credit or taxing powers. The Bonds shall never constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the City, thus these bonds are not reflected in the City's financial statements. At August 31, 2024, \$8,264,412 of these bonds are outstanding.

On June 1, 2022, the City issued a maximum of \$18,000,000 of Multifamily Revenue Bonds, Series 2022A and maximum of \$8,100,000 of Multifamily Revenue Bonds, Taxable Series 2022B Bonds for the purpose of financing the cost of the acquisition, construction, and equipping of a multifamily rental housing facility, consisting of approximately 192 units and related personal property and equipment to be located in Lincoln, Nebraska and known as Union at Middle Creek Apartments. The Bonds are limited obligations of the City and are payable solely from payments to be made by Union at Middle Creek, LP pursuant to a loan agreement dated June 1, 2022, by and between the City and Union at Middle Creek, LP. The Bonds shall not be a charge against the City's general credit or taxing powers. The Bonds shall never constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the City, thus these bonds are not reflected in the City's financial statements. At August 31, 2024, \$26,100,000 of these bonds are outstanding.

On September 26, 2023, the City issued a maximum of \$25,560,000 of Multifamily Housing Revenue Bonds, Series 2023 for the purpose of financing a portion of the costs of the acquisition, construction, and equipping of a multifamily housing development, consisting of approximately 187 units to be located in Lincoln, Nebraska and known as Union at Antelope Valley. The Bonds are limited obligations of the City and are payable solely from payments to be made by Union at Antelope Valley, LP pursuant to a loan agreement dated September 1, 2023, by and between the City and Union at Antelope Valley, LP. The Bonds shall not be a charge against the City's general credit or taxing powers. The Bonds shall never constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the City, thus these bonds are not reflected in the City's financial statements. At August 31, 2024, \$18,245,498 of these bonds are outstanding.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

(10) **RECONCILIATION OF BUDGET BASIS TO GAAP**

Amounts presented on a non-GAAP budget basis of accounting differ from those presented in accordance with GAAP due to the treatment afforded accruals, encumbrances, funds for which budget and reporting structures differ, and funds for which legally adopted annual budgets are not established. A reconciliation for the year ended August 31, 2024, which discloses the nature and amount of the adjustments necessary to convert the actual GAAP data to the budgetary basis, is presented below:

	General Fund	Street Construction Fund	Federal Grants Fund
Net Change in Fund Balances:			
Balance on a GAAP basis	\$ 23,381,954	10,497,613	(3,306,245)
Basis differences (accruals) occur because the cash basis of accounting used for budgeting differs from the modified accrual basis of accounting prescribed for governmental funds.	12,198,992	(9,261,035)	(14,765,219)
Perspective differences occur when the structure used for budgeting differs from the fund structure used for financial reporting.	(1,650,743)	-	-
Amount budgeted on a project basis.	-	38,011,236	-
Balance on a budget basis	\$ 33,930,203	39,247,814	(18,071,464)

(11) **DEFICIT NET POSITION OR FUND BALANCE**

The following funds had a fund balance deficit as of August 31, 2024:

Special Revenue – Lincoln Bike Share Fund \$ (689,075)

- The Lincoln Bike Share Fund fund balance deficit is due to large initial implementation costs of the Lincoln Bike Share Program.

(12) **EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

The following funds had expenditures for which there were no appropriations:

Street Construction Fund	
Lease Principal	\$ 75,000
Interest	34,950
Fiscal Charges	61
Federal Grants Fund	
Materials and Supplies	\$ 9,606
Loans and Grants	586,539
Aging Fund	
Materials and Supplies	\$ 103,691
Advance Acquisition Fund	
Other Services and Charges	\$ 9,641
Cable Access Television Fund	
Personal Services	\$ 692

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Materials and Supplies	2,753
 Lincoln City Libraries Fund	
Materials and Supplies	\$ 1,915
 StarTran Fund	
Materials and Supplies	\$ 1,249,597
 Keno Fund	
Other Services and Charges	\$ 828,061
Debt Service	399
 Building and Safety Fund	
Capital Outlay	\$ 77,052
 Library Trust Fund	
Personal Service	\$ 19,777
 Lincoln Bike Share Fund	
Other Services and Charges	\$ 56,482
 Vehicle Tax Residual Revenue Fund	
Other Services and Charges	\$ 94

(13) EMPLOYEES' RETIREMENT PLANS

The employees of the City are covered by several retirement plans. Article II Section 3 of the Lincoln Charter assigns the authority to establish and amend benefit provisions of the various plans to the City Council. The Police and Fire Pension Plan (PFP) is administered by the City and is included in the Fiduciary Fund type. All other plans are administered by outside trustees and are not included in the City's basic financial statements.

POLICE AND FIRE PENSION

Plan Description – PFP is a single-employer defined benefit pension plan administered by the City of Lincoln for all commissioned police and firefighters. PFP provides retirement, disability, and death benefits to plan members and beneficiaries. The City does not issue a separate report that includes financial statements and required supplementary information for PFP.

Summary of Benefit Provisions -

Plan A is applicable to members who were hired on/after April 1, 1995 or who were hired prior to that date, but elected Plan A coverage.

Plan B is applicable to members who were employed on/after April 11, 1984 or who, prior to April 11, 1984, elected Plan B coverage.

Plan C is applicable to members who were employed before April 11, 1984 and did not elect to move to Plan B or A.

Regular Pay - All plans include member's base pay and City's contributions to the Post-Employment Health Plan for the last consecutive 26 bi-weekly pay periods, or in the case of a demotion or out-of-class pay, the highest consecutive 26 bi-weekly pay periods.

Normal Retirement Age – Plan A: Age 50
Plans B and C: Age 53

Normal Retirement – Plan A: Normal retirement age and 25 years of service.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Plans B and C: Normal retirement age and 21 years of service.

Amount of Pension –

- Plan A: 2.56% of regular pay times years of service to a maximum of 64% of regular pay.
- Plan B: 58% of regular pay with 21 years of service, plus 2% of regular pay for each year of service rendered after becoming eligible for retirement to a maximum increase of 10%.
- Plan C: 54% of regular pay with 21 years of service, plus 2% of regular pay for each year of service rendered after becoming eligible for retirement to a maximum increase of 10%.

Early Retirement - Eligibility for all plans is age 50 and 21 years of service.

Amount of Pension –

- Plan A: 2.56% of regular pay times years of service up to a maximum of 64% of regular pay.
- Plan B and C: 52% and 48% of regular pay, respectively, plus 2% of regular pay for each year of service rendered after becoming eligible, up to a maximum increase of 6%.

Partial Annuity - Eligibility for all plans is normal retirement age and 10 or more years of service.

Amount of Pension –

- Plan A: 2.56% of regular pay times years of service.
- Plan B: 58% of regular pay with 21 years of service. Members with less than 21 years of service receive a ratio of years of service to 21 years of 58% of regular pay.
- Plan C: 54% of regular pay with 21 years of service. Members with less than 21 years of service receive a ratio of years of service to 21 years of 54% of regular pay.

Deferred Annuity (Vested Termination) - Eligibility for all plans is age less than normal retirement age and 10, or more, years of service. Payments begin at age 50.

Amount of Pension –

- Plan A: 2.56% of regular pay times years of service.
- Plan B: 58% of regular pay with 21 years of service. Members with less than 21 years of service receive a ratio of years of service to 21 years of 58% of regular pay.
- Plan C: 54% of regular pay with 21 years of service. Members with less than 21 years of service receive a ratio of years of service to 21 years of 54% of regular pay.

Duty-Related Disability - Eligibility for all plans is permanent inability to perform the duties of the position from a cause occurring while in line of duty.

Amount of Pension –

- Plan A: 58% of regular pay.
- Plan B and C: A pension equal to 58% or 54% of regular pay, respectively, plus 2% of regular pay for each year of service rendered after becoming eligible for retirement, to a maximum increase of 10% of regular pay.

Such benefits shall continue after the member's death to the member's surviving spouse (until their death or remarriage), minor children or designated beneficiary (at a reduced amount). The above amounts are subject to deduction of the amount received from worker's compensation.

Non-Duty Disability - Eligibility for all plans is permanent inability to perform duties of position from a cause not occurring in the line of duty.

Amount of Pension – equal to the following percent of regular pay:

<u>Years of Service (YOS)</u>	<u>Plan A</u>	<u>Plan B</u>	<u>Plan C</u>
5 ≤ YOS < 10	23%	23%	21%
10 ≤ YOS < 15	39%	39%	36%
YOS ≥ 15	53%	53%	49%

Duty-Related Death - Eligibility for all plans is an active member death in the line of duty, or as a result of injuries received while in the line of duty.

Amount of Pension –

Spouse beneficiary paid at duty disability rate until remarriage or death. Upon spouse's remarriage or death, dependent children paid prorata at same rate until age 19. Non-spouse

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

beneficiary paid at 100% survivor rate for lifetime. The above amounts are subject to deduction of the amount received from worker's compensation.

Non-Duty Death - Eligibility for all plans is member dies from non-duty related cause and 5 years of service.

Amount of Pension - Pension which would have been payable as a non-duty disability awarded the day prior to death and elected option A (joint and 100% survivor).

Death After Retirement – Remainder Refund - Eligibility for members employed on January 1, 1992, or hired between January 1, 1992, and March 31, 2010.

Upon retirement, the member's balance of contributions plus accrued interest is reduced each month by a level amount equal to the member's balance divided by the expected number of payments. Once both the member and, if applicable, their joint annuitant have died, the remaining balance is paid as a lump sum to a designated beneficiary. The expected number of monthly payments is established in the Internal Revenue Code in effect April 1, 2010 and depends on the age of the retiree at retirement, or the combined ages of the retiree and joint annuitant.

Non-Vested Termination - Eligibility for all plans includes termination of employment and no pension is or will become payable.

Amount of Benefit – all plans will refund member's contributions plus annual interest.

Employee Contributions - Plan A: 8.0% of pay
Plan B: 7.6% of pay
Plan C: 7.0% of pay

Employee contributions are credited with regular interest earned each calendar month with the actual earnings on investments of the Police and Fire Pension Fund. Upon reaching 21 years of service, member contributions are discontinued for Plans B and C.

Cost of Living Adjustments (COLA) – Eligibility requirements include receiving benefits for at least twelve months preceding September 1. The base amount of the lump sum payment is \$750 effective 9/1/1994. The base amount is increased each year by the lesser of three percent or the annual percentage increase in the Consumer Price Index. Members who retired with at least 21 years of service and members who were granted a duty disability pension will receive the full payments amount. All other members who have been receiving a pension for at least 12 months (and their beneficiaries) will receive a partial payment, determined on a pro-rata basis according to their service.

Deferred Retirement Option Plan (DROP) - The City has established DROP for police and fire pension members. The DROP program allows a member to retire for pension purposes, but to continue working. The member receives a paycheck and the member's monthly pension benefit is deposited into the member's DROP account. At the end of five years, or any time before five years, the member must "retire-in-fact". Contributions to the pension are eliminated at the beginning of the DROP period. Pension benefits are set, and will not be increased because of raises, promotions, increased years of service or pension enhancements. When a member retires-in-fact, their monthly pension benefit will be paid directly to them and the member will have access to the funds in their DROP account. The balance held by the third-party DROP administrator at August 31, 2024, is \$12,393,722.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Membership of the pension plan consisted of the following at August 31, 2024, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	578
Terminated plan members entitled to but not yet receiving benefits	27
Active plan members (non-DROP)	609
Death benefit refund due	13
DROP members	51
Total	1,278
 Number of participating employers	 1

Funding Policy – The contribution requirements of plan members and the City are established by City Ordinance and may be amended by the City Council. Plan members are required to contribute between 7% and 8% of their annual covered salary based on an election made by the employee. It is recommended that the City contribute an actuarially determined amount; the contribution amount for fiscal year 2024 was \$10,453,600. For the fiscal year ended August 31, 2024, the Plan received \$10,783,513 in employer contributions.

Actuarial Methods and Assumptions – The annual required contribution for the current year was determined as part of the August 31, 2022, actuarial valuation using the entry age actuarial funding method. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 7.30% per year compounded annually, (b) projected salary increases of 8.25% grading down to 2.75% per year, including wage inflation at 2.25%, and (c) the assumption that benefits will increase 2.25% after retirement. The actuarial value of assets was determined using a five-year smoothed market method. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis over a remaining period of layered bases varying from 15 to 22 years.

Net Pension Liability

Total pension liability	\$ 430,533,761
Plan fiduciary net position	(339,731,903)
Net pension liability	\$ 90,801,858

Plan fiduciary net position as a percentage of the total pension liability	78.91%
---	--------

The total pension liability was determined by an actuarial valuation using the entry age normal cost method and calculated based on the discount rate and actuarial assumptions below.

Valuation date	August 31, 2024
Measurement date	August 31, 2024

Assumptions

The total pension liability as of August 31, 2024, was determined by an actuarial valuation performed as of August 31, 2024, using the following key actuarial assumptions:

Price inflation	2.50%
Salary increases, including wage inflation	3.00% to 8.75%
Long-term Rate of Return,	7.20%

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

net of investment expense,
including price inflation

Municipal Bond Index Rate 3.88%

Single Equivalent Interest Rate, 7.20%
net of investment expense,
including price inflation

Post-retirement adjustment 13th check payments are assumed to increase
2.50% each year.

Mortality Mortality rates are based on the PubS-2010 Mortality
Tables for Actives, Healthy Annuitants, and
Disabled, with generational mortality improvement
using the MP-2021 Mortality Improvement Scale
and on the Pub-2010 Mortality Table for contingent
survivors with generational mortality improvement
using the MP-2021 Mortality Improvement Scale

The actuarial assumptions that determined the total pension liability as of August 31, 2024 were based on the results of the most recent actuarial experience study for the four-year period ending August 31, 2022.

Discount Rate

The discount rate used to measure the total pension liability at August 31, 2024, was 7.20%, which is a change from the discount rate of 7.25% used to measure the total pension liability at August 31, 2023. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be equal to the actuarially determined contribution rates determined in the actuarial valuation prepared two years prior to the current fiscal year end. Administrative expenses in the prior year were projected forward with price inflation as an estimate for administrative expenses in current and future years. The portion of expenses in future years allocated to the current members was based on the proportionate share of covered payroll in each year for the remainder of the existing members to the total covered payroll for all members. Based on these assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments of 7.20% was applied to all periods of projected benefit payments to determine the total pension liability. Future benefit payments for all current pension members were projected through 2123.

Long-Term Rate of Return – The long-term expected rate of return on pension plan investments is generally reviewed on a regular basis as part of an experience study. The 7.20% long-term assumed rate of return for the current measurement date and the 7.25% long-term assumed rate of return for the prior measurement date were actuarially developed. Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and an analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation), along with estimates of variability and correlations for each asset class, were developed by investment consultants. These ranges were combined to develop the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of August 31, 2024, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
US Equity	21.0 %	4.30%
Emerging Markets Equity	6.0	8.75
Private Equity	10.0	7.50
Fixed Rate Debt	15.0	1.50
Floating Rate Debt	10.0	5.50
Global Equity	18.0	5.35
Non-US Developed Equity	5.0	6.0
Core Real Estate	15.0	3.25
Total	<u>100.0 %</u>	

* Arithmetic mean, net of investment expenses

Sensitivity of the net pension liability to changes in the discount rate - The following presents the net pension liability of the City, calculated using the discount rate of 7.20%, as well as the City's net pension liability calculated using a discount rate that is 1 percentage point lower (6.20%) or 1 percentage point higher (8.20%) than the current rate.

	1% Decrease <u>6.20%</u>	Current Discount Rate <u>7.20%</u>	1% Increase <u>8.20%</u>
Total Pension Liability	\$ 484,276,246	430,533,761	385,764,158
Fiduciary Net Position	<u>339,731,903</u>	<u>339,731,903</u>	<u>339,731,903</u>
Net Pension Liability	\$ 144,544,343	90,801,858	46,032,255

Rate of Return - For the year ended August 31, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was .86%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PFP financial statements are prepared on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when a liability is incurred. Employee and employer contributions are recognized in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the plan terms.

Investments as reported in the financial statements include long-term investments. Law or legal instruments may restrict these investments. All investments are stated at fair value based on quoted market prices. For investments where no readily ascertainable fair value exists, management has received an estimate of fair value from the investment fund manager based, in part, on real estate appraisals.

There have been no changes since the measurement date that would materially alter the pension plan financial report.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at August 31, 2023	\$ 401,094,971	312,197,770	88,897,201
Changes for the year:			
Service cost at end of year	10,034,705	-	10,034,705
Interest on TPL	28,301,182	-	28,301,182
Difference between expected and actual experience	10,500,409	-	10,500,409
Assumption changes	2,452,446	-	2,452,446
Employer contributions	-	10,783,513	(10,783,513)
Employee contributions	-	4,667,768	(4,667,768)
Net investment income	-	34,607,061	(34,607,061)
Benefit payments, including member refunds	(21,849,952)	(21,849,952)	-
Administrative expenses	-	(674,257)	674,257
Net changes	29,438,790	27,534,133	1,904,657
Balances at August 31, 2024	<u>\$ 430,533,761</u>	<u>339,731,903</u>	<u>90,801,858</u>

Deferred Outflows and Inflows of Resources

Deferred Outflows of Resources
As of August 31, 2024

Differences between expected and actual experience	\$ 14,093,029
Differences between projected and actual earnings	-
Changes of assumptions	8,167,284
Change in the City's proportion of the collective net pension liability since the prior measurement date	195,731
Change in the Emergency Medical Services Fund's proportion of the collective net pension liability since the prior measurement date	<u>405,566</u>
Total	<u>\$ 22,861,610</u>

Deferred Inflows of Resources
As of August 31, 2024

Differences between expected and actual experience	\$ 16,353
Differences between projected and actual earnings	115,089
Change in the City's proportion of the collective net pension liability since the prior measurement date	405,567
Change in the Emergency Medical Services Fund's proportion of the collective net pension liability since the prior measurement date	<u>195,731</u>
Total	<u>\$ 732,740</u>

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Amounts reported as Deferred Outflows and Inflows of Resources related to pensions will be recognized in pension expense in future fiscal years as follows:

Fiscal Year Ending August 31	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/Inflows of Resources
2025	\$ 6,422,155	(2,059,593)	4,362,562
2026	4,990,281	5,576,872	10,567,153
2027	4,590,100	(1,638,840)	2,951,260
2028	4,086,252	(2,527,446)	1,558,806
2029	2,424,943	(72,289)	2,352,654
Thereafter	347,879	(11,444)	336,435
	<u>\$ 22,861,610</u>	<u>(732,740)</u>	<u>22,128,870</u>

Pension Expense

The calculation of the pension expense for the year ended August 31, 2024, is shown below:

Pension Expense For the Fiscal Year Ended August 31, 2024	
Service cost at end of year	\$ 10,034,705
Interest on the total pension liability	28,301,182
Expensed portion of current-period differences between expected and actual experience in the total pension liability	1,704,612
Expensed portion of current-period assumption changes	398,124
Employee contributions	(4,667,768)
Projected earnings on plan investments	(22,382,430)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(2,444,926)
Administrative expenses	674,257
Amortization of beginning deferred outflows of resources	13,993,271
Amortization of beginning deferred inflows of resources	(9,435,397)
Total Pension Expense	<u>\$ 16,175,630</u>

ELECTRIC SYSTEM

The City owns and operates its own electric system, which is included in the enterprise funds in the accompanying basic financial statements. The electric system is controlled and managed by an administrative board and is not supported by the City's general tax revenues. The electric system provides retirement benefits to its employees under its own separate plan, such benefits being funded solely from revenues derived from the operation of the electric system. A summary of the electric system plan is as follows:

LES has a defined contribution retirement plan created in accordance with Internal Revenue Code Section 401(K). The plan assets are held, managed and administered by a custodian. The plan was established under the authority of the LES administrative board and contributions are also established by the administrative board. LES' contribution is equal to 200% of the employees contributions, up to 5% of applicable compensation for employees hired prior to 1/1/11. For employees hired after 1/1/11, LES' contribution is equal to 100% of the employee contributions up to 10% of applicable compensation. Vesting of LES contributions occurs over a three-year period. Employee forfeitures are used to reduce future

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

employer contributions. For the year ended December 31, 2023, LES incurred contribution expense of approximately \$5,504,000 and its employees contributed approximately \$5,343,000.

DEPARTMENT DIRECTORS

Directors of City departments are eligible the first of the month following the date employed to be covered by the Director's Money Purchase Plan, established by City Ordinance, and administered by an insurance company. The Plan is a defined contribution plan requiring contributions determined by the employee's date of hire. The City contributes 12% of compensation for employees hired prior to May 1, 2011, with no required contribution by the employee. For those hired subsequent to that date, the employee contributes 6% of compensation with an employer match of 6%. Employees covered by the Plan may also make voluntary contributions. Participant accounts are immediately 100% vested. City contributions totaled \$176,439 and employee contributions totaled \$111,509. There were no voluntary employee contributions made for the year ended December 31, 2023.

ALL OTHER CITY EMPLOYEES

All other City employees are eligible after 6 months' service and age 19 to be covered under the City's Money Purchase Pension Plan, established by City Ordinance, and administered by an insurance company. Enrollment in the program is mandatory at age 40 with 5 years' service. Vesting occurs at 3 years of enrollment in the plan. The Plan is a defined contribution plan requiring employees to contribute at a rate determined by the employees' bargaining unit and date of hire. The City contributes between \$1.29 and \$2.00 for every \$1.00 contributed by employees. Employee forfeitures are used to reduce employer contributions. Employees covered by the Plan may also make voluntary contributions. During the year ended December 31, 2023, the City incurred contribution expense totaling \$8,934,791. Employee contributions totaled \$5,782,476. Employees made \$235,187 in voluntary contributions for the year ended December 31, 2023.

DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, which covers substantially all full-time employees. Plan provisions, including contribution requirements, are established and amended by City Ordinance. Participation in this plan is voluntary and employees may contribute a percentage of their total compensation up to the IRS allowed maximum. Employee Contributions to this plan totaled \$994,385 for the year ended December 31, 2023.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

(14) **OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

Plan Description – The City offers employees and their families the opportunity to continue their health care coverage when there is a qualifying event, such as retirement, that would result in a loss of coverage under the City’s plan. Each qualified beneficiary pays the entire cost of premiums for the continuous coverage. The City recognizes as OPEB the implicit rate subsidy provided to retirees when their premium is the “full cost” of the insurer’s charge for the active population. Since the retirees have higher costs, the premium they pay is not expected to cover their costs, and the difference is essentially covered by the City’s payment for active employees. The City plan is a single employer defined benefit plan. There are no assets accumulated in a trust that meet the criteria in paragraph 4 of GASB 75 in connection with the plan. The City does not issue a separate report that includes financial statements and required supplementary information for OPEB.

Funding Policy – The plan is a pay-as-you-go and therefore, is not funded.

The following table summarizes the membership of the OPEB plan as of August 31, 2022, for members in payment and as of August 31, 2022, for active members. This was the data used in the valuation to develop the August 31, 2023, total OPEB liability:

Retired members	50
Spouses of retired members	18
Surviving spouses	0
Active employees	2,050
Total	<u>2,118</u>
Number of participating employers	<u>1</u>

Actuarial Methods and Assumptions

The total OPEB liability of \$17,052,346 on August 31, 2024, was measured as of August 31, 2023. An actuarial valuation was prepared as of August 31, 2022, rolled forward 12 months using standard actuarial formulae for active members and members in payment under the plan. The total OPEB liability as of August 31, 2024, is based on the following actuarial assumptions and other inputs:

<u>Price Inflation</u>	2.50%
<u>Municipal Bond Index Rate</u>	3.77% (Bond Buyer General Obligation 20-year Municipal Bond Index Rate)
<u>Healthcare Cost Trend Rate</u>	7.00%, decreasing by 0.25% per year until an ultimate rate of 4.50% is reached in 2032.

Cost-Sharing Premiums Premiums, effective as of November 1, 2022, were trended backwards to the valuation date, August 31, 2022. Civilian premium rates were based on the base plan and the combined rate for Police and Fire was based on an average of the Police group and the Fire group.

	Premiums trended to August 31, 2022	
	<u>Police/Fire</u>	<u>Civilians</u>
Retiree	\$ 10,687	\$ 9,542
Spouse	\$ 13,039	\$ 11,640

Mortality: General Pub-2010 Tables used for Civilians and Safety Pub-2010 Tables used for Police and Fire.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Active:	Pub-2010 Active Mortality Table with generational mortality improvement using the Nebraska Public Retirement System Mortality Improvement Scale.
Retires:	Pub-2010 Healthy Annuitant Mortality Table with generational mortality improvement using the Nebraska Public Retirement System Mortality Improvement Scale.
Disabled Retirees:	Pub-2010 Disabled Mortality Table with generational mortality improvement using the Nebraska Public Retirement System Mortality Improvement Scale.
Beneficiaries:	Pub-2010 Contingent Annuitant Mortality Table with generational mortality improvement using the Nebraska Public Retirement System Mortality Improvement Scale.

The Police and Fire demographic actuarial assumptions used in the August 31, 2022 valuation, and rolled forward to August 31, 2023 are consistent with those used in the valuation of the Lincoln Police and Fire Pension Plan at the time, which were based on the actuarial experience study covering the four-year period ending August 31, 2022. This most recent experience study was dated December 11, 2023, with the new assumptions first used in the August 31, 2023 valuation.

The Civilian mortality rate assumption aligns with the Pub-2010 Mortality Tables used for Police and Fire, except they are based on the General population tables to better align with the respective employment groups. Due to the size of the plan and lack of available data to analyze, the withdrawal rates are based on The Basis Service Table from the 2003 SOA Pension Plan Turnover Study and the disability rates are based on rates observed in similar types of plans. The retirement rates align with the prior valuation as we believe they are reasonable estimates of future experience.

The remaining actuarial assumptions (initial per capita costs, health care cost trends, rate of plan participation, rates of DROP participation, etc.) used in the valuation were based on a review of recent plan experience.

Sensitivity of the total OPEB liability to changes in the rates

The following presents the total OPEB liability of the plan, calculated using health care cost trend rates ranging from 7.00% in 2022 and trending downward to 4.50% in 2032, as well as the total OPEB liability calculated using trend rates that are 1% lower or 1% higher than the current rate:

	<u>1%</u> <u>Decrease</u>	<u>Current</u> <u>Trend Rate</u>	<u>1%</u> <u>Increase</u>
Total OPEB Liability	\$ 14,957,873	17,052,346	19,556,097

The following presents the total OPEB liability of the plan, calculated using the discount rate of 3.77%, as well as the Plan's total OPEB liability calculated using a discount rate that is 1% lower (2.77%) or 1% higher (4.77%) than the current rate:

	<u>1%</u> <u>Decrease</u> <u>2.77%</u>	<u>Current</u> <u>Discount Rate</u> <u>3.77%</u>	<u>1%</u> <u>Increase</u> <u>4.77%</u>
Total OPEB Liability	\$ 18,807,723	17,052,346	15,480,543

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at Beginning of Year	\$ 16,922,057
Changes for the year:	
Service cost at end of year	1,050,494
Interest on total OPEB liability	562,332
Assumption changes	(907,736)
Benefit payments	(574,801)
Net changes	130,289
Balance at End of Year	\$ 17,052,346

OPEB Expense

The calculation of the OPEB expense for the fiscal year ended August 31, 2024, is shown below:

OPEB Expense
Year Ending August 31, 2024

Service cost at end of year	\$ 1,050,494
Interest on the total OPEB liability	562,332
Expensed portion of current-period assumption changes	(119,125)
Recognition of beginning deferred outflows of resources	951,879
Recognition of beginning deferred inflows of resources	(2,141,219)
Total OPEB Expense	\$ 304,361

Deferred Outflows and Inflows of Resources

Deferred Outflows of Resources
As of August 31, 2024

Benefit payments subsequent to the measurement date	\$ 619,895
Differences between expected and actual experience	127,608
Changes of assumptions	3,219,295
Total	\$ 3,966,798

Deferred Inflows of Resources
As of August 31, 2024

Differences between expected and actual experience	\$ 8,815,645
Changes of assumptions	2,317,390
Total	\$ 11,133,035

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

The deferred outflows of resources related to OPEB resulting from benefit payments subsequent to the measurement date will be recognized as a reduction of total OPEB liability in the fiscal year ending August 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Fiscal Year Ending August 31	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/Inflows of Resources
2024	\$ 951,879	(2,168,402)	(1,216,523)
2025	951,879	(1,968,705)	(1,016,826)
2026	898,355	(1,876,440)	(978,085)
2027	544,790	(1,876,440)	(1,331,650)
2028	-	(1,875,192)	(1,875,192)
Thereafter	-	(1,367,856)	(1,367,856)
	<u>\$ 3,346,903</u>	<u>(11,133,035)</u>	<u>(7,786,132)</u>

PEHP – Defined Contribution Plan

The City has a defined contribution Post Employment Health Plan (PEHP) administered by Nationwide Retirement Solutions. The purpose of the PEHP plan is to provide reimbursement of qualifying health care and medical insurance premium expenses for employees upon separation from employment.

Terms for eligibility and contribution rates are specified in the City’s various collective bargaining agreements. Individual employee accounts consist of employer contributions, investment returns and any forfeiture allocations. Current employer contributions range from \$18-\$50 per pay period based on union contracts. Current year contributions totaled approximately \$1,603,704.

Long-Term Disability Plan

The City also provides employees with long-term disability benefits when they become disabled due to a non-work-related accident or illness and are unable to perform their essential job functions. Results of an actuarial valuation have not been included here as it did not have a significant impact on the City’s financial statements. Long-term disability claims liability of \$1,059,218 has been included in the Insurance Revolving Internal Service Fund, as it relates to these benefits.

(15) PROPERTY TAXES

The Home Rule Charter of the City imposes a tax ceiling for general revenue purposes. The City tax ceiling was established by using the September 1, 1966, City dollar tax limit as an initial tax limit, and increasing that tax limit each year following 1966 by 7% so that in each fiscal year thereafter the amount of the City tax limit shall be the amount of the City tax limit for the previous year plus 7% thereof. In addition, the City has the power to levy taxes each year sufficient to pay any judgment existing against the City, the interest on bonded debt, and the principal on bonded debt maturing during the fiscal year or within 6 months thereafter, as well as taxes authorized by state law. The 2023 tax levy, for the 2023-2024 fiscal year, was \$219,413,050 below the legal limit, with a tax rate per \$100 valuation of \$0.29533. The assessed value upon which the 2023 levy was based was \$34,131,455,666.

The tax levies for all political subdivisions in Lancaster County are certified by the County Board on or before October 15th. Real estate taxes are due on December 31st and attach as an enforceable lien on property on January 1st following the levy date and become delinquent in two equal installments on April 1st and August 1st. Personal property taxes are due December 31st and become delinquent on April 1st and August 1st following the levy date. Delinquent taxes bear 14% interest.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Within the government-wide financial statements, property taxes are recognized as revenue in the year for which they are levied. Property taxes levied for 2023-2024 are recorded as revenue in the fund financial statements when expected to be collected within 60 days after August 31, 2024. Prior-year levies were recorded using these same principles, and remaining receivables are re-evaluated annually. Property taxes expected to be collected after 60 days are recorded as unavailable revenue on the fund balance sheets.

The City-owned electric utility is required by City Charter to make payments in lieu of taxes, aggregating 5% of its gross retail operating revenues derived from within the city limits of incorporated cities and towns served. Payments in lieu of taxes are transferred to the City of Lincoln, Lancaster County, Lincoln Public Schools, and the City of Waverly.

(16) RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees and the public; or acts of God. All risk management activities are accounted for in the Insurance Revolving Fund, an internal service fund, and administered through the Risk Management Division.

For the year ended August 31, 2024, the City had a self-insured retention for workers' compensation exposures up to \$800,000 per claim; law enforcement liability, commercial general liability, public officials liability, public transportation liability, EMT and medical professional liability, and auto liability exposures up to \$1,000,000 per occurrence; all-risk property exposures up to \$250,000 per occurrence; health care claims of \$200,000 per person; self-insured dental benefits; and self-insured employee long-term disability benefits.

The City also obtained excess liability insurance coverage in the current year. Workers' compensation was covered by a policy that provided statutory limits above the City's retention of \$800,000 per individual. Law enforcement, commercial general, public officials, public transportation, EMT and medical professional, and auto liabilities were covered by an aggregate policy that provided limits of \$6 million per occurrence with a \$12 million annual aggregate above the City's \$1,000,000 retention.

All-risk property exposures were covered by an insurance policy with a total property limit of \$500,000,000 over the City's retention of \$250,000. Healthcare was covered by an unlimited stop loss insurance policy above the \$200,000 retention per claim. The Nebraska Political Tort Claims Act limits the City's liability for tort claims to \$1 million per individual and \$5 million per occurrence.

There were no significant insurance recoveries in the current year and settled claims have not exceeded coverage in any of the past three fiscal years.

The City annually retains the services of independent actuaries to analyze the self-insured workers' compensation, general liability, public transportation liability, law enforcement liability, and auto liability exposures. Such analysis has been used to assist the City with its financial planning and management of the self-insurance program. Included in the specific objectives of the studies were to:

- Estimate the outstanding liabilities for the current fiscal year ended August 31,
- Forecast ultimate incurred losses and incurred but not reported losses for future years, and
- Estimate the required funding level for the City's self-insured liabilities.

The City funds its self-insurance program on an "incurred loss" basis. The governmental and proprietary funds pay annual premium amounts, based on past experience of incurred losses, to the Insurance Revolving Fund. Claim liabilities of \$16,109,947 were recorded at August 31, 2024, which do not include claims relating to Lincoln Electric System's self-funded health and dental insurance programs. Excluding medical care claims approximating \$2,742,680, the remaining liability is the actuarially estimated amount of claims based on an estimate of ultimate incurred and incurred but not reported losses as of that date and is calculated considering the effects of inflation, recent claim settlement trends including frequency and

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

amount of pay-outs, and other economic and social factors. The claims liability estimate also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of their allocation to specific claims. The City has purchased no annuity contracts in the current fiscal year to resolve City of Lincoln claims.

The following is a summary of the changes in the estimated claims liability for the years ended August 31, 2024 and 2023:

	Worker's Compensation and Others	Long-Term Disability	Health and Dental	Total
Balance at August 31, 2023	\$ 11,953,085	981,475	1,787,301	14,721,861
Current year claims and changes in estimates	4,587,393	191,636	47,103,888	51,882,917
Claims payments	(4,232,429)	(113,893)	(46,148,509)	(50,494,831)
Balance at August 31, 2024	<u>\$ 12,308,049</u>	<u>1,059,218</u>	<u>2,742,680</u>	<u>16,109,947</u>

	Worker's Compensation and Others	Long-Term Disability	Health and Dental	Total
Balance at August 31, 2022	\$ 8,901,898	890,135	1,552,117	11,344,150
Current year claims and changes in estimates	4,250,894	205,597	40,395,838	44,852,329
Claims payments	(1,199,707)	(114,257)	(40,160,654)	(41,474,618)
Balance at August 31, 2023	<u>\$ 11,953,085</u>	<u>981,475</u>	<u>1,787,301</u>	<u>14,721,861</u>

LINCOLN ELECTRIC SYSTEM

LES has self-funded health and dental insurance programs with claims processed by a third-party administrator on behalf of the utility. As part of the health plan, a reinsurance policy has been purchased which covers claims in excess of \$150,000 per individual. Total accrual and payment history is shown below:

	2023	2022
Balance beginning of year	\$ 708,000	633,000
Claims and fees incurred	8,167,000	7,478,000
Claims paid/other	(8,182,000)	(7,403,000)
Balance end of year	<u>\$ 693,000</u>	<u>708,000</u>

As required by state statute, LES maintains an incurred but not reported claims reserve which is actuarially determined, the balance of which was \$693,000 and \$708,000 at December 31, 2023 and 2022, respectively. LES established two separate bank accounts for the self-funded employee health and dental insurance plan reserve to ensure compliance with statutory requirements. Although not required by the statute, LES maintains excess insurance that limits the total claims liability for each plan year to not more than 125% of the expected claims liability, up to an annual aggregate maximum of \$1,000,000.

(17) COMMITMENTS AND CONTINGENCIES

ENCUMBRANCES

At August 31, 2024, encumbrance balances, by major fund and nonmajor governmental and enterprise funds in the aggregate were:

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Fund	Amount
General	\$ 1,860,672
Street Construction	13,971,428
West Haymarket JPA	338,323
Federal Grants	526,861
Nonmajor Governmental	10,988,934
Internal Service	9,253,123
Wastewater	359,470
Water	820,169
Nonmajor Enterprise	3,142,377
Total	\$ 41,261,357

GENERAL

The City participates in a number of federal and state assisted grant programs. Federal and state financial assistance programs are subject to financial and compliance audits. The amount of expenditures, if any, which may be disallowed by the granting agencies is not determinable at this time; however, City officials do not believe that such amounts would be significant.

At August 31, 2024, approximately 93% of the full-time, regular City’s employees are represented by a Union. Labor contracts involving civilian City employees are negotiated to cover, at a minimum, a two-year period coinciding with the biennial budget process.

The City is a defendant in a number of lawsuits and claims in its normal course of operations. Management is currently of the opinion that ultimate settlement of such lawsuits and claims will not have a materially adverse effect on the financial statements.

The City has been identified as a potentially responsible party (PRP) or equivalent status in relation to several sites with environmental remediation activities. Management currently believes that the liability of the City in connection with these activities will be immaterial. However, the ultimate cost will depend on the extent of remediation required. Management does not believe that changes in these cost estimates will have a materially adverse effect on the financial statements.

The City of Lincoln owns a solid waste disposal area which discontinued operations in 1990, but still requires certain closure and postclosure care, including the construction of final cover, monitoring of groundwater conditions and landfill gas migration, and general site maintenance. While accrual of closure and postclosure care costs has been reflected in the financial statements in the current year, unanticipated corrective action costs related to landfill gas migration or groundwater contamination, if identified through current monitoring procedures, may be recorded once these costs can be reasonably estimated.

STREET CONSTRUCTION PROJECTS

The City’s Street Construction Fund has commitments under major construction contracts in progress of approximately \$5,048,000 as of August 31, 2024, which will be financed primarily through highway user fees, bond proceeds, federal and state grants, and developer contributions.

WEST HAYMARKET JOINT PUBLIC AGENCY

In October 2022, the Agency’s board of representatives authorized a grant to the Lincoln Youth Complex in an amount not to exceed \$4,500,000 to reimburse the Lincoln Youth Complex for a portion of its costs to design and construct the Lincoln Youth Complex sports fields. The payments will be made over the course of three years, beginning in April 2023. In April 2024, the Agency’s board of representatives authorized an

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

additional grant to the Lincoln Youth Complex in an amount not to exceed \$4,500,000. The payments will be made over the course of three years, beginning in April 2026. As of August 31, 2024, the Agency has a remaining commitment of \$6,000,000 related to these grants.

In connection with the West Haymarket Development Project, the WHJPA is involved with the clean-up and remediation of several development sites relating to soil and groundwater contamination. This clean-up and remediation is performed as sites are developed, as the WHJPA has not been designated as a potentially responsible party (PRP or equivalent status) by any regulatory agency requiring the immediate clean-up of impacted areas. Although future costs may be incurred, it is not possible at this time to reasonably estimate the amount of any obligation for remediation activities because of uncertainties with respect to assessing the extent of the contamination or the applicable regulatory requirements. No liability has been recorded for potential future remediation activities as of August 31, 2024.

SOLID WASTE MANAGEMENT

The Solid Waste Management Fund has commitments under major construction contracts in progress of approximately \$1,436,000 as of August 31, 2024.

LINCOLN WASTEWATER SYSTEM

The Lincoln Wastewater System has commitments under major construction contracts in progress of approximately \$33,520,000 as of August 31, 2024.

LINCOLN WATER SYSTEM

The Lincoln Water System has commitments under major construction contracts in progress of approximately \$13,995,000 as of August 31, 2024.

In 2022, the Nebraska State Legislature approved \$20 million in American Rescue Plan Act Funds for the City of Lincoln to begin work securing a second source of reliable drinking water and approved an additional \$177.2 million appropriation in 2023. All funds have been obligated, as required by December 31, 2024. In accordance with the grant agreement all funds must be spent by December 31, 2026

LINCOLN ELECTRIC SYSTEM

LES has an allocation from the U.S. Department of Energy, through Western Area Power Administration (WAPA), of firm power under contract from Upper Missouri Basin hydroelectric plants of approximately 54 megawatts (MW). LES has also received an allocation of 72 MW of firm peaking power from WAPA for the six-month summer season and 22 MW for the remaining months. LES has signed an amendment which extends the contract to 2051.

During 2023, LES had a participation contract in one existing Nebraska Public Power District (NPPD) coal-fired power plant that provided for an entitlement of eight percent (109 MW) of the output of the Gerald Gentleman Station Power Plant (GGS) (nominally rated 1,365 MW).

LES is responsible for its respective participating interests in GGS capital additions and improvements. LES recognizes its share of capital acquisition costs and debt service payments as power costs in the period the costs are billed with the exception of costs approved for deferral under GASB Codification Section RE10, *Regulated Operations*. Fixed cost payments under the agreement are on a participation basis whether or not the plant is operating or operable.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

The participation contract for GGS continues until the facilities are removed from commercial operation or the final maturity occurs on the related debt incurred by NPPD to finance the facilities, whichever occurs last. The fixed cost payments to NPPD under this contract, including capital additions and improvements, debt service payments, fixed costs and credits were \$8,005,000 in 2023.

Through the participation contract LES may be required to pay costs associated with compliance with environmental regulations for GGS.

LES also participates in three wind plants through direct Power Purchase Agreements with the plant's developer/owner: 100 MW Arbuckle Mountain Wind farm in Oklahoma, 100 MW Buckeye Wind Energy Center in Kansas and 73 MW Prairie Breeze II Wind Energy Center in Nebraska. These wind energy facilities were placed in commercial operation in 2015. LES also participates in four Nebraska-based wind plants through Power Sales Agreements with NPPD: Laredo Ridge (10 MW), Broken Bow (10 MW), Elkhorn Ridge (6 MW), and Crofton Bluffs (3 MW). For each of these plants, NPPD has the actual Power Purchase Agreement with the wind plant developer/owner.

LES has outstanding contract commitments totaling \$7,940,000 as of December 31, 2023. These are primarily related to construction contracts of a carport and reel & transformer warehouse at the LES Operations Center, overhead to underground line conversions and the Rokeby Generation Station expansion.

OTHER CITY COMMITMENTS

In addition to the commitments noted above the City and the State of Nebraska have entered into an agreement in relation to infrastructure improvements for a Department of Corrections facility. The City has committed up to \$7,000,000 to the State by no later than 10/01/29 for these improvements.

(18) LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

The City of Lincoln currently owns and operates both a municipal solid waste landfill and a construction and demolition debris landfill. State and federal laws require the City to close the landfills once capacity is reached and to monitor and maintain the site for thirty subsequent years on the municipal solid waste landfill and five subsequent years on the construction and demolition debris landfill. Although certain closure and postclosure care costs will be paid only near or after the date that the landfills stop accepting waste, the City reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each statement of net position date. These costs are accounted for in the Solid Waste Management Fund, a nonmajor enterprise fund.

At August 31, 2024, the City had incurred a liability of approximately \$31,723,000 for the municipal solid waste landfill which represents the amount of costs reported to date based on the approximately 74% of landfill capacity used to date. The remaining estimated liability for these costs is approximately \$11,356,000 million, which will be recognized as the remaining capacity is used (estimated to be approximately 11 years).

As of August 31, 2024, the City had incurred a liability of approximately \$2,086,000 for the construction and demolition debris landfill which represents the amount of costs reported to date based on the approximately 47% of landfill capacity used to date. The remaining estimated liability for these costs is approximately \$2,310,000, which will be recognized as the remaining capacity is used (estimated to be approximately 24 years).

The estimated costs of closure and postclosure care, as determined by an independent engineering consultant, are subject to changes including the effects of inflation, revision of laws, changes in technology, actual sequence of landfill development and closure, and other variables.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

The City of Lincoln has demonstrated compliance with the financial assurance requirements as specified in Title 132 - *Integrated Solid Waste Management Regulations*, through the Local Government Financial Test.

The City of Lincoln also owns a solid waste disposal area that discontinued operations in 1990. Although exempt from the U.S. Environmental Protection Agency *Solid Waste Disposal Facility Criteria* issued October 9, 1991, the City must still adhere to certain closure and postclosure care requirements under prior legislation, including the construction of final cover, monitoring of ground water conditions and landfill gas migration, and general site maintenance. At August 31, 2024, a liability for closure and postclosure care costs is recorded in the amount of approximately \$5,493,000. If any unanticipated corrective action costs related to landfill gas migration or groundwater contamination are identified through current monitoring procedures, then an additional accrued liability will be recorded once these costs can be reasonably estimated.

(19) SEGMENT INFORMATION

The City has issued revenue bonds and other debt instruments to finance capital construction and acquisitions for both the Urban Development and Transportation & Utilities Departments. The Parking Facilities Division of the Urban Development Department operates the City's downtown parking garages and is accounted for in the Parking System Fund. The Solid Waste Management Division of the Transportation & Utilities Department operates the City's solid waste disposal sites, yard waste composting facility, and re-cycling drop-off program. Summary financial information for these divisions as of and for the year ended August 31, 2024, is presented as follows:

	Parking Systems	Solid Waste Management
CONDENSED STATEMENT OF NET POSITION		
Assets:		
Current Assets, excluding Due from Other Funds	\$ 6,431,325	10,519,849
Due from Other Funds	644,875	1,077,584
Other Assets	3,622,335	3,498,041
Capital Assets, Net	89,755,906	34,146,770
Total Assets	100,454,441	49,242,244
Deferred Outflows of Resources	671,001	38,306
Liabilities:		
Current Liabilities, excluding Due to Other Funds	4,654,481	1,743,943
Due to Other Funds	273,745	98,861
Noncurrent Liabilities	33,999,268	45,001,152
Total Liabilities	38,927,494	46,843,956
Deferred Inflows of Resources	13,426	107,508
Net Position:		
Net Investment in Capital Assets	53,011,153	28,956,653
Restricted	3,042,333	182,208
Unrestricted	6,131,036	(26,809,775)
Total Net Position	\$ 62,184,522	2,329,086

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

**CONDENSED STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND NET POSITION**

Operating Revenues	\$ 14,191,226	11,171,161
Depreciation and Amortization Expense	(2,741,838)	(2,992,847)
Other Operating Expenses	(8,460,889)	(12,675,701)
Operating Income (Loss)	<u>2,988,499</u>	<u>(4,497,387)</u>
Nonoperating Revenues (Expenses):		
Investment Earnings	259,862	1,051,738
Grant Revenue	-	355,600
Gain (Loss) on Disposal of Capital Assets	-	(27,053)
Insurance Recovery	-	18,836
Occupation Tax	-	5,950,473
Interest Expense and Fiscal Charges	(1,100,721)	(179,217)
Capital Contributions	-	196,870
Transfers	<u>(2,157,975)</u>	<u>(1,557,851)</u>
Change in Net Position	(10,335)	1,312,009
Beginning Net Position	62,194,857	1,017,077
Ending Net Position	<u>\$ 62,184,522</u>	<u>2,329,086</u>

CONDENSED STATEMENT OF CASH FLOWS

Net Cash Provided (Used) by:		
Operating Activities	\$ 6,093,022	946,382
Noncapital Financing Activities	(2,076,692)	4,732,288
Capital and Related Financing Activities	(6,024,152)	(5,564,172)
Investing Activities	<u>1,643,061</u>	<u>(309,953)</u>
Net Increase in Cash	(364,761)	(195,455)
Beginning Balance	660,027	1,417,121
Ending Balance	<u>\$ 295,266</u>	<u>1,221,666</u>

(20) PLEGGED REVENUES

The City has pledged future revenues derived from the operation of the Lincoln Wastewater System, net of operating and maintenance expenses, to repay all outstanding wastewater revenue bonds and loans. Proceeds from the debt provided financing for improvements to the sanitary sewer system, as well as refunding prior year wastewater debt. The debt is payable solely from the net earnings of the Wastewater System and is payable through 2047. The total principal and interest remaining to be paid is \$129,002,662 with annual payments expected to require 40% of net revenues. Principal and interest paid for the current year and net system revenues were \$10,973,890 and \$27,177,047 , respectively.

The City has pledged future revenues derived from the operation of the Lincoln Water System, net of operating and maintenance expenses, to repay all outstanding water revenue bonds and loans. Proceeds from the debt provided financing for improvements to the water supply system, as well as refunding prior water revenue bonds. The debt is payable solely from the net earnings of the Water System and is payable through 2034. The total principal and interest remaining to be paid is \$20,858,581, with annual payments expected to require 15% of net revenues. Principal and interest paid for the current year and net system revenues were \$4,729,170 and \$38,286,593 , respectively.

The City has pledged future revenues derived from the operation of the Lincoln Electric System, net of operating and maintenance expenses, to repay all outstanding electric revenue bonds. Proceeds from the bonds provided financing for construction of additional utility plant, as well as refunding certain issues of electric revenue bonds. The bonds are payable solely from the net earnings of the Electric System and are payable through 2040. The total principal and interest remaining to be paid on the bonds is \$670,787,000,

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

with annual payments expected to require 42% of net revenues. Principal and interest paid for the current year and net system revenues were \$51,691,000 and \$124,618,000 , respectively.

The City has pledged future revenues derived from the operation of the Lincoln Parking System, net of operating and maintenance expenses, and amounts, if any, distributed by the State for street purposes to repay all outstanding parking revenue bonds. Proceeds from the bonds provided financing for construction and improvements to the parking system, as well as refunding prior revenue bonds. The bonds are payable from the net earnings of the Parking System and are payable through 2039. The total principal and interest remaining to be paid on the bonds is \$41,023,075, with annual payments expected to require 67% of net revenues. Principal and interest paid for the current year and net system revenues were \$4,039,819 and \$5,990,199 , respectively.

The City has pledged future revenues derived from the operation of the municipally owned solid waste management facilities, net of operating and maintenance expenses, to repay outstanding solid waste management revenue bonds. Proceeds from the bonds provided financing for improvements to the solid waste facilities and to refund prior revenue bonds. The bonds are payable solely from the net earnings of the Solid Waste System and are payable through 2035. The total principal and interest remaining to be paid on the bonds is \$6,582,906, with annual payments expected to require 16% of net revenues. Principal and interest paid for the current year and net system revenues were 823,687 and \$6,286,879 respectively.

(21) PUBLIC BUILDING COMMISSION

In 1990, the City and the County of Lancaster, pursuant to state statute, activated a separate governmental entity denominated as the Lincoln-Lancaster County Public Building Commission. The purpose of this joint venture is to design, acquire, construct, maintain, operate, improve, remodel, remove and reconstruct, so long as its corporate existence continues, public buildings, structures, or facilities for use jointly by the City and the County. The City and the County each appoint two members to the five-member Commission, with the fifth member being appointed by the other four members. All property held or acquired by the Commission is held or acquired in the name of the City and the County for use by the Commission in its corporate capacity. The Commission's costs of operation and debt service are funded through rental payments made by the City and the County based upon their proportionate occupancy of such buildings to the extent not covered by a maximum property tax levy of 1.7 cents for each \$100 of actual valuation of taxable property in the County. For the year ended August 31, 2024, the City made rental payments of approximately \$3.6 million to the Commission.

As of August 31, 2024, the Commission has debt outstanding of \$17,631,580. Bond and note proceeds have been utilized by the Commission to acquire, construct, and/or renovate certain buildings occupied by the City and County. The City's proportionate share of these buildings has been recorded in capital assets in accordance with the terms of the joint venture agreement regarding the ultimate transfer of assets to the City and County.

For certain bonds it is anticipated that property tax levies by the Commission will be sufficient to meet bond principal and interest payments. Should revenues from such property tax levies not be sufficient to meet debt service requirements in any given year, the City and County would contribute the necessary payments based on their proportionate building occupancy. Such contributions are expected to be minimal and will be expensed in the appropriate funds when incurred.

For all other debt, funded through rental payments, the City's proportionate share is recorded as capital assets, and the corresponding debt is reflected as long-term obligations in the City's statement of net position. Lease payments are recorded as current expenditures in the various individual funds at the time the payment is made.

Complete separate financial statements for the Commission may be obtained from the Lancaster County Budget & Fiscal Officer, 555 South 10th Street, Suite 110, Lincoln, NE 68508.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

(22) **TAX ABATEMENTS**

As of August 31, 2024, the City provides tax abatements through three programs-the Tax Increment Financing (TIF) program, the Employment and Investment Growth Act and the Nebraska Advantage Act:

The Tax Increment Financing law allows for the increased property taxes generated by the improvement of blighted property to be used to pay for the financing of the community redevelopment/TIF projects. The statutes for community redevelopment/TIF are found in Neb.Rev.Stat. SS 18-2101 through 18-2155. The City must declare the area as substandard, blighted, and in need of redevelopment. The City is required to prepare a redevelopment plan. TIF bonds may be issued for the acquisition of property, site preparation, and public improvements. An agreement is entered into between the City and the Developer, and a base valuation is established. The base property valuation remains assessable to all taxing entities. Any increase in value and resulting taxes are used to pay off the debt incurred for the redevelopment project. The project must not exceed a 20-year period. Currently, the City has Developer TIF bonds that extend through December 31, 2045.

During the fiscal year ended August 31, 2024, the City abated \$3,014,063 in property tax revenue under the tax increment financing program.

The Employment and Investment Growth Act and the Nebraska Advantage Act provide benefits in the form of sales tax rebates for businesses which invest and/or increase employment by specified amounts (Neb.Rev.Stat. SS 77-4101 et. seq). Businesses that qualify must be involved in research, data processing, finance or insurance, manufacturing, technology-related services or a headquarters operation. The Act is available to businesses transporting, wholesaling, storing, or selling products, but not retailers who do not make their own products. Businesses must propose a qualifying project and be approved by the Department of Revenue. The obligations of each party are set out in a contract with the State. If the project qualifies for benefits, but later falls below the required levels of jobs or investment, the company receives no benefits for that year and one-seventh of the benefits already received are recaptured for each year the company fails to qualify.

During the fiscal year ended August 31, 2024, the City abated \$5,901,810 in sales tax revenue under these two programs.

(23) **JOINTLY OWNED FACILITIES**

Laramie River Station (LRS)

LES is a 12.76% share owner of the Missouri Basin Power Project that includes LRS, a coal-fired generating station in eastern Wyoming and a related transmission system. LES has sold approximately 28MW, or 13%, of its ownership in LRS to Municipal Energy Agency of Nebraska (MEAN). Costs, net of accumulated depreciation, and excluding costs allocated to MEAN for its ownership share, associated with LRS of approximately \$46,762,000, are reflected in the utility plant on December 31, 2023.

LRS has certain postretirement obligations, which have not yet been billed to the owners, as these costs are not due and payable. Thus, LES has not reflected these costs in its financial statements. As a co-owner of LRS, LES' allocation of these postretirement obligations was \$1,336,000 on December 31, 2023.

GASB Statement No. 83 "Certain Asset Retirement Obligations" established accounting standards for recognition and measurement of a liability for an asset retirement obligation and associated asset retirement cost. In accordance with this standard, LES, as a participant in the Missouri Basin Power Project, recognizes asset retirement obligations for the reclamation of wells, landfills, and ash ponds.

LES recorded the following amounts as asset retirement obligations, which is offset with a deferred outflow of resources, on the Statement of Net Position.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

(Dollars in thousands)

Asset retirement obligations:

Obligation, beginning of year	\$	3,180
Additional obligations		2,081
Accretion		168
Liabilities settled		(239)
		(239)
Obligation, end of year	\$	5,190

LES has a participation power sales agreement with the County of Los Alamos, New Mexico (the County) whereby the County purchases from LES approximately 10 MW, or 5%, of LES's capacity interest in LRS. The section of the agreement which provides for the County to pay LES monthly payments for the capital budget, processing and dispatch costs was amended in September 2016. The monthly payments are subject to true-up, each January 1, based on actual costs (as compared to budget) of LRS. The agreement remains in effect until the final maturity occurs on any LRS related debt or LRS is removed from commercial operation. During 2023 LES billed the County \$2,206,000 for demand and energy charges.

Walter Scott Energy Center (WSEC #4)

MidAmerican Energy's Walter Scott Energy Center includes four coal-fired units. LES maintains ownership interest of 12.66%, or 104 MW of WSEC #4. In order to minimize unit outage risk, LES executed a power purchase and sales agreement with MidAmerican Energy to "swap" capacity and energy from LES' WSEC #4 ownership with capacity and energy from WSEC #3. Under this agreement LES will schedule 50 MW of capacity and energy from WSEC #3 and 53 MW of capacity and energy from WSEC #4. This twenty-year agreement can be extended through mutual agreement of the parties. LES is responsible for the operation and maintenance expense and maintains a fuel inventory at the plant site. LES issued debt in conjunction with the construction of WSEC #4 and has capitalized these costs plus interest. Costs, net of accumulated depreciation, associated with WSEC #4 of \$107,749,000, are reflected in utility plant on December 31, 2023.

(24) JOINTLY GOVERNED ORGANIZATIONS

District Energy Corporation

The District Energy Corporation (DEC) was formed in 1989 by the City of Lincoln and Lancaster County to own, operate, maintain, and finance the heating and cooling facilities utilized by certain city, county, and state buildings. The Board of Directors of DEC is comprised of five members: two appointed by the Lancaster County Board of Commissioners, two by the Mayor of Lincoln who must be confirmed by the City Council, and one appointed by LES. No participant has any obligation, entitlement, or residual interest.

The DEC Board of Directors, under a management agreement, has appointed LES to supervise and manage the system and business affairs of DEC. LES is reimbursed for these management services based on the allocated actual costs of these services. LES also provides electric energy to DEC on an established rate schedule. The total amount of payments to LES for management, operations, and maintenance services was approximately \$2,537,000 in 2023. The total amount of payments to LES for energy was approximately \$940,000 in 2023.

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

(25) Leases and Subscriptions

Receivables

Leases

The City, as lessor, leases City-owned buildings, land and tower space at various locations, the terms of which expire in various years through 2055. Payments increase annually based on scheduled lease payments in the related agreements. The leases were measured at lease commencement. Revenue recognized under lease contracts during the year ended August 31, 2024, was \$3,203,662 which includes both lease revenue and interest. This revenue is included within Charges for Services and Miscellaneous General Revenues in the Statement of Activities. The total revenue recognized for LES for the year ended December 31, 2023 was \$759,000, which was reported as Other Income and Interest Income on the Statement of Revenues, Expenses and Changes in Net Position.

Liabilities

Leases

The City, as lessee, leases equipment, land and building space at various locations for its operations, the terms of which expire in various years through 2054. The leases were measured at lease commencement. Variable payments based upon the use of the underlying asset are not included in the lease liability because they are not fixed in substance.

The following is a schedule by year of payments for leases as of August 31, 2024:

<u>Governmental Activities</u>			
Fiscal Year Ended August 31	Total to be Paid	Principal	Interest
2025	\$ 132,558	91,478	41,080
2026	132,657	95,519	37,138
2027	130,431	97,411	33,020
2028	123,758	94,914	28,844
2029	123,757	99,223	24,534
2030-2034	525,410	472,905	52,505
2035-2039	45,874	40,624	5,250
2040-2044	25,771	24,982	789
Total	\$ 1,240,216	1,017,056	223,160

<u>Business-Type Activities</u>			
Fiscal Year Ended August 31	Total to be Paid	Principal	Interest
2025	\$ 490,023	434,769	55,254
2026	362,163	313,744	48,419
2027	216,705	172,217	44,488
2028	137,531	95,029	42,502
2029	137,523	96,931	40,592
2030-2034	687,480	514,580	172,900
2035-2039	687,506	568,374	119,132
2040-2044	298,197	218,569	79,628
2045-2049	298,197	246,652	51,545
2050-2054	298,197	278,344	19,853
2055-2059	19,880	19,780	100
Total	\$ 3,633,402	2,958,989	674,413

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2024

Subscriptions

The City has agreements covering software subscriptions for various locations of its operations, the terms of which expire in various years through 2029. The subscriptions were measured at subscription commencement. Variable payments based upon the use of the underlying asset are not included in the subscription liability because they are not fixed in substance.

The following is a schedule by year of payments for subscriptions as of August 31, 2024:

<u>Governmental Activities</u>			
Fiscal Year Ended August 31	Total to be Paid	Principal	Interest
2025	\$ 930,387	869,696	60,691
2026	721,443	697,293	24,150
2027	97,337	92,004	5,333
2028	97,118	96,706	412
Total	\$ 1,846,285	1,755,699	90,586

<u>Business-Type Activities</u>			
Fiscal Year Ended August 31	Total to be Paid	Principal	Interest
2025	\$ 570,878	508,900	61,978
2026	313,871	273,543	40,328
2027	252,000	222,000	30,000
2028	260,000	239,000	21,000
2029	267,000	256,000	11,000
Total	\$ 1,663,749	1,499,443	164,306

(26) Subsequent Events

The Lincoln City Employees Association and Public Association of Government Employees is in negotiations for their labor contracts, their most recent contract expired on August 31, 2024.

In October 2024, the City issued \$17,325,000 of Municipal Improvement Bonds. The bond proceeds will be used for vehicles, streetlights, and sidewalk repairs.

Voters approved a \$13.9 million Stormwater bond issue in November of 2024.



CITY OF LINCOLN, NEBRASKA
Required Supplementary Information
August 31, 2024

**Schedule of Changes in the Police and Fire Pension (PFP) Net Pension Liability
and Related Ratios**
For the Fiscal Year Ended August 31

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 10,034,705	\$ 8,628,850	\$ 8,031,765	\$ 7,853,350	\$ 7,359,480	\$ 7,731,662	\$ 7,416,228	\$ 7,117,899	\$ 8,539,932	\$ 7,929,376
Interest	28,301,182	26,669,539	25,636,533	24,697,386	23,577,966	21,633,724	20,800,989	19,817,083	19,098,818	17,507,641
Differences between expected and actual experience	10,500,409	6,150,550	1,046,833	(45,165)	2,693,155	1,839,825	(1,147,672)	1,513,600	(3,351,824)	7,390,055
Effect of assumption changes or inputs	2,452,446	4,810,131	2,091,838	1,998,466	1,916,405	13,739,593	-	-	-	(23,499,491)
Benefit payments, including refunds of member contributions	(21,849,952)	(20,637,039)	(19,907,848)	(19,017,968)	(17,568,464)	(16,276,256)	(15,667,557)	(15,004,132)	(14,426,427)	(13,708,805)
Net change in total pension liability	29,438,790	25,622,031	16,899,121	15,486,069	17,978,542	28,668,548	11,401,988	13,444,450	9,860,499	(4,381,224)
Total pension liability - beginning	401,094,971	375,472,940	358,573,819	343,087,750	325,109,208	296,440,660	285,038,672	271,594,222	261,733,723	266,114,947
Total pension liability - ending (a)	\$ 430,533,761	\$ 401,094,971	\$ 375,472,940	\$ 358,573,819	\$ 343,087,750	\$ 325,109,208	\$ 296,440,660	\$ 285,038,672	\$ 271,594,222	\$ 261,733,723
Plan Fiduciary Net Position										
Contributions - employer	\$ 10,783,513	\$ 10,533,904	\$ 11,573,047	\$ 9,988,807	\$ 8,490,046	\$ 8,333,901	\$ 8,239,839	\$ 7,974,731	\$ 7,170,104	\$ 8,045,293
Contributions - employee	4,667,768	4,495,428	4,304,858	3,706,959	3,576,557	3,366,841	3,195,658	3,112,583	2,817,102	2,604,101
Net investment income	34,607,061	17,165,392	(13,000,395)	57,584,162	26,911,382	5,434,779	17,407,833	23,644,797	14,795,745	(5,843,555)
Benefit payments, including refunds of member contributions	(21,849,952)	(20,637,039)	(19,907,848)	(19,017,968)	(17,568,464)	(16,276,256)	(15,667,557)	(15,004,132)	(14,426,427)	(13,708,805)
Administrative expense	(674,257)	(586,917)	(648,134)	(549,560)	(510,761)	(445,481)	(435,578)	(445,579)	(493,860)	(444,578)
Net change in plan fiduciary net position	27,534,133	10,970,768	(17,678,472)	51,712,400	20,898,760	413,784	12,740,195	19,282,400	9,862,664	(9,347,544)
Plan fiduciary net position - beginning	312,197,770	301,227,002	318,905,474	267,193,074	246,294,314	245,880,530	233,140,335	213,857,935	203,995,271	213,342,815
Plan fiduciary net position - ending (b)	\$ 339,731,903	\$ 312,197,770	\$ 301,227,002	\$ 318,905,474	\$ 267,193,074	\$ 246,294,314	\$ 245,880,530	\$ 233,140,335	\$ 213,857,935	\$ 203,995,271
PFP Net Pension Liability - Ending (a) - (b)	\$ 90,801,858	\$ 88,897,201	\$ 74,245,938	\$ 39,668,345	\$ 75,894,676	\$ 78,814,894	\$ 50,560,130	\$ 51,898,337	\$ 57,736,287	\$ 57,738,452
Plan fiduciary net position as a percentage of the total pension liability	78.91%	77.84%	80.23%	88.94%	77.88%	75.76%	82.94%	81.79%	78.74%	77.94%
Covered payroll	\$ 60,208,998	\$ 54,911,565	\$ 50,982,757	\$ 50,519,878	\$ 48,498,340	\$ 46,518,365	\$ 44,885,478	\$ 42,930,194	\$ 42,381,059	\$ 37,887,505
PFP net pension liability as a percentage of covered payroll	150.81%	161.89%	145.63%	78.52%	156.49%	169.43%	112.64%	120.89%	136.23%	152.39%

Changes of benefit and funding terms:

8/31/2016 valuation - City Ordinance No. 20343, as passed by the City Council, merged the COLA Pool fund into the general pension fund. No benefits were impacted, only the funding of the benefits.

Changes in actuarial assumptions:

8/31/2024 valuation - Expected future investment return was reduced from 7.25% to 7.20% compounded annually.
Interest on member contributions was reduced from 7.25% to 7.20% compounded annually.

8/31/2023 valuation - Price inflation was increased from 2.25% to 2.50%.
Expected future investment return was reduced from 7.30% to 7.25% compounded annually.
Interest on member contributions was reduced from 7.30% to 7.25% compounded annually.
General wage increase assumption was increased from 2.75% to 3.00%.
Payroll growth assumption was increased from 2.75% to 3.00%.
Disabilities rates were adjusted to better reflect actual observed experience.
Retirement rates were adjusted to better reflect actual observed experience.
Termination rates were adjusted to better reflect actual observed experience.
Salary merit assumption was increased by 0.25% for members with less than 20 years of service.
The mortality improvement scale was changed to use the MP-2021 Scale.
The 13th check increase was changed from 2.25% to 2.50%.

8/31/2022 valuation - Expected future investment return was reduced from 7.35% to 7.30% compounded annually.

8/31/2021 valuation - Expected future investment return was reduced from 7.40% to 7.35% compounded annually.

8/31/2020 valuation - Expected future investment return was reduced from 7.45% to 7.40% compounded annually.

8/31/2019 valuation - Price inflation was reduced from 2.50% to 2.25%.
Expected future investment return was reduced from 7.50% to 7.45% compounded annually.
Interest on member contributions was reduced from 7.50% to 7.45% compounded annually.
General wage increase assumption was reduced from 3.00% to 2.75%.
Payroll growth assumption was reduced from 3.00% to 2.75%.
Disabilities that are assumed to be duty-related were increased from 50% to 65%.
Retirement rates were adjusted to better reflect actual observed experience and were changed to a service-based assumption.
Termination rates were adjusted to better reflect actual observed experience and were changed to a service-based assumption.
Salary increases were adjusted to better reflect actual observed experience and were changed to a service-based assumption.
Mortality assumptions were changed to use the public safety specific PubS tables, with generational mortality improvement using the Nebraska Public Employees Retirement System (NPRS) Mortality Improvement Scale.

8/31/2016 valuation - Expected future investment return was increased from 6.40% to 7.50% compounded annually.

8/31/2015 valuation - Expected future investment return was reduced from 6.75% to 6.40% compounded annually.

CITY OF LINCOLN, NEBRASKA
Required Supplementary Information
August 31, 2024

Schedule of Employer Contributions for the Police and Fire Pension
For the Fiscal Year Ended August 31

	2023	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarial determined employer contribution	\$ 10,453,600	\$ 10,159,639	\$ 10,509,325	\$ 9,733,221	\$ 8,422,965	\$ 8,333,901	\$ 8,164,782	\$ 7,829,103	\$ 9,666,852	\$ 8,418,199
Actual employer contributions	10,783,513	10,533,904	11,573,047	9,988,807	8,490,046	8,333,901	8,239,839	7,974,731	7,170,104	8,045,293
Annual contribution deficiency (excess)	\$ (329,913)	\$ (374,265)	\$ (1,063,722)	\$ (255,586)	\$ (67,081)	\$ -	\$ (75,057)	\$ (145,628)	\$ 2,496,748	\$ 372,906
Covered payroll - current	\$ 60,208,998	\$ 54,911,565	\$ 50,982,757	\$ 50,519,878	\$ 48,498,340	\$ 46,518,365	\$ 44,885,478	\$ 42,930,194	\$ 42,381,059	\$ 37,887,505
Actual contributions as a percentage of covered payroll	17.91%	19.18%	22.70%	19.77%	17.51%	17.92%	18.36%	18.58%	16.92%	21.23%

Note to Schedule:

Actuarially determined contribution rates are calculated as of August 31, two years prior to the end of the fiscal year in which contributions are reported.

Valuation date:	8/31/22	8/31/2021	8/31/2020	8/31/2019	8/31/2018	8/31/2017	8/31/2016	8/31/2015	8/31/2014	8/31/2013
Methods and assumptions used to determine contributions rates:										
Actuarial cost method:	Entry Age Normal 30 years,									
Amortization method:	level percent, closed layered bases									
Remaining amortization period:	varying 15 - 22 years	varying 16 - 23 years	varying 17 - 24 years	varying 18 - 25 years	varying 19 - 26 years	varying 20 - 27 years	28 years	29 years	30 years	30 years
Asset valuation method:	5-year smoothed market									
Inflation:	2.25%	2.25%	2.25%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	4.25%
Salary increases:	2.75% - 8.25%	2.75% - 8.25%	2.75% - 8.25%	2.75% - 8.25%	3.50% - 7.30%	3.50% - 7.30%	3.50% - 7.30%	3.50% - 7.30%	3.50% - 7.30%	4.25% - 8.25%
Investment rate of return:	7.30%	7.35%	7.40%	7.45%	7.50%	7.50%	7.50%	6.40%	6.75%	7.50%

Schedule of Investment Returns for the Police and Fire Pension
Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual money-weighted rate of return, net of investment expense	0.86%	5.79%	-4.14%	21.93%	11.11%	2.24%	7.59%	11.25%	7.36%	-3.52%

CITY OF LINCOLN, NEBRASKA
Required Supplementary Information
August 31, 2024

**Schedule of Changes in the Total OPEB Liability
and Related Ratios**
Measurement Period Ending August 31, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability							
Service cost	\$ 1,050,494	\$ 1,899,828	\$ 1,852,572	\$ 1,236,714	\$ 1,071,230	\$ 1,160,514	\$ 969,040
Interest	562,332	600,161	562,803	621,025	689,255	645,475	539,411
Differences between expected and actual experience	-	(11,865,943)	-	265,188	-	(231,632)	-
Effect of assumption changes or inputs	(907,736)	(1,583,693)	(28,968)	5,650,737	1,423,068	(1,475,337)	(1,133,914)
Benefit payments	(574,801)	(870,966)	(630,467)	(872,444)	(997,277)	(962,027)	(1,070,494)
Net change in total OPEB liability	130,289	(11,820,613)	1,755,940	6,901,220	2,186,276	(863,007)	(695,957)
Total OPEB liability - beginning	16,922,057	28,742,670	26,986,730	20,085,510	17,899,234	18,762,241	19,458,198
Total OPEB liability - ending	<u>\$ 17,052,346</u>	<u>\$ 16,922,057</u>	<u>\$ 28,742,670</u>	<u>\$ 26,986,730</u>	<u>\$ 20,085,510</u>	<u>\$ 17,899,234</u>	<u>\$ 18,762,241</u>
Covered-employee payroll	\$ 171,001,344	\$ 159,975,739	\$ 152,654,512	\$ 150,561,373	\$ 145,528,734	\$ 140,466,565	\$ 138,350,403
Total OPEB liability as a percentage of covered-employee payroll	9.97%	10.58%	18.83%	17.92%	13.80%	12.74%	13.56%

Notes to schedule:

Results for the other years within the last ten years are not available and will be developed prospectively from 2017. The City of Lincoln has no accumulated assets held in trust to pay related benefits.

Changes in actuarial assumptions:

- 8/31/23 valuation - The discount rate has changed from 3.38% to 3.77% due to a change in the municipal bond rate.
- 8/31/22 valuation - The discount rate has changed from 2.12% to 3.38% due to a change in the municipal bond rate.
The trend rate assumption was adjusted to 7.00% in the first year, decreasing by 0.25% per year until an ultimate of 4.50% is reached in 2032.
- 8/31/21 valuation - The discount rate has changed from 2.11% to 2.12% due to a change in the municipal bond rate.
- 8/31/20 valuation - The discount rate has changed from 3.16% to 2.11% due to a change in the municipal bond rate.
The inflation rate has changed from 2.50% to 2.25% based on the most recent Lincoln Police and Fire Pension Plan experience study.
The mortality assumption was updated to the Pub-2010 family of mortality tables. The Safety tables are used for the Police and Fire members and the General tables are used for the Civilian members.
The retirement rates for the Police and Fire members were adjusted to service-based rates.
The termination rates were adjusted to service-based rates.
The disability rates for Civilians were reduced at most ages and combined for males and females.
The percentage of members assumed to be married was updated from 100% to 90%.
The trend rate assumption was adjusted to 7.00% in the first year, decreasing by 0.25% per year until an ultimate of 4.50% is reached in 2030.
- 8/31/19 valuation - The discount rate has changed from 3.96% to 3.16% due to a change in the municipal bond rate.
- 8/31/18 valuation - The discount rate has changed from 3.53% to 3.96% due to a change in the municipal bond rate.
The trend rate assumption is now 7.25% decreasing by 0.25% per year until an ultimate rate of 4.75% is reached in 2028, which changed from 7.50% for 2017, decreasing by 0.50% per year for four years, then decreasing by 0.25% per year until an ultimate rate of 5.00% is reached in 2023.
- 8/31/17 valuation - The discount rate has changed from 2.85% to 3.53% due to a change in the municipal bond rate.

**COMBINING AND INDIVIDUAL FUND STATEMENTS
AND SCHEDULES**



GENERAL FUND COMBINING FUNDS

The following are reported as part of the General Fund for financial reporting purposes but are maintained individually for accounting purposes and budgetary comparisons of legally adopted budgets.

Athletic Field & Facilities Improvement Fund - To account for proceeds from a surcharge applied to registration fees charged by the Recreation Division for various athletic activities, and revenues received from the rental of park land for telecommunications towers. These monies are used for improvements to athletic field and facilities, and the maintenance and repair of Parks and Recreation property and facilities.

Lincoln Area Agency on Aging Fund - To account for the costs of providing various services to senior citizens through the Lincoln/Lancaster Commission on Aging. Financing is provided by Federal, State, County, and City funds.

911 Communication Fund - To account for the costs of answering and processing all incoming 911 and non-emergency calls as well as the cost of dispatch service for the Lincoln Police Department, Lincoln Fire Department, Lancaster County Sheriff's Office and Rural Volunteer Fire and Rescue Departments. Financing is provided by County and City funds and a 911 telephone surcharge.

Unemployment Compensation Fund - To account for the cost of unemployment benefits paid to former employees of departments supported primarily from tax revenues. The City reimburses the State for actual costs rather than a percentage of payroll. Financing has been provided by a specific annual property tax levy to be used only for this purpose.

Fast Forward Fund - To make funds available for economic development projects where there is a demonstrated benefit to the community and/or where incentives can positively influence the outcome of a project. Funding was provided by a surplus of Special Assessment Debt Service funds.

CITY OF LINCOLN, NEBRASKA
COMBINING BALANCE SHEET
GENERAL FUND
AUGUST 31, 2024

	General Fund	Athletic Field & Facilities Improvement	Lincoln Area Agency On Aging	911 Communication	Unemployment Compensation	Fast Forward	Total
ASSETS							
Cash and Cash Equivalents	\$ 13,028,640	\$ 10,834	\$ 84,196	\$ 236,852	\$ 4,922	\$ 173,223	\$ 13,538,667
Investments	156,372,931	405,153	3,130,129	7,704,429	222,181	6,554,319	174,389,142
Receivables:							
Receivables, (Net of Allowance for Uncollectibles)	16,291,300	5,477,609	35,335	177,078	41	90,268	22,071,631
Due from Other Funds	4,622,336	-	-	-	-	-	4,622,336
Due from Other Governments	18,891,385	-	1,237,393	-	-	-	20,128,778
Inventories	51,541	-	-	-	-	-	51,541
Prepaid Items	799,338	-	-	-	-	-	799,338
Total Assets	\$ 210,057,471	\$ 5,893,596	\$ 4,487,053	\$ 8,118,359	\$ 227,144	\$ 6,817,810	\$ 235,601,433
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities:							
Accounts Payable	4,427,835	-	68,679	104,909	-	-	4,601,423
Accrued Liabilities	4,924,320	-	97,462	182,471	-	-	5,204,253
Due to Other Funds	17,831,659	2,721	941	-	2,203	-	17,837,524
Due to Other Governments	195,544	-	411	64	-	-	196,019
Unearned Revenue	1,686,483	-	23,673	-	-	-	1,710,156
Total Liabilities	29,065,841	2,721	191,166	287,444	2,203	-	29,549,375
Deferred Inflows of Resources:							
Unavailable Revenues	3,363,849	-	910,438	-	40	-	4,274,327
Deferred Inflow for Leases	3,488,917	5,104,322	-	-	-	-	8,593,239
Total Deferred Inflows of Resources	6,852,766	5,104,322	910,438	-	40	-	12,867,566
Fund Balances:							
Nonspendable	860,295	-	-	-	-	-	860,295
Restricted	11,227,225	-	-	-	-	-	11,227,225
Assigned	17,141,374	786,553	3,385,449	7,830,915	224,901	6,817,810	36,187,002
Unassigned	144,909,970	-	-	-	-	-	144,909,970
Total Fund Balances	174,138,864	786,553	3,385,449	7,830,915	224,901	6,817,810	193,184,492
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 210,057,471	\$ 5,893,596	\$ 4,487,053	\$ 8,118,359	\$ 227,144	\$ 6,817,810	\$ 235,601,433

CITY OF LINCOLN, NEBRASKA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2024

	General Fund	Athletic Field & Facilities Improvement	Lincoln Area Agency On Aging	911 Communication	Unemployment Compensation	Fast Forward	Total
Revenues							
Taxes:							
Property	\$ 78,683,790	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ 78,683,791
Motor Vehicle	7,515,298	-	-	-	-	-	7,515,298
Sales and Use	102,156,018	-	-	-	-	-	102,156,018
Sundry and In Lieu	60,876	-	-	-	-	-	60,876
Occupation	6,001,857	-	-	-	-	-	6,001,857
Special Assessment	46,071	-	-	-	-	-	46,071
Intergovernmental	3,339,400	-	2,110,040	822,482	-	-	6,271,922
Permits and Fees	6,901,002	-	32,244	894,159	-	-	7,827,405
Reimbursement for Services	8,600,048	524,225	115,481	16,000	-	-	9,255,754
Investment Income	10,794,273	6,605	116,988	426,320	-	368,186	11,712,372
Donations	920,974	-	-	-	-	-	920,974
Miscellaneous	1,312,550	136,913	839	290	-	-	1,450,592
Total Revenues	226,332,157	667,743	2,375,592	2,159,251	1	368,186	231,902,930
Expenditures							
Current:							
General Government	54,255,034	-	-	-	-	-	54,255,034
Public Safety	96,849,028	-	-	7,318,924	-	-	104,167,952
Streets and Highways	6,619,734	-	-	-	-	-	6,619,734
Culture and Recreation	19,582,285	-	-	-	-	-	19,582,285
Economic Opportunity	18,620	-	-	-	-	-	18,620
Health and Welfare	375,873	-	4,006,639	-	-	-	4,382,512
Bond Retirement	1,165,815	-	-	-	-	-	1,165,815
Leases and SBITA Retirement	151,582	-	-	8,611	-	-	160,193
Interest	807,286	-	-	-	-	-	807,286
Leases and SBITA Interest	44,164	-	-	1,389	-	-	45,553
Exp_Miscellaneous	1,183	-	-	-	-	-	1,183
Total Expenditures	179,870,604	-	4,006,639	7,328,924	-	-	191,206,167
Excess (Deficiency) of Revenues Over (Under) Expenditures	46,461,553	667,743	(1,631,047)	(5,169,673)	1	368,186	40,696,763
Other Financing Sources (Uses):							
Transfers In	18,728,239	-	-	(55,139)	-	-	18,673,100
Intrafund Transfers In	1,947,784	-	2,450,770	6,283,613	-	-	10,682,167
Transfers Out	(35,700,991)	(693,285)	(550,000)	(11,575)	-	-	(36,955,851)
Intrafund Transfers Out	(10,671,923)	-	-	-	(10,244)	-	(10,682,167)
Leases	904,559	-	-	-	-	-	904,559
Sale of Capital Assets	61,990	-	1,393	-	-	-	63,383
Total Other Financing Sources (Uses)	(24,730,342)	(693,285)	1,902,163	6,216,899	(10,244)	-	(17,314,809)
Net Change in Fund Balances	21,731,211	(25,542)	271,116	1,047,226	(10,243)	368,186	23,381,954
Fund Balances - Beginning	152,407,653	812,095	3,114,333	6,783,689	235,144	6,449,624	169,802,538
Fund Balances - Ending	<u>\$ 174,138,864</u>	<u>\$ 786,553</u>	<u>\$ 3,385,449</u>	<u>\$ 7,830,915</u>	<u>\$ 224,901</u>	<u>\$ 6,817,810</u>	<u>\$ 193,184,492</u>



CITY OF LINCOLN, NEBRASKA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2024

	Special Revenue	Debt Service	Capital Projects	Permanent Funds	Total
ASSETS					
Cash and Cash Equivalents	\$ 3,142,656	\$ 2,531,305	\$ 1,983,090	\$ 2,199,007	\$ 9,856,058
Investments	88,337,338	8,795,727	52,055,541	73,916,883	223,105,489
Receivables, (Net of Allowance for Uncollectibles)	2,560,989	1,896,052	757,973	11,305	5,226,319
Due from Other Funds	7,545,737	-	1,866,786	-	9,412,523
Due from Other Governments	1,835,409	31,761	4,313,561	-	6,180,731
Inventories	1,399,882	-	-	-	1,399,882
Beneficial Interest Asset	2,917,593	-	-	-	2,917,593
Total Assets	\$ 107,739,604	\$ 13,254,845	\$ 60,976,951	\$ 76,127,195	\$ 258,098,595
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	1,845,752	2,200	3,328,982	21,618	5,198,552
Contracts Payable	104,305	-	583,810	-	688,115
Accrued Liabilities	1,846,433	-	-	-	1,846,433
Due to Other Funds	43,822,464	66,678	520,079	-	44,409,221
Due to Other Governments	146,856	97	-	-	146,953
Due to Other Contractors	-	2,538,447	-	-	2,538,447
Unearned Revenue	391,809	-	23,662	-	415,471
Total Liabilities	48,157,619	2,607,422	4,456,533	21,618	55,243,192
Deferred Inflows of Resources:					
Unavailable Revenues	715,255	1,283,755	285,935	-	2,284,945
Beneficial Interest Revenue	2,917,593	-	-	-	2,917,593
Deferred Inflow for Leases	-	-	6,831	-	6,831
Total Deferred Inflows of Resources	3,632,848	1,283,755	292,766	-	5,209,369
Fund Balances (Deficits):					
Nonspendable	1,399,882	-	-	37,160,000	38,559,882
Restricted	17,594,333	9,356,883	56,227,652	38,945,577	122,124,445
Committed	294,741	6,785	-	-	301,526
Assigned	37,453,561	-	-	-	37,453,561
Unassigned	(793,380)	-	-	-	(793,380)
Total Fund Balances	55,949,137	9,363,668	56,227,652	76,105,577	197,646,034
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 107,739,604	\$ 13,254,845	\$ 60,976,951	\$ 76,127,195	\$ 258,098,595

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2024

	Special Revenue	Debt Service	Capital Projects	Permanent Funds	Total
REVENUES					
Taxes:					
Property	\$ 19,656,272	\$ 7,225,986	\$ -	\$ -	\$ 26,882,258
Wheel	10,161,480	-	10,161,481	-	20,322,961
Sales and Use	-	-	18,009,617	-	18,009,617
Turnback	-	2,128,246	236,472	-	2,364,718
Sundry and In Lieu	6,010	920	-	-	6,930
Occupation	-	1,705,848	-	-	1,705,848
Special Assessment	1,808	1,434,950	-	-	1,436,758
Intergovernmental	17,466,041	-	1,569,150	-	19,035,191
Permits and Fees	15,073,932	-	415,951	-	15,489,883
Reimbursement for Services	931,157	-	10,000	-	941,157
Investment Earnings	2,956,614	531,016	3,216,166	11,313,412	18,017,208
Donations	777,318	-	2,019,231	4,245	2,800,794
Keno Proceeds	7,122,437	-	-	-	7,122,437
Miscellaneous	492,569	27,288	1,058,610	2,431	1,580,898
Total Revenues	<u>74,645,638</u>	<u>13,054,254</u>	<u>36,696,678</u>	<u>11,320,088</u>	<u>135,716,658</u>
EXPENDITURES					
Current:					
General Government	13,860,180	-	-	-	13,860,180
Public Safety	9,173,240	-	-	-	9,173,240
Streets and Highways	95	-	-	-	95
Culture and Recreation	13,104,463	-	-	22,192	13,126,655
Health and Welfare	17,713,941	-	-	1,861,880	19,575,821
Mass Transit	24,086,349	-	-	-	24,086,349
Debt Service:					
Bond Retirement	295,000	12,890,080	-	-	13,185,080
Leases and SBITA Retirement	578,139	-	-	-	578,139
Interest and Fiscal Charges	190,200	3,024,797	-	-	3,214,997
Leases and SBITA Interest	2,605	-	-	-	2,605
Developer Purchased TIF Payments	-	3,956,574	-	-	3,956,574
Miscellaneous	399	365,483	-	-	365,882
Capital Outlay:					
CO General Government	-	-	10,947	-	10,947
Public Safety	-	-	6,659,767	-	6,659,767
Streets and Highways	-	-	1,080,472	-	1,080,472
Culture and Recreation	-	-	9,105,441	-	9,105,441
Economic Opportunity	-	-	5,435,484	-	5,435,484
Health & Welfare	-	-	290,367	-	290,367
Total Expenditures	<u>79,004,611</u>	<u>20,236,934</u>	<u>22,582,478</u>	<u>1,884,072</u>	<u>123,708,095</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,358,973)</u>	<u>(7,182,680)</u>	<u>14,114,200</u>	<u>9,436,016</u>	<u>12,008,563</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	25,174,465	10,239,124	12,837,803	-	48,251,392
Transfers Out	(13,265,967)	(1,503,965)	(27,115,436)	-	(41,885,368)
Issuance of Debt	-	-	385,240	-	385,240
Sale of Capital Assets	64,385	-	393,431	-	457,816
Total Other Financing Sources (Uses)	<u>11,972,883</u>	<u>8,735,159</u>	<u>(13,498,962)</u>	<u>-</u>	<u>7,209,080</u>
Net Change in Fund Balances	7,613,910	1,552,479	615,238	9,436,016	19,217,643
Fund Balances - Beginning	<u>48,335,227</u>	<u>7,811,189</u>	<u>55,612,414</u>	<u>66,669,561</u>	<u>178,428,391</u>
Fund Balances - Ending	<u>\$ 55,949,137</u>	<u>\$ 9,363,668</u>	<u>\$ 56,227,652</u>	<u>\$ 76,105,577</u>	<u>\$ 197,646,034</u>

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for the proceeds from specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes.

Advance Acquisition Fund - To account for funds to be used for the acquisition of real estate for public purposes. Net proceeds from the sale or exchange of real estate owned by the City shall be credited to this fund, and the fund may also be increased by General Fund appropriations or proceeds from general obligation borrowing.

Cable Access Television Fund - To account for the receipt and use of franchise fees, imposed by the City, from the cable provider in order to construct, operate and maintain a cable television system within the boundaries of the City.

Lincoln City Libraries Fund - To account for the costs of providing library services to the citizens of Lincoln. Financing is provided by a specific annual tax levy, fines and fees, and reimbursement from Lancaster County for services provided to County residents.

Lincoln/Lancaster Co. Health Fund - To account for the costs of providing health services to the citizens of the City of Lincoln and Lancaster County. Financing is provided by Federal, State, County, and City funds, as well as permit and user fees.

Social Security Fund - To account for the City of Lincoln's matching share of Social Security costs for employees paid from the General Fund and other funds supported primarily from general tax revenue. Financing is provided by a specific annual property tax levy. Such property taxes may only be used for this purpose.

Police & Fire Pension Contributions Fund - To account for the City's contributions to the Police and Fire Pension. Financing is provided by a specific annual property tax levy.

StarTran Fund - To account for the cost of operating the City-owned transit system. Financing is provided primarily through passenger revenue and Federal, State, and City funds.

Keno Fund - To accumulate resources from the City's percentage of Keno revenue in the City and account for activities financed with Keno revenues.

Casino Fund - To accumulate resources from the City's percentage of Casino revenue in the City and account for activities financed with Casino revenues.

Special Assessment Fund - To account for the receipt and disbursement of special assessment bond proceeds and other income which is derived from interest income, developers share of districts and City subsidies. This fund is also used to account for the administrative cost of collection of and accounting for special assessments levied against benefited properties. Expenditures for capital improvement projects are accounted for in the Special Assessment Capital Projects Fund. Periodic transfers are made to the Capital Projects Fund to cover expenditures.

Building & Safety Fund - To account for the cost of providing building and safety permit and inspection services to the citizens of Lincoln. Financing is provided through permit and inspection fee revenues and City funds.

Impact Fees Fund - To account for receipts and disbursements of impact fees in accordance with City ordinance.

Parks & Recreation Special Projects Fund - To account for the proceeds of various trusts and donations to be used for the development of various projects, such as a mini-park, an observatory, landscaping, etc.

Library Special Trust Fund - To account for the receipt of investment earnings from the Lillian Polley Trust Fund. Such funds are to be used for the Polley Music Library.



RP Crawford Park Fund - To accumulate resources required to be distributed from the Crawford Trust per IRS regulations. Such funds to be held until the end of the Trust period, then combined with the Trust assets to be used for the purchase of land and the development of a City park and playground.

Lincoln Bike Share Fund – To capture the financial activity, including revenues, sponsorships, donations, user fees and expenses generated by additions to the Lincoln Bike Share Program.

Vehicle Tax Residual Revenue Fund - To account for monies derived from the payment of wheel tax which is to be used for street improvements in the City.

CITY OF LINCOLN, NEBRASKA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AUGUST 31, 2024

	Advance Acquisition	Cable Access Television	Lincoln City Libraries	Lincoln/ Lancaster Co. Health	Social Security	Police & Fire Pension Contributions	StarTran	Keno
ASSETS								
Cash and Cash Equivalents	\$ 73,968	\$ 11,175	\$ 150,776	\$ 288,758	\$ 27	\$ -	\$ 476,742	\$ 220,590
Investments	2,751,115	339,806	5,476,092	8,867,605	-	-	973,673	8,187,999
Receivables (Net of Allowance for Uncollectibles):								
Receivables, (Net of Allowance for Uncollectibles)	40,008	18,725	597,425	187,401	4,618	531,490	75,463	338,091
Due from Other Funds	-	-	-	4,744,587	-	-	-	-
Due from Other Governments	-	-	159	1,625	-	-	623,959	-
Inventories	-	-	-	-	-	-	1,399,882	-
Beneficial Interest Asset	-	-	-	-	-	-	-	-
Total Assets	\$ 2,865,091	\$ 369,706	\$ 6,224,452	\$ 14,089,976	\$ 4,645	\$ 531,490	\$ 3,549,719	\$ 8,746,680
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities:								
Accounts Payable	-	279	200,853	217,141	-	-	1,000,268	162,060
Contracts Payable	-	-	-	-	-	-	104,305	-
Accrued Liabilities	-	1,008	264,502	486,474	-	320,573	526,502	-
Due to Other Funds	-	3,369	378	22,866	-	-	140,354	139,856
Due to Other Governments	-	-	287	1,995	-	-	-	142,884
Unearned Revenue	-	-	-	-	-	-	199,186	-
Total Liabilities	-	4,656	466,020	728,476	-	320,573	1,970,615	444,800
Deferred Inflows of Resources:								
Unavailable Revenues	-	-	216,201	-	4,617	210,917	283,520	-
Beneficial Interest Revenue	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	216,201	-	4,617	210,917	283,520	-
Fund Balances (Deficits):								
Nonspendable	-	-	-	-	-	-	1,399,882	-
Restricted	2,322,978	-	-	-	28	-	-	7,944,968
Committed	-	294,741	-	-	-	-	-	-
Assigned	542,113	70,309	5,542,231	13,361,500	-	-	7	356,912
Unassigned	-	-	-	-	-	-	(104,305)	-
Total Fund Balances (Deficits)	2,865,091	365,050	5,542,231	13,361,500	28	-	1,295,584	8,301,880
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,865,091	\$ 369,706	\$ 6,224,452	\$ 14,089,976	\$ 4,645	\$ 531,490	\$ 3,549,719	\$ 8,746,680

Casino	Special Assessment	Building & Safety	Impact Fees	Parks & Recreation Special Projects	Library Special Trust	RP Crawford Park	Lincoln Bike Share	Vehicle Tax Residual Revenue	Total
\$ 63,835	\$ 5,021	\$ 345,244	\$ 1,188,049	\$ 60,640	\$ 4,254	\$ 246,627	\$ -	\$ 6,950	\$ 3,142,656
2,287,150	-	10,645,051	42,998,425	1,757,839	254,853	3,614,758	-	182,972	88,337,338
-	19,868	146,740	563,381	25,765	3,720	1,724	393	6,177	2,560,989
-	579,669	1,686,848	496,847	-	-	-	-	37,786	7,545,737
219,833	-	-	-	26,295	-	-	-	963,538	1,835,409
-	-	-	-	-	-	-	-	-	1,399,882
-	-	-	-	-	-	2,917,593	-	-	2,917,593
<u>\$ 2,570,818</u>	<u>\$ 604,558</u>	<u>\$ 12,823,883</u>	<u>\$ 45,246,702</u>	<u>\$ 1,870,539</u>	<u>\$ 262,827</u>	<u>\$ 6,780,702</u>	<u>\$ 393</u>	<u>\$ 1,197,423</u>	<u>\$ 107,739,604</u>
-	14,445	47,815	2,003	171,707	-	-	29,181	-	1,845,752
-	-	-	-	-	-	-	-	-	104,305
-	-	243,647	-	-	3,727	-	-	-	1,846,433
22,673	49,442	169,651	42,577,331	34,726	-	-	660,004	1,814	43,822,464
-	-	1,380	-	27	-	-	283	-	146,856
-	-	192,623	-	-	-	-	-	-	391,809
22,673	63,887	655,116	42,579,334	206,460	3,727	-	689,468	1,814	48,157,619
-	-	-	-	-	-	-	-	-	715,255
-	-	-	-	-	-	2,917,593	-	-	2,917,593
-	-	-	-	-	-	2,917,593	-	-	3,632,848
-	-	-	-	-	-	-	-	-	1,399,882
-	540,671	-	-	1,467,870	259,100	3,863,109	-	1,195,609	17,594,333
-	-	-	-	-	-	-	-	-	294,741
2,548,145	-	12,168,767	2,667,368	196,209	-	-	-	-	37,453,561
-	-	-	-	-	-	-	(689,075)	-	(793,380)
2,548,145	540,671	12,168,767	2,667,368	1,664,079	259,100	3,863,109	(689,075)	1,195,609	55,949,137
<u>\$ 2,570,818</u>	<u>\$ 604,558</u>	<u>\$ 12,823,883</u>	<u>\$ 45,246,702</u>	<u>\$ 1,870,539</u>	<u>\$ 262,827</u>	<u>\$ 6,780,702</u>	<u>\$ 393</u>	<u>\$ 1,197,423</u>	<u>\$ 107,739,604</u>

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2024

	Advance Acquisition	Cable Access Television	Lincoln City Libraries	Lincoln/ Lancaster Co. Health	Social Security	Police & Fire Pension Contributions	StarTran	Keno
Revenues:								
Real Property and								
Personal Property Tax	\$ -	\$ -	\$ 10,048,956	\$ -	\$ 31	\$ 9,607,285	\$ -	\$ -
Wheel Tax	-	-	-	-	-	-	-	-
Sundry and In Lieu Tax	-	-	3,037	-	-	2,973	-	-
Special Assessment	-	-	-	1,808	-	-	-	-
Intergovernmental	-	-	998,418	8,460,288	-	-	6,643,438	-
Permits and Fees	-	140,785	68,497	5,348,569	-	-	2,670,425	-
Reimbursement for Services	671	-	745	617,961	-	-	61,672	-
Investment Earnings	167,872	-	196,721	455,564	-	-	127,387	-
Donations	-	-	-	-	-	-	-	-
Keno Proceeds	-	-	-	-	-	-	-	7,122,437
Miscellaneous	-	-	34,832	1,312	-	-	199,718	-
Total Revenues	168,543	140,785	11,351,206	14,885,502	31	9,610,258	9,702,640	7,122,437
Expenditures - Current:								
General Government	29,621	86,302	-	-	-	9,610,258	-	2,673,379
Public Safety	-	-	-	-	-	-	-	-
Streets and Highways	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	10,847,298	-	-	-	-	1,033,986
Health and Welfare	-	-	-	17,713,941	-	-	-	-
Mass Transit	-	-	-	-	-	-	23,756,086	-
Bond Retirement	-	-	-	-	-	-	-	295,000
Leases and SBITA Retirement	-	-	-	578,139	-	-	-	-
Interest	-	-	-	-	-	-	-	190,200
Leases and SBITA Interest	-	-	-	2,605	-	-	-	-
Exp_Miscellaneous	-	-	-	-	-	-	-	399
Total Expenditures	29,621	86,302	10,847,298	18,294,685	-	9,610,258	23,756,086	4,192,964
Excess (Deficiency) of Revenues Over (Under) Expenditures	138,922	54,483	503,908	(3,409,183)	31	-	(14,053,446)	2,929,473
Other Financing Sources (Uses):								
Transfers In	-	-	-	9,180,597	-	-	10,573,500	20
Transfers Out	(814,577)	-	(122,925)	(45,192)	(1,678)	-	(14,459)	(2,168,112)
Sale of Capital Assets	56,335	-	60	-	-	-	-	-
Total Other Financing Sources (Uses)	(758,242)	-	(122,865)	9,135,405	(1,678)	-	10,559,041	(2,168,092)
Net Change In Fund Balances	(619,320)	54,483	381,043	5,726,222	(1,647)	-	(3,494,405)	761,381
Fund Balances (Deficits) - Beginning	3,484,411	310,567	5,161,188	7,635,278	1,675	-	4,789,989	7,540,499
Fund Balances (Deficits) - Ending	<u>\$ 2,865,091</u>	<u>\$ 365,050</u>	<u>\$ 5,542,231</u>	<u>\$ 13,361,500</u>	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ 1,295,584</u>	<u>\$ 8,301,880</u>

Casino	Special Assessment	Building & Safety	Impact Fees	Parks & Recreation Special Projects	Library Special Trust	RP Crawford Park	Lincoln Bike Share	Vehicle Tax Residual Revenue	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,656,272
-	-	-	-	-	-	-	-	10,161,480	10,161,480
-	-	-	-	-	-	-	-	-	6,010
-	-	-	-	-	-	-	-	-	1,808
1,363,897	-	-	-	-	-	-	-	-	17,466,041
-	-	6,718,151	127,505	-	-	-	-	-	15,073,932
-	-	110,097	-	112,607	-	-	27,404	-	931,157
-	51,459	992,017	14,428	104,360	15,516	787,327	-	43,963	2,956,614
-	-	-	-	522,783	135,460	-	119,075	-	777,318
-	-	-	-	-	-	-	-	-	7,122,437
-	-	396	-	256,224	26	-	61	-	492,569
<u>1,363,897</u>	<u>51,459</u>	<u>7,820,661</u>	<u>141,933</u>	<u>995,974</u>	<u>151,002</u>	<u>787,327</u>	<u>146,540</u>	<u>10,205,443</u>	<u>74,645,638</u>
-	1,455,261	-	5,359	-	-	-	-	-	13,860,180
-	-	9,173,240	-	-	-	-	-	-	9,173,240
-	-	-	-	-	-	-	-	95	95
-	-	-	-	1,113,375	109,804	-	-	-	13,104,463
-	-	-	-	-	-	-	-	-	17,713,941
-	-	-	-	-	-	-	330,263	-	24,086,349
-	-	-	-	-	-	-	-	-	295,000
-	-	-	-	-	-	-	-	-	578,139
-	-	-	-	-	-	-	-	-	190,200
-	-	-	-	-	-	-	-	-	2,605
-	-	-	-	-	-	-	-	-	399
<u>-</u>	<u>1,455,261</u>	<u>9,173,240</u>	<u>5,359</u>	<u>1,113,375</u>	<u>109,804</u>	<u>-</u>	<u>330,263</u>	<u>95</u>	<u>79,004,611</u>
<u>1,363,897</u>	<u>(1,403,802)</u>	<u>(1,352,579)</u>	<u>136,574</u>	<u>(117,401)</u>	<u>41,198</u>	<u>787,327</u>	<u>(183,723)</u>	<u>10,205,348</u>	<u>(4,358,973)</u>
-	1,944,473	1,546,427	1,729,448	-	-	-	200,000	-	25,174,465
-	-	(5,109)	-	(52,042)	-	-	-	(10,041,873)	(13,265,967)
-	-	4,000	-	3,990	-	-	-	-	64,385
<u>-</u>	<u>1,944,473</u>	<u>1,545,318</u>	<u>1,729,448</u>	<u>(48,052)</u>	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>(10,041,873)</u>	<u>11,972,883</u>
<u>1,363,897</u>	<u>540,671</u>	<u>192,739</u>	<u>1,866,022</u>	<u>(165,453)</u>	<u>41,198</u>	<u>787,327</u>	<u>16,277</u>	<u>163,475</u>	<u>7,613,910</u>
<u>1,184,248</u>	<u>-</u>	<u>11,976,028</u>	<u>801,346</u>	<u>1,829,532</u>	<u>217,902</u>	<u>3,075,782</u>	<u>(705,352)</u>	<u>1,032,134</u>	<u>48,335,227</u>
<u>\$ 2,548,145</u>	<u>\$ 540,671</u>	<u>\$ 12,168,767</u>	<u>\$ 2,667,368</u>	<u>\$ 1,664,079</u>	<u>\$ 259,100</u>	<u>\$ 3,863,109</u>	<u>\$ (689,075)</u>	<u>\$ 1,195,609</u>	<u>\$ 55,949,137</u>



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 outstanding as follows:

- 2012 General Obligation Refunding Bonds
- 2012 Certificates of Participation – Street Lights
- 2013 Stormwater Bonds
- 2014A Certificates of Participation – Street Lights, Corridor Improvements, Sidewalks
- 2015 Storm Sewer and Drainage System Refunding Bonds
- 2015 Certificates of Participation – Street Lights
- 2016 Stormwater Bonds
- 2016 Certificates of Participation – Street Lights, Fire Equipment, and Fire Station
- 2017 Stormwater Refunding Bonds
- 2017 Certificates of Participation – Street Lights
- 2019 Stormwater Drainage and Flood Management System Bonds
- 2019 Certificates of Participation – Street Lights
- 2020 Stormwater Refunding Bonds

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

Highway Allocation Debt Fund - To accumulate resources for payment of principal and interest on the Highway Allocation Refunding Bonds, Series 2012, Series 2016, Series 2021, and Series 2022. 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.

Turn Back Tax Debt Fund - To accumulate resources for payment of principal and interest on the Limited Tax General Obligation Arena Refunding Bonds, Series 2020. The bonds are payable from sales tax passed through from the State of Nebraska, pursuant to the Convention Center Facility Financing Assistance Act, Section 13-2603, of the Reissue Revised Statutes of Nebraska.

SouthPointe EEA Fund – To accumulate resources from a 1% occupation tax on gross receipts for retail establishments within the Enhanced Employment Area designated as SouthPointe Pavilions. The revenue generated will be used to pay for construction and maintenance of a public parking garage located at SouthPointe Pavilions. The tax will end at such time as the bonds and maintenance costs for which it has been pledged have been paid off but not later than December 31, 2041. Payment on the principal of and interest on the Developer Bonds is limited solely and exclusively to the pledged tax revenue and is not payable from any other City source.

Special Assessment Fund – To accumulate resources for payment of principal and interest on 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
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
AUGUST 31, 2024

	Tax Allocation Projects	Bond Interest & Redemption	Tax Supported Bonds	Special Assessment	Total
ASSETS					
Cash and Cash Equivalents	\$ 1,721,076	\$ 71,270	\$ 72,425	\$ 666,534	\$ 2,531,305
Investments	4,116,871	2,666,164	2,012,692	-	8,795,727
Receivables (Net of Allowance for Uncollectibles):					
Receivables, (Net of Allowance for Uncollectibles)	180,477	191,571	185,231	1,338,773	1,896,052
Due from Other Governments	-	48	-	31,713	31,761
Total Assets	\$ 6,018,424	\$ 2,929,053	\$ 2,270,348	\$ 2,037,020	\$ 13,254,845
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	2,200	-	-	-	2,200
Due to Other Funds	-	-	2,792	63,886	66,678
Due to Other Governments	97	-	-	-	97
Due to Other Contractors	1,635,370	-	903,077	-	2,538,447
Total Liabilities	1,637,667	-	905,869	63,886	2,607,422
Deferred Inflows of Resources:					
Unavailable Revenues	-	65,166	-	1,218,589	1,283,755
Fund Balances:					
Restricted	4,373,972	2,863,887	1,364,479	754,545	9,356,883
Committed	6,785	-	-	-	6,785
Total Fund Balances	4,380,757	2,863,887	1,364,479	754,545	9,363,668
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 6,018,424	\$ 2,929,053	\$ 2,270,348	\$ 2,037,020	\$ 13,254,845

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2024

	Tax Allocation Projects	Bond Interest & Redemption	Tax Supported Bonds	Special Assessment	Total
Revenues:					
Real Property and Personal Property Tax	\$ 4,170,936	\$ 3,055,050	\$ -	\$ -	\$ 7,225,986
Tumback Tax	-	-	2,128,246	-	2,128,246
Sundry and In Lieu Tax	-	920	-	-	920
Occupation Tax	-	-	1,705,848	-	1,705,848
Special Assessment	-	-	-	1,434,950	1,434,950
Investment Income	270,241	127,206	133,569	-	531,016
Miscellaneous	27,288	-	-	-	27,288
Total Revenues	<u>4,468,465</u>	<u>3,183,176</u>	<u>3,967,663</u>	<u>1,434,950</u>	<u>13,054,254</u>
Expenditures - Debt Service:					
Bond Retirement	437,623	5,412,457	6,825,000	215,000	12,890,080
Interest	33,062	1,147,889	1,776,223	67,623	3,024,797
Developer Purchased TIF Payments	2,550,365	-	1,406,209	-	3,956,574
Miscellaneous	23,765	8,603	332,315	800	365,483
Total Expenditures	<u>3,044,815</u>	<u>6,568,949</u>	<u>10,339,747</u>	<u>283,423</u>	<u>20,236,934</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,423,650</u>	<u>(3,385,773)</u>	<u>(6,372,084)</u>	<u>1,151,527</u>	<u>(7,182,680)</u>
Other Financing Sources (Uses):					
Transfers In	-	3,177,449	7,061,675	-	10,239,124
Transfers Out	(75,275)	-	-	(1,428,690)	(1,503,965)
Total Other Financing Sources (Uses)	<u>(75,275)</u>	<u>3,177,449</u>	<u>7,061,675</u>	<u>(1,428,690)</u>	<u>8,735,159</u>
Net Change in Fund Balances	1,348,375	(208,324)	689,591	(277,163)	1,552,479
Fund Balances - Beginning	<u>3,032,382</u>	<u>3,072,211</u>	<u>674,888</u>	<u>1,031,708</u>	<u>7,811,189</u>
Fund Balances - Ending	<u>\$ 4,380,757</u>	<u>\$ 2,863,887</u>	<u>\$ 1,364,479</u>	<u>\$ 754,545</u>	<u>\$ 9,363,668</u>



NONMAJOR CAPITAL PROJECTS FUNDS

Capital Projects Funds are established to account for all resources received and used for the acquisition or development of major capital improvements (other than those financed by proprietary funds and trust funds).

Lincoln On The Move – To account for monies derived from a voter approved ¼ cent sales tax increase to be used for street improvements and construction. This increase is for six years starting on October 1, 2019.

Vehicle Tax Fund - To account for monies derived from the payment of wheel tax which is to be used for street improvements in the City.

Storm Sewer Bonds Fund - To account for the cost of providing improvements and extensions to the City's storm water sewer and drainage system. Financing is provided by general obligation bond issue proceeds.

Other Capital Projects Fund - To account for the cost of acquiring or improving various general capital assets. Financing is provided from a variety of sources, such as General fund appropriations, revenue sharing, federal/state grants, bond proceeds, ¼ cent sales tax collections, etc.

Special Assessment Fund - To account for the cost of capital improvements to be assessed against benefited properties. Resources are derived from fund transfers from the Special Revenue fund type and interest on investments.

CITY OF LINCOLN, NEBRASKA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
AUGUST 31, 2024

	Lincoln On The Move	Vehicle Tax	Storm Sewer Bonds	Other Capital Projects	Special Assessment	Total
ASSETS						
Cash and Cash Equivalents	\$ 799,762	\$ 75,479	\$ 197,550	\$ 394,516	\$ 515,783	\$ 1,983,090
Investments	29,928,995	45,743	7,273,138	14,807,665	-	52,055,541
Accrued Interest Receivable	441,542	6,060	99,703	210,668	-	757,973
Due from Other Funds	-	31,328	-	1,835,458	-	1,866,786
Due from Other Governments	3,064,087	963,539	75,790	210,145	-	4,313,561
Total Assets	\$ 34,234,386	\$ 1,122,149	\$ 7,646,181	\$ 17,458,452	\$ 515,783	\$ 60,976,951
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts Payable	-	-	-	3,328,982	-	3,328,982
Contracts Payable	-	-	-	583,810	-	583,810
Due to Other Funds	-	453	-	3,843	515,783	520,079
Unearned Revenue	-	-	-	23,662	-	23,662
Total Liabilities	-	453	-	3,940,297	515,783	4,456,533
Deferred Inflows of Resources:						
Unavailable Revenues	-	-	75,790	210,145	-	285,935
Deferred Inflow for Leases	-	-	-	6,831	-	6,831
Total Deferred Inflows of Resources	-	-	75,790	216,976	-	292,766
Fund Balances:						
Restricted	34,234,386	1,121,696	7,570,391	13,301,179	-	56,227,652
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 34,234,386	\$ 1,122,149	\$ 7,646,181	\$ 17,458,452	\$ 515,783	\$ 60,976,951

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED AUGUST 31, 2024

	Lincoln On The Move	Vehicle Tax	Storm Sewer Bonds	Other Capital Projects	Special Assessment	Total
Revenues:						
Wheel Tax	\$ -	\$ 10,161,481	\$ -	\$ -	\$ -	\$ 10,161,481
Sales and Use Tax	18,009,617	-	-	-	-	18,009,617
Turnback	-	-	-	236,472	-	236,472
Intergovernmental	-	-	835,271	733,879	-	1,569,150
Permits and Fees	-	-	-	415,951	-	415,951
Variable Lease Income	-	-	-	10,000	-	10,000
Investment Income	1,909,058	37,388	404,068	865,652	-	3,216,166
Donations	-	-	-	2,019,231	-	2,019,231
Miscellaneous	-	-	50,000	1,008,610	-	1,058,610
Total Revenues	<u>19,918,675</u>	<u>10,198,869</u>	<u>1,289,339</u>	<u>5,289,795</u>	<u>-</u>	<u>36,696,678</u>
Expenditures:						
Capital Outlay:						
General Government	-	-	-	10,947	-	10,947
Public Safety	-	-	-	6,659,767	-	6,659,767
Streets and Highways	270,046	94	804,964	5,368	-	1,080,472
Culture and Recreation	-	-	-	9,105,441	-	9,105,441
Economic Opportunity	-	-	-	5,435,484	-	5,435,484
Health & Welfare	-	-	-	290,367	-	290,367
Total Expenditures	<u>270,046</u>	<u>94</u>	<u>804,964</u>	<u>21,507,374</u>	<u>-</u>	<u>22,582,478</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>19,648,629</u>	<u>10,198,775</u>	<u>484,375</u>	<u>(16,217,579)</u>	<u>-</u>	<u>14,114,200</u>
Other Financing Sources (Uses):						
Transfers In	-	-	-	12,322,020	515,783	12,837,803
Transfers Out	(16,441,964)	(10,147,046)	-	(10,643)	(515,783)	(27,115,436)
Issuance of Debt	-	-	-	385,240	-	385,240
Sale of Capital Assets	-	-	-	393,431	-	393,431
Total Other Financing Sources (Uses)	<u>(16,441,964)</u>	<u>(10,147,046)</u>	<u>-</u>	<u>13,090,048</u>	<u>-</u>	<u>(13,498,962)</u>
Net Change in Fund Balances	3,206,665	51,729	484,375	(3,127,531)	-	615,238
Fund Balances - Beginning	<u>31,027,721</u>	<u>1,069,967</u>	<u>7,086,016</u>	<u>16,428,710</u>	<u>-</u>	<u>55,612,414</u>
Fund Balances - Ending	<u>\$ 34,234,386</u>	<u>\$ 1,121,696</u>	<u>\$ 7,570,391</u>	<u>\$ 13,301,179</u>	<u>\$ -</u>	<u>\$ 56,227,652</u>



NONMAJOR PERMANENT FUNDS

Permanent funds are established to account for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the City's programs.

Community Health Permanent Endowment Fund – To account for the cash proceeds realized by the City from the sale of Lincoln General Hospital, together with any interest or other investment earnings. Monies in the fund are used for funding health and health-related programs that further the health, safety, or welfare of the citizens of Lincoln.

JJ Hompes Fund - To account for the receipt of investment earnings to be used to buy books as stipulated by the trust agreement.

CITY OF LINCOLN, NEBRASKA
COMBINING BALANCE SHEET
NONMAJOR PERMANENT FUNDS
AUGUST 31, 2024

	<u>Community Health Permanent Endowment</u>	<u>JJ Hompes</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 2,158,440	\$ 40,567	\$ 2,199,007
Investments	72,488,559	1,428,324	73,916,883
Accrued Interest Receivable	<u>9,491</u>	<u>1,814</u>	<u>11,305</u>
Total Assets	<u>\$ 74,656,490</u>	<u>\$ 1,470,705</u>	<u>\$ 76,127,195</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	<u>21,618</u>	<u>-</u>	<u>21,618</u>
Total Liabilities	<u>21,618</u>	<u>-</u>	<u>21,618</u>
Fund Balances:			
Nonspendable	37,000,000	160,000	37,160,000
Restricted	<u>37,634,872</u>	<u>1,310,705</u>	<u>38,945,577</u>
Total Fund Balances	<u>74,634,872</u>	<u>1,470,705</u>	<u>76,105,577</u>
Total Liabilities and Fund Balances	<u>\$ 74,656,490</u>	<u>\$ 1,470,705</u>	<u>\$ 76,127,195</u>

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR PERMANENT FUNDS
FOR THE YEAR ENDED AUGUST 31, 2024

	Community Health Permanent Endowment	JJ Hompes	Total
Revenues:			
Investment Earnings	\$ 11,128,716	\$ 184,696	\$ 11,313,412
Donations	4,245	-	4,245
Miscellaneous	2,431	-	2,431
Total Revenues	<u>11,135,392</u>	<u>184,696</u>	<u>11,320,088</u>
Expenditures - Current:			
Culture and Recreation	-	22,192	22,192
Health and Welfare	1,861,880	-	1,861,880
Total Expenditures	<u>1,861,880</u>	<u>22,192</u>	<u>1,884,072</u>
Net Change in Fund Balances	9,273,512	162,504	9,436,016
Fund Balances - Beginning	<u>65,361,360</u>	<u>1,308,201</u>	<u>66,669,561</u>
Fund Balances - Ending	<u>\$ 74,634,872</u>	<u>\$ 1,470,705</u>	<u>\$ 76,105,577</u>



CITY OF LINCOLN, NEBRASKA
ATHLETIC FIELD & FACILITIES IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment Earnings	\$ -	-	6,576	6,576
Rental Income	375,697	375,697	528,383	152,686
Miscellaneous	-	-	20,140	20,140
Total Revenues	<u>375,697</u>	<u>375,697</u>	<u>555,099</u>	<u>179,402</u>
Other Financing Uses:				
Transfers Out	<u>(1,087,478)</u>	<u>(1,087,478)</u>	<u>(693,285)</u>	<u>394,193</u>
Net Change in Fund Balances	<u>\$ (711,781)</u>	<u>(711,781)</u>	<u>(138,186)</u>	<u>573,595</u>
Fund Balance - Beginning			<u>550,856</u>	
Fund Balance - Ending			<u>\$ 412,670</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ (138,186)	
Revenue and Transfer Accruals			<u>112,644</u>	
Net Change in Fund Balance, GAAP Basis			(25,542)	
Fund Balance - Beginning, GAAP Basis			<u>812,095</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 786,553</u>	

CITY OF LINCOLN, NEBRASKA
LINCOLN AREA AGENCY ON AGING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,607,255	1,607,255	1,884,759	277,504
Permits and Fees	38,000	38,000	32,449	(5,551)
Client Contributions	77,500	77,500	114,868	37,368
Investment Earnings	15,601	15,601	92,743	77,142
Donations	20,000	20,000	-	(20,000)
Miscellaneous	-	-	840	840
Total Revenues	1,758,356	1,758,356	2,125,659	367,303
Expenditures -- Health and Welfare:				
Personal Services	3,125,130	3,125,130	2,708,099	417,031
Materials and Supplies	233,506	233,506	337,197	(103,691)
Other Services and Charges	2,308,322	2,351,322	923,262	1,428,060
Capital Outlay	37,704	112,704	29,028	83,676
Total Expenditures	5,704,662	5,822,662	3,997,586	1,825,076
Deficiency of Revenues Under Expenditures	(3,946,306)	(4,064,306)	(1,871,927)	2,192,379
Other Financing Sources:				
Transfers In	2,450,770	2,568,770	2,450,770	(118,000)
Transfers Out	(550,000)	(550,000)	(550,000)	-
Sale of Capital Assets	-	-	1,393	1,393
Total Other Financing Sources	1,900,770	2,018,770	1,902,163	(116,607)
Net Change in Fund Balances	\$ (2,045,536)	(2,045,536)	30,236	2,075,772
Fund Balance - Beginning			3,162,893	
Fund Balance - Ending			\$ 3,193,129	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 30,236	
Revenue and Transfer Accruals			249,933	
Expenditure and Transfer Accruals			(9,053)	
Net Change in Fund Balance, GAAP Basis			271,116	
Fund Balance - Beginning, GAAP Basis			3,114,333	
Fund Balance - Ending, GAAP Basis			\$ 3,385,449	

CITY OF LINCOLN, NEBRASKA
911 COMMUNICATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 451,887	451,887	791,598	339,711
Permits and Fees	695,164	695,164	839,678	144,514
Reimbursement for Services	-	-	16,000	16,000
Investment Earnings	-	11,575	389,745	378,170
Miscellaneous	-	-	290	290
Total Revenues	1,147,051	1,158,626	2,037,311	878,685
Expenditures -- Public Safety:				
Personal Services	6,048,654	5,956,592	5,223,911	732,681
Materials and Supplies	50,200	160,200	141,192	19,008
Other Services and Charges	4,005,925	3,023,669	972,951	2,050,718
Capital Outlay	309,000	1,181,256	872,050	309,206
Total Expenditures	10,413,779	10,321,717	7,210,104	3,111,613
Deficiency of Revenues Under Expenditures	(9,266,728)	(9,163,091)	(5,172,793)	3,990,298
Other Financing Sources:				
Transfers In	6,238,299	6,228,474	6,228,474	-
Transfers Out	-	(11,575)	(11,575)	-
Total Other Financing Sources	6,238,299	6,216,899	6,216,899	-
Net Change in Fund Balances	\$ (3,028,429)	(2,946,192)	1,044,106	3,990,298
Fund Balance - Beginning			6,831,295	
Fund Balance - Ending			\$ 7,875,401	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 1,044,106	
Revenue and Transfer Accruals			121,940	
Expenditure and Transfer Accruals			(118,820)	
Net Change in Fund Balance, GAAP Basis			1,047,226	
Fund Balance - Beginning, GAAP Basis			6,783,689	
Fund Balance - Ending, GAAP Basis			\$ 7,830,915	

CITY OF LINCOLN, NEBRASKA
UNEMPLOYMENT COMPENSATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Real Property and Personal Property Tax	\$ 5,000	5,000	-	(5,000)
Total Revenues	<u>5,000</u>	<u>5,000</u>	-	<u>(5,000)</u>
Other Financing Uses:				
Transfers Out	<u>(5,000)</u>	<u>(5,000)</u>	<u>(10,244)</u>	<u>(5,244)</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>-</u>	<u>(10,244)</u>	<u>(10,244)</u>
Fund Balance - Beginning			<u>235,144</u>	
Fund Balance - Ending			<u>\$ 224,900</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ (10,244)	
Revenue and Transfer Accruals			1	
Expenditure Accruals			<u>-</u>	
Net Change in Fund Balance, GAAP Basis			(10,243)	
Fund Balance - Beginning, GAAP Basis			<u>235,144</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 224,901</u>	

CITY OF LINCOLN, NEBRASKA
ADVANCE ACQUISITION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment Earnings	\$ -	-	170,100	170,100
Rental Income	-	-	671	671
Total Revenues	<u>-</u>	<u>-</u>	<u>170,771</u>	<u>170,771</u>
Expenditures -- Health and Welfare:				
Other Services and Charges	<u>20,000</u>	<u>20,000</u>	<u>29,641</u>	<u>(9,641)</u>
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>29,641</u>	<u>(9,641)</u>
Deficiency of Revenues Under Expenditures	(20,000)	(20,000)	141,130	161,130
Other Financing Sources (Uses):				
Transfers Out	(2,761,057)	(3,136,057)	(814,577)	2,321,480
Sale of Assets	-	-	56,335	56,335
Total Other Financing Sources (Uses)	<u>(2,761,057)</u>	<u>(3,136,057)</u>	<u>(758,242)</u>	<u>2,377,815</u>
Net Change in Fund Balances	<u>\$ (2,781,057)</u>	<u>(3,156,057)</u>	(617,112)	<u>2,538,945</u>
Fund Balance - Beginning			<u>3,471,683</u>	
Fund Balance - Ending			<u>\$ 2,854,571</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ (617,112)	
Revenue and Transfer Accruals			(2,230)	
Expenditure and Transfer Accruals			<u>22</u>	
Net Change in Fund Balance, GAAP Basis			(619,320)	
Fund Balance - Beginning, GAAP Basis			<u>3,484,411</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 2,865,091</u>	

CITY OF LINCOLN, NEBRASKA
CABLE ACCESS TELEVISION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Permits and Fees	\$ 180,000	180,000	148,314	(31,686)
Total Revenues	<u>180,000</u>	<u>180,000</u>	<u>148,314</u>	<u>(31,686)</u>
Expenditures -- General Government:				
Personal Services	30,030	30,030	30,722	(692)
Materials and Supplies	3,000	3,000	5,753	(2,753)
Other Services and Charges	77,976	77,976	63,780	14,196
Capital Outlay	100,000	100,000	-	100,000
Total Expenditures	<u>211,006</u>	<u>211,006</u>	<u>100,255</u>	<u>110,751</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(31,006)</u>	<u>(31,006)</u>	<u>48,059</u>	<u>79,065</u>
Other Financing Sources:				
Net Change in Fund Balances	<u>\$ (31,006)</u>	<u>(31,006)</u>	48,059	<u>79,065</u>
Fund Balance - Beginning			<u>299,553</u>	
Fund Balance - Ending			<u>\$ 347,612</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 48,059	
Revenue and Transfer Accruals			(7,530)	
Expenditure and Transfer Accruals			<u>13,954</u>	
Net Change in Fund Balance, GAAP Basis			54,483	
Fund Balance - Beginning, GAAP Basis			<u>310,567</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 365,050</u>	

CITY OF LINCOLN, NEBRASKA
LINCOLN CITY LIBRARIES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Real Property and Personal Property Tax	\$ 9,845,808	9,845,808	10,056,702	210,894
Sundry Taxes and In Lieu	5,000	5,000	3,222	(1,778)
Intergovernmental	998,418	998,418	998,418	-
Permits and Fees	67,000	67,000	69,515	2,515
Investment Earnings	9,500	9,500	182,181	172,681
Rental Income	1,200	1,200	1,200	-
Miscellaneous	26,800	26,800	34,021	7,221
Total Revenues	10,953,726	10,953,726	11,345,259	391,533
Expenditures -- Culture and Recreation:				
Personal Services	8,079,662	7,879,662	7,773,638	106,024
Materials and Supplies	187,000	187,000	188,915	(1,915)
Other Services and Charges	3,744,260	3,744,260	1,819,070	1,925,190
Capital Outlay	955,000	1,155,000	925,971	229,029
Total Expenditures	12,965,922	12,965,922	10,707,594	2,258,328
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,012,196)	(2,012,196)	637,665	2,649,861
Other Financing Sources (Uses):				
Transfers Out	(32,093)	(32,093)	(122,925)	(90,832)
Sale of Capital Assets	-	-	60	60
Total Other Financing Sources (Uses)	(32,093)	(32,093)	(122,865)	(90,772)
Net Change in Fund Balances	\$ (2,044,289)	(2,044,289)	514,800	2,559,089
Fund Balance - Beginning			5,092,224	
Fund Balance - Ending			\$ 5,607,024	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 514,800	
Revenue and Transfer Accruals			5,948	
Expenditure and Transfer Accruals			(139,705)	
Net Change in Fund Balance, GAAP Basis			381,043	
Fund Balance - Beginning, GAAP Basis			5,161,188	
Fund Balance - Ending, GAAP Basis			\$ 5,542,231	

CITY OF LINCOLN, NEBRASKA
LINCOLN/LANCASTER COUNTY HEALTH FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Special Assessment	\$ 1,000	1,000	1,808	808
Intergovernmental	3,705,319	3,705,319	3,714,077	8,758
Permits and Fees	5,320,787	5,320,787	5,259,229	(61,558)
Reimbursement for Services	743,932	743,932	613,555	(130,377)
Investment Earnings	31,500	31,500	421,321	389,821
Miscellaneous	-	-	1,312	1,312
Total Revenues	9,802,538	9,802,538	10,011,302	208,764
Expenditures -- Health and Welfare:				
Personal Services	14,539,983	14,701,347	13,286,913	1,414,434
Materials and Supplies	566,150	745,150	467,410	277,740
Other Services and Charges	8,460,852	8,138,488	4,404,470	3,734,018
Capital Outlay	99,350	81,350	45,769	35,581
Total Expenditures	23,666,335	23,666,335	18,204,562	5,461,773
Deficiency of Revenues Under Expenditures	(13,863,797)	(13,863,797)	(8,193,260)	5,670,537
Other Financing Sources (Uses):				
Transfers In	9,103,030	9,103,030	9,180,598	77,568
Transfers Out	-	-	(45,192)	(45,192)
Total Other Financing Sources (Uses)	9,103,030	9,103,030	9,135,406	32,376
Net Change in Fund Balances	\$ (4,760,767)	(4,760,767)	942,146	5,702,913
Fund Balance - Beginning			8,054,321	
Fund Balance - Ending			\$ 8,996,467	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 942,146	
Revenue and Transfer Accruals			4,874,200	
Expenditure and Transfer Accruals			(90,124)	
Net Change in Fund Balance, GAAP Basis			5,726,222	
Fund Balance - Beginning, GAAP Basis			7,635,278	
Fund Balance - Ending, GAAP Basis			\$ 13,361,500	

CITY OF LINCOLN, NEBRASKA
SOCIAL SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Revenues:				
Real Property and Personal Property Tax	\$ 220,000	220,000	27	(219,973)
Total Revenues	220,000	220,000	27	(219,973)
Expenditures -- General Government:				
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	220,000	220,000	27	(219,973)
Other Financing Sources:				
Transfers Out	(220,000)	(220,000)	(1,678)	218,322
Net Change in Fund Balances	\$ -	-	(1,651)	(1,651)
Fund Balance - Beginning			1,678	
Fund Balance - Ending			\$ 27	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ (1,651)	
Revenue and Transfer Accruals			4	
Net Change in Fund Balance, GAAP Basis			(1,647)	
Fund Balance - Beginning, GAAP Basis			1,675	
Fund Balance - Ending, GAAP Basis			\$ 28	

CITY OF LINCOLN, NEBRASKA
STARTRAN FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,995,179	2,995,179	1,719,113	(1,276,066)
Permits and Fees	3,608,670	3,608,670	3,145,783	(462,887)
Reimbursement for Services	140,000	140,000	61,022	(78,978)
Investment Earnings	-	-	-	-
Miscellaneous	158,000	158,000	199,718	41,718
Total Revenues	6,901,849	6,901,849	5,125,636	(1,776,213)
Expenditures -- Mass Transit:				
Personal Services	12,520,399	13,624,364	13,585,583	38,781
Materials and Supplies	1,709,079	2,405,114	3,654,711	(1,249,597)
Other Services and Charges	3,367,678	3,367,678	1,983,674	1,384,004
Capital Outlay	3,499,338	3,499,338	42,943	3,456,395
Total Expenditures	21,096,494	22,896,494	19,266,911	3,629,583
Deficiency of Revenues Under Expenditures	(14,194,645)	(15,994,645)	(14,141,275)	1,853,370
Other Financing Sources (Uses):				
Transfers In	9,523,500	9,523,500	10,573,500	1,050,000
Transfers Out	-	-	(14,459)	(14,459)
Total Other Financing Sources (Uses)	9,523,500	9,523,500	10,559,041	1,035,541
Net Change in Fund Balances	\$ (4,671,145)	(6,471,145)	(3,582,234)	2,888,911
Amount Budgeted on Project Basis			912,393	
Fund Balance - Beginning			3,609,089	
Fund Balance - Ending			\$ 939,248	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ (3,582,234)	
Revenue and Transfer Accruals			(436,928)	
Expenditure and Transfer Accruals			(387,636)	
Amount Budgeted on Project Basis			912,393	
Net Change in Fund Balance, GAAP Basis			(3,494,405)	
Fund Balance - Beginning, GAAP Basis			4,789,989	
Fund Balance - Ending, GAAP Basis			\$ 1,295,584	

CITY OF LINCOLN, NEBRASKA
KENO FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Revenues:				
Keno Proceeds	\$ 5,482,113	5,482,113	7,076,538	1,594,425
Miscellaneous	-	-	-	-
Total Revenues	5,482,113	5,482,113	7,076,538	1,594,425
Expenditures:				
General Government:				
Other Services and Charges	1,883,600	1,883,600	2,711,661	(828,061)
Culture and Recreation:				
Materials and Supplies	26,508	146,508	71,981	74,527
Capital Outlay	1,142,070	1,022,070	914,203	107,867
Debt Service	485,200	485,200	485,599	(399)
Total Expenditures	3,537,378	3,537,378	4,183,444	(646,066)
Excess of Revenues Over Expenditures	1,944,735	1,944,735	2,893,094	948,359
Other Financing Uses:				
Transfers In			20	20
Transfers Out	(5,360,353)	(5,360,353)	(2,165,392)	3,194,961
Total Other Financing Sources (Uses)	(5,360,353)	(5,360,353)	(2,165,372)	3,194,981
Net Change in Fund Balances	\$ (3,415,618)	(3,415,618)	727,722	948,359
Fund Balance - Beginning			7,599,696	
Fund Balance - Ending			\$ 8,327,418	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 727,722	
Revenue and Transfer Accruals			45,901	
Expenditure and Transfer Accruals			(12,242)	
Net Change in Fund Balance, GAAP Basis			761,381	
Fund Balance - Beginning, GAAP Basis			7,540,499	
Fund Balance - Ending, GAAP Basis			\$ 8,301,880	

CITY OF LINCOLN, NEBRASKA
BUILDING & SAFETY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final	Amounts	(Negative)
Revenues:				
Permits and Fees	\$ 7,626,653	7,626,653	6,746,217	(880,436)
Reimbursement for Services	158,716	158,716	110,167	(48,549)
Investment Earnings	-	-	28,450	28,450
Miscellaneous	52	52	396	344
Total Revenues	7,785,421	7,785,421	6,885,230	(900,191)
Expenditures -- Public Safety:				
Personal Services	7,097,659	7,097,659	6,765,906	331,753
Materials and Supplies	78,649	78,649	41,296	37,353
Other Services and Charges	3,189,907	3,189,907	2,190,414	999,493
Capital Outlay	35,950	35,950	113,002	(77,052)
Total Expenditures	10,402,165	10,402,165	9,110,618	1,291,547
Deficiency of Revenue Under Expenditures	(2,616,744)	(2,616,744)	(2,225,388)	391,356
Other Financing Sources (Uses):				
Transfers In	1,546,427	1,546,427	1,546,427	-
Transfers Out	-	-	(5,109)	(5,109)
Sale of Capital Assets	-	-	4,000	4,000
Total Other Financing Sources (Uses)	1,546,427	1,546,427	1,545,318	(1,109)
Net Change in Fund Balances	\$ (1,070,317)	(1,070,317)	(680,070)	390,247
Fund Balance - Beginning			12,217,680	
Fund Balance - Ending			\$ 11,537,610	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ (680,070)	
Revenue and Transfer Accruals			935,431	
Expenditure and Transfer Accruals			(62,622)	
Net Change in Fund Balance, GAAP Basis			192,739	
Fund Balance - Beginning, GAAP Basis			11,976,028	
Fund Balance - Ending, GAAP Basis			\$ 12,168,767	

CITY OF LINCOLN, NEBRASKA
IMPACT FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Permits and Fees	\$ 6,555,100	6,555,100	128,037	(6,427,063)
Investment Earnings	-	-	(273,387)	(273,387)
Total Revenues	<u>6,555,100</u>	<u>6,555,100</u>	<u>(145,350)</u>	<u>(6,700,450)</u>
Expenditures -- Health and Welfare:				
Other Services and Charges	<u>40,610</u>	<u>40,610</u>	<u>4,770</u>	<u>35,840</u>
Total Expenditures	<u>40,610</u>	<u>40,610</u>	<u>4,770</u>	<u>35,840</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,514,490</u>	<u>6,514,490</u>	<u>(150,120)</u>	<u>(6,664,610)</u>
Other Financing Uses:				
Transfers In	-	-	1,729,448	1,729,448
Transfers Out	(6,355,100)	(6,355,100)	-	6,355,100
Net Change in Fund Balances	<u>\$ 159,390</u>	<u>159,390</u>	<u>1,579,328</u>	<u>1,419,938</u>
Fund Balance - Beginning			<u>339,320</u>	
Fund Balance - Ending			<u>\$ 1,918,648</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 1,579,328	
Revenue and Transfer Accruals			287,282	
Expenditure and Transfer Accruals			<u>(588)</u>	
Net Change in Fund Balance, GAAP Basis			1,866,022	
Fund Balance - Beginning, GAAP Basis			<u>801,346</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 2,667,368</u>	

CITY OF LINCOLN, NEBRASKA
LIBRARY SPECIAL TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment Earnings	\$ 1,400	1,400	14,087	12,687
Donations	97,769	97,769	135,460	37,691
Miscellaneous	-	-	27	27
Total Revenues	<u>99,169</u>	<u>99,169</u>	<u>149,574</u>	<u>50,405</u>
Expenditures -- Culture and Recreation:				
Personal Services	88,919	88,919	108,696	(19,777)
Other Services and Charges	250	250	-	250
Capital Outlay	10,000	10,000	6,652	3,348
Total Expenditures	<u>99,169</u>	<u>99,169</u>	<u>115,348</u>	<u>(16,179)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>-</u>	34,226	<u>34,226</u>
Fund Balance - Beginning			<u>223,707</u>	
Fund Balance - Ending			<u>\$ 257,933</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 34,226	
Revenue and Transfer Accruals			1,428	
Expenditure and Transfer Accruals			<u>5,544</u>	
Net Change in Fund Balance, GAAP Basis			41,198	
Fund Balance - Beginning, GAAP Basis			<u>217,902</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 259,100</u>	

CITY OF LINCOLN, NEBRASKA
LINCOLN BIKE SHARE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Donations	\$ 100,000	100,000	119,075	19,075
Rental Income	45,000	45,000	27,760	(17,240)
Miscellaneous	-	-	161	161
Total Revenues	<u>145,000</u>	<u>145,000</u>	<u>146,996</u>	<u>1,996</u>
Expenditures -- Mass Transit:				
Other Services and Charges	<u>302,790</u>	<u>302,790</u>	<u>359,272</u>	<u>(56,482)</u>
Total Expenditures	<u>302,790</u>	<u>302,790</u>	<u>359,272</u>	<u>(56,482)</u>
Deficiency of Revenues Under Expenditures	(157,790)	(157,790)	(212,276)	(54,486)
Other Financing Sources:				
Transfers In	<u>-</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ (157,790)</u>	<u>42,210</u>	<u>(12,276)</u>	<u>(54,486)</u>
Fund Balance - Beginning			<u>(539,060)</u>	
Fund Balance - Ending			<u>\$ (551,336)</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ (12,276)	
Revenue and Transfer Accruals			(456)	
Expenditure and Transfer Accruals			<u>29,009</u>	
Net Change in Fund Balance, GAAP Basis			16,277	
Fund Balance - Beginning, GAAP Basis			<u>(705,352)</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ (689,075)</u>	

CITY OF LINCOLN, NEBRASKA
VEHICLE TAX RESIDUAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Wheel Tax	\$ 9,787,860	9,787,860	10,151,058	363,198
Total Revenues	9,787,860	9,787,860	10,151,058	363,198
Expenditures -- Health and Welfare:				
Other Services and Charges	-	-	94	(94)
Total Expenditures	-	-	94	(94)
Deficiency of Revenues Under Expenditures	9,787,860	9,787,860	10,150,964	363,104
Other Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	(9,787,860)	(9,787,860)	(10,041,873)	(254,013)
Sale of Assets	-	-	-	-
Proceeds from Issuance of Debt	-	-	-	-
Transfer To Bond Refunding Agent	-	-	-	-
Total Other Financing Sources (Uses)	(9,787,860)	(9,787,860)	(10,041,873)	(254,013)
Net Change in Fund Balances	\$ -	-	109,091	109,091
Fund Balance - Beginning			79,018	
Fund Balance - Ending			\$ 188,109	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 109,091	
Revenue and Transfer Accruals			54,384	
Net Change in Fund Balance, GAAP Basis			163,475	
Fund Balance - Beginning, GAAP Basis			1,032,134	
Fund Balance - Ending, GAAP Basis			\$ 1,195,609	

CITY OF LINCOLN, NEBRASKA
TAX ALLOCATION PROJECTS DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FISCAL YEAR ENDED AUGUST 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Revenues:				
Real Property and Personal Property Tax	\$ -	-	4,269,902	4,269,902
Investment Earnings	-	-	231,028	231,028
Miscellaneous	-	-	16,510	16,510
Total Revenues	-	-	4,517,440	4,517,440
Expenditures -- Debt Service:				
Principal Retirement	451,119	451,119	437,622	13,497
Interest	25,798	25,798	33,063	(7,265)
Fiscal Charges	-	-	-	-
Developer Purchased TIF Payments	-	-	2,293,089	(2,293,089)
Miscellaneous	-	-	21,482	(21,482)
Total Expenditures	476,917	476,917	2,785,256	(2,308,339)
Excess (Deficiency) of Revenues				
Over (Under) Over Expenditures	(476,917)	(476,917)	1,732,184	2,209,101
Other Financing Uses:				
Transfers Out	-	-	(75,274)	(75,274)
Net Change in Fund Balances	\$ (476,917)	(476,917)	1,656,910	2,133,827
Fund Balances - Beginning			4,133,760	
Fund Balances - Ending			\$ 5,790,670	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 1,656,910	
Revenue and Transfer Accruals			(48,976)	
Expenditure and Transfer Accruals			(259,559)	
Net Change in Fund Balance, GAAP Basis			1,348,375	
Fund Balance - Beginning, GAAP Basis			3,032,382	
Fund Balance - Ending, GAAP Basis			\$ 4,380,757	

CITY OF LINCOLN, NEBRASKA
BOND INTEREST & REDEMPTION DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FISCAL YEAR ENDED AUGUST 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Revenues:				
Real Property and Personal Property Tax	\$ 3,379,685	3,379,685	3,090,343	(289,342)
Sundry and In Lieu Tax	1,900	1,900	1,010	(890)
Investment Earnings	12,240	12,240	121,191	108,951
Total Revenues	3,393,825	3,393,825	3,212,544	(181,281)
Expenditures -- Debt Service:				
Principal Retirement	2,520,000	2,520,000	2,594,195	(74,195)
Interest	870,725	870,725	885,288	(14,563)
Fiscal Charges	3,100	3,100	9,851	(6,751)
Capital Lease Principal	-	-	2,755,000	(2,755,000)
Capital Lease Interest	-	-	441,086	(441,086)
Total Expenditures	3,393,825	3,393,825	6,685,420	(3,291,595)
Deficiency of Revenues Under Expenditures	-	-	(3,472,876)	(3,472,876)
Other Financing Sources:				
Transfers In	-	-	3,292,672	3,292,672
Total Other Financing Sources (Uses)	-	-	3,292,672	3,292,672
Net Change in Fund Balances	\$ -	-	(180,204)	(180,204)
Fund Balances - Beginning			2,908,733	
Fund Balances - Ending			\$ 2,728,529	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ (180,204)	
Revenue and Transfer Accruals			(29,368)	
Expenditure and Transfer Accruals			1,248	
Amount Budgeted on Project Basis			-	
Net Change in Fund Balance, GAAP Basis			(208,324)	
Fund Balance - Beginning, GAAP Basis			3,072,211	
Fund Balance - Ending, GAAP Basis			\$ 2,863,887	

CITY OF LINCOLN, NEBRASKA
TAX SUPPORTED BONDS DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FISCAL YEAR ENDED AUGUST 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u> Amounts	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Turnback Tax	\$ 2,300,000	2,300,000	2,128,247	(171,753)
Occupation Tax	-	-	1,697,787	1,697,787
Investment Earnings	-	-	113,981	113,981
Total Revenues	<u>2,300,000</u>	<u>2,300,000</u>	<u>3,940,015</u>	<u>1,640,015</u>
Expenditures -- Debt Service:				
Principal Retirement	6,485,000	6,485,000	6,825,000	(340,000)
Interest	1,257,948	1,257,948	1,776,223	(518,275)
Fiscal Charges	-	-	1,800	(1,800)
Payments Made to Developer	-	-	1,321,689	(1,321,689)
Miscellaneous	-	-	330,515	(330,515)
Total Expenditures	<u>7,742,948</u>	<u>7,742,948</u>	<u>10,255,227</u>	<u>(2,512,279)</u>
Deficiency of Revenues Under Expenditures	(5,442,948)	(5,442,948)	(6,315,212)	(872,264)
Other Financing Sources (Uses):				
Transfers In	6,203,400	6,203,400	7,061,675	858,275
Transfers Out	(230,000)	(230,000)	-	230,000
Total Other Financing Sources (Uses)	<u>5,973,400</u>	<u>5,973,400</u>	<u>7,061,675</u>	<u>1,088,275</u>
Net Change in Fund Balances	<u>\$ 530,452</u>	<u>530,452</u>	746,463	<u>216,011</u>
Fund Balances - Beginning			<u>1,328,380</u>	
Fund Balances - Ending			<u>\$ 2,074,843</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 746,463	
Revenue and Transfer Accruals			27,648	
Expenditure and Transfer Accruals			<u>(84,520)</u>	
Net Change in Fund Balance, GAAP Basis			689,591	
Fund Balance - Beginning, GAAP Basis			<u>674,888</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 1,364,479</u>	

CITY OF LINCOLN, NEBRASKA
SPECIAL ASSESSMENT DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FISCAL YEAR ENDED AUGUST 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Special Assessment	\$ 1,500,000	1,500,000	1,341,695	(158,305)
Special Assessment Interest	125,000	125,000	93,002	(31,998)
Total Revenues	<u>1,625,000</u>	<u>1,625,000</u>	<u>1,434,697</u>	<u>(190,303)</u>
Expenditures -- Debt Service:				
Principal Retirement	215,000	215,000	215,000	-
Interest	67,620	67,620	67,623	(3)
Fiscal Charges	-	-	800	(800)
Total Expenditures	<u>282,620</u>	<u>282,620</u>	<u>283,423</u>	<u>(803)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,342,380	1,342,380	1,151,274	(191,106)
Other Financing Sources (Uses):				
Transfers Out	(1,600,000)	(1,600,000)	(1,400,219)	199,781
Total Other Financing Sources (Uses)	<u>(1,600,000)</u>	<u>(1,600,000)</u>	<u>(1,400,219)</u>	<u>199,781</u>
Net Change in Fund Balances	<u>\$ (257,620)</u>	<u>(257,620)</u>	(248,945)	<u>8,675</u>
Fund Balances - Beginning			<u>915,479</u>	
Fund Balances - Ending			<u>\$ 666,534</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ (248,945)	
Revenue and Transfer Accruals			252	
Expenditure and Transfer Accruals			<u>(28,471)</u>	
Net Change in Fund Balance, GAAP Basis			(277,164)	
Fund Balance - Beginning, GAAP Basis			<u>1,031,708</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 754,544</u>	

CITY OF LINCOLN, NEBRASKA
COMMUNITY HEALTH PERMANENT ENDOWMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment Earnings	\$ 2,808,451	2,808,451	11,131,284	8,322,833
Donations	-	-	4,245	4,245
Miscellaneous	-	-	2,432	2,432
Total Revenues	2,808,451	2,808,451	11,137,961	8,329,510
Expenditures -- Health and Welfare:				
Personal Services	521,216	560,675	511,913	48,762
Materials and Supplies	6,225	6,225	10,407	(4,182)
Other Services and Charges	2,281,010	2,909,946	1,428,798	1,481,148
Total Expenditures	2,808,451	3,476,846	1,951,118	1,525,728
Net Change in Fund Balance	\$ -	(668,395)	9,186,843	9,855,238
Fund Balances - Beginning			65,482,639	
Fund Balances - Ending			\$ 74,669,482	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 9,186,843	
Revenue and Transfer Accruals			(2,569)	
Expenditure and Transfer Accruals			89,238	
Net Change in Fund Balance, GAAP Basis			9,273,512	
Fund Balance - Beginning, GAAP Basis			65,361,360	
Fund Balance - Ending, GAAP Basis			\$ 74,634,872	



NONMAJOR ENTERPRISE FUNDS

Enterprise funds are established to account for operations that are financed and operated in a manner similar to private business enterprises where the costs of providing goods or services are recovered primarily through user charges and where periodic determination of net income is appropriate.

Golf Fund - To account for the revenues and expenses of the four public adult golf courses and one youth golf course.

Parking System Fund - To account for the revenues and expenses of 12 downtown parking garages: Carriage Park, Que Place, Center Park, Cornhusker Square, University Square, Market Place, Haymarket, Larson Building, Lumberworks, 1318M, Eagle, and Gold 4; and the revenues and expenses of City owned parking lots, leased parking lots, third party owned parking facilities operated for special events, and parking facilities operated on behalf of the West Haymarket Joint Public Agency.

Pinnacle Bank Arena Fund – To account for the operating revenues and expenses of the City-owned arena.

Solid Waste Management Fund - To account for the revenues and expenses of the City-owned landfills.

Emergency Medical Services Fund - To account for the revenues and expenses of the City-operated emergency ambulance service.

Broadband Enterprise Fund - To account for the revenues generated from broadband franchise fees, conduit lease fees, fiber infrastructure support fees, conduit access permit fees, and other sources arising from the activities associated with a broadband franchise. These resources are to be used to support the construction, maintenance, operations, extensions, and other associated activities of the City's broadband system, as well as to support the City's telecommunication needs.

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
AUGUST 31, 2024

	Golf	Parking System	Pinnacle Bank Arena	Solid Waste Management	Emergency Medical Services	Broadband Enterprise	Total
ASSETS							
Current Assets:							
Cash and Cash Equivalents	\$ 457,567	\$ 220,766	\$ 9,141,157	\$ -	\$ 195,003	\$ 59,558	\$ 10,074,051
Investments	3,560,581	5,732,534	-	8,456,379	6,676,089	1,364,889	25,790,472
Receivables (Net of Allowance for Uncollectibles)	51,022	478,025	381,529	2,046,288	2,170,125	1,375,145	6,502,134
Due from Other Funds	-	644,875	288,702	1,077,584	387	-	2,011,548
Due from Other Governments	4	-	-	17,182	-	-	17,186
Inventories	100,313	-	287,346	-	446,882	-	834,541
Prepaid Expenses	-	-	119,182	-	-	-	119,182
Total Current Assets	4,169,487	7,076,200	10,217,916	11,597,433	9,488,486	2,799,592	45,349,114
Noncurrent Assets:							
Investments	360,249	580,002	-	855,590	675,466	138,095	2,609,402
Lease Receivable	-	-	-	-	-	18,984,668	18,984,668
Restricted Assets:							
Cash and Cash Equivalents	-	74,500	-	1,221,666	-	-	1,296,166
Investments	-	2,927,553	-	1,248,131	-	-	4,175,684
Receivables	-	40,280	-	172,654	-	-	212,934
Total Restricted Assets	-	3,042,333	-	2,642,451	-	-	5,684,784
Capital Assets:							
Land	1,068,949	17,127,040	-	1,540,452	-	-	19,736,441
Buildings	4,439,915	95,802,926	-	3,643,440	168,363	-	104,054,644
Improvements Other Than Buildings	11,476,567	12,830,989	-	55,288,801	-	58,998,360	138,594,717
Machinery and Equipment	2,970,343	5,086,439	1,794,722	15,683,404	3,892,409	110,021	29,537,338
Construction in Progress	27,164	208,717	-	2,388,581	-	-	2,624,462
Less Accumulated Depreciation	(12,477,810)	(43,560,278)	(695,193)	(44,397,908)	(2,372,015)	(8,622,712)	(112,125,916)
Total Capital Assets, Net	7,505,128	87,495,833	1,099,529	34,146,770	1,688,757	50,485,669	182,421,686
Lease Assets:							
Lease Assets	1,623,503	2,581,967	-	-	-	-	4,205,470
Less Amortization	(654,208)	(321,894)	-	-	-	-	(976,102)
Total Lease Assets, Net	969,295	2,260,073	-	-	-	-	3,229,368
Subscription Assets:							
Subscription Assets	120,915	-	-	-	-	-	120,915
Less Amortization	(47,862)	-	-	-	-	-	(47,862)
Total Subscription Assets, Net	73,053	-	-	-	-	-	73,053
Total Capital Assets, Net	8,547,476	89,755,906	1,099,529	34,146,770	1,688,757	50,485,669	185,724,107
Total Noncurrent Assets	8,907,725	93,378,241	1,099,529	37,644,811	2,364,223	69,608,432	213,002,961
Total Assets	13,077,212	100,454,441	11,317,445	49,242,244	11,852,709	72,408,024	258,352,075
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Loss on Refunding	-	666,217	-	-	-	-	666,217
Deferred Outflows for Pension	-	-	-	-	1,769,250	-	1,769,250
Deferred Outflows for OPEB	17,962	4,784	-	38,306	175,080	-	236,132
Total Deferred Outflows of Resources	17,962	671,001	-	38,306	1,944,330	-	2,671,599

(Continued)

(Nonmajor Enterprise Funds, Combining Statement of Net Position, continued)

	Golf	Parking System	Pinnacle Bank Arena	Solid Waste Management	Emergency Medical Services	Broadband Enterprise	Total
LIABILITIES							
Current Liabilities:							
Accounts Payable	373,403	1,044,803	906,324	769,176	223,561	3,803	3,321,070
Accrued Liabilities	82,387	12,477	289,550	128,775	324,254	16,385	853,828
Accrued Compensated Absences	111,986	17,669	15,331	178,988	86,556	35,898	446,428
Notes Payable	-	-	-	-	164,030	-	164,030
Due to Other Funds	19	273,745	-	98,861	142,893	46,826	562,344
Due to Other Governments	65,308	240	208,381	191	33	-	274,153
Unearned Revenue	220,742	286,614	5,066,904	-	-	-	5,574,260
Accrued Interest	20,172	37,387	-	15,827	11,022	-	84,408
Accrued Lease Interest	3,091	9,991	-	-	-	-	13,082
Accrued Subscription Interest	758	-	-	-	-	-	758
Current Portion of COPs	120,000	-	-	-	-	-	120,000
Current Portion of Long-Term Debt	-	3,155,000	-	645,000	-	-	3,800,000
Current Portion of OPEB Liability	2,807	748	-	5,986	27,360	-	36,901
Current Portion of Lease Liability	345,217	89,552	-	-	-	-	434,769
Current Portion of Subscription Liability	29,900	-	-	-	-	-	29,900
Total Current Liabilities	<u>1,375,790</u>	<u>4,928,226</u>	<u>6,486,490</u>	<u>1,842,804</u>	<u>979,709</u>	<u>102,912</u>	<u>15,715,931</u>
Noncurrent Liabilities:							
Accrued Compensated Absences	140,806	33,635	-	241,804	141,647	-	557,892
Long-Term Debt, Net	196,347	31,723,050	-	5,298,606	-	-	37,218,003
COPs Payable	860,000	-	-	-	-	-	860,000
Notes Payable	-	-	-	-	353,633	-	353,633
Net Pension Liability	-	-	-	-	5,562,590	-	5,562,590
Total OPEB Liability, Net	74,405	19,817	-	158,683	725,268	-	978,173
Lease Liability	301,454	2,222,766	-	-	-	-	2,524,220
Subscription Liability	30,543	-	-	-	-	-	30,543
Postclosure Care Costs	-	-	-	39,302,059	-	-	39,302,059
Total Noncurrent Liabilities	<u>1,603,555</u>	<u>33,999,268</u>	<u>-</u>	<u>45,001,152</u>	<u>6,783,138</u>	<u>-</u>	<u>87,387,113</u>
Total Liabilities	<u>2,979,345</u>	<u>38,927,494</u>	<u>6,486,490</u>	<u>46,843,956</u>	<u>7,762,847</u>	<u>102,912</u>	<u>103,103,044</u>
DEFERRED INFLOWS OF RESOURCES							
Deferred Inflows for Pension	-	-	-	-	203,783	-	203,783
Deferred Inflows for OPEB	50,410	13,426	-	107,508	491,371	-	662,715
Deferred Inflows for Leases	-	-	-	-	-	19,678,456	19,678,456
Total Deferred Inflows of Resources	<u>50,410</u>	<u>13,426</u>	<u>-</u>	<u>107,508</u>	<u>695,154</u>	<u>19,678,456</u>	<u>20,544,954</u>
NET POSITION							
Net Investment in Capital Assets	6,664,015	53,011,153	1,099,529	28,956,653	1,171,094	50,485,669	141,388,113
Restricted for:							
Capital Projects	-	3,042,333	-	182,208	-	-	3,224,541
Unrestricted	3,401,404	6,131,036	3,731,426	(26,809,775)	4,167,944	2,140,987	(7,236,978)
Total Net Position	<u>\$ 10,065,419</u>	<u>\$ 62,184,522</u>	<u>\$ 4,830,955</u>	<u>\$ 2,329,086</u>	<u>\$ 5,339,038</u>	<u>\$ 52,626,656</u>	<u>\$ 137,375,676</u>



CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2024

	Golf	Parking Systems	Pinnacle Bank Arena	Solid Waste Management	Emergency Medical Services	Broadband Enterprise	Total
Operating Revenues							
Charges for Services	\$ 470,512	\$ 1,970,637	\$ -	\$ -	\$ 11,550,272	\$ 86,158	\$ 14,077,579
Fees	6,422,666	1,003,514	-	10,599,934	-	6,235	18,032,349
Parking Revenue	-	10,583,622	-	-	-	-	10,583,622
Performance Revenue	-	-	13,821,890	-	-	-	13,821,890
Other Operating Revenue	84,632	633,453	2,079,261	571,227	892	1,299	3,370,764
Total Operating Revenues	<u>6,977,810</u>	<u>14,191,226</u>	<u>15,901,151</u>	<u>11,171,161</u>	<u>11,551,164</u>	<u>93,692</u>	<u>59,886,204</u>
Operating Expenses							
Personal Services	2,020,668	381,775	5,494,372	3,596,439	8,664,344	531,141	20,688,739
Contractual Services	223,403	4,917,883	1,639,618	5,155,375	695,894	108,653	12,740,826
Operation and Maintenance	2,516,148	3,161,231	7,166,580	3,923,887	1,718,427	182,734	18,669,007
Depreciation	395,406	2,634,540	129,274	2,992,847	342,261	1,917,339	8,411,667
Amortization	294,455	107,298	-	-	-	-	401,753
Total Operating Expenses	<u>5,450,080</u>	<u>11,202,727</u>	<u>14,429,844</u>	<u>15,668,548</u>	<u>11,420,926</u>	<u>2,739,867</u>	<u>60,911,992</u>
Operating Income (Loss)	<u>1,527,730</u>	<u>2,988,499</u>	<u>1,471,307</u>	<u>(4,497,387)</u>	<u>130,238</u>	<u>(2,646,175)</u>	<u>(1,025,788)</u>
Nonoperating Revenues (Expenses)							
Investment Earnings	179,363	259,862	-	1,051,738	402,712	70,932	1,964,607
Lease Income	-	-	-	-	-	1,357,458	1,357,458
Lease Interest Income	-	-	-	-	-	376,412	376,412
Grant Revenue	-	-	-	355,600	-	-	355,600
Gain (Loss) on Disposal of Capital Assets	-	-	(64,721)	(27,053)	-	-	(91,774)
Insurance Recoveries	-	-	-	18,836	-	-	18,836
Occupation Tax	-	-	-	5,950,473	-	41,940	5,992,413
Interest Expense and Fiscal Charges	(42,420)	(1,100,721)	-	(179,217)	(31,104)	-	(1,353,462)
Total Nonoperating Revenues (Expenses)	<u>136,943</u>	<u>(840,859)</u>	<u>(64,721)</u>	<u>7,170,377</u>	<u>371,608</u>	<u>1,846,742</u>	<u>8,620,090</u>
Income (Loss) Before Contributions and Transfers	<u>1,664,673</u>	<u>2,147,640</u>	<u>1,406,586</u>	<u>2,672,990</u>	<u>501,846</u>	<u>(799,433)</u>	<u>7,594,302</u>
Capital Contributions	861,293	-	649,463	196,870	-	6,905,184	8,612,810
Transfers In	168,150	-	-	458,207	-	-	626,357
Transfers Out	(917,833)	(2,157,975)	(1,200,000)	(2,016,058)	-	-	(6,291,866)
Change in Net Position	<u>1,776,283</u>	<u>(10,335)</u>	<u>856,049</u>	<u>1,312,009</u>	<u>501,846</u>	<u>6,105,751</u>	<u>10,541,603</u>
Net Position - Beginning	<u>8,289,136</u>	<u>62,194,857</u>	<u>3,974,906</u>	<u>1,017,077</u>	<u>4,837,192</u>	<u>46,520,905</u>	<u>126,834,073</u>
Net Position - Ending	<u>\$ 10,065,419</u>	<u>\$ 62,184,522</u>	<u>\$ 4,830,955</u>	<u>\$ 2,329,086</u>	<u>\$ 5,339,038</u>	<u>\$ 52,626,656</u>	<u>\$ 137,375,676</u>

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2024

	Golf	Parking System	Pinnacle Bank Arena	Solid Waste Management	Emergency Medical Services	Broadband Enterprise	Total
Cash Flows from Operating Activities							
Receipts from Customers and Users	\$ 6,917,117	13,022,394	12,394,714	10,621,003	11,109,354	(14,265)	54,050,317
Receipts from Interfund Services Provided	-	262,343	-	142	-	-	262,485
Payments to Suppliers for Goods and Services	(1,963,679)	(7,471,284)	(6,427,851)	(5,867,949)	(1,295,322)	(281,459)	(23,307,544)
Payments to Employees	(2,014,716)	(353,893)	(5,757,489)	(3,572,373)	(8,582,884)	(518,504)	(20,799,859)
Payments for Interfund Services Provided	(680,592)	-	(2,559,160)	(805,668)	(612,430)	(57,761)	(4,715,611)
Other Receipts	84,632	633,462	2,079,261	571,227	892	1,299	3,370,773
Net Cash Provided (Used) by Operating Activities	<u>2,342,762</u>	<u>6,093,022</u>	<u>(270,525)</u>	<u>946,382</u>	<u>619,610</u>	<u>(870,690)</u>	<u>8,860,561</u>
Cash Flows from Noncapital Financing Activities							
Occupation Tax	-	-	-	5,893,898	-	41,940	5,935,838
Transfers from Other Funds	168,150	-	-	458,207	-	-	626,357
Transfers to Other Funds	(917,833)	(2,157,975)	(1,200,000)	(2,016,058)	-	-	(6,291,866)
Repayments from Other Funds	-	81,283	-	40,641	-	-	121,924
Grant Proceeds	-	-	-	355,600	-	-	355,600
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(749,683)</u>	<u>(2,076,692)</u>	<u>(1,200,000)</u>	<u>4,732,288</u>	<u>-</u>	<u>41,940</u>	<u>747,853</u>
Cash Flows from Capital and Related Financing Activities							
Additions to Capital Assets	(1,020,387)	(1,845,703)	(10,927)	(4,986,275)	-	-	(7,863,292)
Capital Contributions	861,293	-	-	196,870	-	-	1,058,163
Proceeds from Sale of Capital Assets	-	-	-	44,590	-	-	44,590
Proceeds from Leases/Lease Interest	-	-	-	-	-	1,575,290	1,575,290
Insurance Recoveries	-	-	-	18,836	-	-	18,836
Principal Payments of Leases	(399,166)	(87,800)	-	-	-	-	(486,966)
Principal Payments of Subscriptions	(29,271)	-	-	-	-	-	(29,271)
Principal Payments of COPS	(115,000)	-	-	-	-	-	(115,000)
Principal Payments of Notes	-	-	-	-	(156,055)	-	(156,055)
Principal Payments of Bonded Debt	-	(3,055,000)	-	(620,000)	-	-	(3,675,000)
Interest and Fiscal Charges Paid	(71,196)	(1,035,649)	-	(218,193)	(34,427)	-	(1,359,465)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(773,727)</u>	<u>(6,024,152)</u>	<u>(10,927)</u>	<u>(5,564,172)</u>	<u>(190,482)</u>	<u>1,575,290</u>	<u>(10,988,170)</u>
Cash Flows from Investing Activities							
Proceeds from Sale and Maturities of Investments	2,525,861	9,463,387	-	8,638,504	5,543,567	536,286	26,707,605
Purchases of Investments	(3,402,878)	(8,019,449)	-	(9,165,084)	(6,380,396)	(1,304,437)	(28,272,244)
Interest and Other Receipts	121,068	199,123	-	216,627	297,930	44,434	879,182
Net Cash Provided (Used) by Investing Activities	<u>(755,949)</u>	<u>1,643,061</u>	<u>-</u>	<u>(309,953)</u>	<u>(538,899)</u>	<u>(723,717)</u>	<u>(685,457)</u>
Net Increase in Cash and Cash Equivalents	63,403	(364,761)	(1,481,452)	(195,455)	(109,771)	22,823	(2,065,213)
Cash and Cash Equivalents - Beginning	394,164	660,027	10,622,609	1,417,121	304,774	36,735	13,435,430
Cash and Cash Equivalents - Ending	<u>\$ 457,567</u>	<u>295,266</u>	<u>9,141,157</u>	<u>1,221,666</u>	<u>195,003</u>	<u>59,558</u>	<u>11,370,217</u>

(Continued)

(Nonmajor Enterprise Funds, Combining Statement of Cash Flows, continued)

	Golf	Parking System	Pinnacle Bank Arena	Solid Waste Management	Emergency Medical Services	Broadband Enterprise	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities							
Operating Income (Loss)	\$ 1,527,730	2,988,499	1,471,307	(4,497,387)	130,238	(2,646,175)	(1,025,788)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:							
Depreciation and Amortization	689,861	2,741,838	129,274	2,992,847	342,261	1,917,339	8,813,420
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:							
Accounts Receivable and Unbilled Revenues	(2,102)	(419,660)	(30,101)	141,021	(440,920)	(106,658)	(858,420)
Due from Other Funds	-	262,343	(217,433)	(120,311)	-	-	(75,401)
Due from Other Governments	(4)	-	-	501	-	-	497
Inventories	7,604	-	29,638	-	(22,704)	-	14,538
Prepaid Expenses	-	-	5,472	-	-	-	5,472
Deferred Outflows for Pension	-	-	-	-	(260,853)	-	(260,853)
Deferred Outflows for OPEB	5,149	1,372	-	10,982	41,723	-	59,226
Accounts Payable	62,701	379,472	(420,160)	(30,166)	76,847	(61,260)	7,434
Accrued Liabilities	8,926	1,372	101,728	16,266	94,414	(4,028)	218,678
Accrued Compensated Absences	21,020	26,676	1,398	9,134	52,086	(3,665)	106,649
Due to Other Funds	(200)	228,180	(30,179)	96,813	(223)	33,757	328,148
Due to Other Governments	1,805	178	(131,827)	(8,061)	(41)	-	(137,946)
Unearned Revenue	26,046	(115,710)	(1,179,642)	-	-	-	(1,269,306)
Net Pension Liability	-	-	-	-	735,617	-	735,617
Total OPEB Liability	452	120	-	963	6,675	-	8,210
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	2,347,059	-	-	2,347,059
Deferred Inflows for Pension	-	-	-	-	(76,492)	-	(76,492)
Deferred Inflows for OPEB	(6,226)	(1,658)	-	(13,279)	(59,018)	-	(80,181)
Total Adjustments	815,032	3,104,523	(1,741,832)	5,443,769	489,372	1,775,485	9,886,349
Net Cash Provided (Used) by Operating Activities	\$ 2,342,762	6,093,022	(270,525)	946,382	619,610	(870,690)	8,860,561
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities:							
Contribution of Capital Assets	\$ -	-	649,463	-	-	6,905,184	7,554,647
Capital Asset Trade-Ins	-	-	-	(225,000)	-	-	(225,000)
Purchase of Capital Assets on Account	-	220,602	-	363,595	-	-	584,197
Change in Fair Value of Investments	41,095	48,273	-	13,231	77,651	(15,433)	164,817
Amortization of Debt Premiums	-	21,440	-	36,692	-	-	58,132



INTERNAL SERVICE FUNDS

Internal Service Funds are established to account for the financing of goods or services rendered by one department or agency to other departments or agencies or to other governmental units on a cost-reimbursement basis.

Information Services Fund - To account for the cost of operating a central data processing facility for the City of Lincoln and Lancaster County. User City and County departments are charged for the resources used on a full costs recovery basis.

Transportation & Utilities Revolving Fund - To account for the cost of operating a central pool to charge engineering and right of way operating costs and transportation and utilities administrative costs. Funds that utilize the services are then charged for the resources based upon a full cost recovery basis.

Insurance Revolving Fund - To account for the cost of providing a self-insurance program for workers' compensation, health, dental, liability, property insurance, and long-term disability. Revenues are derived from billings to operating departments.

Fleet Services Fund - To account for the operation of a centralized maintenance facility for equipment used by other City departments, such as trucks, heavy equipment, miscellaneous other equipment and radio maintenance. Revenues are derived from billings to user departments.

Police Garage Fund - To account for the operation of a maintenance facility for the Police fleet and vehicles from various other City departments. Revenues are derived from billings to the Police and other user departments.

Municipal Services Center Fund – To account for the purchase of, improvements to, and operation of a facility to provide a consolidated location for various functions of city government. Revenues are derived from the issue of certificates of participation and rental payments from user departments and other occupying agencies.

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
AUGUST 31, 2024

	Information Services	Transportation & Utilities Revolving	Insurance Revolving	Fleet Services	Police Garage	Municipal Services Center	Total
ASSETS							
Current Assets:							
Cash and Cash Equivalents	\$ 418,225	\$ 140,864	\$ 1,475,509	\$ 179,247	\$ 234,581	\$ 71,672	\$ 2,520,098
Investments	3,613,989	4,735,572	50,120,197	6,076,724	7,851,080	2,498,341	74,895,903
Accounts Receivable	248,803	135,368	26,031	167,914	306,594	-	884,710
Due from Other Funds	2,744,862	235,712	993,694	28,573	515,365	148,583	4,666,789
Due from Other Governments	606,487	-	-	-	25,445	-	631,932
Inventories	-	-	-	1,002,067	305,675	-	1,307,742
Prepaid Expenses	696,817	-	-	-	-	-	696,817
Total Current Assets	8,329,183	5,247,516	52,615,431	7,454,525	9,238,740	2,718,596	85,603,991
Noncurrent Assets:							
Investments	365,652	479,131	5,000,850	614,824	794,348	252,774	7,507,579
Lease Receivable	-	-	-	1,357,122	-	-	1,357,122
Capital Assets:							
Land	-	-	-	-	335,751	1,258,700	1,594,451
Buildings	26,486	-	-	-	5,294,266	17,040,387	22,361,139
Improvements Other Than Buildings	-	-	-	407,891	45,500	1,960,679	2,414,070
Machinery and Equipment	5,335,207	187,707	28,936	27,384,055	17,415,166	58,130	50,409,201
Construction in Progress	-	-	-	461,516	-	276,413	737,929
Less Accumulated Depreciation	(4,692,292)	(134,063)	(28,936)	(16,573,944)	(12,915,566)	(7,121,470)	(41,466,271)
Total Capital Assets, Net	669,401	53,644	-	11,679,518	10,175,117	13,472,839	36,050,519
Lease Assets:							
Lease Assets	-	-	-	18,917	-	-	18,917
Less Amortization	-	-	-	(4,256)	-	-	(4,256)
Total Lease Assets, Net	-	-	-	14,661	-	-	14,661
Subscription Assets:							
Subscription Assets	1,661,128	1,002,072	265,317	-	-	-	2,928,517
Less Amortization	(591,725)	(394,134)	(44,220)	-	-	-	(1,030,079)
Total Subscription Assets, Net	1,069,403	607,938	221,097	-	-	-	1,898,438
Total Capital Assets, Net	1,738,804	661,582	221,097	11,694,179	10,175,117	13,472,839	37,963,618
Total Noncurrent Assets	2,104,456	1,140,713	5,221,947	13,666,125	10,969,465	13,725,613	46,828,319
Total Assets	10,433,639	6,388,229	57,837,378	21,120,650	20,208,205	16,444,209	132,432,310
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Outflows for OPEB	45,473	68,219	5,993	22,746	17,962	5,993	166,386
LIABILITIES							
Current Liabilities:							
Accounts Payable	351,316	54,833	250,160	207,945	906,590	136,622	1,907,466
Accrued Liabilities	197,887	324,205	40,286	71,538	41,852	19,286	695,054
Accrued Compensated Absences	341,931	498,486	61,268	119,116	59,025	25,927	1,105,753
Due to Other Funds	4,465	43,143	558,681	73,525	85,705	29,467	794,986
Due to Other Governments	-	30	51	-	9	-	90
Unearned Revenue	-	84,858	-	-	-	-	84,858
Claims	-	-	6,931,453	-	-	-	6,931,453
Accrued Interest	-	-	-	39,894	-	47,918	87,812
Accrued Lease Interest	-	-	-	154	-	-	154
Accrued Subscription Interest	31,156	19,737	4,557	-	-	-	55,450
Current Portion of COPs	-	-	-	445,000	-	1,215,000	1,660,000
Current Portion of Total OPEB Liability	7,106	10,661	937	3,555	2,807	937	26,003
Current Portion of Lease Liability	-	-	-	1,333	-	-	1,333
Current Portion of Subscription Liability	430,288	270,545	83,921	-	-	-	784,754
Total Current Liabilities	1,364,149	1,306,498	7,931,314	962,060	1,095,988	1,475,157	14,135,166
Noncurrent Liabilities:							
Accrued Compensated Absences, Net	438,362	945,428	147,284	317,070	168,174	-	2,016,318
Long-Term Debt, Net	-	-	-	326,715	-	335,939	662,654
Claims, Net	-	-	9,178,494	-	-	-	9,178,494
COPs Payable, Net	-	-	-	1,470,000	-	2,575,000	4,045,000
Total OPEB Liability, Net	188,374	282,596	24,825	94,222	74,405	24,825	689,247
Lease Liability, Net	-	-	-	13,956	-	-	13,956
Subscription Liability, Net	472,756	277,508	88,361	-	-	-	838,625
Total Noncurrent Liabilities	1,099,492	1,505,532	9,438,964	2,221,963	242,579	2,935,764	17,444,294
Total Liabilities	2,463,641	2,812,030	17,370,278	3,184,023	1,338,567	4,410,921	31,579,460
DEFERRED INFLOWS OF RESOURCES							
Deferred Inflows for Refunding	-	-	-	-	-	3,781	3,781
Deferred Inflows for OPEB	127,624	191,460	16,819	63,836	50,410	16,819	466,968
Deferred Inflows for Leases	-	-	-	1,355,604	-	-	1,355,604
Total Deferred Inflows of Resources	127,624	191,460	16,819	1,419,440	50,410	20,600	1,826,353
NET POSITION							
Net Investment in Capital Assets	835,760	113,529	48,815	9,342,694	9,534,741	9,251,071	29,126,610
Unrestricted	7,052,087	3,339,429	40,407,459	7,197,239	9,302,449	2,767,610	70,066,273
Total Net Position	\$ 7,887,847	\$ 3,452,958	\$ 40,456,274	\$ 16,539,933	\$ 18,837,190	\$ 12,018,681	\$ 99,192,883

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2024

	Information Services	Transportation & Utilities Revolving	Insurance Revolving	Fleet Services	Police Garage	Municipal Services Center	Total
Operating Revenues							
Charges for Services	\$ 21,672,541	\$ 11,181,544	\$ 57,785,794	\$ 9,096,429	\$ 6,539,278	\$ 2,825,542	\$ 109,101,128
Fees	-	209,290	-	-	-	-	209,290
Other Operating Revenue	82,658	-	312,997	1,262,250	950,306	144,548	2,752,759
Total Operating Revenues	<u>21,755,199</u>	<u>11,390,834</u>	<u>58,098,791</u>	<u>10,358,679</u>	<u>7,489,584</u>	<u>2,970,090</u>	<u>112,063,177</u>
Operating Expenses							
Personal Services	5,875,124	8,442,614	871,815	2,237,963	1,398,605	562,643	19,388,764
Contractual Services	3,887,763	1,230,922	6,239,074	242,574	50,584	130,483	11,781,400
Operation and Maintenance	6,383,626	964,659	56,442,997	4,931,307	3,170,005	519,831	72,412,425
Depreciation	247,374	23,533	-	1,766,348	1,771,922	738,310	4,547,487
Amortization	602,260	243,183	44,220	1,419	-	-	891,082
Total Operating Expenses	<u>16,996,147</u>	<u>10,904,911</u>	<u>63,598,106</u>	<u>9,179,611</u>	<u>6,391,116</u>	<u>1,951,267</u>	<u>109,021,158</u>
Operating Income (Loss)	<u>4,759,052</u>	<u>485,923</u>	<u>(5,499,315)</u>	<u>1,179,068</u>	<u>1,098,468</u>	<u>1,018,823</u>	<u>3,042,019</u>
Nonoperating Revenues (Expenses)							
Investment Earnings	273,426	166,298	33,254	-	-	-	472,978
Lease Income	-	-	-	124,007	-	-	124,007
Lease Interest Income	-	-	-	29,619	-	-	29,619
Gain (Loss) on Disposal of Capital Assets	-	100	-	154,450	184,960	4,725	344,235
Insurance Recoveries	-	-	297,286	56,478	89,146	-	442,910
Interest Expense and Fiscal Charges	(41,624)	(23,059)	(4,557)	(36,128)	-	(43,070)	(148,438)
Total Nonoperating Revenues (Expenses)	<u>231,802</u>	<u>143,339</u>	<u>325,983</u>	<u>328,426</u>	<u>274,106</u>	<u>(38,345)</u>	<u>1,265,311</u>
Income (Loss) Before Contributions and Transfers	<u>4,990,854</u>	<u>629,262</u>	<u>(5,173,332)</u>	<u>1,507,494</u>	<u>1,372,574</u>	<u>980,478</u>	<u>4,307,330</u>
Capital Contributions	-	-	-	129,461	-	50,279	179,740
Transfers In	-	227,223	-	-	219,000	1,000,000	1,446,223
Transfers Out	-	(263,482)	(209,088)	(1,377)	-	(590)	(474,537)
Change in Net Position	<u>4,990,854</u>	<u>593,003</u>	<u>(5,382,420)</u>	<u>1,635,578</u>	<u>1,591,574</u>	<u>2,030,167</u>	<u>5,458,756</u>
Net Position - Beginning of Year	<u>2,896,993</u>	<u>2,859,955</u>	<u>45,838,694</u>	<u>14,904,355</u>	<u>17,245,616</u>	<u>9,988,514</u>	<u>93,734,127</u>
Net Position - Ending	<u>\$ 7,887,847</u>	<u>\$ 3,452,958</u>	<u>\$ 40,456,274</u>	<u>\$ 16,539,933</u>	<u>\$ 18,837,190</u>	<u>\$ 12,018,681</u>	<u>\$ 99,192,883</u>

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2024

	Information Services	Transportation & Utilities Revolving	Insurance Revolving	Fleet Services	Police Garage	Municipal Services Center	Total
Cash Flows from Operating Activities							
Receipts from Customers and Users	\$ 6,365,665	9,936,696	14,428,582	273,968	2,874,018	144,548	34,023,477
Receipts from Interfund Services Provided	11,952,237	1,563,585	43,678,467	10,060,050	5,327,140	2,756,832	75,338,311
Payments to Suppliers for Goods and Services	(10,599,887)	(1,079,547)	(60,857,050)	(4,864,026)	(2,462,347)	(389,649)	(80,252,506)
Payments to Employees	(5,837,636)	(8,342,992)	(810,480)	(2,142,813)	(1,322,492)	(557,164)	(19,013,577)
Payments for Interfund Services Provided	<u>(377,787)</u>	<u>(1,155,553)</u>	<u>(373,340)</u>	<u>(753,242)</u>	<u>(757,252)</u>	<u>(291,139)</u>	<u>(3,708,313)</u>
Net Cash Provided (Used) by Operating Activities	<u>1,502,592</u>	<u>922,189</u>	<u>(3,933,821)</u>	<u>2,573,937</u>	<u>3,659,067</u>	<u>1,663,428</u>	<u>6,387,392</u>
Cash Flows from Noncapital Financing Activities							
Transfers from Other Funds	-	227,223	-	-	219,000	1,000,000	1,446,223
Transfers to Other Funds	-	(263,482)	(209,088)	(1,377)	-	(590)	(474,537)
Repayments from Other Funds	-	-	162,566	-	-	-	162,566
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>(36,259)</u>	<u>(46,522)</u>	<u>(1,377)</u>	<u>219,000</u>	<u>999,410</u>	<u>1,134,252</u>
Cash Flows from Capital and Related Financing Activities							
Additions to Capital Assets	-	-	-	(2,832,029)	(898,174)	(199,551)	(3,929,754)
Proceeds from Sale of Capital Assets	-	100	-	154,450	187,460	4,725	346,735
Proceeds from Leases/Lease Interest	-	-	-	123,772	-	-	123,772
Insurance Recoveries	-	-	297,286	56,478	89,146	-	442,910
Cost of Debt Issuance	-	-	-	-	-	(2,087)	(2,087)
Principal Payments of COPs	-	-	-	(425,000)	-	(1,185,000)	(1,610,000)
Principal Payments of Subscriptions	(591,033)	(292,503)	(93,035)	-	-	-	(976,571)
Principal Payments of Leases	-	-	-	(1,452)	-	-	(1,452)
Interest and Fiscal Charges Paid	-	-	-	(117,217)	-	(179,120)	(296,337)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(591,033)</u>	<u>(292,403)</u>	<u>204,251</u>	<u>(3,040,998)</u>	<u>(621,568)</u>	<u>(1,561,033)</u>	<u>(5,902,784)</u>
Cash Flows from Investing Activities							
Proceeds from Sale and Maturities of Investments	2,600,058	3,776,331	50,161,745	6,131,297	4,233,575	1,279,001	68,182,007
Purchases of Investments	(3,453,921)	(4,525,828)	(47,622,856)	(5,807,578)	(7,503,345)	(2,387,686)	(71,301,214)
Interest and Other Receipts	<u>216,100</u>	<u>91,374</u>	<u>28,529</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>336,003</u>
Net Cash Provided (Used) by Investing Activities	<u>(637,763)</u>	<u>(658,123)</u>	<u>2,567,418</u>	<u>323,719</u>	<u>(3,269,770)</u>	<u>(1,108,685)</u>	<u>(2,783,204)</u>
Net Increase in Cash and Cash Equivalents	273,796	(64,596)	(1,208,674)	(144,719)	(13,271)	(6,880)	(1,164,344)
Cash and Cash Equivalents - Beginning	144,429	205,460	2,684,183	323,966	247,852	78,552	3,684,442
Cash and Cash Equivalents - Ending	<u>\$ 418,225</u>	<u>140,864</u>	<u>1,475,509</u>	<u>179,247</u>	<u>234,581</u>	<u>71,672</u>	<u>2,520,098</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) Operating Activities							
Operating Income (Loss)	\$ 4,759,052	485,923	(5,499,315)	1,179,068	1,098,468	1,018,823	3,042,019
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:							
Depreciation and amortization	849,634	266,716	44,220	1,767,767	1,771,922	738,310	5,438,569
Changes in Assets and Liabilities:							
Accounts Receivable	(181,003)	53,105	7,932	(60,627)	241,068	3,179	63,654
Due from Other Funds	(2,710,022)	20,592	327	35,968	457,924	(71,889)	(2,267,100)
Due from Other Governments	(546,272)	-	-	-	12,581	-	(533,691)
Inventories	-	-	-	20,118	73,416	-	93,534
Prepaid Expenses	255,164	-	-	-	-	-	255,164
Deferred Outflows for OPEB	13,038	19,558	1,718	6,521	5,148	1,718	47,701
Accounts Payable	(937,605)	35,446	44,423	(251,837)	(56,842)	(28,420)	(1,194,835)
Accrued Liabilities	4,422	55,192	15,559	5,894	(1,518)	4,518	84,067
Accrued Compensated Absences	34,647	46,813	45,986	90,049	78,257	1,172	296,924
Due to Other Funds	(435)	(74,780)	19,120	(211,660)	(15,592)	(2,056)	(285,403)
Due to Other Governments	(23,409)	(195)	51	(10)	9	-	(23,554)
Unearned Revenue	-	35,750	-	-	-	-	35,750
Claims	-	-	1,388,086	-	-	-	1,388,086
Total OPEB Liability	1,144	1,717	150	572	452	151	4,186
Deferred Inflows for OPEB	<u>(15,763)</u>	<u>(23,648)</u>	<u>(2,078)</u>	<u>(7,886)</u>	<u>(6,226)</u>	<u>(2,078)</u>	<u>(57,679)</u>
Total Adjustments	<u>(3,256,460)</u>	<u>436,266</u>	<u>1,565,494</u>	<u>1,394,869</u>	<u>2,560,599</u>	<u>644,605</u>	<u>3,345,373</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,502,592</u>	<u>922,189</u>	<u>(3,933,821)</u>	<u>2,573,937</u>	<u>3,659,067</u>	<u>1,663,428</u>	<u>6,387,392</u>
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities:							
Contribution of Capital Assets	\$ -	-	-	129,461	-	50,279	179,740
Purchase of Capital Assets on Account	-	-	-	94,481	640,376	92,048	826,905
SBITA Additions	704,085	359,518	172,282	-	-	-	1,235,885
Change in Fair Value of Investments	41,737	54,965	-	-	-	-	96,702
Amortization of Debt Premiums	-	-	-	72,509	-	119,397	191,906

CUSTODIAL FUNDS

Custodial funds are used to report fiduciary resources held by the City for individuals, private organizations, or other governments.

Developer TIF Deposits - 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.

Seized Funds - To account for funds seized by law enforcement. Seized funds are turned over to the state and federal agencies for seized funds programs.

Collections Due Other Governments - To account for the sales tax collections on sales made by the City of Lincoln to be remitted to the State of Nebraska.



CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
AUGUST 31, 2024

	<u>Developer TIF Deposits</u>	<u>Seized Funds</u>	<u>Collections Due Other Governments</u>	<u>Total</u>
ASSETS				
Cash and Cash Equivalents	\$ 8,462,627	\$ 527,041	\$ -	\$ 8,989,668
Receivables:				
Taxes	169,616	-	-	169,616
Accrued Interest	62,794	-	-	62,794
Total Assets	<u>\$ 8,695,037</u>	<u>\$ 527,041</u>	<u>\$ -</u>	<u>\$ 9,222,078</u>
LIABILITIES				
Liabilities:				
Due to Other Contractors	<u>8,597,394</u>	<u>-</u>	<u>-</u>	<u>8,597,394</u>
Total Liabilities	<u>8,597,394</u>	<u>-</u>	<u>-</u>	<u>8,597,394</u>
NET POSITION				
Restricted for:				
Developers, Seized Cash, and Other Governments	<u>97,643</u>	<u>527,041</u>	<u>-</u>	<u>624,684</u>
Total Net Position	<u>\$ 97,643</u>	<u>\$ 527,041</u>	<u>\$ -</u>	<u>\$ 624,684</u>

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2024

	Developer TIF Deposits	Seized Funds	Collections Due Other Governments	Total
Additions:				
Investment Income	\$ 215,162	\$ -	\$ -	\$ 215,162
Real Property and Personal Property Tax	13,646,757	-	-	13,646,757
Sales Tax Collections For Other Governments	-	-	452,432	452,432
Seized Cash	-	163,542	-	163,542
Miscellaneous	86,679	-	-	86,679
Total Additions	<u>13,948,598</u>	<u>163,542</u>	<u>452,432</u>	<u>14,564,572</u>
Deductions:				
Seized Cash Used	-	126,138	-	126,138
Payments of Sales Tax to Other Governments	-	-	452,432	452,432
Developer Purchased TIF Payments	13,389,418	-	-	13,389,418
Miscellaneous	529,781	-	-	529,781
Total Deductions	<u>13,919,199</u>	<u>126,138</u>	<u>452,432</u>	<u>14,497,769</u>
Change in Net Position	<u>29,399</u>	<u>37,404</u>	<u>-</u>	<u>66,803</u>
Net Position - Beginning of the Year	<u>68,244</u>	<u>489,637</u>	<u>-</u>	<u>557,881</u>
Net Position - Ending	<u>\$ 97,643</u>	<u>\$ 527,041</u>	<u>\$ -</u>	<u>\$ 624,684</u>

STATISTICAL SECTION

This part of the City of Lincoln’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	184
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
Revenue Capacity	189
These schedules contain information to help the reader assess the City’s three most significant local revenue sources, electrical sales, sales tax, and property tax.	
Debt Capacity	198
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Demographic and Economic Information	202
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
Operating Information	204
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the city provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.



CITY OF LINCOLN, NEBRASKA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
 (accrual basis of accounting)

Table 1

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 1,034,156,868	1,006,682,574	944,153,513	898,840,745	909,494,423	891,303,701	846,442,664	803,312,775	773,243,018	587,747,372
Restricted	277,061,518	229,988,358	241,220,367	249,233,964	174,029,693	162,762,413	182,122,089	170,845,285	159,387,584	165,389,543
Unrestricted	235,328,456	203,778,924	172,059,358	132,001,733	96,474,096	94,424,924	104,886,320	101,154,775	82,713,956	216,775,964
Total Governmental Activities										
Net Position	\$ 1,546,546,842	1,440,449,856	1,357,433,238	1,280,076,442	1,179,998,212	1,148,491,038	1,133,451,073	1,075,312,835	1,015,344,558	969,912,879
Business-Type Activities:										
Net Investment in										
Capital Assets	\$ 1,212,363,535	1,099,894,307	1,038,944,270	942,386,540	856,941,115	765,731,464	793,807,694	725,334,301	664,773,842	692,461,543
Restricted	35,351,896	27,954,202	23,259,053	44,896,951	41,381,436	35,564,865	28,846,167	16,243,396	17,071,503	14,820,181
Unrestricted	270,345,887	265,723,948	237,478,046	220,495,637	238,519,168	252,143,234	153,286,143	193,344,188	217,843,287	152,834,566
Total Business-Type Activities										
Net Position	\$ 1,518,061,318	1,393,572,457	1,299,681,369	1,207,779,128	1,136,841,719	1,053,439,563	975,940,004	934,921,885	899,688,632	860,116,290
Primary Government:										
Net Investment in										
Capital Assets	\$ 2,246,520,403	2,106,576,881	1,983,097,783	1,841,227,285	1,766,435,538	1,657,035,165	1,640,250,358	1,528,647,076	1,438,016,860	1,280,208,915
Restricted	312,413,414	257,942,560	264,479,420	294,130,915	215,411,129	198,327,278	210,968,256	187,088,681	176,459,087	180,209,724
Unrestricted	505,674,343	469,502,872	409,537,404	352,497,370	334,993,264	346,568,158	258,172,463	294,498,963	300,557,243	369,610,530
Total Primary Government										
Net Position	\$ 3,064,608,160	2,834,022,313	2,657,114,607	2,487,855,570	2,316,839,931	2,201,930,601	2,109,391,077	2,010,234,720	1,915,033,190	1,830,029,169

CITY OF LINCOLN, NEBRASKA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Table 2

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses										
Governmental Activities:										
General Government	\$ 96,074,091	87,469,415	70,790,806	53,297,715	57,362,717	58,007,177	47,260,387	52,387,910	49,756,620	48,543,231
Public Safety	144,514,723	133,864,552	126,709,784	123,218,823	115,994,657	111,464,206	102,979,449	96,915,706	93,495,599	91,997,706
Streets and Highways	51,107,102	69,761,860	55,667,322	63,862,502	64,899,917	71,078,034	66,223,821	49,055,496	59,111,970	41,302,726
Culture and Recreation	50,301,257	48,607,218	45,042,153	44,913,469	51,835,619	48,510,294	41,524,548	41,071,450	37,633,355	33,418,770
Economic Opportunity	27,201,218	25,519,922	51,154,814	19,046,331	14,998,235	25,490,737	24,018,579	21,384,298	20,703,598	18,101,822
Health and Welfare	39,345,040	38,174,446	34,795,734	33,647,236	31,811,506	21,944,351	20,885,234	22,433,400	21,701,621	22,273,013
Mass Transit	23,408,298	21,355,145	18,566,091	17,572,030	17,211,162	16,283,063	15,822,765	15,298,159	14,576,742	13,477,089
Equipment Management	833,572	2,480,241	971,044	654,123	627,942	562,531	508,118	527,243	614,893	1,032,440
Engineering Services	7,096,334	6,717,158	7,146,618	7,298,448	1,519,718	3,900,549	4,394,576	4,159,498	2,527,524	3,495,741
Interest on Long-Term Debt	15,457,325	16,330,688	17,701,759	17,064,945	19,211,309	19,395,458	19,721,240	21,172,325	20,931,956	21,310,128
Total Governmental Activities Expenses	455,338,960	450,280,645	423,546,125	380,575,622	375,472,782	376,636,400	343,338,717	324,405,485	321,053,878	294,952,666
Business-Type Activities:										
Golf	5,492,500	5,201,449	6,189,024	5,272,495	4,204,729	3,959,217	3,981,087	4,193,694	3,939,149	3,261,611
Parking System	12,303,448	11,530,177	10,303,150	8,913,548	10,263,845	10,634,630	10,302,430	9,874,516	9,418,838	9,223,770
Municipal Auditorium	-	-	-	-	-	-	-	-	-	33,652
Municipal Arena	14,494,565	12,645,849	15,004,368	6,003,519	8,185,336	12,241,290	11,587,968	11,783,010	8,630,522	8,353,078
Solid Waste Management	15,919,408	16,261,556	20,150,425	13,264,852	12,893,945	11,197,893	11,767,958	11,684,258	11,742,556	9,498,841
Emergency Medical Services	11,452,030	9,558,747	8,248,858	7,744,230	8,019,204	7,533,068	6,422,207	6,395,628	6,865,689	6,507,925
Broadband Enterprise	2,739,867	4,323,255	3,795,636	7,043,569	2,496,469	1,288,701	948,029	819,075	402,264	-
Wastewater System	35,005,370	32,561,876	30,303,932	29,504,080	29,051,899	26,849,143	25,728,896	25,637,244	24,852,092	24,128,351
Water System	39,156,972	38,477,447	32,625,429	38,261,132	31,205,232	28,776,618	28,275,160	29,304,869	27,243,026	26,368,801
Electric System	299,749,000	311,561,000	309,378,000	269,435,000	282,163,000	288,860,000	312,132,000	303,928,000	286,006,000	298,753,000
Total Business-Type Activities Expenses	436,313,160	442,121,356	435,998,822	385,442,425	388,483,659	391,340,560	411,145,735	403,620,294	379,100,136	386,129,029
Total	\$ 891,652,120	892,402,001	859,544,947	766,018,047	763,956,441	767,976,960	754,484,452	728,025,779	700,154,014	681,081,695
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 52,549,740	46,956,374	42,877,500	38,815,037	39,315,341	36,149,520	36,481,336	36,328,041	33,956,597	34,039,065
Public Safety	8,522,215	8,543,211	10,197,940	8,647,156	7,477,549	7,676,309	7,724,306	8,234,573	7,428,315	7,653,414
Streets and Highways	6,736,226	5,314,071	6,490,756	6,986,644	5,905,768	6,049,314	5,278,153	5,695,776	6,599,287	5,070,875
Culture and Recreation	8,043,732	7,771,896	7,745,967	7,183,798	5,636,080	7,630,497	4,549,413	5,736,276	4,675,252	4,565,482
Economic Opportunity	66,789	36,092	147,389	45,797	42,693	977,619	2,138,366	1,112,696	1,346,373	1,709,576
Health and Welfare	6,681,522	5,511,568	5,509,725	5,360,437	5,343,749	5,010,683	5,144,629	4,943,035	4,974,773	5,120,923
Other Activities	13,650,586	14,013,895	6,989,889	13,311,928	8,699,231	10,074,900	10,077,571	9,979,442	8,765,439	7,439,039
Operating Grants and Contributions	123,445,439	108,152,182	122,435,670	126,896,770	74,440,798	70,640,446	63,076,418	65,860,903	63,971,798	59,762,954
Capital Grants and Contributions	11,199,694	22,309,320	26,322,072	19,123,793	13,993,017	18,219,765	37,901,112	23,824,607	19,411,483	25,708,872
Total Governmental Activities	\$ 230,895,943	218,608,609	228,716,908	226,371,360	160,854,226	162,429,053	172,371,304	161,715,349	151,129,317	151,070,200
Business-Type Activities:										
Charges for Services:										
Wastewater System	41,052,810	40,070,237	35,925,952	35,333,419	32,529,755	31,804,206	31,323,851	29,580,844	27,950,057	27,004,622
Water System	57,520,917	58,783,996	49,798,252	47,853,869	41,023,731	38,144,187	38,914,946	36,176,115	35,346,948	31,275,854
Electric System	329,387,000	361,383,000	368,898,000	311,213,000	317,210,000	332,902,000	321,549,000	315,502,000	311,093,000	314,623,000
Other Activities	59,490,833	56,849,455	54,030,688	40,941,958	44,358,888	49,646,851	47,132,633	47,318,628	39,632,958	37,177,844
Operating Grants and Contributions	2,139,156	2,099,741	3,163,517	4,428,538	264,280	19,303	112,847	-	61,066	-
Capital Grants and Contributions	36,498,059	14,439,996	14,685,621	16,582,535	32,086,296	11,316,858	18,800,761	11,416,105	9,765,195	13,309,086
Total Business-Type Activities	526,088,775	533,626,425	526,502,030	456,353,319	467,472,950	463,833,405	457,834,038	439,993,692	423,849,224	423,390,406
Total	\$ 756,984,718	752,235,034	755,218,938	682,724,679	628,327,176	626,262,458	630,205,342	601,709,041	574,978,541	574,460,606
Net (Expense)/Revenue										
Governmental Activities	\$ (224,443,017)	(231,672,036)	(194,829,217)	(154,204,262)	(214,618,556)	(214,207,347)	(170,967,413)	(162,690,136)	(169,924,561)	(143,882,466)
Business-Type Activities	89,775,615	91,505,069	90,503,208	70,910,894	78,989,291	72,492,845	46,688,303	36,373,398	44,749,088	37,261,377
Total	\$ (134,667,402)	(140,166,967)	(104,326,009)	(83,293,368)	(135,629,265)	(141,714,502)	(124,279,110)	(126,316,738)	(125,175,473)	(106,621,089)

(Continued)

(Changes In Net Position, Table 2, Continued)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Revenues and Other Changes										
In Net Position										
Governmental Activities:										
Taxes:										
Property Tax	\$ 106,664,440	92,516,589	89,012,920	80,373,285	85,070,230	78,379,964	74,308,924	70,687,331	66,338,373	60,781,216
Motor Vehicle Tax	7,515,298	7,085,198	6,787,141	6,977,769	6,361,079	6,257,221	5,956,910	5,710,522	5,396,042	5,049,072
Wheel Tax	20,322,961	19,971,982	19,529,692	19,884,563	18,540,900	18,832,912	18,647,301	18,452,773	18,061,400	17,548,482
Sales and Use Tax	120,165,635	122,736,019	117,494,209	105,320,265	94,014,467	80,333,822	89,978,538	88,493,433	83,561,157	69,437,901
Turnback Tax	2,364,718	2,301,626	677,204	1,453,709	2,400,569					
Sundry and In Lieu Tax	67,806	58,515	29,048	103,155	54,872	2,433,643	2,153,276	1,659,560	1,618,479	1,543,657
Occupation Tax	30,051,413	29,841,524	28,099,332	24,219,554	24,548,465	27,867,756	27,438,041	27,167,889	26,618,563	26,367,092
Unrestricted Grants and Contributions	31,926	30,170	25,405	27,580	56,090	50,330	60,620	71,620	67,640	65,051
Unrestricted Investment Earnings (Loss)	23,773,558	24,898,619	(3,195,233)	1,452,336	5,276,803	7,211,377	3,022,679	2,308,284	1,914,541	1,842,730
Miscellaneous General Revenues	1,820,590	4,229,432	3,994,211	888,231	1,580,490	1,576,598	919,184	489,198	708,314	1,251,922
Gain on Sale of Capital Assets	342,010	245,404	662,074	1,443,961						
Gain on Extinguishment of Debt					170,995					
Transfers	17,419,648	10,773,576	9,070,010	10,722,635	8,050,770	6,303,689	11,533,601	7,617,803	11,071,731	11,754,684
Total Governmental Activities	330,540,003	314,688,654	272,186,013	252,867,043	246,125,730	229,247,312	234,019,074	222,658,413	215,356,240	195,641,807
Business-Type Activities:										
Occupation Tax	5,992,413	5,715,780	5,336,074	5,028,574	3,964,450	3,456,319	3,622,544	3,809,059	4,194,442	2,832,539
Unrestricted Investment Earnings (Loss)	23,015,666	5,097,820	(217,999)	1,722,098	7,362,809	7,068,187	2,197,770	2,339,375	1,517,819	961,154
Miscellaneous General Revenues	22,413,555	1,554,120	4,322,030	3,138,463	1,034,848	680,853	192,670	233,578	89,483	329,954
Gain on Sale of Capital Assets	44,590	4,195	112,575	144,015						
Transfers	(16,752,978)	(9,985,896)	(8,053,066)	(10,006,635)	(7,949,242)	(6,198,645)	(11,431,370)	(7,522,157)	(10,978,490)	(11,594,036)
Total Business-Type Activities	34,713,246	2,386,019	1,499,614	26,515	4,412,865	5,006,714	(5,418,386)	(1,140,145)	(5,176,746)	(7,470,389)
Total	\$ 365,253,249	317,074,673	273,685,627	252,893,558	250,538,595	234,254,026	228,600,688	221,518,268	210,179,494	188,171,418
Change in Net Position										
Governmental Activities	\$ 106,096,986	83,016,618	77,356,796	98,662,781	31,507,174	15,039,965	63,051,661	59,968,277	45,431,679	51,759,341
Business-Type Activities	124,488,861	93,891,088	92,002,822	70,937,409	83,402,156	77,499,559	41,269,917	35,233,253	39,572,342	29,790,988
Total	\$ 230,585,847	176,907,706	169,359,618	169,600,190	114,909,330	92,539,524	104,321,578	95,201,530	85,004,021	81,550,329

CITY OF LINCOLN, NEBRASKA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Table 3

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund										
Nonspendable	\$ 860,295	550,204	511,606	321,325	288,584	327,026	571,722	440,254	470,421	658,674
Restricted	11,227,225	10,951,120	18,388,040	16,257,716	7,571,500	8,685,274	6,817,137	4,278,240	7,432,974	6,674,867
Assigned	36,187,002	23,764,324	19,303,807	15,956,829	13,974,762	18,210,543	16,389,131	15,038,279	17,888,953	16,266,623
Unassigned	144,909,970	134,536,890	99,138,967	80,101,969	46,934,528	36,948,163	46,062,651	47,898,455	39,910,750	37,916,609
Total General Fund	\$ 193,184,492	169,802,538	137,342,420	112,637,839	68,769,374	64,171,006	69,840,641	67,655,228	65,703,098	61,516,773
Other Governmental Funds										
Special Revenue Funds										
Nonspendable	\$ 2,278,237	1,941,473	2,697,441	2,149,463	1,673,011	1,554,284	1,355,050	1,390,659	1,272,150	1,473,802
Restricted	133,021,890	121,760,931	108,160,268	119,141,086	78,948,532	73,393,289	76,311,564	73,522,250	64,216,765	90,127,670
Committed	294,741	12,255,138	845,575	309,043	269,582	120,295	1,024,874	1,592,063	1,367,357	2,011,552
Assigned	84,236,247	62,625,607	68,542,240	56,632,849	70,751,051	80,483,527	83,470,334	81,800,834	75,624,539	48,431,382
Unassigned	(3,516,017)	(705,352)	(682,107)	(4,542,810)	(339,815)	(298,670)	(77,349)	(85,684)	(111,254)	(130,824)
Debt Service										
Restricted	9,356,883	7,803,835	6,519,717	7,439,764	6,680,318	8,230,190	9,261,327	9,086,748	11,259,554	12,026,455
Committed	6,785	7,354	6,666	205,923	657,857	109,791	1,967,704	1,600,425	1,256,039	1,021,894
Capital Projects Funds										
Nonspendable	-	-	-	-	-	-	-	-	-	915,875
Restricted	56,227,652	55,612,414	52,945,697	47,306,024	30,849,764	23,436,053	30,637,636	27,307,586	21,989,096	9,458,562
Assigned	-	-	-	-	-	-	14,583	15,467	29,271	42,922
Unassigned	-	-	-	-	-	-	-	-	-	(178,013)
Permanent Funds										
Nonspendable	37,160,000	37,160,000	37,160,000	37,160,000	37,160,000	37,160,000	37,160,000	37,160,000	37,160,000	37,160,000
Restricted	38,945,577	29,509,561	27,250,365	39,882,375	28,551,520	28,261,020	29,225,321	28,946,351	27,117,060	24,842,747
Total Other Governmental Funds	\$ 358,011,995	327,970,961	303,445,862	305,683,717	255,201,820	252,449,779	270,351,044	262,336,699	241,180,577	227,204,024

CITY OF LINCOLN, NEBRASKA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Table 4

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Taxes:										
Property	\$ 105,566,049	\$ 92,400,390	89,401,800	80,368,837	85,070,354	77,755,818	74,310,035	70,638,227	66,224,399	61,045,754
Motor Vehicle	7,515,298	7,085,198	6,787,141	6,977,769	6,361,079	6,257,221	5,956,910	5,710,522	5,396,042	5,049,072
Wheel	20,322,961	19,971,982	19,529,692	19,884,562	18,540,900	18,832,912	18,647,301	18,452,773	18,061,400	17,548,482
Sales and Use	120,165,635	122,736,019	117,494,208	105,320,265	94,014,467	80,333,822	89,978,538	88,493,433	83,561,157	69,437,901
Turnback	2,364,718	2,301,626	677,204	1,453,709	2,400,569	236,107	-	-	-	-
Sundry and In Lieu	67,806	76,277	41,303	73,419	68,218	2,177,001	2,169,669	1,662,544	1,605,175	1,541,109
Occupation	30,052,069	29,956,363	28,441,563	23,770,178	24,540,772	28,326,640	27,454,221	26,692,821	26,618,563	26,367,092
Special Assessment	1,485,305	1,380,371	1,545,535	1,761,177	1,391,217	1,614,261	1,627,311	1,445,861	1,393,824	1,775,903
Intergovernmental	107,693,637	115,253,784	124,200,688	111,296,869	72,330,346	70,773,739	72,965,698	74,133,945	64,711,049	70,694,942
Permits and Fees	28,767,071	28,422,288	28,559,289	28,245,058	24,371,734	26,301,490	25,157,171	25,823,013	25,704,855	25,327,804
Reimbursement for Services	21,187,391	20,875,392	20,001,124	15,358,830	17,329,391	18,074,725	18,348,789	17,102,484	16,807,455	16,083,267
Court Settlements	-	22,149	800,011	-	-	-	-	-	75,000	-
Program Income	-	36,092	144,389	43,297	40,193	18,129	172,718	267,705	22,726	13,858
Investment Earnings (Loss)	35,466,116	30,190,731	(13,986,102)	15,526,322	7,821,284	8,009,926	5,859,234	6,868,335	6,249,869	1,006,466
Donations	3,817,082	3,064,135	3,928,590	3,546,670	3,431,623	3,211,562	3,689,161	5,125,339	3,526,770	3,485,683
Keno Proceeds	7,122,437	7,117,073	7,082,106	6,813,166	5,641,379	5,725,745	5,220,645	4,795,736	4,559,104	4,343,261
Private Sector Share of Projects	-	2,838,556	2,836,448	-	-	-	-	-	-	-
Miscellaneous	4,881,756	4,443,325	1,909,360	2,958,442	2,062,235	2,274,926	3,870,499	4,605,585	2,359,028	3,183,321
Total Revenues	496,475,331	488,171,751	439,394,349	423,398,570	365,415,761	349,924,024	355,427,900	351,818,323	326,876,416	306,903,915
Expenditures										
General Government	85,971,825	74,806,616	72,993,154	66,768,481	66,488,738	61,932,785	59,728,570	58,560,593	54,483,582	50,714,491
Public Safety	119,261,106	109,937,772	98,553,703	97,809,248	89,394,116	88,641,405	86,243,206	81,171,971	77,399,174	75,625,163
Streets and Highways	33,671,035	31,183,919	27,858,002	31,183,868	28,058,815	28,872,044	21,746,886	20,634,650	20,896,834	19,464,370
Culture and Recreation	33,441,438	31,644,070	29,534,303	28,168,478	25,807,794	33,703,112	27,301,223	26,730,859	25,310,935	24,538,296
Economic Opportunity	16,886,318	20,373,747	44,658,620	15,390,008	3,085,972	13,771,289	14,563,832	13,034,266	14,012,940	14,773,423
Health and Welfare	41,316,191	38,592,638	34,516,518	34,349,001	32,757,648	22,527,910	21,863,274	23,116,621	22,605,745	23,038,785
Mass Transit	24,209,236	27,660,245	18,296,044	22,913,739	20,340,337	18,867,231	18,315,179	13,439,363	12,380,084	15,539,838
Debt Service										
Principal Retirement	25,169,327	13,796,322	19,700,984	17,568,363	15,747,214	14,080,005	14,487,368	15,192,206	16,306,212	13,669,561
Interest	17,544,147	27,223,375	18,847,219	17,623,252	18,144,268	20,107,773	20,414,414	20,901,231	21,315,928	21,615,227
Miscellaneous	4,326,420	5,546,819	3,723,315	3,238,034	19,367,530	10,385,276	9,786,777	9,207,578	5,543,071	3,350,198
Capital Outlay	62,957,271	92,867,035	60,227,484	45,429,683	57,786,098	89,824,049	70,547,020	60,766,351	65,209,483	63,654,540
Total Expenditures	464,754,314	473,632,558	428,909,346	380,442,155	376,978,530	402,712,879	364,997,749	342,755,689	335,463,988	325,983,892
Excess (Deficiency) of Revenues Over (Under) Expenditures	31,721,017	14,539,193	10,485,003	42,956,415	(11,562,769)	(52,788,855)	(9,569,849)	9,062,634	(8,587,572)	(19,079,977)
Other Financing Sources (Uses)										
Transfers In	119,127,079	111,490,208	92,868,782	75,428,739	78,194,986	81,767,242	68,618,530	67,614,670	71,316,460	64,347,309
Transfers Out	(99,237,936)	(94,488,608)	(81,395,952)	(61,064,177)	(63,944,397)	(71,583,343)	(55,385,315)	(55,136,381)	(59,277,115)	(53,620,582)
Note Proceeds	-	-	-	7,325,000	-	2,175,079	-	-	-	-
Issuance of Debt	385,240	24,561,781	-	22,860,890	-	13,468,200	8,784,375	710,000	12,935,000	3,400,000
Issuance of Refunding Debt	-	-	-	-	125,905,000	-	-	14,735,000	-	9,010,000
Premium on Debt Issued	-	-	-	4,496,279	2,313,786	1,600,192	892,807	1,523,051	622,829	435,077
Leases Issued	904,559	-	93,718	-	-	-	-	-	-	-
Subscriptions Issued	-	304,755	-	-	-	-	-	-	-	-
Transfer to Bond Refunding Agent	-	-	-	-	(127,329,995)	-	(5,706,591)	(16,091,516)	-	(9,280,206)
Sale of Capital Assets	523,029	577,888	415,175	931,764	3,773,798	1,790,585	2,565,801	690,794	1,153,276	2,186,283
Total Other Financing Sources (Uses)	21,701,971	42,446,024	11,981,723	49,978,495	18,913,178	29,217,955	19,769,607	14,045,618	26,750,450	16,477,881
Net Change in Fund Balances	\$ 53,422,988	\$ 56,985,217	22,466,726	92,934,910	7,350,409	(23,570,900)	10,199,758	23,108,252	18,162,878	(2,602,096)
Debt Service as a Percentage of Noncapital Expenditures	12.0%	10.7%	10.3%	10.5%	10.3%	10.4%	11.3%	12.6%	13.8%	13.8%

CITY OF LINCOLN, NEBRASKA
LINCOLN ELECTRIC SYSTEM MEGAWATT-HOUR SALES
LAST TEN CALENDAR YEARS

Table 5

Lincoln Electric System Megawatt-Hour Sales							
Calendar Year	Residential	Commercial	Industrial	Unbilled	Sales To Others	Total Megawatt-Hour Sales	Average
				Energy Increase/ (Decrease)			Cent per Kilowatt Hour Rate
2023	1,347,649	1,481,761	466,063	-	740,216	4,035,689	\$ 0.0882
2022	1,345,068	1,475,289	455,298	-	968,125	4,243,780	0.0846
2021	1,310,455	1,443,632	477,804	-	832,831	4,064,722	0.0852
2020	1,284,674	1,367,406	433,624	-	978,747	4,064,451	0.0852
2019	1,275,179	1,461,763	450,062	-	1,195,990	4,382,994	0.0843
2018	1,308,303	1,525,218	453,693	12,052	1,648,155	4,947,421	0.0836
2017	1,196,667	1,498,901	470,520	28,594	1,380,272	4,574,954	0.0838
2016	1,206,243	1,546,558	492,110	(13,024)	1,228,376	4,460,263	0.0809
2015	1,171,732	1,513,692	486,001	(1,043)	918,131	4,088,513	0.0808
2014	1,202,922	1,530,135	497,872	(11,244)	932,130	4,151,815	0.0799
2013	1,213,553	1,509,997	497,388	15,653	963,306	4,199,897	0.0778

Note: The numbers are based on Lincoln Electric System's December 31 fiscal year end.
Beginning in 2019, Unbilled Energy is included in Residential, Commercial, and Industrial Energy.

Source: Lincoln Electric System Annual Report

CITY OF LINCOLN, NEBRASKA
REVENUE FROM ELECTRICAL SALES BY CUSTOMER TYPE
CALENDAR YEAR AND NINE YEARS AGO
(dollars in thousands)

Table 6

Customer Type	2023			2014		
	Revenue From Electric Sales	Rank	Percentage of Revenue From Electric Sales	Revenue From Electric Sales	Rank	Percentage of Revenue From Electric Sales
Residential	\$ 137,735	1	41.82%	\$ 111,168	1	36.89%
Commercial	121,124	2	36.77%	89,747	2	29.78%
Industrial	31,815	4	9.66%	32,227	4	10.69%
Other	38,713	3	11.75%	68,245	3	22.64%
Total	<u>\$ 329,387</u>		<u>100.00%</u>	<u>\$ 301,387</u>		<u>100.00%</u>

Note: The numbers are based on Lincoln Electric System's December 31 fiscal year end.

Source: Lincoln Electric System
2014 City of Lincoln ACFR

CITY OF LINCOLN, NEBRASKA
TOTAL CITY TAXABLE SALES
LAST TEN FISCAL YEARS

Table 7

Fiscal Year Ended August 31,	Total City Taxable Sales	Total Direct Tax Rate
2024	\$ 7,376,022,298	0.0175
2023	7,327,275,011	0.0175
2022	6,892,613,749	0.0175
2021	6,217,440,415	0.0175
2020	5,607,176,737	0.0175
2019	5,671,852,317	0.0150
2018	6,255,529,425	0.0175
2017	6,119,491,231	0.0175
2016	5,686,683,753	0.0175
2015	4,823,960,412	0.0175

Note: 2016 voter approved tax rate increase began October 1, 2015, ended in October 2018.
 2019 voter approved tax rate increase began October 1, 2019.

Source: City of Lincoln Treasurer's Office

CITY OF LINCOLN, NEBRASKA
SALES TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Table 8

Fiscal Year	Direct ¹	Overlapping ²	Total Tax Rate
	City of Lincoln	State of Nebraska	
2024	0.0175	0.0550	0.0725
2023	0.0175	0.0550	0.0725
2022	0.0175	0.0550	0.0725
2021	0.0175	0.0550	0.0725
2020	0.0175	0.0550	0.0725
2019	0.0150	0.0550	0.0700
2018	0.0175	0.0550	0.0725
2017	0.0175	0.0550	0.0725
2016	0.0175	0.0550	0.0725
2015	0.0150	0.0550	0.0700

Note: ¹ 2016 voter approved tax rate increase began October 1, 2015, ended in October 2018.

¹ 2020 voter approved tax rate increase began October 1, 2019.

² Overlapping rates are those of other governments that apply to consumers within the City of Lincoln.

CITY OF LINCOLN, NEBRASKA
NET TAXABLE SALES BY BUSINESS CLASSIFICATION
CURRENT YEAR AND NINE YEARS AGO

Table 9

Business Classification	2023			2014		
	Net Taxable Sales	Rank	Percentage of Total Net Taxable Sales	Net Taxable Sales	Rank	Percentage of Total Net Taxable Sales
Retail Trade	\$ 2,260,044,833	1	46.14%%	\$ 1,732,479,364	1	49.25%%
Accommodation & Food Services	830,630,679	3	16.96%	577,258,252	3	16.41%
Wholesale Trade	432,155,913	4	8.82%	-	-	-
Utilities	286,760,793	5	5.85%	254,767,807	4	7.24%
Other	1,088,831,301	2	22.23%	953,352,601	2	27.10%
Total	\$ 4,898,423,519		100.00%%	\$ 3,517,858,024		100.00%%

Note: Amounts shown are net taxable sales, which includes refunds and does not include motor vehicle net sales. The numbers are only available on a calendar year basis. 2023 amounts are not yet available.

Source: Nebraska Department of Revenue

CITY OF LINCOLN, NEBRASKA
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Table 10

Fiscal Year Ended August 31,	Real Property		Other Property		Total Taxable Assessed Value	Total Direct Tax Rate
	Residential Property	Commercial Property	Personal Property	Centrally Assessed Property		
2024	\$ 23,111,575,367	\$ 9,842,910,177	\$ 747,913,930	\$ 448,389,989	\$ 34,150,789,463	0.2953
2023	18,522,976,666	8,218,611,787	714,303,729	418,203,832	27,874,096,014	0.3129
2022	18,524,321,766	8,028,196,147	711,468,072	596,595,243	27,860,581,228	0.3179
2021	16,151,804,023	6,775,086,845	641,171,654	431,669,274	23,999,731,796	0.3198
2020	15,805,725,977	6,349,850,359	699,265,096	412,322,035	23,267,163,467	0.3198
2019	14,354,319,521	6,278,422,408	679,715,484	357,899,663	21,670,357,076	0.3165
2018	13,997,042,582	5,582,574,159	686,085,810	251,232,302	20,516,934,853	0.3165
2017	12,573,902,552	5,443,342,291	622,334,345	231,246,376	18,870,825,564	0.3337
2016	12,353,764,148	5,264,621,434	613,850,419	225,082,751	18,457,318,752	0.3196
2015	11,584,715,041	5,017,666,961	573,730,282	204,014,089	17,380,126,373	0.3196

Note: Property is assessed at actual value; therefore, the assessed values are equal to actual value.

Source: Lancaster County Assessor's Office

CITY OF LINCOLN, NEBRASKA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Table 11

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City of Lincoln										
General	0.2186	0.2289	0.2271	0.2127	0.2094	0.1930	0.1990	0.1957	0.1859	0.1889
Library	0.0308	0.0352	0.0373	0.0365	0.0373	0.0413	0.0444	0.0421	0.0438	0.0417
Social Security	0.0000	0.0000	0.0000	0.0123	0.0117	0.0146	0.0158	0.0144	0.0163	0.0155
Police and Fire Pension	0.0365	0.0347	0.0385	0.0327	0.0347	0.0367	0.0402	0.0352	0.0374	0.0378
Unemployment Compensation	0.0000	0.0000	0.0000	0.0002	0.0003	0.0003	0.0003	0.0003	-	-
Bond Interest and Redemption	0.0095	0.0141	0.0169	0.0254	0.0231	0.0306	0.0340	0.0319	0.0362	0.0319
Total City of Lincoln	<u>0.2953</u>	<u>0.3129</u>	<u>0.3198</u>	<u>0.3198</u>	<u>0.3165</u>	<u>0.3165</u>	<u>0.3337</u>	<u>0.3196</u>	<u>0.3196</u>	<u>0.3158</u>
Overlapping Rates ¹										
School District No. ¹	1.1091	1.0700	1.2220	1.2222	1.2241	1.2389	1.2397	1.2429	1.2434	1.2441
Lancaster County	0.2223	0.2223	0.2816	0.2816	0.2666	0.2666	0.2753	0.2783	0.2813	0.2813
Educational Service Unit #18	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150
Southeast Community College	0.0200	0.0937	0.0937	0.0937	0.0907	0.0907	0.0752	0.0757	0.0598	0.0667
Lower Platte South N.R.D.	0.0225	0.0225	0.0300	0.0309	0.0312	0.0321	0.0335	0.0345	0.0358	0.0361
Lancaster County Correctional JPA City	0.0069	0.0066	0.0086	0.0093	0.0110	0.0141	0.0153	0.0156	0.0168	0.0172
Lancaster County Correctional JPA County	0.0047	0.0048	0.0068	0.0070	0.0075	0.0079	0.0085	0.0088	0.0094	0.0096
Lincoln Airport Authority	0.0298	0.0168	0.0076							
Railroad Transportation Safety District	0.0195	0.0222	0.0147	0.0147	0.0222	0.0222	0.0190	0.0160	0.0130	0.0130
Agricultural Society of Lancaster Co	0.0041	0.0012	0.0014	0.0014	0.0014	0.0014	0.0015	0.0015	0.0015	0.0015
Agricultural Society of Lancaster Co JPA	0.0016	0.0017	0.0024	0.0025	0.0028	0.0028	0.0030	0.0031	0.0033	0.0034
Public Building Commission	0.0155	0.0151	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170
Total Overlapping Rates	<u>1.4711</u>	<u>1.4920</u>	<u>1.7008</u>	<u>1.6953</u>	<u>1.6895</u>	<u>1.7087</u>	<u>1.7030</u>	<u>1.7084</u>	<u>1.6963</u>	<u>1.7049</u>

Note: ¹ Overlapping rates are those of local and county governments that apply to property owners within the City of Lincoln.

State of Nebraska State Statute 77-3442 limits the maximum levy of ninety cents per one hundred dollars of taxable valuation of property subject to the levy. Lincoln Airport Authority is listed separately starting 2021.

Sources: Lancaster County Clerk's Office and City of Lincoln Budget Office

CITY OF LINCOLN, NEBRASKA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Table 12

Taxpayer	Type of Business	2024		Percentage of Total City Taxable Assessed Value	2015		Percentage of Total City Taxable Assessed Value
		Taxable Assessed Value	Rank		Taxable Assessed Value	Rank	
Burlington Northern	Railroad	\$ 277,630,714	1	0.78 %	\$ 90,644,160	2	0.52 %
B & J Partnership Ltd.	Building Management	216,902,700	2	0.61	98,564,700	1	0.57
Allo Communications LLC	Communication	180,728,623	3	0.51	-	-	-
Windstream	Telecommunications	179,614,858	4	0.51	46,319,025	7	0.27
Nebco Inc	Construction / Development	164,111,128	5	0.46	67,496,087	4	0.39
Bousek, Mark A	Property Management	92,507,900	6	0.26	-	-	-
Blackhills Nebraska Gas	Energy	84,336,866	7	0.24	-	-	-
Kawasaki	Manufacturing	82,138,742	8	0.23	68,200,715	3	0.39
Bryan Medical Center	Hospital	79,618,900	9	0.22	44,815,641	9	0.26
Lincoln Student Property	Property Management	76,782,347	10	0.22	-	-	-
Ameritas Life Insurance	Insurance	-	-	-	57,665,529	5	0.33
WEA Gateway LLC	Retail Management	-	-	-	45,403,741	6	0.31
Wal-Mart Real Estate Trust	Retail Management	-	-	-	45,067,400	8	0.26
Assurity Life Insurance Co.	Insurance	-	-	-	41,180,873	10	0.24
Total		<u>\$ 1,434,372,778</u>		<u>4.04 %</u>	<u>\$ 605,357,871</u>		<u>3.54 %</u>

Source: Lancaster County Assessor's Office

CITY OF LINCOLN, NEBRASKA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Table 13

Fiscal Year Ended August 31,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2024	\$ 100,270,049	\$ 97,910,819	97.65 %	\$ -	\$ 85,374,290	85.14 %
2023	87,152,481	85,374,290	97.96	1,755,033	87,129,323	99.97
2022	85,096,019	83,361,780	97.96	1,729,379	85,091,159	99.99
2021	76,786,221	75,159,229	97.88	1,654,175	76,813,404	100.00
2020	74,339,497	72,577,018	97.63	1,790,722	74,367,740	100.00
2019	68,390,503	66,842,290	97.74	1,559,046	68,401,336	100.00
2018	64,824,600	63,903,976	98.58	922,868	64,826,844	100.00
2017	62,977,211	61,735,542	98.03	1,244,322	62,979,864	100.00
2016	58,944,563	57,685,951	97.86	1,237,349	58,923,300	99.96
2015	55,459,815	54,235,009	97.79	1,205,323	55,440,332	99.96

Note: The fiscal year of the City begins September 1 and ends August 31. Taxes are levied in October. First installments of real estate taxes are delinquent the following April 1, second installments delinquent August 1; personal property taxes are delinquent April 1 and August 1. The figures above do not include motor vehicle in lieu of ad valorem taxes.

CITY OF LINCOLN, NEBRASKA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(amounts in thousands, except per capita)

Table 14

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental Activities										
General Bonds	\$ 21,975	24,495	27,605	30,620	33,545	40,685	35,275	40,780	45,370	43,800
Tax Supported Bonds	46,060	52,885	47,785	53,835	43,775	47,290	52,005	56,565	62,385	66,700
Tax Allocation Bonds	1,727	1,779	1,644	2,514	2,401	3,009	3,738	4,911	4,966	6,461
Municipal Improvement Bonds	11,160	11,550	-	-	-	-	-	-	-	-
Special Assessment Bonds	1,750	1,965	2,175	2,380	2,575	2,765	2,955	3,135	3,315	3,490
Antelope Valley Project Bonds	-	-	-	-	-	-	-	-	2,020	2,875
West Haymarket JPA Bonds	293,880	303,860	313,610	319,285	324,795	325,400	325,980	326,545	327,095	327,635
COPs	24,100	30,015	35,807	41,910	29,859	35,433	37,490	39,370	43,320	40,989
Notes from Direct Borrowing	1,816	2,072	1,723	1,855	1,985	2,112	-	-	-	-
Leases	1,017	786	1,442	-	-	-	-	-	-	-
Subscription Software	1,756	1,017	-	-	-	-	-	-	-	-
Unamortized Premiums/Discounts	8,780	10,362	11,009	12,467	13,666	12,907	12,217	12,328	11,690	11,640
Business-Type Activities										
Revenue Bonds	664,345	708,389	712,870	752,475	784,955	819,355	677,650	705,720	755,635	718,790
Loans from Direct Borrowing	20,547	22,553	24,520	26,442	28,362	30,167	31,972	33,739	35,469	37,119
Notes from Direct Borrowing	518	-	-	-	-	800	1,000	1,200	1,400	1,600
COPs	980	1,120	1,253	1,974	1,138	1,582	1,290	1,241	1,677	1,540
Leases	2,959	3,446	3,278	-	-	-	-	-	-	-
Subscription Software	1,499	90	-	-	-	-	-	-	-	-
Unamortized Premiums/Discounts	41,341	48,277	54,546	62,642	69,991	77,208	60,739	65,823	57,341	46,242
Total Primary Government	\$ 1,146,210	\$ 1,224,661	1,239,267	1,308,399	1,337,047	1,398,713	1,242,311	1,291,357	1,351,683	1,308,881
Net Debt Per Capita ¹	\$ 3,889	\$ 4,185	4,235	4,495	4,625	4,867	4,363	4,606	4,874	4,795
Percentage of Personal Income ¹	-%	5.92%	6.00%	6.72%	7.46%	8.18%	7.44%	8.30%	9.08%	9.17%

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ See Table 18, Demographic and Economic Statistics, for income and population data.

CITY OF LINCOLN, NEBRASKA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(dollars in thousands, except per capita)

Table 15

Fiscal Year	General Bonds	Tax Supported Bonds	Tax Allocation Bonds	Municipal Improvement Bonds	Special Assessment Bonds	West Haymarket Joint Public Agency Bonds	Unamortized Premiums and Discounts	General Bonded Debt	Sinking Funds	Net General Bonded Debt ¹	Net Bonded Debt Per Capita ²	Ratio of Net Debt To Estimated Valuation of Taxable Real Property ³
2024	\$ 21,975	\$ 46,060	\$ 1,727	\$ 11,160	\$ 1,750	\$ 293,880	\$ 8,780	\$ 385,332	\$ 9,357	\$ 375,975	1,275.54	1.06 %
2023	24,495	52,885	1,779	11,550	1,965	303,860	10,362	406,896	7,804	399,092	1,363.69	1.21
2022	27,605	47,785	1,644	-	2,175	313,610	11,009	403,828	6,520	397,308	1,364.93	1.50
2021	30,620	53,835	2,514	-	2,380	319,285	12,467	421,101	7,440	413,661	1,430.85	1.80
2020	33,545	43,775	2,401	-	2,575	324,795	13,666	420,757	6,680	414,077	1,440.76	1.87
2019	40,685	47,290	3,009	-	2,765	325,400	12,907	432,056	8,230	423,826	1,488.49	2.05
2018	35,275	52,005	3,738	-	2,955	325,980	12,217	432,170	9,261	422,909	1,508.43	2.16
2017	40,780	56,565	4,911	-	3,135	326,545	12,328	444,264	8,221	436,043	1,572.19	2.42
2016	45,370	62,385	4,966	-	3,315	327,095	11,664	454,795	8,328	446,467	1,635.43	2.53
2015	43,800	66,700	6,461	-	3,490	327,635	11,602	459,688	9,143	450,545	1,676.52	2.71

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ Only net position externally restricted for repayment of debt principal is used in this calculation, see page 35.

² Population data can be found in Table 18, Demographic and Economic Statistics.

³ Property value information can be found in Table 10, Assessed Value and Actual Value of Taxable Property.

CITY OF LINCOLN, NEBRASKA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF AUGUST 31, 2024

Table 16

Governmental Units	Debt Outstanding	Estimated Percentage Applicable ¹	Direct And Overlapping Debt To The City
Direct:			
City	\$ 414,021,000	100.0 %	\$ 414,021,000
Overlapping:			
School District #1	498,335,000	99.5	\$ 495,843,000
Public Building Commission	16,850,000	85.4	\$ 14,390,000
Lancaster County Correctional Facility	18,765,000	85.4	\$ 16,025,000
Lancaster County Ag Society JPA	5,320,000	85.4	\$ 4,543,000
	<u>539,270,000</u>		<u>530,801,000</u>
Total	<u>\$ 953,291,000</u>		<u>\$ 944,822,000</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Lincoln. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

¹The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the governmental unit's taxable revenue base that is within the City of Lincoln's boundaries and dividing it by the unit's total taxable revenue base.

Sources: Assessed value data used to estimate applicable percentages provided by the County Assessor's Office. Debt outstanding data provided by each governmental entity.

CITY OF LINCOLN, NEBRASKA
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

Table 17

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Wastewater System										
Gross Revenues	\$ 47,318,514	\$ 42,368,731	39,432,749	36,556,660	34,202,886	33,903,796	32,381,312	30,516,105	29,026,442	28,026,866
Direct Operating Expenses	20,141,467	18,561,072	18,130,744	17,269,392	17,049,907	15,684,880	14,863,221	14,726,200	14,019,061	13,541,561
Net Available Revenue	27,177,047	23,807,659	21,302,005	19,287,268	17,152,979	18,218,916	17,518,091	15,789,905	15,007,381	14,485,305
Debt Service Requirements										
Principal	7,173,001	6,121,951	5,916,442	5,736,464	5,667,004	4,858,054	4,599,602	4,761,635	4,562,314	3,747,284
Interest	3,800,889	3,424,271	2,591,888	2,901,665	2,860,124	2,164,027	2,361,501	2,619,980	2,847,529	3,114,518
Total	10,973,890	9,546,222	8,508,330	8,638,129	8,527,128	7,022,081	6,961,103	7,381,615	7,409,843	6,861,802
Coverage	2.48	2.49	2.50	2.23	2.01	2.59	2.52	2.14	2.03	2.11
Water System										
Gross Revenues	\$ 67,069,572	\$ 61,721,651	52,317,638	50,654,404	44,192,982	41,761,560	41,473,196	38,494,901	37,985,431	34,481,875
Direct Operating Expenses	28,782,979	28,215,819	22,479,192	21,046,449	19,434,182	18,186,821	17,768,444	17,893,434	16,969,116	16,955,058
Net Available Revenue	38,286,593	33,505,832	29,838,446	29,607,955	24,758,800	23,574,739	23,704,752	20,601,467	21,016,315	17,526,817
Debt Service Requirements										
Principal	3,993,311	3,862,307	4,701,657	4,866,353	4,681,388	4,636,755	4,517,445	4,408,451	4,344,979	4,290,300
Interest	735,859	857,212	1,012,912	1,284,289	1,488,760	1,763,603	1,877,042	2,021,708	2,123,747	2,116,262
Total	4,729,170	4,719,519	5,714,569	6,150,642	6,170,148	6,400,358	6,394,487	6,430,159	6,468,726	6,406,562
Coverage	8.10	7.10	5.22	4.81	4.01	3.68	3.71	3.20	3.25	2.74
Lincoln Electric System										
Gross Revenues	\$ 359,078,000	\$ 364,351,000	369,108,000	312,467,000	321,264,000	335,104,000	322,763,000	317,007,000	300,693,000	309,537,000
Direct Operating Expenses	234,460,000	247,637,000	242,426,000	195,858,000	193,303,000	202,954,000	216,520,000	218,203,000	200,104,000	214,677,000
Net Available Revenue	124,618,000	116,714,000	126,682,000	116,609,000	127,961,000	132,150,000	106,243,000	98,804,000	100,589,000	94,860,000
Debt Service Requirements										
Principal	32,957,000	30,535,000	30,183,000	28,228,000	24,705,000	20,570,000	17,873,000	21,557,000	22,633,000	21,390,000
Interest	18,734,000	18,909,000	19,504,000	25,672,000	28,777,000	26,907,000	24,816,000	26,631,000	27,324,000	26,041,000
Total	51,691,000	49,444,000	49,687,000	53,900,000	53,482,000	47,477,000	42,689,000	48,188,000	49,957,000	47,431,000
Coverage	2.41	2.36	2.55	2.16	2.39	2.78	2.49	2.05	2.01	2.00
Parking Systems										
Gross Revenues	\$ 14,451,088	\$ 13,747,064	12,371,262	8,672,167	13,401,784	13,738,594	12,691,925	12,674,910	10,697,157	10,419,352
Direct Operating Expenses	8,460,889	7,510,810	6,593,739	4,167,311	5,042,333	5,315,077	5,152,321	4,905,848	4,575,662	4,577,437
Net Available Revenue	5,990,199	6,236,254	5,777,523	4,504,856	8,359,451	8,423,517	7,539,604	7,769,062	6,121,495	5,841,915
Debt Service Requirements										
Principal	3,055,000	2,975,000	2,880,000	2,515,000	2,315,000	1,380,000	1,345,000	1,320,000	1,290,000	1,260,000
Interest	984,819	1,078,538	1,164,936	1,240,388	1,433,544	1,025,065	1,066,890	1,095,315	1,130,215	1,148,265
Total	4,039,819	4,053,538	4,044,936	3,755,388	3,748,544	2,405,065	2,411,890	2,415,315	2,420,215	2,408,265
Coverage	1.48	1.54	1.43	1.20	2.23	3.50	3.13	3.22	2.53	2.43
Solid Waste Management										
Gross Revenues	\$ 18,173,372	\$ 17,537,242	15,400,420	15,343,678	14,237,210	12,860,596	12,863,464	12,697,221	12,371,412	10,074,541
Direct Operating Expenses	11,886,493	14,139,997	11,707,107	11,720,275	10,871,529	9,512,437	9,083,674	9,460,290	7,896,480	7,519,523
Net Available Revenue	6,286,879	3,397,245	3,693,313	3,623,403	3,365,681	3,348,159	3,779,790	3,236,931	4,474,932	2,555,018
Debt Service Requirements										
Principal	620,000	600,000	575,000	850,000	830,000	810,000	810,000	795,000	775,000	550,000
Interest	203,687	243,834	269,284	303,284	327,084	348,896	366,796	382,096	396,521	196,202
Total	823,687	843,834	844,284	1,153,284	1,157,084	1,158,896	1,176,796	1,177,096	1,171,521	746,202
Coverage	7.63	4.03	4.37	3.14	2.91	2.89	3.21	2.75	3.82	3.42

Note: The Wastewater System, Water System, and Lincoln Electric System bonds are secured by revenues are from utility service charges.

Parking Facilities bonds are secured by revenues from parking fees, and Solid Waste Management's gross revenues include various waste disposal fees. Details regarding the City's outstanding debt can be found in the notes to the financial statements. Direct Operating Expenses do not include interest, depreciation and amortization expenses, or in lieu of taxes.

CITY OF LINCOLN, NEBRASKA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Table 18

Fiscal Year	Population ¹	Personal Income (thousands of dollars) ²	Per Capita Personal Income ²	School Enrollment ³	Unemployment Rate ⁴
2024	294,757	\$ -	\$ -	42,282	2.1%
2023	292,627	20,673,392	60,030	41,850	1.8%
2022	292,657	20,649,415	60,299	41,784	2.1%
2021	291,114	19,462,058	56,887	41,747	1.7%
2020	289,102	17,924,429	53,057	41,674	3.8%
2019	287,401	17,098,776	50,833	42,258	2.9%
2018	284,736	16,691,498	49,886	42,020	2.6%
2017	280,364	15,556,200	46,924	41,737	2.5%
2016	277,348	14,878,513	45,511	40,109	3.0%
2015	272,996	14,280,552	44,133	39,842	2.3%

Sources: ¹ U.S. Bureau of the Census, population estimates.

² U.S. Department of Commerce Bureau of Economic Analysis. Personal Income and Per Capita Income are based on Lincoln Metropolitan Statistical Area, which includes all of Lancaster and Seward Counties. 2024 numbers are unavailable.

³ Nebraska Department of Education for Lincoln Public Schools.

⁴ State of Nebraska, Department of Labor.

Median age from 2020 census was 33.5 years old. Education statistics per the 2020 census indicate that 93.3% of the population 25 years and older has a high school degree or higher with 39.6% of the same population holding a Bachelor's degree or greater.

CITY OF LINCOLN, NEBRASKA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Table 19

Employer	2024			2015		
	Employee Range	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
State of Nebraska	5000-7500	1	3.96 %	7501-9999	1	5.21 %
Lincoln Public Schools	5000-7500	2	3.96	7501-9999	2	5.21
University of Nebraska-Lincoln	5000-7500	3	3.96	5000-7500	3	3.90
Bryan Health	2500-4999	4	2.64	2500-4999	4	2.60
Nelnet Diversified Services	2500-4999	5	2.64	-	-	-
US Government	2500-4999	6	2.64	2500-4999	5	2.60
B&R Stores	2500-4999	7	2.64	-	-	-
City of Lincoln	2500-4999	8	2.64	2500-4999	6	2.60
Kawasaki Motors Mfg. Corp.	1000-2499	9	1.32	-	-	-
Saint Elizabeth Regional Medical Center	1000-2499	10	1.32	1000-2499	7	1.30
Total			27.72 %			23.42 %

Sources: Nebraska Department of Labor, Lincoln Partnership for Economic Development, and the 2015 City of Lincoln ACFR

CITY OF LINCOLN, NEBRASKA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Table 20

Function	Full-Time Equivalent Employees as of August 31									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government										
Legislative	8.00	8.00	9.00	8.50	9.00	9.00	8.00	8.00	8.00	8.00
Executive	21.23	20.63	20.10	17.60	17.75	17.75	17.70	17.95	17.25	17.25
Financial Administration	91.25	87.75	83.50	79.50	79.50	74.50	70.20	69.95	69.20	69.20
Law	34.02	32.85	32.40	32.40	32.70	32.70	32.25	32.00	32.50	32.50
Human Resources	31.50	30.00	26.00	22.00	22.00	22.00	22.80	22.80	22.80	22.80
Planning and Zoning	21.00	21.00	21.00	20.00	21.00	21.00	21.00	20.75	20.00	20.00
Urban Development	9.45	9.30	9.30	9.30	10.05	10.05	9.22	9.22	9.50	9.50
Public Safety										
Police	441.60	435.23	438.63	438.63	413.13	412.46	397.63	396.63	388.03	388.03
Fire	305.23	288.56	273.51	266.51	264.18	265.13	270.46	270.06	268.97	268.97
Building and Safety	60.14	59.14	56.14	56.14	53.47	53.47	53.15	53.13	50.85	50.85
Transportation	19.75	19.75	19.75	19.75	19.75	19.75	14.25	14.25	16.00	16.00
911 Communication	61.25	60.25	59.25	58.25	57.88	57.88	56.25	56.25	56.00	56.00
Streets and Highways	132.00	127.00	126.00	113.00	113.00	114.00	112.02	111.95	108.32	108.20
Culture and Recreation										
Parks and Recreation	250.99	250.63	252.84	253.50	254.89	254.71	242.83	243.79	239.99	238.89
Library	108.04	107.54	107.04	107.04	107.54	107.54	105.54	105.54	105.54	105.54
Economic Opportunity										
Urban Development	10.35	10.36	8.17	8.12	8.10	8.10	8.81	8.81	9.15	9.15
Workforce Investment Act ¹	1.25	1.78	0.00	0.00	0.00	0.00	13.80	13.65	12.85	12.85
Health and Welfare										
Health Services	138.85	135.15	121.90	116.20	115.47	110.70	109.25	109.00	108.52	108.52
Community Health Endowment	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Lincoln Area Agency on Aging	43.20	46.51	45.01	44.81	46.03	46.03	48.04	48.04	48.05	48.05
Mass Transit	146.50	147.00	144.00	135.52	135.52	136.52	133.52	133.52	120.52	120.52
Equipment Management										
Police Garage	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Fleet Services	14.00	14.00	14.00	14.00	14.00	14.00	15.00	15.00	15.00	15.00
Radio Maintenance	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Engineering Services	71.63	69.63	69.73	78.85	78.85	78.85	71.55	70.51	69.55	69.55
Broadband	3.00	3.00	3.00	5.90	5.90	5.90	4.90	4.90	0.00	0.00
Municipal Services Center ²	6.00	6.00	5.00	5.00	5.00	5.00	0.00	0.00	0.00	0.00
Golf	30.19	30.49	30.82	29.82	30.70	30.70	31.04	30.49	28.78	29.02
Parking Facilities	2.70	2.85	2.83	3.08	2.60	2.60	2.98	2.98	2.98	2.98
Sanitary Landfill	36.52	37.00	35.50	32.50	32.50	32.50	35.22	36.19	36.47	35.47
Emergency Medical Services	51.02	49.69	43.74	43.74	43.11	43.16	37.83	36.68	33.28	33.28
Wastewater System	82.56	85.00	82.30	83.80	83.80	83.80	87.68	87.60	87.18	87.20
Water System	121.56	104.63	104.13	101.73	101.73	101.73	105.66	102.60	100.26	100.28
Electric System	560.00	541.00	527.00	488.00	476.00	480.00	490.00	492.00	491.00	494.00
Total	<u>2,938.78</u>	<u>2,865.72</u>	<u>2,795.59</u>	<u>2,717.19</u>	<u>2,679.15</u>	<u>2,675.53</u>	<u>2,652.58</u>	<u>2,648.24</u>	<u>2,600.54</u>	<u>2,601.60</u>

Note: ¹ The job training program of the Workforce Investment Act was contracted out in 2019.

² Employees added to maintain the Municipal Services Center in 2019.

Source: City of Lincoln Budget Office

CITY OF LINCOLN, NEBRASKA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Table 21

Function	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public Safety										
Police:										
Arrests	19,638	19,055	16,966	16,669	16,623	19,716	22,390	22,811	23,076	23,543
Parking Violations	77,033	69,228	69,638	68,837	90,148	114,287	99,263	100,560	82,276	71,433
Traffic Violations	26,820	26,181	20,036	21,048	26,000	34,047	38,968	41,214	42,888	44,064
Fire:										
Number of Calls Answered	34,405	33,042	32,494	29,995	26,802	26,440	26,166	25,310	24,663	23,878
Building and Safety:										
Number of Commercial										
Building Permits	742	765	1,053	1,153	852	986	1,036	1,007	1,038	1,321
Number of Residential										
Building Permits	2,686	2,270	2,926	2,621	2,128	2,380	3,014	3,036	2,891	2,346
Culture and Recreation										
Library:										
Total Circulation (thousands)	2,992	2,975	2,816	2,784	2,399	3,089	3,072	3,100	3,089	3,074
Golf:										
Rounds of Golf	235,012	220,117	208,526	209,787	185,191	155,963	158,080	164,307	168,272	162,359
Mass Transit										
StarTran Ridership (thousands)	2,266	2,112	2,375	1,727	1,934	2,442	2,464	2,379	2,275	2,415
Wastewater										
Number of Consumers	90,451	89,792	89,040	87,254	86,425	85,126	84,300	83,479	82,511	80,704
Water										
Number of Consumers	90,963	90,635	89,514	87,578	86,736	85,460	84,636	83,797	82,853	82,058
Average Daily Consumption										
(thousand gallons)	37,077	39,627	37,536	36,380	33,136	31,881	34,734	34,242	34,858	31,766
Electric System										
Number of Consumers	150,329	147,844	145,834	143,797	141,658	140,034	138,489	136,641	134,417	132,672

Note: Indicators are not available for the general government function.

Sources: Various City Departments

CITY OF LINCOLN, NEBRASKA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Table 22

Function	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public Safety										
Police Stations	4	4	3	3	3	3	3	3	3	3
Fire Stations	16	16	16	16	16	15	14	14	14	14
Ambulances	14	14	13	13	13	13	13	13	13	12
Streets and Highways										
Lane Miles of Streets	3,009	2,967	2,967	2,982	2,948	2,921	2,909	2,899	2,820	2,891
Streetlights	32,942	32,816	32,501	32,158	31,858	31,514	31,236	31,010	30,740	30,516
Culture and Recreation										
Parks Acreage	7,424	7,239	7,855	7,815	7,747	7,528	7,511	7,303	6,814	6,808
Parks	168	165	165	165	165	161	160	158	161	159
Playgrounds	97	95	93	93	91	89	89	90	90	89
Swimming Pools (Public)	9	9	9	9	9	9	9	9	9	9
Golf Courses (Public)	5	5	5	5	5	5	5	5	5	5
Trail Miles	186	183	172	172	170	170	166	165	161	158
Recreation Centers	6	6	6	6	6	6	6	6	6	6
Libraries	8	8	8	8	8	8	8	8	8	8
Mass Transit										
Buses and Handivans	95	91	91	92	94	84	80	80	80	80
Wastewater										
Miles of Wastewater Mains	1,142	1,137	1,152	1,146	1,134	1,149	1,140	1,107	1,070	1,044
Water										
Miles of Water Mains	1,286	1,275	1,204	1,171	1,161	1,225	1,249	1,234	1,216	1,211

Note: No capital asset indicators are available for the general government function.

In 2016, the qualifications for Lane Miles of Streets were reassessed.

The lane miles went down in 2022 due to a meeting with the State where it was decided that on/off ramps, service roads for I-80 and removing parts of HWY 77.

Sources: Various City Departments



SINGLE AUDIT SECTION

CITY OF LINCOLN, NEBRASKA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Grant Number / Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF AGRICULTURE				
Pass-Through State Department Of Health And Human Services:				
WIC Special Supplemental Nutrition Program for Women, Infants & Children	10.557	FY 2023	\$ 18,156	\$ -
WIC Special Supplemental Nutrition Program for Women, Infants & Children	10.557	FY 2024	75,313	
WIC Special Supplemental Nutrition Program for Women, Infants & Children	10.557	FY 2023	170,633	
WIC Special Supplemental Nutrition Program for Women, Infants & Children	10.557	FY 2024	1,082,621	\$ -
Total U.S. Department Of Agriculture			<u>1,346,723</u>	<u>-</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Programs:				
Multifamily Housing Service Coordinators	14.191	MFSC189856-01-05	61,299	
Multifamily Housing Service Coordinators	14.191	MFSC189856-01-06	77,287	
Multifamily Housing Service Coordinators	14.191	MFSC189855-01-04	57,919	
Multifamily Housing Service Coordinators	14.191	MFSC189855-01-05	72,449	268,954
CDBG Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	* B-21 MC-31-0001	723,701	
Community Development Block Grants/Entitlement Grants	14.218	* B-22 MC-31-0001	1,186,457	
Community Development Block Grants/Entitlement Grants	14.218	* B-23 MC-31-0001	1,713,578	
Community Development Block Grants/Entitlement Grants	14.218	*	12,943,688	
Total CDBG Entitlement Grants Cluster				16,567,424
Emergency Solutions Grant Program	14.231	E-22-MC-31-0002	35,306	
Emergency Solutions Grant Program	14.231	E-23-MC-31-0002	54,842	
Emergency Solutions Grant Program	14.231	E20-MW-31-0001	28,831	118,979
HOME Investment Partnerships Program				
HOME Investment Partnerships Program	14.239	M-19 MC-31-0202	621	
HOME Investment Partnerships Program	14.239	M-20 MC-31-0202	287,544	
HOME Investment Partnerships Program	14.239	M-21 MC-31-0202	567,371	
HOME Investment Partnerships Program	14.239	M-22 MC-31-0202	5,730	
HOME Investment Partnerships Program	14.239	M-23 MC-31-0202	415,887	
HOME Investment Partnerships Program	14.239	M-21-MP-31-0202	279,491	
HOME Investment Partnerships Program	14.239		10,036,590	11,593,234
Continuum of Care Program				
Continuum of Care Program	14.267	NE0059L7D022211	60,449	
Continuum of Care Program	14.267	NE0073L7D022108	25,490	
Continuum of Care Program	14.267	NE0160L7D022100	72,186	158,125
Youth Homelessness Demonstration Grant				
Youth Homelessness Demonstration Grant	14.276	NE0143Y7D021900	113,677	113,677
Fair Housing Assistance Program - State and Local				
Fair Housing Assistance Program - State and Local	14.401	FF207K217017	113,739	
Fair Housing Assistance Program - State and Local	14.401	FF207P217017	7,647	
Fair Housing Assistance Program - State and Local	14.401	FF207K217017	5,691	127,077
Lead Hazard Reduction Demonstration Grant Program				
Lead Hazard Reduction Demonstration Grant Program	14.905	NELHD0444-20	197,679	
Lead Hazard Reduction Demonstration Grant Program	14.905	NELHD0444-20	1,868,268	2,065,947
Pass-Through State Department of Economic Development:				
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	092N40	79,502	79,502
Total U.S. Department Of Housing And Urban Development				<u>31,092,919</u>
U.S. DEPARTMENT OF INTERIOR				
Pass-Through State Historical Society:				
Historic Preservation Fund Grants-in-Aid	15.904	FY 24 short	43,931	43,931
Total U.S. Department Of Interior				<u>43,931</u>
U.S. DEPARTMENT OF JUSTICE				
Direct Programs:				
Public Safety Partnership and Community Policing Grants	16.710		230,756	
Public Safety Partnership and Community Policing Grants	16.710		59,100	
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-21-GG-03549-UHPX	24,739	314,595
Equitable Sharing Program				
Equitable Sharing Program	16.922	NB0550100	101,078	101,078
Pass-Through State Commission On Law Enforcement And Criminal Justice:				
Crime Victim Assistance	16.575	102-2024-VA1049	140,000	
Crime Victim Assistance	16.575	102-2024-VA1049 YR2	31,530	171,530
Edward Byrne Memorial Justice Assistance Grant Program				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-01672-JAGX	142,929	
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-03930-NTCP	11,025	153,954
Total U.S. Department Of Justice				<u>741,157</u>

(Continued)
See Accompanying Notes to Schedule of Expenditures of Federal Awards

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Grant Number / Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF LABOR				
Pass-Through State Department Of Labor:				
WIOA Cluster:				
WIOA Adult Program	17.258	2023	\$ 257,056	\$ -
WIOA Adult Program	17.258	2023	85,389	
WIOA Adult Program	17.258	2023	6,922	
WIOA Adult Program	17.258	2022	33,226	
WIOA Adult Program	17.258	2023	21,661	
WIOA Youth Activities	17.259	2022	146,519	
WIOA Youth Activities	17.259	2023	50,200	
WIOA Youth Activities	17.259	2023	82,796	
WIOA Youth Activities	17.259	2022	229,845	
WIOA Youth Activities	17.259	2023	391,028	
WIOA Youth Activities	17.259	2024	2,998	
WIOA Youth Activities	17.259	2022	12,550	
WIOA Dislocated Workers Formula Grants	17.278	2023	102,997	
WIOA Dislocated Workers Formula Grants	17.278	2023	6,205	
WIOA Dislocated Workers Formula Grants	17.278	2022	19,058	
WIOA Dislocated Workers Formula Grants	17.278	2022	70,975	
Total WIOA Cluster				1,519,425
WIOA Dislocated Workers	17.260	2023	73,205	73,205
Total U.S. Department Of Labor				1,592,630
U.S. DEPARTMENT OF TRANSPORTATION				
Direct Programs:				
Federal Transit Cluster:				
Federal Transit Formula Grants	20.507	NE-2023-005-00	83,950	
Federal Transit Formula Grants	20.507	NE-2023-031-00	543,242	
Federal Transit Formula Grants	20.507	NE-2024-015-00	141,392	
Federal Transit Formula Grants	20.507	NE-2024-012-00	5,016	
Federal Transit Formula Grants	20.507	NE-2024-018-00	1,254,300	
Federal Transit Formula Grants	20.507	NE-2024-018-00	464,814	
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Program	20.526	NE-2021-014	1,772,758	
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Program	20.526	NE-2024-07-00	364,913	
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Program	20.526	NE-2024-08-00	17,062	
Total Federal Transit Cluster				4,647,447
Pass-Through Nebraska Department Of Roads:				
Highway Planning and Construction	20.205	HPR-PL1(61)	223,048	
Highway Planning and Construction	20.205	HPR-PL1(62)	44,784	
Highway Planning and Construction	20.205	LCLC-5254(10)	11,498	
Highway Planning and Construction	20.205	LCLC-5231(16)	61,602	
Highway Planning and Construction	20.205	LCLC-5233(4)	34,919	
Highway Planning and Construction	20.205	NE-X80(029)	82,031	
Highway Planning and Construction	20.205		24,084	481,966
Formula Grants for Rural Areas and Tribal Transit Program	20.509	RPT-C551(222)(22/23)	84,279	
Formula Grants for Rural Areas and Tribal Transit Program	20.509	RPT-C551(222)(23/24)	14,986	99,265
Clean Fuels	20.519	NE-2022-010	380,721	380,721
Highway Safety Cluster:				
State and Community Highway Safety	20.600	402-24-27-06	11,040	
State and Community Highway Safety	20.600	402-24-05-17	3,295	
State and Community Highway Safety	20.600	405D-24-12-01	4,756	
State and Community Highway Safety	20.600	402-24-05-17	3,271	
State and Community Highway Safety	20.600	405d-23-51-48	8,790	
State and Community Highway Safety	20.600	4021-24-12-19	5,385	
National Priority Safety Programs	20.616	405D-23-51-74	8,456	
National Priority Safety Programs	20.616	405d-24-51-01	7,508	
National Priority Safety Programs	20.616	405d-24-04-17	6,026	
National Priority Safety Programs	20.616	405b-23-14-11	10,720	
National Priority Safety Programs	20.616	405d-24-51-18	28,796	
Total Highway Safety Cluster				98,043
Total U.S. Department Of Transportation				5,707,442
DEPARTMENT OF THE TREASURY				
Direct Programs:				
COVID-19 Emergency Rental Assistance Program	21.023	* ERA0391	70,993	
COVID-19 Emergency Rental Assistance Program	21.023	* ERA2 E0110	2,471,622	
COVID-19 Emergency Rental Assistance Program	21.023	* ERA2 E0110	(197,961)	
COVID-19 Emergency Rental Assistance Program	21.023	* ERA 2101197006	390	2,345,044
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	* SLFRP0326	10,240,058	4,434,352
Pass-Through Nebraska Department of Natural Resources				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	* Sub Award#1354	12,980,770	
Pass-Through Nebraska Department of Economic Development				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	* SLFRP1965	2,264,095	
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	* SLFRP1965	48,317	25,533,240
Total Department Of the Treasury				27,878,284
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION				
Direct Program:				
Employment Discrimination State & Local Fair Employment Practices Agency Contracts	30.002	EEC45310021C0042	\$ 11,700	\$ -
Employment Discrimination State & Local Fair Employment Practices Agency Contracts	30.002	EEC45310021C0042	3,500	15,200
Total Equal Employment Opportunity Commission				15,200

(Continued)
See Accompanying Notes to Schedule of Expenditures of Federal Awards

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Grant Number / Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
INSTITUTE OF MUSEUM AND LIBRARY SERVICES				
Pass-Through State Library Commission:				
Grants to States	45.310	LS-252471-OLS-22	41	41
Total Institute of Museum and Library Services				41
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Direct Program:				
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818	BF97786901	155,291	155,291
Pass-Through State Department Of Environmental Quality:				
Performance Partnership Grants	66.605	FY 2023	14,495	
Performance Partnership Grants	66.605	FY 2024	88,942	103,437
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	FY 2023	(370)	
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	FY 2023	31,233	
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	DO 24094	8,488	
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	FY 2024	9,345	48,696
Drinking Water State Revolving Fund	66.468	Project #D311692 Contract #9538 E.O. 98937	121,057	
Drinking Water State Revolving Fund	66.468	Project #D311715 Contract #9538 E.O.98937	14,156	135,213
Total U.S. Environmental Protection Agency				442,637
DEPARTMENT OF ENERGY				
Direct Program:				
Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	DE-SE0000199	75,023	75,023
Total Department of Energy				75,023
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Program:				
Food and Drug Administration Research	93.103	FY 2023	32,410	
Food and Drug Administration Research	93.103	FY 2024	52,580	
Food and Drug Administration Research	93.103	FY 2023	13,677	
Food and Drug Administration Research	93.103	FY 2024	50,876	
Food and Drug Administration Research	93.103	\$39,500	2,896	
Food and Drug Administration Research	93.103	\$19,500	677	
Food and Drug Administration Research	93.103	\$19,500	5,245	158,361
Pass-Through State Department Of Health And Human Services:				
Special Programs for the Aging Title III, Part D: Disease Prevention and Health Promotion Services	93.043	NGA58040-Y3-III-D	14,631	14,631
Aging Cluster:				
Special Programs for the Aging Title III, Part B: Grants for Supportive Services and Senior Centers	93.044	NGA 58040-Y3-III-B	542,913	
COVID-19 Special Programs for the Aging Title III, Part B: Grants for Supportive Services and Senior Centers	93.044	NGA 58040-Y3 III-B	448,709	
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	NGA 58040-Y3-III-C1	617,950	
COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	NGA 58040-Y3-III-C2	33,481	
COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	NGA 58040-Y3 III-C2	179,257	
COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	NGA 58040-Y3 III-C1	130,486	
COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	NGA 58040-Y3-III-E	134,326	
Nutrition Services Incentive Program	93.053	NGA 64666-Y3	60,531	
Total Aging Cluster				2,147,653
COVID-19 National Family Caregiver Support, Title III, Part E	93.052	NGA 58040-Y3 III-E	106,814	106,814
Public Health Emergency Preparedness	93.069	FY 2023	(15)	
Public Health Emergency Preparedness	93.069	FY 2024	277,519	
Public Health Emergency Preparedness	93.069	44173 Y3	43,622	321,126
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	FY 2024	10,049	
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	FY 2023	4,970	15,019
Injury Prevention and Control Research and State and Community Based Programs	93.136	FY 2024	50,000	
Community Programs to Improve Minority Health Grant Program	93.137	FY 2022	1,294,659	1,294,659
Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	FY 2023	836	
Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	FY 2024	25,754	26,590
Grants to States to Support Oral Health Workforce Activities	93.236	T12HP14997	4,866	4,866
Immunization Cooperative Agreements	93.268	FY 2024	75,856	
Immunization Cooperative Agreements	93.268	56942 Y3	8,297	
Immunization Cooperative Agreements	93.268	FY24	12,891	
Immunization Cooperative Agreements	93.268	50311-Y3	1,816	
COVID-19 Immunization Cooperative Agreements	93.268	FY 2023	(10)	
COVID-19 Immunization Cooperative Agreements	93.268	FY 2024	162,052	
COVID-19 Immunization Cooperative Agreements	93.268	FY 2025	4,232	
Immunization Cooperative Agreements	93.268	FY 2023 EO 97559	4,465	269,599

(Continued)

See Accompanying Notes to Schedule of Expenditures of Federal Awards

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Grant Number / Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	2018	\$ 323	\$ -
Protecting and Improving Health Globally: Building and Strengthening Public Health Impact, Systems, and Capacity and Security	93.318		12,000	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	FY2023	13,468	
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	FY 2021	50	
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	49575 Y3 DO 21906	5,401	
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	FY 2023 EO 97578	60,352	-
Cooperative Agreement to Support Navigators in Federally-Facilitated Exchanges	93.332	FY 2023	4,183	
Cooperative Agreement to Support Navigators in Federally-Facilitated Exchanges	93.332	FY 2024	29,891	-
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	FY 2022	44,484	-
COVID-19 Strengthening Public Health Systems and Services Through National Partnerships to Improve and Protect the Nation's Health	93.421	6NU38OT000306-02-08	9,364	-
Refugee and Entrant Assistance State Administered Programs	93.566	FY 2023	88,116	
Refugee and Entrant Assistance State Administered Programs	93.566	FY 2024	396,814	-
CCDF Cluster:				
Child Care and Development Block Grant	93.575	FY 2022	1,981	
Child Care and Development Block Grant	93.575	FY 2023	26,132	
Total CCDF Cluster				28,113
Assisted Outpatient Treatment	93.997	FY 2023	93,980	
Assisted Outpatient Treatment	93.997	FY 2025	136,381	-
Foster Care Title IV-E	93.658	FY 2023	14,453	
Foster Care Title IV-E	93.658	FY 2024	83,704	-
Social Services Block Grant	93.667	Sept 2023-Dec 2023	6,434	-
Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	FY 2021	50,522	
Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	FY 2024	306,943	
COVID-19 Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	ARPA	22,735	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	FY 2023	(33,000)	
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	46445-Y3	119,460	
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	46445-Y3	819	87,279
HIV Prevention Activities Health Department Based	93.940	FY 2023	8,494	
HIV Prevention Activities Health Department Based	93.940	FY 2024	22,766	
HIV Prevention Activities Health Department Based	93.940	53036 Y3 DO 23096	1,605	32,865
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	FY 2024	29,982	-
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	FY 2024	145,607	-
Preventive Health and Health Services Block Grant	93.991	FY 2023	4,748	
Preventive Health and Health Services Block Grant	93.991	FY 2024	9,280	
Preventive Health and Health Services Block Grant	93.991	2B01DP009036-10	147	
Preventive Health and Health Services Block Grant	93.991	DO 22617	3,428	
Preventive Health and Health Services Block Grant	93.991	DO 22617	5,756	
Preventive Health and Health Services Block Grant	93.991	FY 2024	14,471	37,830
Maternal and Child Health Services Block Grant to the States	93.994	FY 2024	9,945	
Maternal and Child Health Services Block Grant to the States	93.994	FY 2025	3,235	13,180
Total U.S. Department Of Health And Human Services				6,163,772
EXECUTIVE OFFICE OF THE PRESIDENT				
Pass-Through Nebraska State Patrol:				
High Intensity Drug Trafficking Areas Program	95.001	21HD02	63,426	
High Intensity Drug Trafficking Areas Program	95.001	22HD02	97,987	161,413
Total U.S. Department Of Office of the President				161,413
DEPARTMENT OF HOMELAND SECURITY				
Direct Programs:				
National Urban Search and Rescue (US&R) Response System	97.025	EMW-2019-CA-00-085	12,927	
National Urban Search and Rescue (US&R) Response System	97.025	EMW-2020-CA-00-066	154,346	
National Urban Search and Rescue (US&R) Response System	97.025	EMW-2023-CA-USR-0017	120,304	
National Urban Search and Rescue (US&R) Response System	97.025	EMW-2021-CA-00032	173,921	
National Urban Search and Rescue (US&R) Response System	97.025	EMW-2022-CA-00069	263,003	724,501
Pass-Through Nebraska Emergency Management:				
Hazard Mitigation Grant	97.039	DR4420-NE-013	138,617	138,617
Assistance to Firefighters Grant	97.044	EMW-2021-FG-07871	77,626	
Assistance to Firefighters Grant	97.044	EMW-2022-FG-02795	151,576	
Assistance to Firefighters Grant	97.044	EMW-2023-CA-05372	1,015,281	1,244,483
Cooperating Technical Partners	97.045	EMK-2022-CA-00011	336,453	
Cooperating Technical Partners	97.045	EMK-2023-CA-05007	180,269	516,722
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2022-FF-01059	1,215,301	1,215,301
Fire Prevention & Safety	97.151	EMW-2022-PP-00392	181,581	181,581
Total Department of Homeland Security				4,021,205
Total Federal Expenditures			\$ 79,282,377	\$ 4,434,352

See Accompanying Notes to Schedule of Expenditures of Federal Awards



**CITY OF LINCOLN, NEBRASKA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2024**

REPORTING ENTITY

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the City of Lincoln, Nebraska (the City) under programs of the federal government for the year ended August 31, 2024. The City, for purposes of the Schedule, includes all funds of the City as defined in Note 1 of the Notes to the Financial Statements, including Lincoln Electric System, Lincoln Water System, and Lincoln Wastewater System. Lincoln Electric System (LES) operates on a calendar year basis for reporting purposes as opposed to the August 31 fiscal year basis of the City. As a result, the amounts included in the City’s August 31, 2024, basic financial statements for LES are audited amounts as of and for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this Schedule may differ from amounts presented in or used in the preparation of the basic financial statements. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

BASIS OF ACCOUNTING

Expenditures reported on the Schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance or other applicable regulatory guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance. Federal awards provided to subrecipients are treated as expenditures when paid to the subrecipient.

PASS-THROUGH AWARDS

The City receives certain federal awards in the form of pass-through awards. Such amounts received as pass-through awards are specifically identified on the Schedule.

MAJOR PROGRAMS

In accordance with the Uniform Guidance, major programs are determined using a risk-based approach. Programs in the accompanying Schedule denoted with an asterisk (*) are determined by the independent auditor to be major programs.

FEDERAL LOANS OUTSTANDING

The federal loan programs listed subsequently are administered directly by the City and balances and transactions relating to these programs are included in the City basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding, at August 31, 2024, consists of:

Assistance Listing #	Program Name	Outstanding Balance as of August 31, 2024
14.218	Community Development Block Grant	\$ 14,144,673
14.228	Community Development Block Grant - Neighborhood Stabilization Program	79,502
14.239	HOME Investment Partnership Program	10,146,610

New loans included in the Schedule totaled approximately \$2,151,000, \$0, and \$1,144,000, for Assistance Listing numbers 14.218, 14.228, and 14.239, respectively.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

The Honorable Mayor and City Council
City of Lincoln, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lincoln, Nebraska (the City), as of and for the year ended August 31, 2024, and the related notes to the financial statements, which comprise the City's basic financial statements, and have issued our report thereon dated February 26, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Forvis Mazars, LLP

Lincoln, Nebraska
February 26, 2025

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

The Honorable Mayor and City Council
City of Lincoln, Nebraska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Lincoln, Nebraska's (the City's) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended August 31, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Forvis Mazars, LLP

Lincoln, Nebraska
February 26, 2025

City of Lincoln, Nebraska
Schedule of Findings and Questioned Costs
Year Ended August 31, 2024

Section I – Summary of Auditor’s Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:
 Unmodified Qualified Adverse Disclaimer

2. Internal control over financial reporting:
 - Material weakness(es) identified? Yes No
 - Significant deficiency(ies) identified? Yes None reported

3. Noncompliance material to the financial statements noted? Yes No

Federal Awards

4. Internal control over major federal programs:
 - Material weakness(es) identified? Yes No
 - Significant deficiency(ies) identified? Yes None reported

5. Type of auditor’s report issued on compliance for major federal programs:
 Unmodified Qualified Adverse Disclaimer

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

7. Identification of major federal programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.218	CDBG Entitlement Grants Cluster
21.023	COVID-19 Emergency Rental Assistance Program
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

8. Dollar threshold used to distinguish between Type A and Type B programs: \$2,378,471.

9. Auditee qualified as a low-risk auditee? Yes No

**City of Lincoln, Nebraska
Schedule of Findings and Questioned Costs (Continued)
Year Ended August 31, 2024**

Section II – Financial Statement Findings

Reference Number	Finding
-----------------------------	----------------

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
-----------------------------	----------------

No matters are reportable.

**City of Lincoln, Nebraska
Summary Schedule of Prior Audit Findings
Year Ended August 31, 2024**

Reference Number	Summary of Finding	Status
-----------------------------	---------------------------	---------------

No matters are reportable.



APPENDIX C

FORM OF CONTINUING DISCLOSURE UNDERTAKING

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated October 15, 2025 (the “**Disclosure Undertaking**”), is executed and delivered by **THE CITY OF LINCOLN, NEBRASKA** (the “**Issuer**”).

RECITALS

1. This Disclosure Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of **\$23,000,000 Municipal Improvement Bonds, Series 2025** (the “**Bonds**”), pursuant to an ordinance passed on July 28, 2025, by the governing body of the Issuer and approved by the Mayor on August 5, 2025 (the “**Ordinance**”).

2. The Issuer is entering into this Disclosure Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the “**Rule**”). The Issuer is the only “**obligated person**” with responsibility for continuing disclosure hereunder.

In consideration of the mutual covenants and agreements herein, the Issuer covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report filed by the Issuer pursuant to, and as described in, **Section 2** of this Disclosure Undertaking.

“**Beneficial Owner**” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**Business Day**” means a day other than (a) a Saturday, Sunday, or legal holiday, (b) a day on which banks located in the city in which the designated payment office of the paying agent for the Bonds is located is required or authorized by law to remain closed, or a day on which the Securities Depository or the New York Stock Exchange is closed.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

“**Financial Obligation**” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“**Fiscal Year**” means the **12-month** period beginning on **September 1** and ending on **August 31** or any other **12-month** period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.

“**Material Events**” means any of the events listed in **Section 3** of this Disclosure Undertaking.

“**MSRB**” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“**Participating Underwriter**” means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“**Rule**” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

Section 2. Provision of Annual Reports.

(a) The Issuer shall not later than **May 1 of each year**, commencing May 1, 2026, file with the MSRB, through EMMA, the following financial information and operating data (the “**Annual Report**”):

(1) The audited financial statements of the Issuer for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles. If audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the Fiscal Year of the financial information and operating data relating to the Issuer contained in APPENDIX A to the final Official Statement related to the Bonds, in substantially the same format contained in the Official Statement.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an “**obligated person**” (as defined by the Rule), which have been filed with the MSRB and is available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**.

(b) In addition to the foregoing requirements of this Section, the Issuer agrees to provide copies of the most recent Annual Report to any requesting Beneficial Owner or prospective Beneficial Owner, but only after the same has been filed with the MSRB.

Section 3. Reporting of Material Events. No later than 10 business days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds (“**Material Events**”):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (15) incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

If the Issuer has not submitted the Annual Report to the MSRB by the date required in **Section 2(a)**, the Issuer shall send a notice to the MSRB of the failure of the Issuer to file on a timely basis the Annual Report, which notice shall be given by the Issuer in accordance with this **Section 3**.

Section 4. Termination of Reporting Obligation. The Issuer’s obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer’s obligations under this Disclosure Undertaking are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Undertaking in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

Section 5. Dissemination Agents. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and

may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon **30** days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including, without limitation, the Annual Report) prepared by the Issuer pursuant to this Disclosure Undertaking.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Issuer may amend this Disclosure Undertaking and any provision of this Disclosure Undertaking may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Disclosure Undertaking.

If a provision of this Disclosure Undertaking is amended or waived, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Disclosure Undertaking, the Issuer shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the Issuer fails to comply with any provision of this Disclosure Undertaking, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an event of default under the Ordinance or the Bonds, and the sole remedy under this Disclosure Undertaking in the event of any failure of the Issuer to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 9. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 10. Severability. If any provision in this Disclosure Undertaking, the Ordinance or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 11. Electronic Transactions. The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 12. Governing Law. This Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Nebraska.

[The remainder of this page intentionally left blank.]

APPENDIX D

BOOK-ENTRY SYSTEM

BOOK-ENTRY SYSTEM

The Depository Trust Company, New York, NY, will act as securities depository for the Series 2025 Bonds. The Series 2025 Bonds will be issued as fully registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2025 Bond will be issued for each maturity of the Series 2025 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Bonds Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. Bonds brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2025 Bond ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2025 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2025 Bonds, except in the event that use of the book-entry system for the Series 2025 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2025 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. For example, Beneficial Owners of Series 2025 Bonds may wish to ascertain that the nominee holding the Series 2025 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices will be sent to DTC. If less than all of the Series 2025 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2025 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2025 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City, or the Registrar and Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Series 2025 Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the City, subject to any statutory or regulatory requirements as may be in effect from time to time.

Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Registrar and Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2025 Bonds at any time by giving reasonable notice to the City or the Registrar and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC, and neither the City nor the Underwriter takes responsibility for the accuracy thereof, and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters but should instead confirm the same with DTC or the DTC Participants, as the case may be.

APPENDIX E

FORM OF BOND COUNSEL OPINION

[Closing Date]

City of Lincoln, Nebraska
Lincoln, Nebraska

Janney Montgomery Scott
Philadelphia, Pennsylvania

Re: \$23,000,000 City of Lincoln, Nebraska, Municipal Improvement Bonds, Series 2025

To the Addressees:

We have served as bond counsel to City of Lincoln, Nebraska (the “*Issuer*”), in connection with the issuance by the Issuer of the above-captioned bonds (the “*Bonds*”). In this capacity, we have examined the law and such certified proceedings, certifications and other documents as we have deemed necessary to give the opinions below.

Regarding questions of fact material to the opinions below, we have relied on the representations of the Issuer, on the certified proceedings and other certifications of representatives of the Issuer and the certifications of others furnished to us without undertaking to verify them by independent investigation.

Based on the foregoing, we are of the opinion that:

1. The Bonds have been duly authorized and executed by the Issuer and are valid and binding obligations of the Issuer.

2. The Bonds are payable as to both principal and interest from a pledge of funds received from a sales and use tax in the amount of one and one-half percent (1.50%) upon the same transactions on which the State of Nebraska is authorized to impose a sales and use tax within the boundaries of the Issuer pursuant to Section 77-27,142, R.R.S. Neb., as amended. In addition, the Issuer has covenanted and agreed in the Ordinance that it shall designate a portion of its property tax authority pursuant to Section 77-3442, R.R.S. Neb., as amended, in such amount as will provide funds which, together with receipts from the Sales Tax as pledged to the payment of such principal and interest and any other money made available and used for such purpose, will be sufficient to make payment of the principal of and interest on the Bonds as the same fall due.

3. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (i) is excludable from gross income for federal income tax purposes, (ii) is exempt from income taxation by the State of Nebraska, and (iii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Code that must be satisfied subsequent to

the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal and Nebraska income tax purposes retroactive to the date of issuance of the Bonds. The Bonds have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

The rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion regarding the accuracy, adequacy or completeness of the Official Statement or other offering material relating to the Bonds or the tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion letter.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances that may later come to our attention, or any changes in law that may later occur.

Very truly yours,