

OFFICIAL STATEMENT DATED JUNE 2, 2026

NEW ISSUE – FULL BOOK ENTRY
NOT BANK QUALIFIED

RATING: S&P Global Ratings: “AAA”
See “RATING”

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
\$27,860,000
THE CITY OF LINCOLN, NEBRASKA
LIMITED TAX COMMUNITY IMPROVEMENT BONDS,
SERIES 2026

Dated: date of delivery

Due: December 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 Purchases of the Bonds will be originally made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC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 June 15 and December 15 of each year, beginning December 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. BOKF, National Association, 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) pay a portion of the costs of the Greater Downtown Principal Corridors Revitalization Project, within an area identified as the Greater Downtown Principal Corridors Revitalization Project Area in the City, (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, in addition to all other taxes, the City shall levy property taxes, in an amount up to 2.6 cents per \$100 of taxable valuation, at such times and in such amounts as shall be necessary to pay in full the principal of and interest on the Bonds, when and as the same shall become due (the “Limited Tax Levy”). The Limited Tax Levy shall be imposed by the City for each Fiscal Year in an amount sufficient so that the sum of the following equals or exceeds principal and interest falling due on the Bonds in such Fiscal Year: (i) certain tax increment revenues expected to be received for the next Fiscal Year by the City, (ii) funds expected to be available or made available by the City for such purpose during such Fiscal Year, and (iii) the tax revenues expected to be generated by the Limited Tax Levy for such Fiscal Year. 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 are subject to optional redemption prior to maturity at the option of the City at any time on or after December 15, 2032 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 June 18, 2026.

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 June 2, 2026

MATURITY SCHEDULE

\$27,860,000
THE CITY OF LINCOLN, NEBRASKA
LIMITED TAX COMMUNITY IMPROVEMENT BONDS,
SERIES 2026

<u>Maturity</u> <u>(December 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP</u> <u>(534239)</u>
2027	\$1,030,000	5.000%	2.490%	103.652%	MJ4
2028	1,145,000	5.000	2.500	106.002	MK1
2029	1,270,000	5.000	2.580	108.030	ML9
2030	1,405,000	5.000	2.650	109.889	MM7
2031	1,550,000	5.000	2.730	111.503	MN5
2032	1,705,000	5.000	2.820	112.849	MP0
2033	1,865,000	4.000	2.950	106.161	MQ8
2034	2,020,000	4.000	3.050	105.556	MR6
2035	2,185,000	4.000	3.150	104.954	MS4
2036	2,355,000	4.000	3.250	104.357	MT2
2037	2,535,000	4.000	3.400	103.468	MU9
2038	2,725,000	4.000	3.550	102.588	MV7
2039	2,930,000	4.000	3.650	102.006	MW5
2040	3,140,000	4.000	3.750	101.428	MX3

**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

BOKF, National Association

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.

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OFFICIAL STATEMENT

\$27,860,000

THE CITY OF LINCOLN, NEBRASKA LIMITED TAX COMMUNITY IMPROVEMENT BONDS, SERIES 2026

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 \$27,860,000 Limited Tax Community Improvement Bonds, Series 2026 (the **“Bonds”** or the **“Series 2026 Bonds”**). BOKF, National Association, 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 2026 Bonds under the authority of the provisions of the Nebraska Community Development Law, and Ordinance No. 21769 duly adopted by the Council on August 11, 2025 and approved by the Mayor on August 14, 2025 (the **“Bond Ordinance”**). The Bond Ordinance authorizes the issuance of Limited Tax Community Improvement Bonds of the City in an aggregate stated principal amount not to exceed \$31,200,000.

SECURITY

For the prompt payment of the Bonds, in addition to all other taxes, the City shall levy property taxes, in an amount up to 2.6 cents per \$100 of taxable valuation, at such times and in such amounts as shall be necessary to pay in full the principal of and interest on the Bonds, when and as the same shall become due (the **“Limited Tax Levy”**). The Limited Tax Levy shall be imposed by the City for each Fiscal Year in an amount sufficient so that the sum of the following equals or exceeds principal and interest falling due on the Bonds in such Fiscal Year: (i) the Tax Increment Revenues (described below) expected to be received for the next Fiscal Year by the City, which have also been pledged for and shall be applied to payment of the Bonds, (ii) funds expected to be available or made available by the City for such purpose during such Fiscal Year, and (iii) the tax revenues expected to be generated by the Limited Tax Levy (the **“Limited Tax Revenues”**) for such Fiscal Year. The full Limited Tax Levy of 2.6 cents per \$100 of taxable valuation, if required to be imposed by the City, would generate approximately \$8,790,000 per year based on the City’s 2025 taxable valuation of \$34,150,789,463. The maximum annual debt service on the Series 2026 Bonds is expected to be less than \$3,275,000.

Notwithstanding the foregoing, the City expects the Tax Increment Revenues to equal or exceed the debt service on the Series 2026 Bonds in each year and does not expect any Limited Tax Revenues will be required to pay debt service on the Series 2026 Bonds. The “**Tax Increment Revenues**” are the property tax revenues for the area of the City which includes the Project which are generated by the taxable valuation in excess of the base valuation when the redevelopment project was established.

The Tax Increment Revenues, together with all other funds made available by the City, shall be credited to and accumulated in the Debt Service Account established in the Bond Ordinance until it equals the amount of debt service due on the Series 2026 Bonds at the next payment date. Money in the Debt Service Account shall be used solely for the payment of debt service on the Series 2026 Bonds as the same become due, and, after such payment, the Account shall be restored by further deposits to the required balance.

After the required credits to the Debt Service Account have been made, credits shall next be made into the Surplus Account established in the Bond Ordinance. If the Tax Increment Revenues expected to be received for the next Fiscal Year by the City together with amounts on deposit in the Surplus Fund are at least equal to the debt service due on the Series 2026 Bonds in such Fiscal Year, then any money in the Surplus Account in any Fiscal Year after taking into account the transfers required by the foregoing paragraph for such Fiscal Year may be used and applied by the City for any of the following purposes in the discretion of the City: (i) pay the costs of the Project, (ii) purchase and/or call and redeem Bonds, or (iii) pay the costs incurred in connection with providing other public improvements within the Redevelopment Area.

The City has covenanted and agreed that it will not issue any obligations the principal of or interest on which is payable from the Limited Tax Revenues and Tax Increment Revenues (together, the “**Tax Revenues**”) which have, or purport to have, any lien upon the Tax Revenues prior or superior to the lien of the Bonds and the interest thereon. The City may issue additional bonds or other obligations payable from the Tax Increment Revenues or Limited Tax Revenues on a parity with the Bonds. The City may also issue bonds payable from or otherwise encumber the Limited Tax Revenues on a subordinate basis in the City’s discretion.

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DEBT SERVICE SCHEDULE

The following table sets forth the debt service schedule for the Series 2026 Bonds for each of the fiscal years ending August 31:

Series 2026 Bonds			
FYE <u>August 31 of</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2027		\$1,185,487.92	\$1,185,487.92
2028	\$1,030,000	1,169,700.00	2,199,700.00
2029	1,145,000	1,115,325.00	2,260,325.00
2030	1,270,000	1,054,950.00	2,324,950.00
2031	1,405,000	988,075.00	2,393,075.00
2032	1,550,000	914,200.00	2,464,200.00
2033	1,705,000	832,825.00	2,537,825.00
2034	1,865,000	752,900.00	2,617,900.00
2035	2,020,000	675,200.00	2,695,200.00
2036	2,185,000	591,100.00	2,776,100.00
2037	2,355,000	500,300.00	2,855,300.00
2038	2,535,000	402,500.00	2,937,500.00
2039	2,725,000	297,300.00	3,022,300.00
2040	2,930,000	184,200.00	3,114,200.00
2041	3,140,000	62,800.00	3,202,800.00
TOTALS	27,860,000	10,726,862.92	38,586,862.92

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, 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, 2025, and as discussed more fully in the Supplementary Information included in the City’s audited financial statements attached hereto, was 78.92%. 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 Tax Increment Financing. The Tax Increment Revenues represent the expected primary source of repayment for the Bonds. See "**SECURITY**". A variety of factors can have a negative impact on the amount of Tax Increment Revenues from year to year, including changes in levy rates imposed by the political subdivisions levying taxes on property in the Redevelopment Area, future limitations on levy rates by the Legislature, reductions in property tax valuation in the Redevelopment Area, and similar factors. A decrease in expected Tax Increment Revenues below the amount necessary to pay debt service on the Bonds would require the City to utilize other funds for such purpose or impose the Limited Tax Levy (see "**SECURITY**" for a description of the City's obligation to impose the Limited Tax Levy). Any use of other funds of the City for such purpose could have a negative impact 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**").

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Prior to 2024 and through the 2024-25 fiscal year, cities were subject to budget limitations (Sections 13-518 to 13-522, R.R.S. Neb., as amended, and related sections, the **“Budget Limitations”**) which limited 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 intended to place more restrictions on property taxes and eliminate the Budget Limitations for cities. After passage of LB34, the Budget Limitations no longer applied to the City beginning with Fiscal year 2025-26. The following limits currently apply to the City.

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, including the Bonds.

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 either the Property Tax Request Limitations or 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, 2026, are budgeted at approximately \$112 million, while expenditures for public safety services are budgeted at approximately \$144 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) pay a portion of the costs of the Greater Downtown Principal Corridors Revitalization Project, within an area identified as the Greater Downtown Principal Corridors Revitalization Project Area in the City, (the **“Project”**) and (b) pay certain costs of issuing the Bonds.

ESTIMATED SOURCES AND USES OF FUNDS

SOURCES OF FUNDS:

Principal Amount of Series 2026 Bonds	\$27,860,000.00
Plus Original Issue Premium	1,444,669.80
Other City Funds	<u>1,487,964.00</u>
TOTAL SOURCES:	\$30,792,633.80

USES OF FUNDS:

Deposit to Construction Fund	\$30,353,301.21
Costs of Issuance (including Underwriter’s Discount)	<u>439,332.59</u>
TOTAL USES:	\$30,792,633.80

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 June 15 and December 15 of each year, commencing December 15, 2026, will mature on December 15th 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 first day of the month (whether a business day or not) when such interest payment date occurs.

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

The Bonds are subject to redemption prior to maturity at the option of the City in whole or in part, at any time on or after December 15, 2032, 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.

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.

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 2026 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 2026 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 as follows:

- 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.
- The City failed to timely file a notice of rating change which occurred on February 23, 2026, for the West Haymarket Joint Public Agency's outstanding bonds.

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 2026 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, 2025, 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, 2025 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

APPENDIX A



LINCOLN

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 2025 population is 300,619.

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 7,500 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 23,952 students, Nebraska Wesleyan University, with approximately 1,650 students, Union College, with approximately 748 students, Bryan College of Health Sciences with approximately 746 students, and Southeast Community College, with approximately 10,500 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 41,900 is served by 8 high schools, 12 middle schools, and 41 elementary schools. Lincoln is home to several 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	
2025	690	\$ 1,015,522,230	2,770	\$ 386,661,620	\$ 10,195,510,442	\$ 23,967,989,200	\$ 34,163,499,642
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

¹ City of Lincoln, Building and Safety Department.

² Lancaster County Assessor.

Police and Fire Protection

Lincoln has sixteen fire stations manned by 324 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 2025-2026 fiscal year, contracts have been signed with all our unions. IAFF, PAGE and LCEA contacts will expire at the end of August 2026. The LMCEA and ATU contracts will expire at the end of August 2027. The LPU contract will expire at the end of August 2028.

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, 2025	
	Number Employed	Percent of Total	Number Employed	Percent of Total
Industry Manufacturing:				
Durable Goods	9,115	4.5	8,768	4.4
Nondurable Goods	5,439	2.7	5,443	2.7
Total Industry Manufacturing	14,554	7.2	14,211	7.1
Nonmanufacturing:				
Natural Resource & Construction	11,443	5.7	11,391	5.7
Transportation, Warehousing & Utilities	10,055	5.0	10,114	5.1
Wholesale Trade	4,237	2.1	4,150	2.1
Retail Trade	17,875	8.9	18,309	9.2
Information	3,921	1.9	3,848	1.9
Finance, Insurance & Real Estate	10,458	5.2	10,376	5.2
Services (except domestic)	84,342	42.0	83,158	41.4
Government	44,354	22.0	44,624	22.3
Total Nonmanufacturing	186,685	92.8	185,970	92.9
TOTAL	201,239	100.0	200,181	100.0

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

As of December 2025, the unemployment rate in Lincoln was 2.8%, among the lowest unemployment rates in the United States.

LINCOLN LABOR FORCE DATA 2025-2016 (For the Calendar Year Indicated)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Civilian Labor Force	201,236	193,946	189,774	189,969	188,166	188,745	186,998	184,089	178,854	177,616
Unemployment	5,639	4,610	3,900	4,066	3,023	5,451	4,385	4,574	4,661	4,920
Percent of Labor Force	2.8	2.4	2.1	2.1	1.6	2.9	2.3	2.5	2.6	2.8
Employment ¹	195,597	189,336	185,874	185,903	185,143	183,294	182,613	179,515	174,193	172,696

STATE OF NEBRASKA

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

Source: State of Nebraska, Department of Labor

¹ 2025 Preliminary

**LINCOLN PRINCIPAL EMPLOYERS
CURRENT YEAR**

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
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	5	2.64
Nelnet Diversified Services	2500-4999	4	2.64
US Government	2500-4999	6	2.64
B&R Stores	2500-4999	7	1.32
City of Lincoln	2500-4999	8	2.64
Kawasaki Motors Mfg Corp.	1000-2499	9	2.64
Saint Elizabeth Regional Medical Center	<u>1000-2499</u>	10	<u>1.32</u>
Total			<u><u>27.72 %</u></u>

**DEMOGRAPHIC STATISTICS
LAST TEN YEARS**

<u>Year</u>	<u>Population¹</u>	<u>Per Capita Personal Income²</u>	<u>School Enrollment³</u>
2025	300,619	\$	41,940
2024	294,757	68,273	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

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 2025 is unavailable.

³ Lincoln Public Schools.

Median age for the city is 34. Education statistics per Census estimates indicate that 93.2% of the population 25 years and older has a high school degree or greater with 41.8% 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>
2025	93,362	101,342	152,832
2024	90,963	102,835	150,329
2023	89,735	101,563	151,924
2022	89,514	101,101	147,843
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

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	Equipment Maintenance	Mass Transit	Debt Service	Totals
2025 \$	84,307,233	125,535,847	33,465,060	36,660,192	18,117,308	47,126,254	62,630	24,768,001	47,926,459	417,968,984
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

¹ Includes General, Special Revenue, and Debt Service Funds. Equipment Maintenance became a separate function of government in 2025.

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
2025 \$	303,031,720	114,004,201	29,126,513	22,156,614	27,455,268	16,726,270	512,500,586
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

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>
2025	\$ 1,777,201
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

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 2025 tax levy for the 2025-2026 fiscal year is \$255,439,777 below the legal limit, a tax rate per \$100 valuation of .29732. The assessed value upon which the 2025 levy is based is \$38,482,346,192. By charter, only 90% of the property tax levy may be appropriated.

For the 2025-2026 fiscal year the City had authority to levy taxes for an increase of 2.0% of the prior year base and Growth Value of the Total Property Valuation of 1.9%. The City utilized \$2,704,978 of Prior Year's Unused Property Tax Authority for the 2025-2026 Budget. The City used \$114,414,799 of the total Property Tax Authority of \$114,841,538 for the 2025-2026 budget, which was \$426,739 below the Property Tax Authority allowed.

**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.

Fiscal Year Ended August 31	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Accumulated Collections As Of August 31, 2025	
		Amount	Percent	Amount	Percent
2025	\$ 104,489,604	\$ 100,650,861	96.33 %	\$ 101,454,883	97.10 %
2024	100,027,752	97,910,819	97.88	100,027,752	100.00
2023	87,112,815	85,374,290	98.00	87,112,815	100.00
2022	85,059,983	83,361,780	98.00	85,059,983	100.00
2021	76,786,221	75,159,229	97.88	76,786,221	100.00
2020	74,339,497	72,577,018	97.63	74,339,497	100.00
2019	68,390,503	66,842,290	97.74	68,390,503	100.00
2018	64,824,600	63,903,976	98.58	64,827,042	100.00
2017	62,977,211	61,735,542	98.03	62,979,904	100.00
2016	58,944,563	57,685,951	97.86	58,923,300	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>2025 Assessed Valuations</u>	<u>Percentage Of Total Assessed Valuation</u>
BNSF Railway Company	Railroad	\$ 255,493,405	0.75
B & J Partnership Ltd.	Building Management	226,642,600	0.66
Allo Communications LLC	Communication	222,382,205	0.65
Nebco Inc	Construction / Development	185,548,708	0.54
Windstream Nebraska Inc	Telecommunications	170,728,477	0.50
Bousek, Mark A	Property Management	101,209,600	0.30
Kawasaki Motors Mfg Corp	Manufacturing	90,834,403	0.27
Black Hills Nebraska Gas, LLC	Energy	87,829,336	0.26
Zoetis Inc	Manufacturing / Development	79,348,788	0.23
HPI Lincoln LLC	Property Management	77,119,195	0.23
		<u>\$ 1,497,136,717</u>	<u>4.39</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 three percent (3.0%) 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
2025	\$ 109,336,318
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

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
2025	\$ 84,886,931	\$ 109,336,318	\$ 11,434	\$ 2,490,248	\$ 4,550,257	\$ 201,275,188
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

**TAXABLE ASSESSED VALUATION
LAST TEN YEARS ¹**

Fiscal Year Ended August 31,	Real Estate	All Other	Total
2025	\$ 34,163,499,642	\$ 1,310,308,232	\$ 35,473,807,874
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

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**

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City of Lincoln	0.2973	0.2953	0.2953	0.3129	0.3198	0.3165	0.3165	0.3337	0.3196	0.3196
School District No. 1	1.0212	1.1091	1.0700	1.2072	1.2222	1.2241	1.2389	1.2397	1.2429	1.2434
Lancaster County	0.2145	0.2223	0.2224	0.2608	0.2816	0.2666	0.2666	0.2753	0.2783	0.2813
Lincoln Airport Authority	0.0293	0.0298	0.0168	0.0171	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	0.0200	0.0937	0.0937	0.0937	0.0907	0.0907	0.0752	0.0757	0.0598
Lower Platte South Natural Res. Dist.	0.0230	0.0225	0.0225	0.0260	0.0309	0.0312	0.0321	0.0335	0.0345	0.0358
Lancaster County Correctional JPA City	0.0063	0.0069	0.0066	0.0074	0.0093	0.0110	0.0141	0.0153	0.0156	0.0168
Lancaster County Correctional JPA County	0.0042	0.0047	0.0048	0.0059	0.0070	0.0075	0.0079	0.0085	0.0088	0.0094
Railroad Transportation Safety Dist.	0.0153	0.0195	0.0222	0.0222	0.0147	0.0222	0.0222	0.0190	0.0160	0.0130
Agricultural Society of Lancaster County	0.0038	0.0041	0.0012	0.0013	0.0014	0.0014	0.0014	0.0015	0.0015	0.0015
Lancaster County Fairgrounds	0.0015	0.0016	0.0017	0.0020	0.0025	0.0028	0.0028	0.0030	0.0031	0.0033
Public Building Commission	0.0149	0.0155	0.0151	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170
	<u>1.6663</u>	<u>1.7663</u>	<u>1.7873</u>	<u>1.9885</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>

¹ The 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, 2025

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	\$ 2,245
1,515	03/20/13	Stormwater Bonds	3.125	Term 2032	2023	"	1,515
6,300	06/28/16	Stormwater Bonds	2.000 - 3.000	Serial 2017 to 2036	2026	"	4,035
4,345	09/20/17	Stormwater Refunding Bonds	2.000 - 5.000	Serial 2018 to 2027	---	"	1,050
9,900	08/08/19	Stormwater Bonds	2.750 - 5.000	Serial 2020 to 2039	2029	"	8,180
4,140	08/20/20	Stormwater Refunding Bonds	5.00	Serial 2021 to 2030	---	"	2,325
13,900	03/20/25	Stormwater Bonds	4.406	Serial 2026 to 2044	2033	"	13,900
Total General Bonds							<u>\$ 33,250</u>
Tax Allocation Bonds:							
140	07/01/16	Tax Allocation Bonds	2.200	Serial 2016 to 2028	Anytime	Semiannually	\$ 43
128	03/15/19	Tax Allocation Bonds	3.090	Serial 2020 to 2034	Anytime	"	86
180	10/15/20	Tax Allocation Bonds	1.240	Serial 2022 to 2035	Anytime	"	135
120	12/01/20	Tax Allocation Bonds	1.420	Serial 2021 to 2034	Anytime	"	81
222	01/01/21	Tax Allocation Bonds	1.450	Serial 2021 to 2034	Anytime	"	150
192	01/01/21	Tax Allocation Bonds	1.450	Serial 2022 to 2035	Anytime	"	172
52	06/01/21	Tax Allocation Bonds	2.060	Serial 2022 to 2035	Anytime	"	40
240	02/01/23	Tax Allocation Bonds	4.020	Serial 2025 to 2039	Anytime	"	227
308	03/01/23	Tax Allocation Bonds	4.360	Serial 2025 to 2044	Anytime	"	304
385	12/01/23	Tax Allocation Bonds	4.890	Serial 2025 to 2045	Anytime	"	385
437	05/01/25	Tax Allocation Bonds	5.400	Serial 2027 to 2041	Anytime	"	437
Total Tax Allocation Bonds							<u>\$ 2,060</u>
Tax supported bonds:							
\$ 14,735	12/15/16	Highway Allocation Fund Refunding	2.000 - 5.000	Serial 2018 to 2027	2026	Semiannually	\$ 3,415
21,765	08/20/20	Limited Tax Arena Refunding Bonds	.200 -3.000	Serial 2021 to 2037	2030	"	16,040
15,260	05/15/21	Highway Allocation Fund Bonds	2.000 - 5.000	Serial 2022 to 2037	2029	"	11,635
11,550	10/19/22	Highway Allocation Fund Bonds	4.000 - 5.000	Serial 2023 to 2042	2030	"	10,835
Total Tax Supported Bonds							<u>\$ 41,925</u>
Special Assessment bonds:							
\$ 825	08/18/11	Special Assessment	0.400 - 3.700	Serial 2012 to 2026	2016	Semiannually	\$ 65
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	"	1,085
Total Special Assessment Bonds							<u>\$ 1,525</u>
Municipal Improvement bonds:							
\$ 8,360	10/26/2022	Municipal Improvement Bonds	3.270 - 4.250	Serial 2023 to 2028	2030	Semiannually	\$ 7,600
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
3,495	10/2/2024	Municipal Improvement Bonds	4.065	Serial 2023 to 2042	2031	"	3,190
8,020	10/2/2024	Municipal Improvement Bonds	4.065	Serial 2023 to 2042	2031	"	4,560
5,810	10/2/2024	Municipal Improvement Bonds	4.065	Serial 2023 to 2042	2031	"	5,355
Total Municipal Improvement Bonds							<u>\$ 23,895</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	\$ 18,565
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	"	2,835
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	"	14,015
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	"	76,470
11,730	11/21/19	Facility Refunding Bonds	3.250	Term 2042	2029	"	11,730
Total West Haymarket Joint Public Agency Bonds							<u>\$ 283,640</u>
TOTAL GENERAL OBLIGATION BONDS							<u>\$ 386,295</u>
Business-Type Activities:							
Revenue Bonds:							
\$ 38,290	05/24/12	Wastewater Revenue Refunding	1.000 - 5.000	Serial 2013 to 2028	2023	Semiannually	\$ 8,295
12,220	04/09/15	Wastewater Revenue Refunding	1.000 - 4.000	Serial 2016 to 2030	2025	"	4,550
13,235	09/13/17	Wastewater Revenue Refunding	2.000 - 5.000	Serial 2018 to 2032	2027	"	7,220
20,120	07/24/19	Wastewater Revenue Bonds	2.000 - 5.000	Serial 2020 to 2040	2029	"	15,915
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	"	25,910
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>\$ 76,580</u>
\$ 10,170	08/20/19	Water Revenue Refunding	2.750 - 5.000	Serial 2020 to 2039	2029	Semiannually	\$ 7,025
Total Water Bonds							<u>\$ 7,025</u>
\$ 48,375	07/11/19	General Obligation Parking System and Refunding Bonds	2.300 - 3.000	Serial 2020 to 2035	2029	Semiannually	\$ 24,825
Total Parking Bonds							<u>\$ 6,655</u>
\$ 8,340	02/26/13	Solid Waste Management Revenue and Refunding	0.250 - 4.000	Serial 2013 to 2029	2023	Semiannually	\$ 1,635
5,520	07/08/15	Solid Waste Management Revenue	2.000 - 5.000	Serial 2016 to 2035	2025	"	3,340
Total Solid Waste Management Bonds							<u>\$ 4,975</u>
\$ 75,525	06/20/13	Electric Revenue and Refunding Bonds	2.700 - 5.000	Serial 2021 to 2025	2023	Semiannually	\$ 12,385
127,630	03/11/15	Electric Revenue and Refunding Bonds	3.000 - 5.000	Serial 2019 to 2036	2025	"	29,895
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	"	151,300
Total Electric Bonds							<u>\$ 493,555</u>
TOTAL REVENUE BONDS							<u>\$ 613,715</u>

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
2026	\$ 22,826	16,667	275	36	4,910	679
2027	19,274	15,584	252	25	3,563	481
2028	17,522	14,751	149	20	2,720	354
2029	18,095	14,049	152	17	1,813	257
2030	18,663	13,340	155	14	1,435	189
2031-2035	97,026	55,300	567	23	3,629	341
2036-2040	95,385	35,477	-	-	1,025	58
2041-2045	85,794	13,622	-	-	120	3
2046-2050	11,710	344	-	-	-	-
2051-2055	-	-	-	-	-	-
2056-2060	-	-	-	-	-	-
Total	\$ <u>386,295</u>	<u>179,134</u>	<u>1,550</u>	<u>135</u>	<u>19,215</u>	<u>2,362</u>

Fiscal Year Ended August 31	Business-Type Activities					
	Revenue Bonds		Loans/Note from Direct Borrowing		COPs	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 46,675	22,004	2,265	390	125	41
2027	48,915	20,686	2,319	300	135	35
2028	50,520	18,511	2,223	300	140	28
2029	49,895	16,536	2,270	253	145	21
2030	8,635	2,799	2,317	205	155	14
2031-2035	250,695	54,329	7,762	349	160	6
2036-2040	110,150	18,397	191	-	-	-
2041-2045	43,545	4,379	191	-	-	-
2046-2050	4,685	301	191	-	-	-
2051-2055	-	-	191	-	-	-
2056-2060	-	-	74	-	-	-
Total	\$ <u>613,715</u>	<u>157,942</u>	<u>19,994</u>	<u>1,797</u>	<u>860</u>	<u>145</u>

Fiscal Year Ended August 31	Major Enterprise Funds					
	Wastewater System		Water System		Electric System	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 7,757	3,233	1,381	446	35,740	17,730
2027	8,044	2,935	1,439	396	37,580	16,807
2028	7,793	2,612	1,534	346	39,325	15,063
2029	5,457	2,355	1,592	293	40,915	13,458
2030	5,426	2,190	1,650	238	42,640	11,735
2031-2035	18,033	8,508	7,191	455	224,350	36,173
2036-2040	14,550	5,560	191	-	59,000	9,417
2041-2045	15,875	2,708	191	-	14,105	564
2046-2050	4,685	301	191	-	-	-
2051-2055	-	-	191	-	-	-
2056-2060	-	-	74	-	-	-
Total	\$ <u>87,620</u>	<u>30,402</u>	<u>15,625</u>	<u>2,174</u>	<u>493,655</u>	<u>120,947</u>

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 \$5,481,660, \$2,868,582, \$2,202,329 and \$1,339,240 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 graders, 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	43,523,749	-
Machinery and Equipment	13,492,627	2,531,221
Construction In Progress	-	-
Less Accumulated Depreciation, (where applicable)	(40,783,564)	(2,911,541)
Total	\$ 52,224,847	\$ 1,321,828

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, 2025, is summarized below (unaudited):

<u>Governmental Units</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Direct And Overlapping Debt To The City</u>
Direct:			
City	\$ 423,055,000	100.0 %	\$ 423,055,000
Overlapping:			
School District #1	476,995,000	99.5	474,610,000
Public Building Commission	14,355,000	85.4	12,259,000
Lancaster County Correctional Facility	15,370,000	85.4	13,126,000
Lancaster County Fairgrounds	4,785,000	85.4	4,086,000
	<u>511,505,000</u>		<u>504,081,000</u>
Total	\$ 934,560,000		\$ 927,136,000

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 \$1,407.28; a per capita direct and overlapping debt of \$3,084.09; a ratio of direct City debt to 2025 actual valuation of 1.19 percent; and a ratio of direct and overlapping debt to 2025 actual valuation of 2.61 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, 2025, 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 \$0.029289 cents per hundred dollars valuation for 2025.

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	Principal	Interest ²	Total Debt Service	Total General Governmental ¹ Expenditures	Ratio Of Debt Service To Total General Expenditures
2025	\$ 14,167,992	\$ 3,995,497	\$ 18,163,489	\$ 417,968,984	4.35%
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%

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 Bonded Debt	Sinking Funds	Net General Obligation Bonded Debt	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
2025	\$ 102,655,000	\$ 11,892,000	\$ 90,763,000	300,619	\$ 301.92	\$ 35,473,807,874	0.26%	\$ 34,163,499,642	0.27%
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%

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	Principal	Debt Service Requirements		
					Interest	Total	Coverage
<u>Wastewater System</u>							
2025	\$ 48,133,882	21,226,871	26,907,011	7,459,608	3,522,635	10,982,243	2.45
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
<u>Water System</u>							
2025	\$ 69,609,969	32,427,987	37,181,982	3,619,676	586,850	4,206,526	8.84
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
<u>Parking Facilities</u>							
2025	\$ 15,650,463	8,775,794	6,874,669	3,155,000	897,638	4,052,638	1.70
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
<u>Solid Waste Management</u>							
2025	\$ 19,516,013	12,803,003	6,713,010	645,000	189,573	834,573	8.04
2024	18,173,372	11,886,493	6,286,879	620,000	203,867	823,867	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

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

	2025	2024	2023	Fiscal Year		2020	2019	2018	2017	2016
				2022	2021					
Cash & Investment Balance - September 1 of Year Indicated \$	158,645,560	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
Receipts:										
Property Tax	84,886,931	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
City Sales & Use Tax	109,336,318	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
Other Income	<u>61,568,159</u>	<u>63,787,462</u>	<u>51,338,511</u>	<u>42,269,505</u>	<u>75,934,678</u>	<u>38,283,948</u>	<u>38,650,878</u>	<u>38,470,133</u>	<u>37,291,708</u>	<u>37,383,280</u>
Total Receipts	255,791,408	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
Less Disbursements	<u>246,839,382</u>	<u>218,157,556</u>	<u>204,881,868</u>	<u>185,646,999</u>	<u>189,676,396</u>	<u>171,038,490</u>	<u>169,572,607</u>	<u>157,404,058</u>	<u>153,088,283</u>	<u>147,445,075</u>
Cash & Investment Balance - August 31 of Year Indicated \$	<u><u>167,597,586</u></u>	<u><u>158,645,560</u></u>	<u><u>127,653,430</u></u>	<u><u>105,302,663</u></u>	<u><u>82,176,145</u></u>	<u><u>45,270,259</u></u>	<u><u>42,032,717</u></u>	<u><u>\$ 44,336,245</u></u>	<u><u>40,447,532</u></u>	<u><u>38,315,059</u></u>

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

		2025	2024	2023	Fiscal Year		2020	2019	2018	2017	2016
					2022	2021					
Cash Balance -											
September 1 of Year Indicated	\$	2,702,098	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
Receipts:											
Property Tax		3,312,828	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
Interest Income		98,643	92,696	46,252	8,809	19,632	35,695	47,528	22,655	12,163	9,711
Bond Proceeds		-	-	-	-	-	5,186,389	-	5,016,382	-	-
Other Income		1,011	1,010	1,310	1,615	1,900	1,302,722	3,175	6,135	3,769	98,043
Total Receipts		<u>3,412,482</u>	<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>
Disbursements:											
Bonds Paid		2,625,000	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
Interest Paid		768,276	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
Transfer to Trustee		-	-	-	-	-	5,130,000	-	4,956,976	-	-
Other Disbursements		1,600	4,096	3,248	61,554	5,898	101,423	4,781	283,871	2,674	3,274
Total Disbursements		<u>3,394,876</u>	<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>
Cash Balance -											
August 31 of Year Indicated	\$	<u>2,719,704</u>	<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>

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

	2025	2024	2023	Fiscal Year 2022	2021	2020	2019	2018	2017	2016
Cash & Investment Balance - September 1 of Year Indicated \$	1,181,210	915,479	\$ 1,020,465	727,754	531,408	2,310,676	2,581,022	2,768,599	2,195,823	2,133,866
Receipts:										
Special Assessment Collections	1,697,237	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
Interest on Special Assessments	78,619	93,002	92,298	104,231	135,662	127,529	166,149	165,098	180,258	161,882
City's Share of Costs	1,498,039	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
Interest on Investments	54,295	40,713	20,486	7,536	10,365	38,939	50,283	34,326	21,763	18,537
Miscellaneous	-	-	-	-	-	-	-	-	301,716	188,457
Total Receipts	<u>3,328,190</u>	<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>
Disbursements:										
Construction Costs	1,537,143	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
Bonds Paid	225,000	215,000	210,000	205,000	195,000	190,000	190,000	180,000	180,000	175,000
Interest Paid on Bonds & Notes	60,870	67,623	74,100	80,340	86,163	91,725	95,773	99,448	102,923	106,123
Other Refunds & Expenses	<u>1,508,861</u>	<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>
Total Disbursements	<u>3,331,874</u>	<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>
Cash & Investment Balance - August 31 of Year Indicated \$	<u>1,177,526</u>	<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>

APPENDIX B

FINANCIAL STATEMENTS



Annual Comprehensive Financial Report

City of Lincoln, Nebraska Fiscal Year Ended August 31, 2025



CITY of LINCOLN

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**OF THE
CITY OF LINCOLN, NEBRASKA**

FOR THE FISCAL YEAR ENDED AUGUST 31, 2025

Prepared by:

The Accounting Division of the Finance Department

INTRODUCTORY SECTION

OFFICIALS OF THE CITY OF LINCOLN

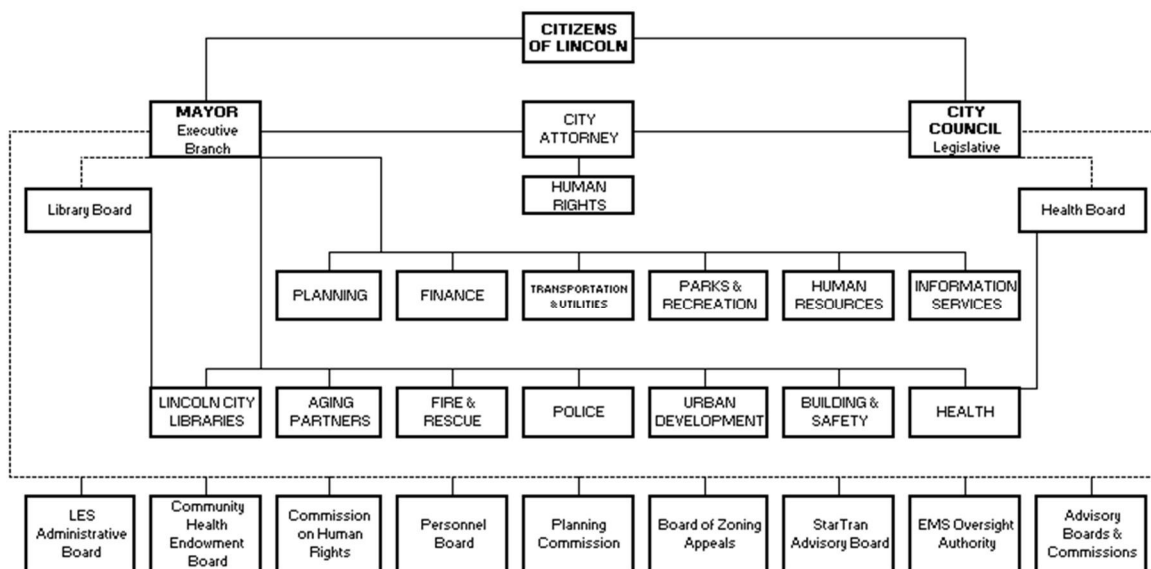
Leirion Gaylor Baird	Mayor
Justin Carlson	Chair, City Council
Brodey Weber.....	Vice Chair, City Council
James Michael Bowers	Council Member
Tom Duden.....	Council Member
Tom Beckius.....	Council Member
S�ndra Washington.....	Council Member
Bennie Shobe.....	Council Member

* * * * *

Joe Dondlinger	Finance Director
Randall Jones.....	Director of Aging Partners
David Cary	Planning Director
Maggie Stuckey-Ross.....	Director of Parks and Recreation
Emeka Anyanwu	Lincoln Electric System Chief Executive Officer
Daniel Marvin.....	Director of Urban Development
Ryan Wieber.....	Director of Libraries
Elizabeth Elliott.....	Director of Transportation & Utilities
David Cary (Interim)	Director of Building and Safety
Kerry Kernen.....	Health Director
Barb McIntyre	Human Resources Director
Yohance Christie	City Attorney
Michon Morrow	Chief of Police
David Engler.....	Fire Chief
Carl Steffen.....	Information Services Director

* * * * *

CITY OF LINCOLN ORGANIZATION CHART



CITY OF LINCOLN, NEBRASKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED AUGUST 31, 2025
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April 17, 2026

Dear Lincoln City Councilors and community members,

At its best, local government helps people coexist and reach their full human potential. The work we do is fundamental to freeing our neighbors from worry about the basics of city living so that they can pursue opportunities that build their lives and their families' futures.

A significant responsibility of our work is ensuring both fiscal and operational accountability in the use of public resources. To that end, this letter serves as an introduction to the City of Lincoln's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended August 31, 2025.

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 demonstrated by the unmodified audit opinion that follows.

I am proud to share that the Government Finance Officers Association recognized our 2024 ACFR with the prestigious Certificate of Achievement for Excellence in Financial Reporting—the 42nd consecutive year that the City of Lincoln has earned this designation. This award is a credit to the City and especially to the dedicated public servants in our Finance Department.

I appreciate our Finance team for their strong commitment to ensuring the accuracy of our public accounts and to personnel in all City departments for their cooperation in the preparation of this document. Their excellent work lays a solid foundation upon which we fulfill our vision of leading Lincoln toward a more successful, secure, and shared future.

Sincerely,

Leirion Gaylor Baird
Mayor



April 17, 2026

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, 2025, 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, 2025, 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 300,619, 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 2024 has been approximately 3.2% per year. The 2024 Census population of Lancaster County has been estimated to be in excess of 332,000 persons.

Lincoln has a healthy pace of expansions, growth, and a high quality of life. For example, Lincoln ranks the #2 The Best Cities for Working Families, the 6th Best State Capitals to Live in, and the Top 25 Best Places to Retire In.

Lincoln's unemployment rate at August 31, 2025, was 2.8%, well below the national average of 4.3%, with employment strongest in the categories of government, educational & health services, and retail trade. Lincoln's current value of construction permits is up 105% when compared to levels 5 years ago.

Net sales and use tax revenue increased \$8,489,545 or 7.0% from the previous fiscal year, of which \$753,960 comes from the continuation 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, Advanced Land Acquisition funds, Special Assessments, 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. It's anticipated that Que Place and University Square will have some restoration completed the Summer-Fall of 2026. Market Place, Larson Garage, Haymarket Square and Lumberworks to follow over the next few years.
 - 2) Elevator modernization at Carriage Park Garages will begin in 2025 and be completed in 2026. Cornhusker, Market Place and Haymarket Square to follow over the next few years.
 - 3) There will be a Downtown Parking Study completed in 2026; the previous study was completed in 2008 and an updated study is intended to ensure it coincides with the Downtown Master Plan. Study items that are prioritized for the City will be implemented over the next few years.

- 4) Create Digital Parking zones with pay stations, pay by cell and text to park for On-Street Parking areas in 2026.
 - 5) Parking will perform a parking feasibility study in 2026-2027 for the 1318 M Street area to see if there is a need and to get an estimated cost for demolishing the 1318 M Street garage and building a new parking garage.
 - 6) Selective streetscape improvements will be completed in 2026, including improvements to streetscape and entrances around the Carriage Park Garage.
 - 7) Façade and entryway improvements to University Square Garage will begin in 2026 and completed in 2027.
- Downtown Redevelopment Projects:
 - 1) Terminal Building Redevelopment
 - 2) Gold's Building Phase I Redevelopment
 - 3) Sharp Building Redevelopment Phase I
 - 4) Central Hotel Redevelopment
 - 5) Atrium Building Redevelopment
 - 6) Central at South Haymarket
 - 7) Project O Street and Music District Streetscape
 - 8) Downtown Corridors 9th and 10th Street
 - Antelope Valley Redevelopment Projects:
 - 1) 18N Apartments
 - 2) Hawley Historic Restoration Project
 - 3) Constellation Studios
 - South of Downtown Redevelopment
 - 1) Residential Rental Rehabilitation Program
 - 2) Center Terrace (13th & D)
 - University Place Redevelopment:
 - 1) 48th and Madison
 - 2) University Place Apartments
 - 3) 48th and Aylesworth
 - 4) 48th and Leighton Phase II
 - 5) University Place Commercial Corridor Façade Restoration and Streetscape enhancement Project
 - 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) 27th and Holdrege (SW Corner)
 - 4) Epworth Church
 - Belmont Redevelopment
 - 1) North 14th Street Bridge and Belmont Campus Project
 - Bishop Heights Redevelopment
 - Van Dorn Redevelopment
 - 1) Pedestrian Crossing at High Street

- Coyote/Finke Redevelopment
- NW 48th Street Redevelopment
 - 1) Woodside Village
- VA Victory Park Redevelopment
 - 1) Historic Hospital Residential Rehab
- Outer Area Redevelopment
 - 1) Lincoln Logistics
 - 2) Foxtail Meadows
 - 3) Kinney Industries
 - 4) 56th and Arbor
- Innovation Campus Redevelopment
- South Street Redevelopment
- College View Redevelopment
- North Cotner Redevelopment
- Other Streetscape Revitalization Projects:
 - 1) 16th Street Streetscape Improvements
 - 2) 21st and N Improvements related to Telegraph District and Constellation Studios
 - 3) Antelope Valley Streetscape Improvements on Antelope Valley Parkway and O Street
 - 4) 33rd and A Streetscape
 - 5) Select downtown alley repairs
 - 6) Rehabilitation of nodes and other streetscape

Ongoing and anticipated Livable Neighborhood projects include:

- Focus Area Plans
 - 1) 40th and Normal
 - 2) South Salt Creek
 - 3) Clinton
 - 4) Indian Village
- 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
- ✓ S. 40th Street/Rokeby/Tiger Lily area – multiple projects
- ✓ 70th & Saltillo area – two projects
- ✓ S. Folsom @ Foxtail Meadows
- ✓ Cotner/Adams/66th Intersection
- ✓ R Street, 50th to Cotner improvements
- ✓ Adams, 36th to 49th Street rehab
- ✓ 33rd and Cornhusker Hwy RTSD project
- ✓ A Street, multiple projects
- ✓ Calvert and 56th
- ✓ 84th and Cornhusker
- ✓ 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 & Fletcher trail project and West O trail project
- ✓ Arbor Road Water Main, Alvo to 40th Street, Phase I & II
- ✓ 112th & O Sewer, SV Sewer 14t & Saltillo, Blowdown pipeline N 56th
- ✓ BNSF PE project, NE Treatment digester project, Theresa Street sewer acquisitions & miscellaneous sanitary sewer upgrade projects
- ✓ Ashland Water Main issues
- ✓ Dead Man's Run, miscellaneous storm water improvement projects.
- ✓ Water 2.0: 98th Street water main, Holdrege to Alvo, Ashland Collector Wells 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 \$120,395,000 over the 5-year period of fiscal year 2025-26 through fiscal year 2029-30. 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 \$301,095,100 over the 5-year period of fiscal year 2025-26 through 2029-30. 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 2025-2030 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 \$139 million in City revenues, \$34 million in federal and state aid, and \$36 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, 2025, current tax collections by the County Treasurer were 96.31% of the tax levy, a decrease of less than 2% from last year. Allocations of property tax levy by purpose are as follows:

<u>City Tax Levy by Purpose</u>	<u>2024-2025</u>	<u>2023-2024</u>	<u>2022-2023</u>
General Fund	.22028	.22697	.22891
Library	.02968	.03002	.03518
Police and Fire Pension	.03839	.02923	.03472
General Obligation Debt	.00897	.00911	.01412
Total	<u>.29732</u>	<u>.29533</u>	<u>.31293</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, 2025, 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 increase in operating income. Comparative data for the past two fiscal years is presented in the following table:

<u>Wastewater System</u>	<u>2024-2025</u>	<u>2023-2024</u>
Operating Revenues	\$44,968,309	42,410,790
Operating Income	12,573,564	10,867,977
Revenue Available For Debt Service	26,907,011	27,177,047
Debt Service	10,982,243	10,973,890
Debt Service Coverage Ratio	2.45	2.48

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

<u>Water System</u>	<u>2024-2025</u>	<u>2023-2024</u>
Operating Revenues	\$63,151,414	57,890,884
Operating Income	20,795,016	19,350,274
Revenue Available For Debt Service	37,181,982	38,286,593
Debt Service	4,206,526	4,729,170
Debt Service Coverage Ratio	8.87	8.10

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, 2024, is included in the City's August 31, 2025, 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, 2024. This was the forty-second 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, 2024

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION

Independent Auditor's Report

The Honorable Mayor and City Council
City of Lincoln, Nebraska

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, 2025, 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, 2025, 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). 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the City of Lincoln, Nebraska adopted Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

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 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, 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 and budgetary comparison schedules 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 and budgetary comparison schedules 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.

Forvis Mazars, LLP

**Lincoln, Nebraska
April 17, 2026**

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, 2025. 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, 2025, by \$3,371,819,113 (net position). Of this amount, \$516,506,602 (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 \$315,010,184. Of this amount, \$125,192,233, or 40%, was an increase in governmental activities and \$189,817,951, or 60%, related to business-type activities. Please refer to the fund descriptions preceding the various combining statements (beginning on page 118) for information regarding constraints imposed on the City in spending available funds.
- As of August 31, 2025, the City's governmental funds reported combined ending fund balances of \$622,830,673 an increase of \$71,634,186 in comparison with the prior year. Of this total fund balance, 25%, or \$153,701,734 is available for spending at the City's discretion (unassigned fund balance).
- As of August 31, 2025, unrestricted fund balance (the total of committed, assigned, and unassigned fund balance) for the General Fund was \$201,041,197, or 99% of total General fund expenditures. Following the implementation of GASB Statement No. 54, reference must be made to pages 120-122 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 \$40,886,776 (4.09%) during the current fiscal year. The current year activity included the following: the City issued \$436,625 in Tax Allocation Bonds, \$13,900,000 in General Obligation Bonds, and \$17,325,000 Municipal Improvement Bonds.
- The City adopted Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* (GASB 101) as of September 1, 2024, the earliest period presented in the financial statements. The 2024 information presented in the Management's Discussion and Analysis below has not been restated for GASB 101.
- The City adopted Governmental Accounting Standards Board Statement No. 102, *Certain Risk Disclosures* (GASB 102) during the current fiscal year.

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, 2025. 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 55-113 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 114-116 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 118 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 \$3,371,819,113 at August 31, 2025.

City of Lincoln
Condensed Statements of Net Position
August 31, 2025 and 2024

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	\$ 789,055,247	733,056,639	546,662,182	545,524,203	1,335,717,429	1,278,580,842
Capital Assets	1,518,101,942	1,442,458,521	2,124,009,481	1,974,917,078	3,642,111,423	3,417,375,599
Total Assets	<u>2,307,157,189</u>	<u>2,175,515,160</u>	<u>2,670,671,663</u>	<u>2,520,441,281</u>	<u>4,977,828,852</u>	<u>4,695,956,441</u>
Deferred Outflows of Resources	28,474,971	26,622,059	12,764,924	16,664,921	41,239,895	43,286,980
Long-Term Liabilities Outstanding	593,920,488	567,092,900	758,144,532	805,868,431	1,352,065,020	1,372,961,331
Other Liabilities	55,666,402	64,075,092	173,003,876	150,294,775	228,670,278	214,369,867
Total Liabilities	<u>649,586,890</u>	<u>631,167,992</u>	<u>931,148,408</u>	<u>956,163,206</u>	<u>1,580,735,298</u>	<u>1,587,331,198</u>
Deferred Inflows of Resources	22,325,214	24,422,385	44,189,122	62,881,678	66,514,336	87,304,063
Net Position:						
Net Investment in Capital Assets	1,124,779,742	1,034,156,868	1,391,650,089	1,212,363,535	2,516,429,831	2,246,520,403
Restricted	302,290,082	277,061,518	36,592,598	35,351,896	338,882,680	312,413,414
Unrestricted	236,650,232	235,328,456	279,856,370	270,345,887	516,506,602	505,674,343
Total Net Position	<u>\$ 1,663,720,056</u>	<u>1,546,546,842</u>	<u>1,708,099,057</u>	<u>1,518,061,318</u>	<u>3,371,819,113</u>	<u>3,064,608,160</u>

By far the largest portion of the City's net position (75%) 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 (15%) may be used to meet the government's ongoing obligations to citizens and creditors.

At August 31, 2025, 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, 2025 and 2024

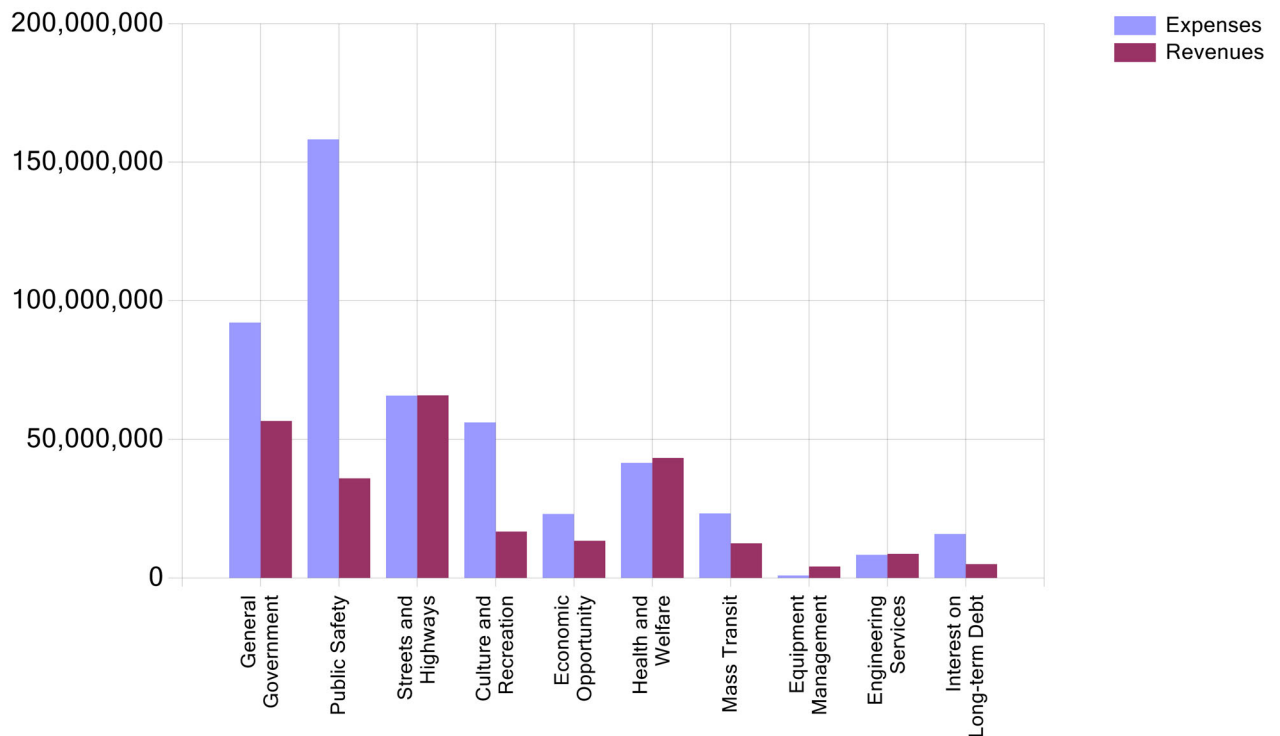
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues:						
Charges for Services	\$ 94,018,587	96,250,810	526,305,148	487,451,560	620,323,735	583,702,370
Operating Grants and Contributions	114,392,683	123,445,439	1,232,552	2,139,156	115,625,235	125,584,595
Capital Grants and Contributions	53,804,115	11,199,694	86,360,032	36,498,059	140,164,147	47,697,753
General Revenues:						
Property Tax	112,306,277	106,664,440	-	-	112,306,277	106,664,440
Sales and Use Tax	128,655,180	120,165,635	-	-	128,655,180	120,165,635
Occupation Tax	29,528,366	30,051,413	5,985,901	5,992,413	35,514,267	36,043,826
Other Taxes	31,106,975	30,270,783	-	-	31,106,975	30,270,783
Unrestricted Grants and Contributions	32,280	31,926	-	-	32,280	31,926
Unrestricted Investment Earnings (Loss)	20,582,454	23,773,558	15,440,581	23,015,666	36,023,035	46,789,224
Other	8,345,546	2,162,600	24,986,519	22,458,145	33,332,065	24,620,745
Total Revenues	592,772,463	544,016,298	660,310,733	577,554,999	1,253,083,196	1,121,571,297
Expenses:						
General Government	92,049,086	96,074,091	-	-	92,049,086	96,074,091
Public Safety	158,203,918	144,514,723	-	-	158,203,918	144,514,723
Streets and Highways	65,830,431	51,107,102	-	-	65,830,431	51,107,102
Culture and Recreation	56,147,135	50,301,257	-	-	56,147,135	50,301,257
Economic Opportunity	23,072,313	27,201,218	-	-	23,072,313	27,201,218
Health and Welfare	41,537,254	39,345,040	-	-	41,537,254	39,345,040
Mass Transit	23,280,164	23,408,298	-	-	23,280,164	23,408,298
Equipment Management	866,842	833,572	-	-	866,842	833,572
Engineering Services	8,366,252	7,096,334	-	-	8,366,252	7,096,334
Interest on Long-Term Debt	15,861,260	15,457,325	-	-	15,861,260	15,457,325
Golf	-	-	6,000,574	5,492,500	6,000,574	5,492,500
Parking System	-	-	12,485,801	12,303,448	12,485,801	12,303,448
Municipal Arena	-	-	13,221,526	14,494,565	13,221,526	14,494,565
Solid Waste Management	-	-	17,688,677	15,919,408	17,688,677	15,919,408
Emergency Medical Services	-	-	10,592,041	11,452,030	10,592,041	11,452,030
Broadband Enterprise	-	-	2,910,714	2,739,867	2,910,714	2,739,867
Wastewater System	-	-	34,902,370	35,005,370	34,902,370	35,005,370
Water System	-	-	42,379,104	39,156,972	42,379,104	39,156,972
Electric System	-	-	313,452,000	299,749,000	313,452,000	299,749,000
Total Expenses	485,214,655	455,338,960	453,632,807	436,313,160	938,847,462	891,652,120
Increase in Net Position Before Transfers	107,557,808	88,677,338	206,677,926	141,241,839	314,235,734	229,919,177
Transfers	17,634,425	17,419,648	(16,859,975)	(16,752,978)	774,450	666,670
Increase in Net Position	125,192,233	106,096,986	189,817,951	124,488,861	315,010,184	230,585,847
Net Position - Beginning (As Previously Reported)	1,546,546,842	1,440,449,856	1,518,061,318	1,393,572,457	3,064,608,160	2,834,022,313
Restatement	(8,019,019)	-	219,788	-	(7,799,231)	-
Net Position - Beginning (As Restated)	1,538,527,823	1,440,449,856	1,518,281,106	1,393,572,457	3,056,808,929	2,834,022,313
Net Position - Ending	\$ 1,663,720,056	\$ 1,546,546,842	\$ 1,708,099,057	\$ 1,518,061,318	\$ 3,371,819,113	\$ 3,064,608,160

GOVERNMENTAL ACTIVITIES

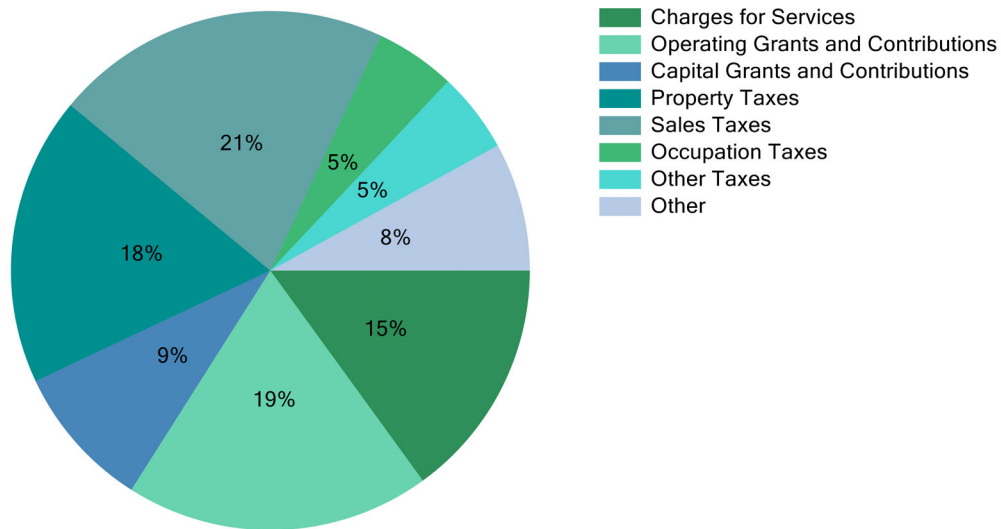
Governmental activities increased the City's net position by \$125,192,233, accounting for 40% of the total growth in the net position of the City of Lincoln. Key elements of this increase are as follows:

- Capital Grants and Contributions increased approximately \$42.6 million (380%) in 2025 primarily approximately \$19.4 million was in Public Safety and \$19.3 million was in Streets and Highways. This increase was due to contributed capital from the State of Nebraska projects as well as an increase of approximately \$14 million in developer contributions.
- Property Tax increased \$5.6 million (5.3%) in 2025 mainly to do with increased construction and buildings and valuations.
- Unrestricted investment earnings decreased by approximately \$3.2 million during 2025 due to fair value changes from interest rates. The investment portfolio yield as of August 31, 2025 was 4.0850 and as of August 31, 2024 was 4.7717.
- Total governmental expenses for Public Safety increased by approximately \$13.7 million during 2025. This increase in expense amount was mainly related to implementing GASB 101 for compensated absences.
- Total government expenses for Streets and Highways increased by approximately \$14.7 million during 2025. This increase in expense amount was mainly related to capital projects.

Expenses and Program Revenues - Governmental Activities



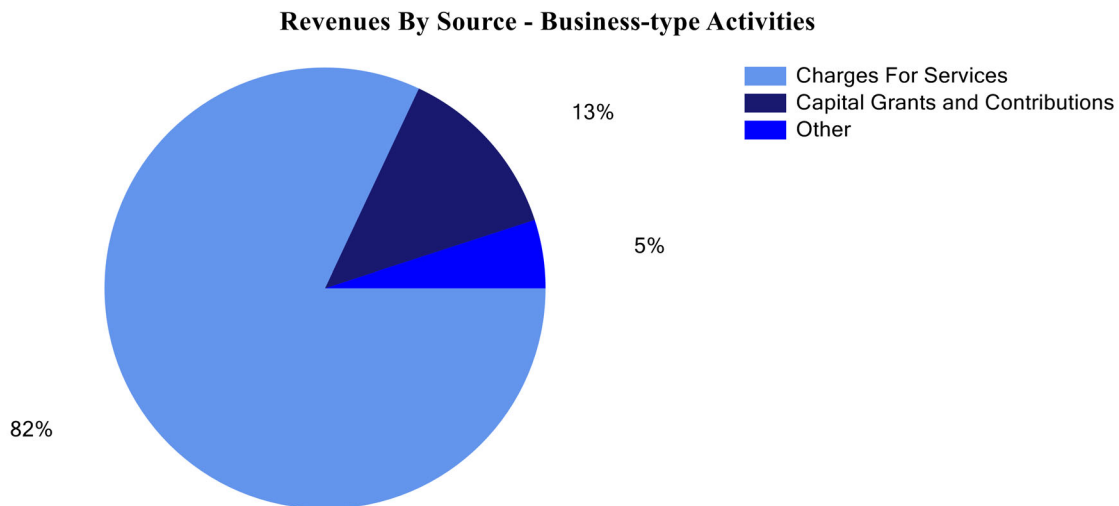
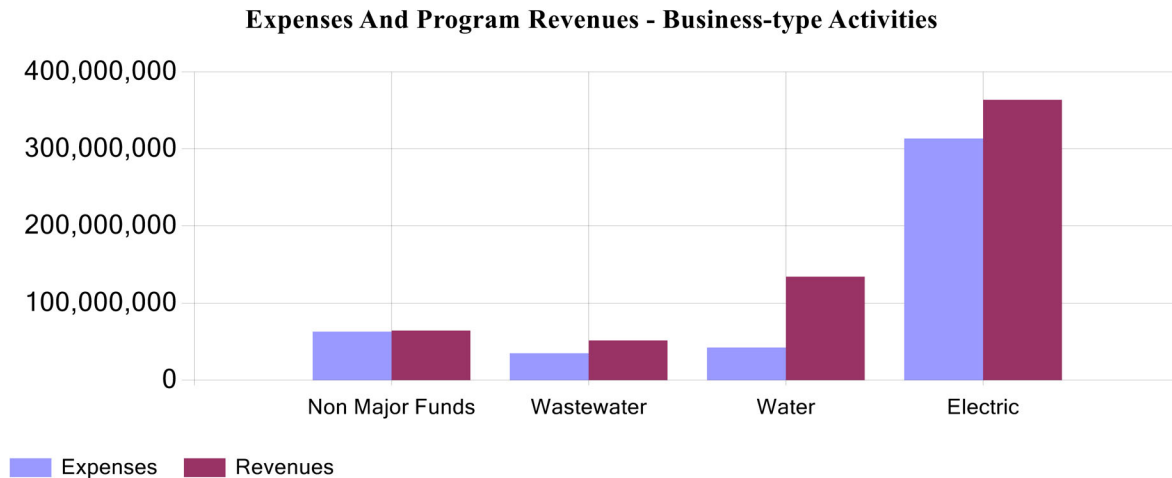
Revenues By Source - Governmental Activities



BUSINESS-TYPE ACTIVITIES

Business-type activities increased the City's net position by \$189,817,951, accounting for 60% 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 2024 was up 9.4% from 2023. Retail revenue was 3.6% higher due to higher energy rates. Wholesale revenue was up 51.6% due primarily to partial recognition of Winter Storm Uri's deferred revenue. Operating expenses in 2024 was up 4.3% from 2023. Purchased power and produced power expenses were up 0.5% primarily due to higher maintenance expenses at the Terry Bundy & Rokeby generation plants. Depreciation and amortization expenses were up 0.8% primarily due to an increase in utility plant assets being depreciated. Administrative and general expenses were up 13.1%, primarily due to increased payroll related costs and the customer portal project in 2024. Operations and maintenance expenses were up 7.7% due to higher transmission expenses.
- Lincoln Wastewater and Water Systems reported an increase in Operating Revenues due to a November 1, 2024 rate increase.
- Lincoln Wastewater System reported an increase in current assets due to an increase in the equity in pooled cash and investments in 2025.
- Lincoln Wastewater and Water Systems reported a decrease in liabilities primarily due to debt service payments made during the year.
- Lincoln Water System 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 (ARPA) funding.
- Lincoln Water System reported an increase in capital assets due to capital asset purchases exceeding the annual depreciation expense in 2025.
- Lincoln Water System reported an increase in grant revenues due to the receipt of ARPA Grant funds for a future second Lincoln water source.
- Lincoln Water System reported an increase in operating expenses associated with the Lead Service Lines program.



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, 2025, the City's governmental funds reported combined ending fund balances of \$622,830,673, an increase of \$71,634,186 in comparison with the prior year. Of this total amount, 25% 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 (\$2,628,806), legally required to be maintained intact (\$37,160,000), restricted for particular purposes (\$297,146,633), committed for particular purposes (\$312,717), or assigned for particular purposes (\$131,880,783).

The General Fund is the chief operating fund of the City. At August 31, 2025, the unrestricted fund balance of the General Fund was \$201,041,197, while total fund balance reached \$203,635,174. 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 99% of total General Fund expenditures, while total fund balance represents 100% of that same amount.

The fund balance of the City's General Fund increased by \$10,450,682 during 2025.

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 \$115,577,675, which is to be used in the construction and maintenance of streets and highways. The net increase in fund balance during 2025 in the Street Construction Fund was \$25,617,721, with total revenues showing a 9.55% increase and capital construction expenses showing a 2.54% increase.

The Federal Grants Fund has a total fund balance of \$22,685,623, which is to be used towards federal expenditures. The net increase in fund balance during 2025 in the Federal Grants Fund was \$1,874,567.

The West Haymarket JPA Fund had a fund balance of \$46,813,173, 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 a decrease of \$(2,781,778). 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 \$41,178,514, \$110,865,432, \$134,379,000 and \$(6,566,576), respectively, at August 31, 2025 (December 31, 2024 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:

- \$179,902 increase to reimbursement for services.

Expenditure appropriations:

- \$495,285 decrease in general government miscellaneous activities.
- \$2,638,838 decrease in public safety.

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

- \$11,986,232 positive variance in real estate and personal property tax. Estimated tax revenue is based on 90% collections as provided by the City Charter.

- \$8,336,318 positive variance in taxes collected by others. City Sales and Use Tax came in \$8.3M higher than anticipated.
- \$18,817,738 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 2024/2025. However, the funds were not fully expended in this fiscal year and will be carried over into next fiscal year.
- \$17,831,351 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, 2025, amounts to \$3,642,111,423 (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 2025 was 6.6% (5.2% increase for governmental activities and 7.5% increase for business-type activities).

Major capital asset events during 2025 included the following:

- The City increased its investment in infrastructure, including streets, bridges, drainage and traffic systems, in excess of \$80 million.
- The Health department is continuing construction of their renovation and upgrade which total costs in 2025 was approximately \$5.4 million.
- StarTran, the City's mass transit system purchased paratransit vehicles for approximately \$3.3 million and began a new Multi-Modal Transportation Center in construction in progress (CIP) that accounted for approximately \$1.4 million of expenditures.
- The Fire department completed construction work, with additional project costs, on Station 8 that accounted for almost \$4.6 million of expenditures. The station was put in service in February 2025.
- LES' share of capital improvements at Laramie River Station and Walter Scott Energy Center for 2024 were \$6,116,000 and \$2,193,000, respectively.
- LES costs for Underground Relocations in 2024 totaled \$5,117,000. 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 2024 totaled \$6,477,000. This project installs primary and secondary extensions to new homes, residential developments and apartment complexes.
- Costs for Overhead Rebuilds in 2024 totaled \$6,009,000. This project is for the replacement or removal of deteriorated or obsolete facilities.
- Capital costs for the replacement of the 57th & Garland transformer totaled \$5,281,000 in 2024.
- Capital improvements at Terry Bundy Generating Station resulted in \$9,010,000 in capital costs in 2024.
- Significant work on the Walter A. Canney Service Center's HVAC and electrical systems took place in 2024 totaling \$9,119,000. The project is set to be completed in 2026, with the total project cost estimated to be \$18,700,000.
- Costs for Underground Rebuilds in 2024 totaled \$4,486,000. This project rebuilds existing underground systems due to age, deterioration, or other factors.
- Costs for Underground Commercial Extension/Development in 2024 totaled \$2,983,000. This project installs primary and secondary extensions for new or existing commercial customers.
- Lincoln Water System 2025 capital assets activity included annual selected water main replacements and Water 2.0 infrastructure in construction in progress (CIP).

City Of Lincoln
Capital Assets (net of depreciation and amortization)
August 31, 2025 and 2024

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 176,986,232	174,384,096	35,725,632	33,911,942	212,711,864	208,296,038
Buildings	307,106,431	291,234,071	149,331,076	145,406,022	456,437,507	436,640,093
Improvements Other Than Buildings	86,383,032	87,085,876	777,880,987	704,845,414	864,264,019	791,931,290
Machinery and Equipment	73,607,445	71,397,918	29,935,271	29,125,594	103,542,716	100,523,512
Utility Plant	-	-	902,034,000	905,406,000	902,034,000	905,406,000
Infrastructure	734,686,132	627,249,180	-	-	734,686,132	627,249,180
Construction-in-progress	132,155,609	188,033,132	222,277,119	151,173,685	354,432,728	339,206,817
Lease Assets	1,233,035	1,000,362	3,477,572	3,229,368	4,710,607	4,229,730
Software Subscriptions	5,944,026	2,073,886	3,347,824	1,819,053	9,291,850	3,892,939
Total	<u>\$ 1,518,101,942</u>	<u>1,442,458,521</u>	<u>2,124,009,481</u>	<u>1,974,917,078</u>	<u>3,642,111,423</u>	<u>3,417,375,599</u>

Additional information on the City's capital assets can be found in Note 7 of the notes to the financial statements on pages 75-78 of this report.

LONG-TERM DEBT

At August 31, 2025, the City of Lincoln had total bonded debt outstanding of \$1,000,010,000. Of this amount, \$386,295,000 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, 2025 and 2024

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds	\$ 386,295,000	\$ 376,551,776	-	-	386,295,000	376,551,776
Revenue Bonds	-	-	613,715,000	664,345,000	613,715,000	664,345,000
Total	<u>\$ 386,295,000</u>	<u>376,551,776</u>	<u>613,715,000</u>	<u>664,345,000</u>	<u>1,000,010,000</u>	<u>1,040,896,776</u>

- The City's total bonded debt decreased by \$40,886,776 (4.09%) during the current fiscal year.

The City maintains the following credit ratings:

	Moody's Investors Service	Standard & Poor's	Fitch Investors Service
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 79-88 of this report.

ECONOMIC FACTORS AND FUTURE BUDGETS AND RATES

- In August 2024, the Lincoln City Council approved a 5% revenue increase effective November 2025 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 \$120,395,000 to fund capital improvements for Wastewater and \$301,095,100 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 2025-2026 budget increased \$8,712,095 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. In April of 2025 Lincoln voters approved a continuation of the 0.25% sales tax. The continued tax began on October 1, 2025, and is scheduled to end on October 1, 2033.
- The City negotiates with six different bargaining units. Three contracts will expire in August 2026, two will expire in August 2027, and one will expire in August 2028.

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, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 81,975,915	\$ 58,608,151	\$ 140,584,066
Investments	574,444,856	184,806,213	759,251,069
Receivables, (Net of Allowance for Uncollectibles)	60,189,780	98,580,204	158,769,984
Internal Balances	(17,142,058)	17,142,058	-
Due from Other Governments	42,302,536	32,847,594	75,150,130
Inventories	3,832,626	39,935,754	43,768,380
Plant Operation Assets	-	21,534,000	21,534,000
Prepaid Items	1,488,332	6,154,173	7,642,505
Other Assets	4,803,260	9,204,822	14,008,082
Restricted Assets:			
Cash and Cash Equivalents	-	17,227,345	17,227,345
Investments	37,160,000	59,116,599	96,276,599
Receivables	-	1,505,269	1,505,269
Capital Assets:			
Non-depreciable	309,141,841	258,002,751	567,144,592
Depreciable (Net)	1,201,783,040	1,859,181,334	3,060,964,374
Lease Assets:			
Lease Assets, net	1,233,035	3,477,572	4,710,607
Subscriptions Assets:			
Subscriptions Assets, net	5,944,026	3,347,824	9,291,850
Total Capital Assets, Net	<u>1,518,101,942</u>	<u>2,124,009,481</u>	<u>3,642,111,423</u>
Total Assets	<u>2,307,157,189</u>	<u>2,670,671,663</u>	<u>4,977,828,852</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Loss on Refunding	1,866,306	7,736,608	9,602,914
Deferred Outflows for Pension	23,455,373	1,686,202	25,141,575
Deferred Outflows for OPEB	3,153,292	369,114	3,522,406
Deferred Costs for Asset Retirement Obligations	-	2,973,000	2,973,000
Total Deferred Outflows of Resources	<u>28,474,971</u>	<u>12,764,924</u>	<u>41,239,895</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	27,720,126	50,178,727	77,898,853
Accrued Liabilities	10,045,661	40,731,398	50,777,059
Due to Other Governments	834,682	641,717	1,476,399
Unearned Revenue	12,966,135	9,151,598	22,117,733
Commercial Paper	-	65,500,000	65,500,000
Accrued Interest Payable	4,099,798	6,800,436	10,900,234
Noncurrent Liabilities:			
Payable within One Year	54,047,019	61,074,426	115,121,445
Payable in More Than One Year	539,873,469	697,070,106	1,236,943,575
Total Liabilities	<u>649,586,890</u>	<u>931,148,408</u>	<u>1,580,735,298</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Beneficial Interest Revenue	3,064,495	-	3,064,495
Deferred Gain on Refunding	312,513	-	312,513
Reductions of Future Billings	-	18,132,000	18,132,000
Deferred Inflows for Pension	758,871	416,885	1,175,756
Deferred Inflows for OPEB	8,522,363	997,604	9,519,967
Deferred Inflows for Leases	9,666,972	24,642,633	34,309,605
Total Deferred Inflows of Resources	<u>22,325,214</u>	<u>44,189,122</u>	<u>66,514,336</u>
NET POSITION			
Net Investment in Capital Assets	1,124,779,742	1,391,650,089	2,516,429,831
Restricted for:			
Debt Service	9,677,044	15,160,577	24,837,621
Capital Projects	166,541,899	18,675,021	185,216,920
Grantor Loan Programs	24,016,000	-	24,016,000
Other	18,975,981	2,757,000	21,732,981
Trust Donations:			
Expendable	3,831,118	-	3,831,118
Nonexpendable	160,000	-	160,000
Health Care:			
Expendable	42,088,040	-	42,088,040
Nonexpendable	37,000,000	-	37,000,000
Unrestricted	<u>236,650,232</u>	<u>279,856,370</u>	<u>516,506,602</u>
Total Net Position	<u>\$ 1,663,720,056</u>	<u>\$ 1,708,099,057</u>	<u>\$ 3,371,819,113</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, 2025

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	\$ 92,049,086	\$ 49,485,314	\$ 4,850,301	\$ 2,313,504	\$ (35,399,967)	\$ -	\$ (35,399,967)
Public Safety	158,203,918	8,740,656	6,737,095	20,485,702	(122,240,465)	-	(122,240,465)
Streets and Highways	65,830,431	3,015,511	38,205,466	24,698,606	89,152	-	89,152
Culture and Recreation	56,147,135	8,709,051	6,899,447	1,094,472	(39,444,165)	-	(39,444,165)
Economic Opportunity	23,072,313	263,327	10,672,352	2,463,069	(9,673,565)	-	(9,673,565)
Health and Welfare	41,537,254	6,358,893	35,205,929	1,764,608	1,792,176	-	1,792,176
Mass Transit	23,280,164	4,016,601	8,470,022	-	(10,793,541)	-	(10,793,541)
Equipment Management	866,842	4,111,910	-	-	3,245,068	-	3,245,068
Engineering Services	8,366,252	8,687,056	-	14,544	335,348	-	335,348
Interest on Long-Term Debt	15,861,260	630,268	3,352,071	969,610	(10,909,311)	-	(10,909,311)
Total Governmental Activities	485,214,655	94,018,587	114,392,683	53,804,115	(222,999,270)	-	(222,999,270)
Business-Type Activities:							
Golf	6,000,574	7,250,362	208	918,264	-	2,168,260	2,168,260
Parking System	12,485,801	15,467,214	-	-	-	2,981,413	2,981,413
Municipal Arena	13,221,526	12,354,327	-	248,637	-	(618,562)	(618,562)
Solid Waste Management	17,688,677	12,834,286	(2,588)	549,875	-	(4,307,104)	(4,307,104)
Emergency Medical Services	10,592,041	12,482,328	-	-	-	1,890,287	1,890,287
Broadband Enterprise	2,910,714	118,948	100,543	2,023,127	-	(668,096)	(668,096)
Wastewater System	34,902,370	43,704,776	1,132,606	6,611,890	-	16,546,902	16,546,902
Water System	42,379,104	62,275,907	1,783	72,127,239	-	92,025,825	92,025,825
Electric System	313,452,000	359,817,000	-	3,881,000	-	50,246,000	50,246,000
Total Business-Type Activities	453,632,807	526,305,148	1,232,552	86,360,032	-	160,264,925	160,264,925
Total	\$ 938,847,462	\$ 620,323,735	\$ 115,625,235	\$ 140,164,147	(222,999,270)	160,264,925	(62,734,345)
General Revenues:							
Property Tax					112,306,277	-	112,306,277
Motor Vehicle Tax					7,969,757	-	7,969,757
Wheel Tax					20,590,430	-	20,590,430
Sales and Use Tax					128,655,180	-	128,655,180
Turnback Tax					2,505,625	-	2,505,625
Sundry and In Lieu Tax					41,163	-	41,163
Occupational Tax					29,528,366	5,985,901	35,514,267
Unrestricted Grants and Contributions					32,280	-	32,280
Unrestricted Investment Earnings					20,582,454	15,440,581	36,023,035
Miscellaneous General Revenues					7,986,086	24,923,219	32,909,305
Gain on Sale of Capital Assets					359,460	63,300	422,760
Transfers					17,634,425	(16,859,975)	774,450
Total General Revenues and Transfers					348,191,503	29,553,026	377,744,529
Change in Net Position					125,192,233	189,817,951	315,010,184
Net Position - Beginning as previously reported					1,546,546,842	1,518,061,318	3,064,608,160
Restatement					(8,019,019)	219,788	(7,799,231)
Net Position - Beginning as restated					1,538,527,823	1,518,281,106	3,056,808,929
Net Position - Ending					\$ 1,663,720,056	\$ 1,708,099,057	\$ 3,371,819,113

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

CITY OF LINCOLN, NEBRASKA

BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2025

	General Fund	Street Construction Fund	West Haymarket JPA Fund	Federal Grants Fund	Other Governmental Funds	Total
ASSETS						
Cash and Cash Equivalents	\$ 28,435,055	\$ 10,905,747	\$ 5,326,776	\$ 1,747,110	\$ 26,607,964	\$ 73,022,652
Investments	166,172,557	85,015,893	44,722,576	3,937,305	241,677,459	541,525,790
Receivables, (Net of Allowance for Uncollectibles)	19,271,274	2,452,705	4,252,659	25,380,325	5,939,488	57,296,451
Due from Other Funds	2,835,674	21,278,894	180,758	-	2,833,148	27,128,474
Due from Other Governments	21,197,512	7,167,766	693,495	5,875,760	6,726,162	41,660,695
Inventories	56,490	602,956	-	-	1,652,400	2,311,846
Beneficial Interest Asset	-	-	-	-	3,064,495	3,064,495
Assets Held for Resale	-	-	1,738,765	-	-	1,738,765
Prepaid Items	149,701	-	157,842	-	-	307,543
Total Assets	<u>\$ 238,118,263</u>	<u>\$ 127,423,961</u>	<u>\$ 57,072,871</u>	<u>\$ 36,940,500</u>	<u>\$ 288,501,116</u>	<u>\$ 748,056,711</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts Payable	5,541,635	8,889,201	284,253	2,653,793	4,495,584	21,864,466
Contracts Payable	-	847,790	-	538,136	11,419	1,397,345
Accrued Liabilities	5,460,064	315,221	183,000	889,593	2,064,694	8,912,572
Due to Other Funds	10,393,313	842,289	759,903	1,531,904	38,632,280	52,159,689
Due to Other Governments	133,191	210,050	351,254	1,232	138,869	834,596
Due to Other Contractors	-	-	-	-	2,596,087	2,596,087
Unearned Revenue	185,522	1	6,897,709	5,653,097	213,836	12,950,165
Total Liabilities	<u>21,713,725</u>	<u>11,104,552</u>	<u>8,476,119</u>	<u>11,267,755</u>	<u>48,152,769</u>	<u>100,714,920</u>
Deferred Inflows of Resources:						
Unavailable Revenues	5,018,244	741,734	1,105,934	2,987,122	3,158,214	13,011,248
Beneficial Interest Revenue	-	-	-	-	3,064,495	3,064,495
Deferred Inflow for Leases	7,751,120	-	677,645	-	6,610	8,435,375
Total Deferred Inflows of Resources	<u>12,769,364</u>	<u>741,734</u>	<u>1,783,579</u>	<u>2,987,122</u>	<u>6,229,319</u>	<u>24,511,118</u>
Fund Balances:						
Nonspendable	215,608	602,956	157,842	-	38,812,400	39,788,806
Restricted	2,378,369	114,779,506	3,374,618	24,016,000	152,598,140	297,146,633
Committed	-	-	-	-	312,717	312,717
Assigned	45,064,154	195,213	43,280,713	94,629	43,246,074	131,880,783
Unassigned	155,977,043	-	-	(1,425,006)	(850,303)	153,701,734
Total Fund Balances	<u>203,635,174</u>	<u>115,577,675</u>	<u>46,813,173</u>	<u>22,685,623</u>	<u>234,119,028</u>	<u>622,830,673</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 238,118,263</u>	<u>\$ 127,423,961</u>	<u>\$ 57,072,871</u>	<u>\$ 36,940,500</u>	<u>\$ 288,501,116</u>	<u>\$ 748,056,711</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.	1,473,828,050
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.	13,011,248
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.	102,110,946
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(548,277,162)
Net position of governmental activities	<u>\$ 1,663,720,056</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, 2025

	General Fund	Street Construction Fund	West Haymarket JPA Fund	Federal Grants Fund	Other Governmental Funds	Total
REVENUES						
Taxes:						
Property	\$ 80,578,077	\$ -	\$ -	\$ -	\$ 31,344,762	\$ 111,922,839
Motor Vehicle	7,969,757	-	-	-	-	7,969,757
Wheel	-	-	-	-	20,590,431	20,590,431
Sales and Use	109,891,604	-	-	-	18,763,577	128,655,181
Turnback	-	-	-	-	2,505,626	2,505,626
Sundry and In Lieu	32,720	-	-	-	8,443	41,163
Occupation	4,651,274	-	23,035,979	-	1,841,113	29,528,366
Special Assessment	27,218	-	-	-	1,791,139	1,818,357
Intergovernmental	8,819,632	38,844,692	3,368,711	47,108,416	15,862,750	114,004,201
Permits and Fees	7,759,338	4,217,487	6,295	84,679	17,058,714	29,126,513
Reimbursement for Services	9,950,184	5,353	10,321,429	1,319,866	559,783	22,156,615
Court Settlements	-	-	-	-	-	-
Program Income	-	-	-	46,391	-	46,391
Investment Earnings	8,390,925	4,753,788	1,979,079	304,993	12,026,482	27,455,267
Donations	648,236	-	-	100,676	1,854,467	2,603,379
Keno Proceeds	-	-	-	-	7,369,699	7,369,699
Private Sector Share of Projects	-	2,156,763	-	-	2,469,053	4,625,816
Miscellaneous	1,339,236	-	15,221	310,985	415,543	2,080,985
Total Revenues	240,058,201	49,978,083	38,726,714	49,276,006	134,461,582	512,500,586
EXPENDITURES						
Current:						
General Government	53,979,111	-	11,358,828	1,786,084	17,183,210	84,307,233
Public Safety	104,839,859	-	-	11,117,366	9,578,622	125,535,847
Streets and Highways	6,492,580	26,972,370	-	-	110	33,465,060
Culture and Recreation	22,448,636	-	-	701,833	13,509,723	36,660,192
Economic Opportunity	3,396,085	-	-	14,034,485	686,738	18,117,308
Health and Welfare	4,550,031	-	-	19,388,354	23,187,869	47,126,254
Equipment Maintenance	62,630	-	-	-	-	62,630
Mass Transit	-	-	-	249,980	24,518,021	24,768,001
Bond Retirement	5,340,000	-	10,240,000	-	9,068,435	24,648,435
Interest	1,633,637	111,200	13,044,272	-	2,862,316	17,651,425
Leases and SBITA Principal	157,664	-	99,676	27,776	222,832	507,948
Leases and SBITA Interest	45,035	-	-	2,646	442	48,123
Fiscal Charges	6,912	61	2,720	-	5,647	15,340
Developer Purchased TIF Payments	119,267	-	-	-	4,549,288	4,668,555
Exp_Miscellaneous	219,479	23,200	-	21,795	122,159	386,633
Capital Outlay:						
General Government	-	-	7,741,094	-	1,217	7,742,311
Public Safety	-	2,527,039	-	-	7,970,013	10,497,052
Streets and Highways	-	37,200,570	-	-	2,009,570	39,210,140
Culture and Recreation	-	-	-	-	9,990,567	9,990,567
Economic Opportunity	-	-	-	-	8,177,261	8,177,261
Health & Welfare	-	-	-	-	601,385	601,385
Utility Services	-	2,532	-	-	-	2,532
Total Expenditures	203,290,926	66,836,972	42,486,590	47,330,319	134,245,425	494,190,232
Excess (Deficiency) of Revenues Over (Under) Expenditures	36,767,275	(16,858,889)	(3,759,876)	1,945,687	216,157	18,310,354
OTHER FINANCING SOURCES (USES)						
Transfers In	21,458,809	40,514,604	600,000	3,348,514	60,148,303	126,070,230
Transfers Out	(56,093,776)	(4,204,991)	-	(3,493,263)	(44,146,546)	(107,938,576)
Issuance of Debt	8,020,000	5,810,000	-	-	17,831,625	31,661,625
Premium on Debt Issued	278,199	356,997	-	-	1,092,949	1,728,145
Leases	-	-	378,098	67,629	-	445,727
Subscriptions	-	-	-	-	1,140,810	1,140,810
Sale of Capital Assets	20,175	-	-	6,000	189,696	215,871
Total Other Financing Sources (Uses)	(26,316,593)	42,476,610	978,098	(71,120)	36,256,837	53,323,832
Net Change in Fund Balances	10,450,682	25,617,721	(2,781,778)	1,874,567	36,472,994	71,634,186
Fund Balances - Beginning of Year	193,184,492	89,959,954	49,594,951	20,811,056	197,646,034	551,196,487
Fund Balances - Ending	\$ 203,635,174	\$ 115,577,675	\$ 46,813,173	\$ 22,685,623	\$ 234,119,028	\$ 622,830,673

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, 2025

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

Net change in fund balances - total governmental funds	\$ 71,634,186
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	29,760,681
The net effect of various transactions involving capital contributions is to increase net position.	41,549,279
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.	5,565,711
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.	(6,326,170)
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.	(17,292,914)
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.	(3,646,952)
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>3,948,412</u>
Change in net position of governmental activities	<u>\$ 125,192,233</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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Revenues:				
Real Estate and Personal Property Tax	\$ 76,518,422	76,518,422	88,504,654	11,986,232
Taxes Collected by Others	101,000,000	101,000,000	109,336,318	8,336,318
Sundry Taxes and In Lieu	29,710	29,710	34,682	4,972
Occupation Taxes	4,706,350	4,706,350	4,850,767	144,417
Intergovernmental	4,452,004	4,452,004	4,379,949	(72,055)
Permits and Fees	6,784,200	6,784,200	6,800,290	16,090
Reimbursement for Services	4,856,008	5,035,910	5,877,792	841,882
Court Fees	90,000	90,000	104,315	14,315
Recreation Receipts	2,668,219	2,668,219	2,570,819	(97,400)
Investment Earnings (Loss)	15,728,201	15,728,201	(482,498)	(16,210,699)
Donations	670,167	670,167	633,865	(36,303)
Client Contributions	169	169	169	-
Rental Income	712,519	712,519	835,908	123,389
Miscellaneous	706,535	706,535	1,016,017	309,482
Total Revenues	218,922,504	219,102,406	224,463,047	5,360,641
Expenditures:				
General Government:				
Legislative	711,197	711,197	303,982	407,215
Executive	3,075,918	3,075,918	2,504,611	571,307
Financial Administration	5,574,812	5,574,812	4,538,637	1,036,175
Law	4,281,633	4,360,646	3,714,507	646,139
Personnel Administration	3,017,754	3,017,754	2,790,740	227,014
Planning and Zoning	2,577,896	2,577,896	2,415,542	162,354
Urban Development	1,808,875	1,907,687	1,478,105	429,582
Miscellaneous	56,225,817	55,730,532	37,899,181	17,831,351
Total General Government	77,273,902	76,956,442	55,645,305	21,311,137
Public Safety:				
Police	62,657,174	60,457,174	53,979,910	6,477,264
Fire	56,713,957	56,275,118	43,948,625	12,326,493
Traffic Engineering	14,032	14,032	51	13,981
Total Public Safety	119,385,162	116,746,324	97,928,585	18,817,738
Streets and Highways:				
Street Maintenance	4,271,624	4,275,155	2,849,314	1,425,841
Street Lighting	4,654,177	4,654,177	3,794,768	859,409
Total Streets and Highways	8,925,801	8,929,332	6,644,081	2,285,251
Culture and Recreation:				
Parks and Recreation	23,152,526	23,204,374	21,644,517	1,559,857
Libraries	197,201	197,201	197,201	-
Total Culture and Recreation	23,349,726	23,401,575	21,841,718	1,559,857
Economic Opportunity:				
Job Programs	15,803	15,803	15,803	-
Total Economic Opportunity	15,803	15,803	15,803	-
Health and Welfare:				
Health Services	375,335	375,335	375,335	-
Aging Assistance	170,164	170,164	170,164	-
Total Health and Welfare	545,500	545,500	545,500	-
Equipment Maintenance:				
Lincoln Maintenance	-	-	98,880	(98,880)
Total Equipment Maintenance	-	-	98,880	(98,880)
Debt Service:				
Issuance and Management Costs	10,270,818	10,504,818	6,809,407	3,695,411
Total Expenditures	239,766,712	237,099,793	189,529,279	47,669,394
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,844,208)	(17,997,387)	34,933,767	52,931,155
Other Financing Sources (Uses):				
Transfers In	23,895,899	23,545,899	23,726,516	180,617
Transfers Out	(86,689,586)	(86,230,263)	(66,298,681)	19,931,582
Proceeds from Issuance of Debt	8,270,000	8,270,000	8,020,000	(250,000)
Premium on Debt Issued	-	-	278,199	278,199
Sale of Capital Assets	-	-	19,350	19,350
Total Other Financing Sources (Uses)	(54,523,687)	(54,414,364)	(34,254,616)	20,159,748
Net Change in Fund Balances	\$ (75,367,895)	(72,411,751)	679,152	73,090,903
Fund Balances - Beginning			161,105,372	
Fund Balances - Ending			\$ 161,784,524	

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Special Assessment	\$ -	-	732	732
Intergovernmental	31,418,300	31,418,300	36,474,258	5,055,958
Permits and Fees	61,000	61,000	26,530	(34,470)
Reimbursement for Services	4,500	4,500	5,332	832
Investment Earnings	500	500	3,937,642	3,937,142
Miscellaneous	131,000	131,000	536,822	405,822
Total Revenues	31,615,300	31,615,300	40,981,317	9,366,017
Expenditures -- Streets and Highways:				
Personal Services	14,305,269	14,205,269	12,651,442	1,553,827
Materials and Supplies	3,365,774	3,498,125	2,834,673	663,452
Other Services and Charges	12,381,173	12,574,424	10,697,203	1,877,220
Capital Outlay	170,275	170,275	119,818	50,457
Lease Principal	80,000	80,000	80,000	-
Interest	31,200	31,200	31,200	-
Fiscal Charges	-	-	61	(61)
Total Expenditures	30,333,691	30,559,293	26,414,398	4,144,895
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	1,281,609	1,056,007	14,566,919	13,510,912
Other Financing Sources (Uses):				
Transfers In	47,446,445	47,446,445	40,514,603	(6,931,842)
Transfers Out	(11,837,018)	(11,837,018)	(4,204,992)	7,632,026
Proceeds from Issuance of Debt	-	-	5,801,000	5,801,000
Premium on Debt Issued	-	-	356,997	356,997
Total Other Financing Sources (Uses)	35,609,427	35,609,427	42,467,608	6,858,181
Net Change in Fund Balances	\$ 36,891,036	36,665,434	57,034,527	20,369,093
Amount Budgeted on Project Basis			(30,242,852)	
Fund Balances - Beginning			85,797,573	
Fund Balances - Ending			\$ 112,589,248	

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental	\$ 34,539,705	35,668,766	34,458,591	(1,210,176)
Permits and Fees	83,691	83,691	83,691	-
Reimbursement for Services	1,035,040	1,035,040	1,062,747	27,707
Program Income	981,013	980,956	1,411,390	430,435
Investment Earnings (Loss)	650,904	650,904	650,925	21
Donations	100,846	100,846	100,846	-
Miscellaneous	558,757	558,757	559,925	1,167
Total Revenues	37,949,955	39,078,959	38,328,115	(750,845)
Expenditures:				
General Government:				
Personal Services	271,463	271,463	271,463	-
Materials and Supplies	125	125	125	-
Other Services and Charges	2,985,922	2,985,922	2,985,922	-
Total General Government	3,257,509	3,257,509	3,257,509	-
Public Safety:				
Personal Services	6,835,149	6,835,149	6,835,149	-
Materials and Supplies	275,903	275,903	275,903	-
Other Services and Charges	2,987,320	2,987,320	2,987,320	-
Capital Outlay	600,030	600,030	600,030	-
Total Public Safety	10,698,402	10,698,402	10,698,402	-
Culture and Recreation:				
Personal Services	281,862	281,862	281,862	-
Materials and Supplies	40,841	40,841	40,841	-
Other Services and Charges	148,429	148,429	148,429	-
Capital Outlay	223,359	223,359	223,359	-
Total Culture and Recreation	694,491	694,491	694,491	-
Economic Opportunity:				
Personal Services	1,837,028	1,822,113	1,723,400	98,713
Materials and Supplies	6,820	9,008	29,642	(20,635)
Other Services and Charges	1,957,161	1,879,638	1,944,548	(64,910)
Capital Outlay	2,649,462	2,763,181	2,598,181	165,000
Loans and Grants	9,710,342	10,858,460	10,550,322	308,138
Total Economic Opportunity	16,160,813	17,332,399	16,846,093	486,306

(Continued)

(Federal Grants Fund, Continued)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Health and Welfare:				
Personal Services	9,743,631	9,714,951	9,743,631	(28,679)
Materials and Supplies	648,561	648,517	648,561	(44)
Other Services and Charges	3,063,430	3,063,154	3,063,430	(276)
Capital Outlay	5,610,727	5,610,727	5,610,727	-
Loans and Grants	577,325	577,325	577,325	-
Total Health and Welfare	19,643,674	19,614,675	19,643,674	(28,999)
Mass Transit:				
Personal Services	246,584	246,584	246,584	-
Total Mass Transit	246,584	246,584	246,584	-
Total Expenditures	50,701,472	51,844,060	51,386,753	457,307
Excess of Revenues Over Expenditures	(12,751,518)	(12,765,101)	(13,058,639)	(293,538)
Other Financing Sources (Uses):				
Transfers In	3,348,514	2,978,931	3,348,514	369,582
Transfers Out	(3,493,266)	(3,493,266)	(3,493,266)	-
Leases	-	-	67,629	67,629
Sale of Assets	6,000	6,000	6,000	-
Total Other Financing Sources (Uses)	(138,752)	(508,334)	(71,123)	437,211
Net Change in Fund Balances	\$ (12,890,270)	(13,273,435)	(13,129,761)	143,674
Fund Balance - Beginning			16,494,650	
Fund Balance - Ending			\$ 3,364,889	

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, 2025

	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	\$ 3,994,910	\$ 7,118,968	\$ 32,409,000	\$ 15,085,273	\$ 58,608,151	\$ 8,953,263
Investments	28,858,574	55,768,558	65,147,000	28,468,918	178,243,050	64,712,538
Restricted Assets:						
Cash and Cash Equivalents	-	-	6,377,000	-	6,377,000	-
Investments	-	-	15,688,000	-	15,688,000	-
Receivables, (Net of Allowance for Uncollectibles)	3,616,549	6,592,382	27,110,000	6,578,298	43,897,229	1,593,868
Unbilled Revenues	4,937,605	7,296,265	18,007,000	-	30,240,870	-
Due from Other Funds	1,873,800	746,221	-	1,413,810	4,033,831	8,494,455
Due from Other Governments	-	32,826,569	-	21,025	32,847,594	425,540
Inventories	741,700	3,168,714	34,934,000	1,091,340	39,935,754	1,520,780
Plant Operation Assets	-	-	21,534,000	-	21,534,000	-
Prepaid Expenses	-	-	5,776,000	378,173	6,154,173	1,180,789
Total Current Assets	44,023,138	113,517,677	226,982,000	53,036,837	437,559,652	86,881,233
Noncurrent Assets:						
Investments	129,543	4,047,325	-	2,386,295	6,563,163	5,366,528
Costs Recoverable from Future Billings	571,349	98,473	8,535,000	-	9,204,822	-
Lease Receivable	-	-	6,656,000	17,786,105	24,442,105	1,299,461
Restricted Assets:						
Cash and Cash Equivalents	-	-	8,582,000	2,268,345	10,850,345	-
Investments	11,531,527	1,110,275	26,830,000	3,956,797	43,428,599	-
Receivables	517,373	789,821	-	198,075	1,505,269	-
Due from Other Funds	2,711,305	12,569,963	-	-	15,281,268	-
Total Restricted Assets	14,760,205	14,470,059	35,412,000	6,423,217	71,065,481	-
Capital Assets:						
Land	9,019,639	6,969,551	-	19,736,442	35,725,632	1,594,451
Buildings	94,991,247	89,638,287	-	104,220,391	288,849,925	24,819,331
Improvements Other Than Buildings	465,930,282	544,194,887	-	143,475,289	1,153,600,458	2,414,070
Machinery and Equipment	20,823,315	36,905,082	-	32,041,253	89,769,650	54,768,248
Utility Plant	-	-	1,867,614,000	-	1,867,614,000	-
Construction in Progress	5,664,676	53,257,885	157,487,000	5,867,558	222,277,119	744,111
Less Accumulated Depreciation	(224,214,266)	(230,398,529)	(965,580,000)	(120,459,904)	(1,540,652,699)	(44,926,491)
Total Capital Assets, Net	372,214,893	500,567,163	1,059,521,000	184,881,029	2,117,184,085	39,413,720
Lease Assets:						
Lease Assets	-	-	-	4,651,932	4,651,932	18,917
Less Amortization	-	-	-	(1,174,360)	(1,174,360)	(5,675)
Total Lease Assets, Net	-	-	-	3,477,572	3,477,572	13,242
Subscription Assets:						
Subscription Assets	-	-	4,592,000	120,915	4,712,915	7,747,430
Less Amortization	-	-	(1,287,000)	(78,091)	(1,365,091)	(2,900,500)
Total Subscription Assets, Net	-	-	3,305,000	42,824	3,347,824	4,846,930
Total Capital Assets, Net	372,214,893	500,567,163	1,062,826,000	188,401,425	2,124,009,481	44,273,892
Total Noncurrent Assets	387,675,990	519,183,020	1,113,429,000	214,997,042	2,235,285,052	50,939,881
Total Assets	431,699,128	632,700,697	1,340,411,000	268,033,879	2,672,844,704	137,821,114
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Loss on Refunding	251,901	75,317	6,834,000	575,390	7,736,608	-
Deferred Outflows for Pension	-	-	-	1,686,202	1,686,202	-
Deferred Outflows for OPEB	73,015	94,015	-	202,084	369,114	138,024
Deferred Costs for Asset Retirement Obligations	-	-	2,973,000	-	2,973,000	-
Total Deferred Outflows of Resources	324,916	169,332	9,807,000	2,463,676	12,764,924	138,024

(Continued)

(Proprietary Funds, Statement of Net Position, continued)

	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds	Total	
LIABILITIES						
Current Liabilities:						
Accounts Payable	2,319,616	18,967,423	25,339,000	3,552,688	50,178,727	1,862,269
Accrued Liabilities	1,020,053	993,373	37,722,000	995,972	40,731,398	744,316
Accrued Compensated Absences	619,770	736,173	-	593,872	1,949,815	1,626,300
Notes Payable	-	-	-	172,412	172,412	-
Due to Other Funds	123,121	1,666,100	-	383,820	2,173,041	605,298
Due to Other Governments	-	-	-	641,717	641,717	86
Unearned Revenue	-	-	-	9,151,598	9,151,598	15,970
Claims	-	-	-	-	-	8,342,613
Accrued Interest	678,621	46,689	5,953,000	72,593	6,750,903	61,650
Accrued Lease Interest	-	-	-	19,150	19,150	140
Accrued Subscription Interest	-	-	30,000	383	30,383	72,199
Current Portion of Commercial Paper and Notes Payable	-	-	65,500,000	-	65,500,000	-
Current Portion of COPs	-	-	-	125,000	125,000	1,725,000
Current Portion of Long-Term Debt	7,756,778	1,381,413	35,740,000	3,890,000	48,768,191	-
Current Portion of Developer Performance Deposits	-	-	8,527,000	-	8,527,000	-
Current Portion of OPEB Liability	15,561	20,037	-	43,068	78,666	29,416
Current Portion of Lease Liability	-	-	-	430,799	430,799	1,357
Current Portion of Subscription Liability	-	-	992,000	30,543	1,022,543	2,203,132
Total Current Liabilities	12,533,520	23,811,208	179,803,000	20,103,615	236,251,343	17,289,746
Noncurrent Liabilities:						
Accrued Compensated Absences	717,976	892,323	-	1,120,012	2,730,311	2,427,719
Long-Term Debt, Net	83,816,403	15,400,842	486,714,000	33,243,645	619,174,890	463,919
Developer Performance Deposits	-	-	16,593,000	-	16,593,000	-
Claims	-	-	1,163,000	-	1,163,000	8,688,227
COPs Payable	-	-	-	735,000	735,000	2,320,000
Notes Payable	-	-	-	181,222	181,222	-
Net Pension Liability	-	-	-	5,476,136	5,476,136	-
Total OPEB Liability, Net	352,904	454,401	-	976,731	1,784,036	667,107
Lease Liability	-	-	-	2,880,452	2,880,452	12,599
Subscription Liability	-	-	1,441,000	-	1,441,000	2,372,303
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	41,938,059	41,938,059	-
Asset Retirement Obligation	-	-	2,973,000	-	2,973,000	-
Total Noncurrent Liabilities	84,887,283	16,747,566	508,884,000	86,551,257	697,070,106	16,951,874
Total Liabilities	97,420,803	40,558,774	688,687,000	106,654,872	933,321,449	34,241,620
DEFERRED INFLOWS OF RESOURCES						
Reductions of future billings	-	-	18,132,000	-	18,132,000	-
Deferred Inflows for Refunding	-	-	-	-	-	1,939
Deferred Inflows for Pension	-	-	-	416,885	416,885	-
Deferred Inflows for OPEB	197,338	254,094	-	546,172	997,604	373,036
Deferred Inflows for Leases	-	-	6,300,000	18,342,633	24,642,633	1,231,597
Total Deferred Inflows of Resources	197,338	254,094	24,432,000	19,305,690	44,189,122	1,606,572
NET POSITION						
Net Investment in Capital Assets	288,733,604	467,729,669	487,477,000	147,709,816	1,391,650,089	35,052,965
Restricted for:						
Debt Service	1,782,480	892,097	12,486,000	-	15,160,577	-
Capital Projects	2,711,305	12,569,963	-	3,393,753	18,675,021	-
Other	-	-	2,757,000	-	2,757,000	-
Unrestricted	41,178,514	110,865,432	134,379,000	(6,566,576)	279,856,370	67,057,981
Total Net Position	\$ 334,405,903	\$ 592,057,161	\$ 637,099,000	\$ 144,536,993	\$ 1,708,099,057	\$ 102,110,946

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, 2025

	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	\$ 44,806,780	\$ 62,466,064	\$ 359,817,000	\$ 15,496,795	\$ 482,586,639	\$ 106,375,554
Fees	-	-	-	19,882,534	19,882,534	407,638
Parking Revenue	-	-	-	11,479,646	11,479,646	1,209
Performance Revenue	-	-	-	10,651,657	10,651,657	-
Other Operating Revenue	161,529	685,350	22,952,000	3,070,746	26,869,625	5,709,114
Total Operating Revenues	<u>44,968,309</u>	<u>63,151,414</u>	<u>382,769,000</u>	<u>60,581,378</u>	<u>551,470,101</u>	<u>112,493,515</u>
Operating Expenses						
Personal Services	9,615,043	10,947,150	-	18,990,062	39,552,255	20,048,585
Contractual Services	-	-	-	18,041,800	18,041,800	7,302,346
Operation and Maintenance	11,611,828	21,475,787	244,639,000	14,523,577	292,250,192	77,612,222
Depreciation	11,177,874	9,928,411	36,235,000	8,622,061	65,963,346	4,809,145
Amortization	-	-	810,000	642,298	1,452,298	2,145,545
Administrative Costs	-	5,050	-	-	5,050	-
Total Operating Expenses	<u>32,404,745</u>	<u>42,356,398</u>	<u>281,684,000</u>	<u>60,819,798</u>	<u>417,264,941</u>	<u>111,917,843</u>
Operating Income (Loss)	<u>12,563,564</u>	<u>20,795,016</u>	<u>101,085,000</u>	<u>(238,420)</u>	<u>134,205,160</u>	<u>575,672</u>
Nonoperating Revenues (Expenses)						
Investment Earnings	2,253,166	3,446,730	7,710,000	1,776,699	15,186,595	445,067
Lease Income	-	-	-	1,335,823	1,335,823	124,007
Lease Interest Income	-	-	-	354,532	354,532	28,348
Grant Revenue	-	65,155,077	-	(2,588)	65,152,489	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	(148,238)	(148,238)	322,852
Insurance Recoveries	-	-	-	30,118	30,118	877,204
Occupation Tax	-	-	-	5,985,901	5,985,901	-
Payments in Lieu of Taxes	-	-	(10,941,000)	-	(10,941,000)	-
Net Costs Recoverable	(74,360)	(32,195)	-	-	(106,555)	-
Interest Expense and Fiscal Charges	(3,110,180)	(428,725)	(16,946,000)	(1,217,732)	(21,702,637)	(115,937)
Total Nonoperating Revenues (Expenses)	<u>(931,374)</u>	<u>68,140,887</u>	<u>(20,177,000)</u>	<u>8,114,515</u>	<u>55,147,028</u>	<u>1,681,541</u>
Income Before Contributions and Transfers	11,632,190	88,935,903	80,908,000	7,876,095	189,352,188	2,257,213
Capital Contributions	6,611,890	6,973,945	-	4,898,926	18,484,761	1,029,407
Transfers In	36,913	2,401,937	-	921,860	3,360,710	1,379,867
Transfers Out	(18,766)	(126,441)	(15,411,000)	(5,823,501)	(21,379,708)	(718,075)
Change in Net Position	<u>18,262,227</u>	<u>98,185,344</u>	<u>65,497,000</u>	<u>7,873,380</u>	<u>189,817,951</u>	<u>3,948,412</u>
Net Position - Beginning as previously reported	<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>
Restatement	493,633	438,218	-	(712,063)	219,788	(1,030,349)
Net Position - Beginning as restated	<u>316,143,676</u>	<u>493,871,817</u>	<u>571,602,000</u>	<u>136,663,613</u>	<u>1,518,281,106</u>	<u>98,162,534</u>
Net Position - Ending	<u>\$ 334,405,903</u>	<u>\$ 592,057,161</u>	<u>\$ 637,099,000</u>	<u>\$ 144,536,993</u>	<u>\$ 1,708,099,057</u>	<u>\$ 102,110,946</u>

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

CITY OF LINCOLN, NEBRASKA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds	Total	
Cash Flows from Operating Activities						
Receipts from Customers and Users	\$ 40,478,477	\$ 61,142,697	\$ 378,698,000	\$ 57,547,844	\$ 537,867,018	\$ 30,486,667
Receipts from Interfund Services Provided	-	-	-	2,214,749	2,214,749	82,404,886
Receipts from Sales Tax	2,823,017	830,356	16,682,000	1,290,727	21,626,100	-
Payments for Sales Tax	(2,849,565)	(827,909)	(16,606,000)	(1,077,725)	(21,361,199)	-
Payments to Suppliers for Goods and Services	(9,061,785)	(10,491,940)	(205,660,000)	(27,798,460)	(253,012,185)	(79,801,412)
Payments to Employees	(9,608,130)	(21,831,937)	(47,460,000)	(14,513,306)	(93,413,373)	(20,182,011)
Payments for Interfund Services Provided	-	-	-	(5,650,264)	(5,650,264)	(3,951,347)
Other Receipts	-	-	-	3,090,237	3,090,237	-
Net Cash Provided by Operating Activities	21,782,014	28,821,267	125,654,000	15,103,802	191,361,083	8,956,783
Cash Flows from Noncapital Financing Activities						
Occupation Tax	-	-	-	5,984,315	5,984,315	-
Payments in Lieu of Taxes	-	-	(13,369,000)	-	(13,369,000)	-
Transfers from Other Funds	18,147	2,275,496	-	-	2,293,643	1,379,867
Transfers to Other Funds	(1,706,876)	-	(12,557,000)	(5,823,501)	(20,087,377)	(718,075)
Advances to Other Funds	-	-	-	-	-	(5,000,000)
Repayments from Other Funds	-	1,006,044	-	121,925	1,127,969	162,566
Grant Proceeds	-	697,562	-	(2,588)	694,974	-
Net Cash Provided (Used) by Noncapital Financing Activities	(1,688,729)	3,979,102	(25,926,000)	280,151	(23,355,476)	(4,175,642)
Cash Flows from Capital and Related Financing Activities						
Additions to Capital Assets	(15,349,116)	(75,990,350)	(92,369,000)	(7,759,710)	(191,468,176)	(7,921,451)
Capital Contributions	-	-	2,168,000	1,468,139	3,636,139	-
Transfers from Other Funds	-	-	-	921,860	921,860	-
Insurance Recoveries	-	-	-	30,118	30,118	877,203
Proceeds from Sale of Capital Assets	-	-	-	27,747	27,747	395,139
Cost of Debt Issuance	-	-	-	-	-	(2,087)
Net Cost of Retiring Plant	-	-	(2,564,000)	-	(2,564,000)	-
Other Capital and Related Financing Activities	-	36,735,836	-	-	36,735,836	-
Proceeds from Leases/Lease Interest	-	-	515,000	1,552,768	2,067,768	128,010
Proceeds from Long Term Debt	-	557,065	-	-	557,065	-
Principal Payments of Leases	-	-	-	(516,989)	(516,989)	(1,597)
Principal Payments of Subscriptions	-	-	(732,000)	(31,200)	(763,200)	(2,235,410)
Principal Payments of COPs	-	-	-	(120,000)	(120,000)	(1,660,000)
Principal Payments of Notes	-	-	-	(164,030)	(164,030)	-
Principal Payments of Long-Term Debt	(7,459,608)	(3,619,676)	(37,800,000)	(3,800,000)	(52,679,284)	-
Interest and Fiscal Charges Paid	(3,610,299)	(663,173)	(20,839,000)	(1,207,105)	(26,319,577)	(228,740)
Net Cash Provided (Used) by Capital and Related Financing Activities	(26,419,023)	(42,980,298)	(151,621,000)	(9,598,402)	(230,618,723)	(10,648,933)
Cash Flows from Investing Activities						
Proceeds from Sale and Maturities of Investments	32,059,710	58,977,503	243,114,000	29,611,498	363,762,711	74,921,637
Purchases of Investments	(28,466,225)	(50,664,298)	(186,429,000)	(31,660,755)	(297,220,278)	(63,108,784)
Interest and Other Receipts	5,785,764	7,257,836	7,557,000	2,247,107	22,847,707	488,104
Net Cash Provided (Used) by Investing Activities	9,379,249	15,571,041	64,242,000	197,850	89,390,140	12,300,957
Net Increase/Decrease in Cash and Cash Equivalents	3,053,511	5,391,112	12,349,000	5,983,401	26,777,024	6,433,165
Cash and Cash Equivalents - Beginning	941,399	1,727,856	35,019,000	11,370,217	49,058,472	2,520,098
Cash and Cash Equivalents - Ending	\$ 3,994,910	\$ 7,118,968	\$ 47,368,000	\$ 17,353,618	\$ 75,835,496	\$ 8,953,263

(Continued)

	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating Income (Loss)	\$ 12,563,564	\$ 20,795,016	\$ 101,085,000	\$ (238,420)	\$ 134,205,160	\$ 575,672
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation and Amortization	11,177,874	9,928,411	37,045,000	9,264,359	67,415,644	6,954,690
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:						
Accounts Receivable and Unbilled Revenues	(1,666,315)	(1,216,161)	(3,338,000)	(65,668)	(6,286,144)	(631,242)
Refundable Deposits	-	-	-	-	-	(118,000)
Due from Other Funds	-	-	-	(301,714)	(301,714)	1,009,767
Due from Other Governments	-	-	-	(3,839)	(3,839)	206,392
Inventories	(624,719)	(612,578)	(3,207,000)	(256,799)	(4,701,096)	(213,038)
Plant Operation Assets	-	-	(3,832,000)	-	(3,832,000)	-
Prepaid Expenses	-	-	-	(258,991)	(258,991)	(483,971)
Other Assets	-	-	(6,368,000)	-	(6,368,000)	-
Deferred Outflows for Pension	-	-	-	83,048	83,048	-
Deferred Outflows for OPEB	20,333	18,486	-	34,048	72,867	28,362
Accounts Payable	296,593	231,447	8,421,000	264,708	9,213,748	661,028
Accrued Liabilities	52,347	76,280	76,000	34,585	239,212	49,263
Accrued Compensated Absences	59,798	(328,813)	-	12,833	(256,182)	(98,403)
Due to Other Funds	-	-	-	(52,326)	(52,326)	276,921
Due to Other Governments	-	-	-	359,810	359,810	(4)
Unearned Revenue	-	-	-	3,577,338	3,577,338	(68,888)
Reductions in Future Billings	-	-	(16,359,000)	-	(16,359,000)	-
Claims	-	-	12,131,000	-	12,131,000	920,893
Net Pension Liability	-	-	-	(86,454)	(86,454)	-
Total OPEB Liability	(32,814)	(9,176)	-	4,725	(37,265)	(18,727)
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	2,636,000	2,636,000	-
Deferred Inflows for Pension	-	-	-	213,102	213,102	-
Deferred Inflows for OPEB	(64,647)	(61,645)	-	(116,543)	(242,835)	(93,932)
Total Adjustments	9,218,450	8,026,251	24,569,000	15,342,222	57,155,923	8,381,111
Net Cash Provided by Operating Activities	\$ 21,782,014	\$ 28,821,267	\$ 125,654,000	\$ 15,103,802	\$ 191,361,083	\$ 8,956,783
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities:						
Contribution of Capital Assets	\$ 5,699,483	3,962,120	-	3,430,787	13,092,390	1,029,407
Capital Asset Trade-Ins	-	-	-	(225,000)	(225,000)	-
Purchase of Capital Assets on Account	1,747,808	17,083,306	632,000	695,009	20,158,123	120,678
SBITA Additions	-	-	1,659,000	-	1,659,000	5,092,619
Change in Fair Value of Investments	205,436	245,361	-	34,606	485,403	(44,953)
Amortization of Debt Premiums	511,050	301,595	5,855,000	60,855	6,728,500	198,734
Note Payable incurred but not received	-	586,011	-	-	586,011	-

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, 2025

	Police & Fire Pension Trust Fund	Custodial Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and Cash Equivalents	\$ 4,251,976	\$ 8,322,928
Investments:		
Pooled Investment Funds	5,899,460	-
Mutual Funds	58,456,193	-
Limited Partnership	223,146,220	-
Real Estate Limited Partnerships	34,464,213	-
Other	35,577,502	-
Total Investments	<u>357,543,588</u>	<u>-</u>
Receivables:		
Contributions	816,250	-
Taxes	-	471,664
Accrued Interest	83,682	45,786
Due from Other Governments	230	-
Total Assets	<u>362,695,726</u>	<u>8,840,378</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows for OPEB	<u>998</u>	<u>-</u>
 LIABILITIES		
Accounts Payable	35,804	-
Accrued Liabilities	5,947	-
Accrued Compensated Absences	134,915	-
Total OPEB Liability	5,032	-
Due to Other Contractors	-	8,323,786
Total Liabilities	<u>181,698</u>	<u>8,323,786</u>
 DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows for OPEB	<u>2,695</u>	<u>-</u>
 NET POSITION		
Restricted for:		
Pensions	362,512,331	-
Developers, Seized Cash, and Other Governments	-	516,592
Total Net Position	<u>\$ 362,512,331</u>	<u>\$ 516,592</u>

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

CITY OF LINCOLN, NEBRASKA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

	Police & Fire Pension Trust Fund	Custodial Funds
Additions:		
Contributions:		
Employer	\$ 14,293,219	\$ -
Employee	4,871,974	-
Total Contributions	<u>19,165,193</u>	<u>-</u>
Investment Earnings:		
Interest	412,056	-
Dividends	1,329,953	-
Increase in Fair Value of Investments	26,247,399	258,995
Investment Earnings	27,989,408	258,995
Less Investment Expense	(678,315)	-
Net Investment Earnings	<u>27,311,093</u>	<u>258,995</u>
Real Property and Personal Property Tax	-	15,616,962
Sales Tax Collections For Other Governments	-	606,508
Seized Cash	-	112,826
Miscellaneous	-	146,372
Total Additions	<u>46,476,286</u>	<u>16,741,663</u>
Deductions:		
Benefit Payments	23,158,229	-
Refunds of Contributions	509,266	-
Administrative Costs	446,948	-
Seized Cash Used	-	183,320
Payments of Sales Tax to Other Governments	-	606,508
Developer Purchased TIF Payments	-	14,200,225
Miscellaneous	-	1,859,702
Total Deductions	<u>24,114,443</u>	<u>16,849,755</u>
Change in Net Position	<u>22,361,843</u>	<u>(108,092)</u>
Net Position Restricted - Beginning as previously reported	<u>340,251,454</u>	<u>624,684</u>
Restatement	(100,966)	-
Net Position Restricted - Beginning as restated	<u>340,150,488</u>	<u>624,684</u>
Net Position Restricted - Ending	<u><u>\$ 362,512,331</u></u>	<u><u>\$ 516,592</u></u>

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



NOTES TO THE FINANCIAL STATEMENTS

(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, 2025. 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, 2024. The amounts included in the City's 2025 financial statements for LES are amounts as of and for the year ended December 31, 2024.

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.

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.
- 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

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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.

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.

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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".

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

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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 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, 2025.

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.

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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.

Expense and the related liability are recognized as vacation or sick leave benefits are earned whether the employee is expected to realize the benefit as time off or in cash. Expense and the related liability for vacation and sick leave benefits are recognized when it is more likely than not that the leave will be used or otherwise paid or settled. Compensated absence liabilities are computed using the current salary rates in effect at the statement of net position date and include salary-related payments directly and indirectly associated with payments made for compensated absences.

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.

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.

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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 \$51,968,732 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 \$338,882,680 of restricted net position, of which enabling legislation restricts \$82,485,729.

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.

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.

CITY OF LINCOLN, NEBRASKA
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- 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, RP Crawford Park, and Fast Forward), permanent (JJ Hompes), and custodial funds. In addition, capital project funds are budgeted on a project rather than a biennial basis.
- 9) Per resolution language all money now credited or which will be credited to the following Special Revenue funds is appropriated notwithstanding any sum limitation set forth in the budget; Lincoln Bike Share Fund, Parks and Recreation Maintenance and Repair Fund, Fast Forward Fund, Parks and Recreation Special Projects Fund, Commission On Aging Gift Trust Fund, Charles Gere Library Fund, Lillian Polley Trust Fund, Building and Safety Fund, Cable Access Television Fund, Disaster Recovery Fund, Impact Fees Fund, Social Security Fund, Title V Clean Air Fund, Animal Control Fund, Unemployment Compensation Fund, Advance Acquisition Fund, 911 Communication Fund, Tax Sale Revolving Fund, and Development Services Center Fund.

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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 \$41,223,040 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, 2025, the City implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation and sick leave owed to employees upon separation of employment, the City now recognizes an estimated amount of sick leave earned as of year-end that is more likely than not to be used by employees as time off in future years as part of the compensated absences liability. The effects of the change in accounting principle resulted in a restatement of the beginning balance of the earliest period presented and are summarized below.

Beginning Balances for compensated absences have been updated to reflect the restatement throughout the footnotes.

	Balance, as previously reported	GASB 101 Implementation	Balance, as restated
Government - Wide			
Governmental Activities			
Net Position,			
September 1, 2024	\$ 1,546,546,842	\$ (8,019,019)	\$ 1,538,527,823
Decrease in net position,			
year ended August 31, 2024	\$ 106,096,986	\$ (8,019,019)	\$ 98,077,967
Business-Type Activities			
Net Position,			
September 1, 2024	\$ 1,518,061,318	\$ 219,788	\$ 1,518,281,106
Increase in net position, year			
ended August 31, 2024	\$ 124,488,861	\$ 219,788	\$ 124,708,649

CITY OF LINCOLN, NEBRASKA
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	Balance, as previously reported	GASB 101 Implementation	Balance, as restated
Proprietary Funds			
Major Funds:			
Wastewater			
Net Position, September 1, 2024	\$ 315,650,043	\$ 493,633	\$ 316,143,676
Increase in net position, year ended August 31, 2024	\$ 18,256,288	\$ 493,633	\$ 18,749,921
Water			
Net Position, September 1, 2024	\$ 493,433,599	\$ 438,218	\$ 493,871,817
Increase in net position, year ended August 31, 2024	\$ 47,282,970	\$ 438,218	\$ 47,721,188
Nonmajor Funds			
Net Position, September 1, 2024	\$ 137,375,676	\$ (712,063)	\$ 136,663,613
Increase in net position, year ended August 31, 2024	\$ 10,541,603	\$ (712,063)	\$ 9,829,540
Internal Service Funds			
Net Position, September 1, 2024	\$ 99,192,883	\$ (1,030,349)	\$ 98,162,534
Increase in net position, year ended August 31, 2024	\$ 5,458,756	\$ (1,030,349)	\$ 4,428,407
Fiduciary Funds			
Police and Fire Pension			
Net Position, September 1, 2024	\$ 340,251,454	\$ (100,966)	\$ 340,150,488
Increase in net position, year ended August 31, 2024	\$ 27,661,847	\$ (100,966)	\$ 27,560,881

During the fiscal year ended August 31, 2025, the City also implemented GASB Statement No. 102, *Certain Risk Disclosures* (GASB 102). The implementation did not have a material effect on the financial statements.

(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

CITY OF LINCOLN, NEBRASKA
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not due and payable in the current period and, therefore, are not reported in the funds.” The details of the \$548,277,162 difference are as follows:

Bonds Payable	\$ 386,294,946
Less issuance discounts	(860,561)
Plus issuance premiums	9,562,197
Plus deferred gain on refunding	310,575
Less deferred loss on refunding	(1,866,306)
Notes Payable	1,549,743
COPs Payable	15,170,000
Accrued Interest Payable	3,939,453
Accrued Lease Interest Payable	16,354
Accrued SBITA Interest Payable	10,003
Net Pension Liability	91,166,083
Deferred Outflows for Pension	(23,455,373)
Deferred Inflows for Pension	758,871
Total OPEB Liability	15,216,229
Deferred Outflows for OPEB	(3,015,268)
Deferred Inflows for OPEB	8,149,327
Leases	1,241,297
SBITAs	998,875
Compensated Absences	42,701,968
Other	388,749
Net difference	\$ 548,277,162

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 \$29,760,681 difference are as follows:

Capital outlay	\$ 80,733,594
Leases	445,727
SBITAS	1,140,810
Depreciation and Amortization expense	(52,599,450)
Net difference	\$ 29,760,681

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 \$(6,326,170) difference are as follows:

CITY OF LINCOLN, NEBRASKA
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Debt issued or incurred:	
Issuance of tax allocation bonds	\$ (436,625)
Issuance of tax supported bonds	(13,900,000)
Issuance of Municipal Improvement Bonds	(17,325,000)
Issuance of Leases	(445,727)
Issuance of Subscriptions	(1,140,810)
Issuance Premiums	(1,728,145)
Amortization of deferred premiums, discounts, and amounts from refundings	2,804,029
Principal repayments	<u>25,846,108</u>
Net difference	<u><u>\$ (6,326,170)</u></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 \$(17,292,914) difference are as follows:

Loss on disposal of capital assets	\$ (1,932,636)
Accrued interest	(80,985)
Compensated absences	(15,206,440)
Other	<u>(72,853)</u>
Net difference	<u><u>\$ (17,292,914)</u></u>

(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, 2025, are as follows:

Fund Account	Parking System	Solid Waste Management	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Total
Principal and Interest	\$ -	-	2,289,415	229,435	17,907,000	20,425,850
Reserve	-	1,117,084	9,242,112	880,840	9,397,000	20,637,036
Surplus	-	1,912,380	3,228,678	13,359,784	-	18,500,842
Renewal and Replacement	2,950,108	-	-	-	-	2,950,108
Capital Construction and Equipment	210,811	232,834	-	-	-	443,645
Customer/Developer Deposits	-	-	-	-	26,253,000	26,253,000
Claims	-	-	-	-	3,920,000	3,920,000
Total	<u>\$ 3,160,919</u>	<u>3,262,298</u>	<u>14,760,205</u>	<u>14,470,059</u>	<u>57,477,000</u>	<u>93,130,481</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. The City values its assets and liabilities measured at fair value within the hierarchy established by generally accepted accounting principles. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. Assets and liabilities valued at fair value are categorized based on inputs to valuation techniques as follows:

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, 2025.

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
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At August 31, 2025, the City had the following investments, maturities, credit ratings, and fair value measurement:

	August 31, 2025							
	Maturities in Years							
Type	Carrying Value	Less than 1	1-5	6-10	More than 10	Credit Rating Moody's	S&P	Hierarchy Level
General City:								
U.S. Treasury Obligations	\$ 463,157,667	451,266,722	11,890,944	-	-	Aa1	AA+	2
U.S. Agency Obligations	659,271	-	659,271	-	-	Aa1	AA+	2
U.S. Sponsored Agency Obligations	236,574,338	172,137,043	56,803,026	7,634,270	-	Aa1	AA+	2
Commercial Issuers (Commercial Paper)	25,660,000	25,660,000	-	-	-	P1	A1	2
Commercial Issuers (Commercial Paper)	13,470,000	13,470,000	-	-	-	P1	A1	2
Money Market Funds - U.S. Agencies	49,658,000	49,658,000	-	-	-	Aaa-mf	AAAm	N/A
Money Market Funds	34,492,000	34,492,000	-	-	-	Aaa	Not Rated	N/A
Money Market Funds	2,033,364	2,033,364	-	-	-	Not Rated	Not Rated	N/A
Money Market Funds	27,864,145	27,864,145	-	-	-	Not Rated	AAAm	N/A
Term Series	17,045,500	17,045,500	-	-	-	Aa3	AA-	N/A
Tax Increment Financing Investments	5,077,000	-	740,674	2,942,983	1,393,343	Not Rated	Not Rated	2
Equities	8,290,808	8,290,808	-	-	-	Not Rated	Not Rated	1
Total General City	883,982,093	801,917,582	70,093,915	10,577,253	1,393,343			
Community Health Endowment:								
Money Market Mutual Funds	2,251,847	2,251,847	-	-	-			
Mutual Funds	76,173,091	76,173,091	-	-	-			
Total Community Health	78,424,938	78,424,938	-	-	-			
Total Primary Government	962,407,031	880,342,520	70,093,915	10,577,253	1,393,343			
Police & Fire Pension Trust:								
Limited Partnership	223,146,220							
Mutual Funds	58,456,193							
Real Estate Limited Partnerships	34,464,213							
Other	35,577,502							
Total Police & Fire Pension Trust	351,644,128							
Total	\$ 1,314,051,159							

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, 2025 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
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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	AA	---	Aa
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

Investment Agreements are made with provisions that if the provider is downgraded below "Aa3" by Moody's Investors Service (Moody's) or "AA-" by Standard & Poor's (S & P) the provider must deliver collateral of United State Government Agencies obligations at a margin of 102%-104%, and if the provider is further downgraded below "A3" by Moody's or "A-" by S & P, the City will have the right to terminate the agreement and receive all invested amounts plus accrued but unpaid interest without penalty. As of August 31, 2025, the investment agreements were adequately collateralized with United States Government Agencies obligations that had a rating of "Aaa" by Moody's and "AA+" by S & P or by a Small Business Administration obligations which are 100% guaranteed by the US Government

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	19.83 %	40.00 %
Federal Home Loan Mortgage Corporation	0.79	40.00
Federal National Mortgage Association	4.23	40.00
Federal Farm Credit Bank	1.71	40.00
Federal Agricultural Mortgage Corporation	0.11	40.00
Government National Mortgage Association	0.07	50.00

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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.

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, 2025 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, 2025.

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, 2025.

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
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The following was the asset allocation as of August 31, 2025:

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, 2025 are greater than 5% of the Plan's fiduciary net position:

Nt Collective	22.73 %
J.P. Morgan Core Bond Fund	18.46
GQG Partners Emrging Markets Equity	6.47
Bain Capital Senior Loan Fund	6.25
Pzena International Value Institutional	5.27

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 - \$7,460,525
Grosvenor Co-Investment Opportunities Feeder II - \$4,956,876
Weathergage Venture Capital IV - \$840,000
StepStone VC Global Partners IX-B - \$315,000
Varde Dislocation Offshore LP - \$615,000
Golub Capital Partners International Fund 11 - \$500,000
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

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
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Summary of Deposit and Investment Balances

The following is a reconciliation of the City's deposit and investment balances as of August 31, 2025:

	<u>Totals</u>		
Investments	\$ 1,314,051,159		
Deposits and Cash on Hand	<u>69,406,412</u>		
	<u>\$ 1,383,457,571</u>		
	<u>Government-wide</u>	<u>Fiduciary Funds</u>	
	<u>Statement of</u>	<u>Statement of</u>	
	<u>Net Position</u>	<u>Net Position</u>	<u>Totals</u>
Cash and Cash Equivalents	\$ 140,584,066	12,574,904	153,158,970
Investments	759,251,069	357,543,588	1,116,794,657
Restricted Assets:			
Cash and Cash Equivalents	17,227,345	-	17,227,345
Investments	96,276,599	-	96,276,599
	<u>\$ 1,013,339,079</u>	<u>370,118,492</u>	<u>1,383,457,571</u>

CITY OF LINCOLN, NEBRASKA
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(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	\$ 56,490	602,956	-	-	1,652,400	2,311,846
Prepaid Items	159,118	-	157,842	-	-	316,960
Permanent Fund Principal	-	-	-	-	37,160,000	37,160,000
Total Nonspendable	<u>215,608</u>	<u>602,956</u>	<u>157,842</u>	<u>-</u>	<u>38,812,400</u>	<u>39,788,806</u>
Restricted For:						
Capital Improvements	-	114,779,506	1,191,850	-	75,508,009	191,479,365
Human Services	-	-	-	-	-	-
Donor Purposes	1,430,472	-	-	-	6,909,551	8,340,023
Public Improvements	947,897	-	-	-	-	947,897
Agency Activities	-	-	2,182,768	-	-	2,182,768
Land Purchases	-	-	-	-	1,720,582	1,720,582
Social Security Obligations	-	-	-	-	52	52
Community Betterment	-	-	-	-	11,921,020	11,921,020
Federal Loan Programs	-	-	-	24,016,000	-	24,016,000
Special Assessment Improvements	-	-	-	-	726	726
Debt Service	-	-	-	-	11,891,811	11,891,811
Health Care	-	-	-	-	42,615,562	42,615,562
Claims Contingencies	-	-	-	-	865,000	865,000
Library Media	-	-	-	-	-	-
Street Maintenance	-	-	-	-	1,165,827	1,165,827
Total Restricted	<u>2,378,369</u>	<u>114,779,506</u>	<u>3,374,618</u>	<u>24,016,000</u>	<u>152,598,140</u>	<u>297,146,633</u>
Committed To:						
Public Access Television	-	-	-	-	312,717	312,717
Debt Service	-	-	-	-	-	-
Total Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>312,717</u>	<u>312,717</u>
Assigned To:						
Capital Improvements	-	195,213	-	-	-	195,213
Building Code Enforcement	-	-	-	-	10,183,330	10,183,330
Donor Purposes	1,972,115	-	-	-	-	1,972,115
Public Improvements	201,689	-	-	-	-	201,689
Athletic Facility Improvements	1,186,377	-	-	-	-	1,186,377
Senior Care	3,782,520	-	-	-	-	3,782,520
Emergency Communications	9,360,420	-	-	-	-	9,360,420
Economic Development Projects	3,673,559	-	-	-	-	3,673,559
Debt Service	-	-	43,280,713	-	-	43,280,713
Land Purchases	-	-	-	-	617,886	617,886
Library Services	-	-	-	-	5,252,187	5,252,187
Health Care	-	-	-	-	14,952,913	14,952,913
Public Transportation	-	-	-	-	1,383,423	1,383,423
Community Betterment	-	-	-	-	436,604	436,604
Park Projects	-	-	-	-	244,763	244,763
Subsequent Year's Appropriated Fund Balance	23,031,864	-	-	-	5,839,258	28,871,122
Other Purposes	1,855,610	-	-	94,629	4,335,710	6,285,949
Total Assigned	<u>45,064,154</u>	<u>195,213</u>	<u>43,280,713</u>	<u>94,629</u>	<u>43,246,074</u>	<u>131,880,783</u>
Unassigned	<u>155,977,043</u>	<u>-</u>	<u>-</u>	<u>(1,425,006)</u>	<u>(850,303)</u>	<u>153,701,734</u>
Total Fund Balances	<u>\$ 203,635,174</u>	<u>115,577,675</u>	<u>46,813,173</u>	<u>22,685,623</u>	<u>234,119,028</u>	<u>622,830,673</u>

CITY OF LINCOLN, NEBRASKA
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(6) RECEIVABLES AND DUE FROM OTHER GOVERNMENTS

Receivables at August 31, 2025, 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
General	\$ 5,742	1,940	2,820	8,562	207	-	-	-	-	19,271	-	19,271
Street Construction	-	1,352	1,101	-	-	-	-	-	-	2,453	-	2,453
West Haymarket JPA	2,183	807	558	704	1	-	-	-	-	4,253	-	4,253
Federal Grants	-	1,288	80	-	-	25,501	-	-	-	26,869	1,489	25,380
Wastewater System	-	8,554	517	-	-	-	-	-	-	9,071	-	9,071
Water System	-	13,889	790	-	-	-	-	-	-	14,679	-	14,679
Electric System	-	47,021	744	6,843	133	-	-	-	-	54,741	2,968	51,773
Nonmajor -												
Special Revenue	1,504	952	848	-	-	-	-	-	-	3,304	-	3,304
Debt Service	372	171	140	-	-	-	236	1,026	-	1,945	92	1,853
Capital Projects	-	-	767	7	-	-	-	-	-	774	-	774
Permanent	-	-	8	-	-	-	-	-	-	8	-	8
Enterprise	-	9,562	387	18,985	33	-	-	-	-	28,967	4,405	24,562
Internal Service	-	1,436	100	1,357	-	-	-	-	-	2,893	-	2,893
Fiduciary	472	-	129	-	-	-	-	-	816	1,417	-	1,417
Total	<u>\$ 10,273</u>	<u>86,972</u>	<u>8,989</u>	<u>36,458</u>	<u>374</u>	<u>25,501</u>	<u>236</u>	<u>1,026</u>	<u>816</u>	<u>170,645</u>	<u>8,954</u>	<u>161,691</u>

Enterprise funds customer accounts receivable include unbilled charges for services. Delinquent special assessment receivables at August 31, 2025, were \$155,566.

The total of Due From Other Governments of \$75,150,130 includes the following significant items:

<u>Fund/Fund Type</u>	<u>Amount</u>	<u>Service</u>
General/Major Governmental	\$ 18,388,670	State of Nebraska, July/August Sales & Use Tax
	686,908	August Motor Vehicle Taxes Collected by Lancaster County
	2,102,868	Federal Government, Cost Reimbursements
	19,066	Lancaster County, Cost Reimbursements
Street Construction/Major Governmental	6,342,834	State of Nebraska, July/August Highway User Fees
	792,725	Federal Government, Cost Reimbursements
	32,207	State of Nebraska, Cost Reimbursements
West Haymarket JPA/Major Governmental	693,495	Federal Government, Cost Reimbursements
Federal Grants/Major Governmental	5,875,760	Federal Government, Cost Reimbursements
Health/Special Revenue	778	State of Nebraska, Cost Reimbursements
StarTran/Special Revenue	87,741	Federal Government, Cost Reimbursements
Library/Special Revenue	194	August Motor Vehicle Taxes Collected by Lancaster County
Vehicle Tax Residual Revenue/Special Revenue	913,644	August Motor Vehicle Taxes Collected by Lancaster County
Casino Tax/Special Revenue	338,830	July/August Casino Taxes Collected by Lancaster County
Special Assessment/Debt Service	23,563	August Special Assessments Collected by Lancaster County
Lincoln On The Move/Capital Projects	3,139,400	State of Nebraska, July/August Sales & Use Tax
Vehicle Tax/Capital Projects	913,644	State of Nebraska, July/August Sales & Use Tax
Federal Grants/Capital Projects	1,308,368	Federal Government, Cost Reimbursements
Lincoln Water System/Enterprise Fund	32,826,569	Federal Government, Cost Reimbursements
Solid Waste Management/Enterprise Fund	21,025	Federal Government, Cost Reimbursements
Information Services/Internal Service	322,763	Lancaster County Billings
Police Garage/Internal Service	97,083	State of Nebraska Billings
Subtotal	<u>74,928,135</u>	
All other	5,694	
LPS Asset Bank Balance	<u>216,301</u>	
Total Due From Other Governments	<u>\$ 75,150,130</u>	

CITY OF LINCOLN, NEBRASKA
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(7) CAPITAL ASSETS

Capital asset activity for the year ended August 31, 2025, was as follows:

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Governmental Activities:					
Capital Assets, not being Depreciated:					
Land	\$ 174,384,096	4,002,694	1,400,558	-	176,986,232
Construction in Progress	188,033,132	66,626,682	-	(122,504,205)	132,155,609
Total Capital Assets, not being Depreciated	362,417,228	70,629,376	1,400,558	(122,504,205)	309,141,841
Capital Assets, being Depreciated:					
Buildings	413,938,605	4,737,906	346,414	20,967,023	439,297,120
Improvements Other Than Buildings	162,831,167	1,413,441	1,089,135	3,159,728	166,315,201
Machinery and Equipment	166,108,384	10,767,324	4,944,629	1,957,736	173,888,815
Infrastructure	1,157,195,857	44,398,555	-	95,260,695	1,296,855,107
Leases	1,168,660	394,389	-	-	1,563,049
SBITAs	3,249,022	5,980,517	-	-	9,229,539
Total Capital Assets, being Depreciated	1,904,491,695	67,692,132	6,380,178	121,345,182	2,087,148,831
Less Accumulated Depreciation and Amortization for:					
Buildings	122,704,534	9,827,021	340,866	-	132,190,689
Improvements Other Than Buildings	75,745,291	4,909,945	723,067	-	79,932,169
Machinery and Equipment	94,710,466	10,282,783	4,711,879	-	100,281,370
Infrastructure	529,946,677	32,222,298	-	-	562,168,975
Leases	168,298	161,716	-	-	330,014
SBITAs	1,175,136	2,110,377	-	-	3,285,513
Total Accumulated Depreciation and Amortization	824,450,402	59,514,140	5,775,812	-	878,188,730
Total Capital Assets, being Depreciated, Net	1,080,041,293	8,177,992	604,366	121,345,182	1,208,960,101
Governmental Activities Capital Assets, Net	\$ 1,442,458,521	78,807,368	2,004,924	(1,159,023)	1,518,101,942
Business-type Activities:					
Capital Assets, not being Depreciated:					
Land	\$ 33,911,942	1,813,690	-	-	35,725,632
Construction in Progress	151,173,685	193,884,133	122,780,699	-	222,277,119
Total Capital Assets, not being Depreciated	185,085,627	195,697,823	122,780,699	-	258,002,751
Capital Assets, being Depreciated:					
Buildings	279,186,403	9,663,522	-	-	288,849,925
Improvements Other Than Buildings	1,060,935,420	91,506,015	-	1,159,023	1,153,600,458
Machinery and Equipment	85,131,996	5,220,508	582,854	-	89,769,650
Utility Plant	1,840,767,000	30,127,000	3,280,000	-	1,867,614,000
Leases	4,205,470	446,462	-	-	4,651,932
SBITAs	2,343,915	2,369,000	-	-	4,712,915
Total Capital Assets, being Depreciated	3,272,570,204	139,332,507	3,862,854	1,159,023	3,409,198,880
Less Accumulated Depreciation and Amortization for:					
Buildings	133,780,381	5,738,468	-	-	139,518,849
Improvements Other Than Buildings	356,090,006	19,629,465	-	-	375,719,471
Machinery and Equipment	56,006,402	4,360,413	532,436	-	59,834,379
Utility Plant	935,361,000	36,235,000	6,016,000	-	965,580,000
Leases	976,102	612,069	413,811	-	1,174,360
SBITAs	524,862	840,229	-	-	1,365,091
Total Accumulated Depreciation and Amortization	1,482,738,753	67,415,644	6,962,247	-	1,543,192,150
Total Capital Assets, being Depreciated, Net	1,789,831,451	71,916,863	(3,099,393)	1,159,023	1,866,006,730
Business-type Activities Capital Assets, Net	\$ 1,974,917,078	267,614,686	119,681,306	1,159,023	2,124,009,481

CITY OF LINCOLN, NEBRASKA
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Depreciation and amortization expense was charged to functions/programs as follows:

Governmental Activities:

General Government	\$ 1,531,583
Public Safety	4,688,162
Streets and Highways, including Infrastructure	30,937,394
Culture and Recreation	11,023,917
Economic Opportunity	24,892
Health and Welfare	687,638
Mass Transit	3,665,864
Subtotal	<u>52,559,450</u>

Internal Service Funds Capital Assets

Depreciation is charged to the various functions based on usage of the assets.	<u>6,954,690</u>
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Total Depreciation and Amortization Expense - Governmental	<u><u>\$ 59,514,140</u></u>
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Business-type Activities:

Golf	\$ 962,931
Parking System	2,671,094
Pinnacle Bank Arena	186,090
Solid Waste Management	3,047,655
Emergency Medical Services	337,471
Broadband Enterprise	2,059,118
Wastewater System	11,177,874
Water System	9,928,411
Lincoln Electric System	37,045,000

Total Depreciation and Amortization Expense - Business-type	<u><u>\$ 67,415,644</u></u>
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CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2025

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	699,891	-	9,019,639
Construction in Progress	10,381,156	15,889,576	20,606,056	5,664,676
Total Capital Assets, not being Depreciated	18,700,904	16,589,467	20,606,056	14,684,315
Capital Assets, being Depreciated:				
Buildings	86,522,896	8,468,351	-	94,991,247
Improvements Other Than Buildings	448,611,236	17,319,046	-	465,930,282
Machinery and Equipment	20,469,451	353,864	-	20,823,315
Total Capital Assets, being Depreciated	555,603,583	26,141,261	-	581,744,844
Less Accumulated Depreciation for:				
Buildings	47,224,211	1,841,365	-	49,065,576
Improvements Other Than Buildings	152,439,527	8,310,656	-	160,750,183
Machinery and Equipment	13,372,654	1,025,853	-	14,398,507
Total Accumulated Depreciation	213,036,392	11,177,874	-	224,214,266
Total Capital Assets, being Depreciated, Net	342,567,191	14,963,387	-	357,530,578
Wastewater System Capital Assets, Net	\$ 361,268,095	31,552,854	20,606,056	372,214,893
	Beginning Balances	Increases	Decreases	Ending Balances
Lincoln Water System:				
Capital Assets, not being Depreciated:				
Land	\$ 5,855,753	1,113,798	-	6,969,551
Construction in Progress	33,436,067	94,054,095	74,232,277	53,257,885
Total Capital Assets, not being Depreciated	39,291,820	95,167,893	74,232,277	60,227,436
Capital Assets, being Depreciated:				
Buildings	88,608,863	1,029,424	-	89,638,287
Improvements Other Than Buildings	473,729,467	70,465,420	-	544,194,887
Machinery and Equipment	35,125,207	2,031,438	251,563	36,905,082
Total Capital Assets, being Depreciated	597,463,537	73,526,282	251,563	670,738,256
Less Accumulated Depreciation for:				
Buildings	44,293,529	1,680,278	-	45,973,807
Improvements Other Than Buildings	151,213,937	6,992,282	-	158,206,219
Machinery and Equipment	25,207,015	1,255,851	244,363	26,218,503
Total Accumulated Depreciation	220,714,481	9,928,411	244,363	230,398,529
Total Capital Assets, being Depreciated, Net	376,749,056	63,597,871	7,200	440,339,727
Water System Capital Assets, Net	\$ 416,040,876	158,765,764	74,239,477	500,567,163

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2025

	Beginning Balances	Increases	Decreases	Ending Balances
Lincoln Electric System:				
Capital Assets, not being Depreciated:				
Construction in Progress	\$ 104,732,000	78,718,000	25,963,000	157,487,000
Capital Assets, being Depreciated:				
Utility Plant	1,840,767,000	30,127,000	3,280,000	1,867,614,000
SBITAs	752,000	3,840,000	-	4,592,000
Total Capital Assets, being Depreciated	1,841,519,000	33,967,000	3,280,000	1,872,206,000
Less Accumulated Depreciation and Amortization for:				
Utility Plant	935,361,000	36,235,000	6,016,000	965,580,000
SBITAs	477,000	810,000	-	1,287,000
Total Accumulated Depreciation and Amortization	935,838,000	37,045,000	6,016,000	966,867,000
Total Capital Assets, being Depreciated, Net	905,681,000	(3,078,000)	(2,736,000)	905,339,000
Electric System Capital Assets, Net	\$ 1,010,413,000	75,640,000	23,227,000	1,062,826,000

(8) INTERFUND BALANCES AND ACTIVITY

Balances Due To/From Other Funds at August 31, 2025, consist of the following:

Due To	Due From									
	General Fund	Street Construction	West Haymarket JPA	Federal Grants	Nonmajor Governmental	Nonmajor Enterprise	Wastewater	Water	Internal Service	Total
General Fund	\$ 11,709	-	-	1,522,808	872,331	176,560	-	-	252,266	2,835,674
Street Construction	623,100	-	-	-	20,651,219	-	-	-	4,575	21,278,894
West Haymarket JPA	-	-	-	-	-	180,758	-	-	-	180,758
Lincoln Wastewater System	207,700	-	-	-	2,711,305	-	-	1,666,100	-	4,585,105
Lincoln Water System	623,100	-	-	-	12,569,963	-	123,121	-	-	13,316,184
Nonmajor Governmental	1,142,350	-	-	288	1,690,510	-	-	-	-	2,833,148
Nonmajor Enterprise	629,508	6,399	759,903	-	-	18,000	-	-	-	1,413,810
Internal Service	7,155,846	835,890	-	8,808	136,952	8,502	-	-	348,457	8,494,455
Total	\$ 10,393,313	842,289	759,903	1,531,904	38,632,280	383,820	123,121	1,666,100	605,298	54,938,028

“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, 2025, consist of the following:

Transfer To	Transfer From									
	General Fund	Street Construction	Federal Grants	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Nonmajor Governmental	Nonmajor Enterprise	Internal Service	Total
General Fund	\$ -	62,492	342,559	8,361	126,441	16,185,448	2,260,078	2,112,606	360,824	21,458,809
Street Construction	4,105,916	-	-	10,405	-	-	36,146,102	-	252,181	40,514,604
West Haymarket JPA	-	-	-	-	-	-	-	600,000	-	600,000
Lincoln Water	3,471	-	-	-	-	-	2,342,825	-	55,641	2,401,937
Lincoln Wastewater	-	-	-	-	-	-	-	-	36,913	36,913
Federal Grants	2,951,438	-	-	-	-	-	292,557	104,519	-	3,348,514
Nonmajor Governmental	47,485,684	4,142,499	2,408,760	-	-	-	3,104,984	3,006,376	-	60,148,303
Nonmajor Enterprise	167,400	-	741,944	-	-	-	-	-	12,516	921,860
Internal Service	1,379,867	-	-	-	-	-	-	-	-	1,379,867
Total	\$ 56,093,776	4,204,991	3,493,263	18,766	126,441	16,185,448	44,146,546	5,823,501	718,075	130,810,807

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

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2025

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 \$1,601,332.

The \$774,450 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, 2024, 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, 2024, was 3.56%. The outstanding commercial paper notes are secured by a revolving credit agreement with JPMorgan Chase Bank, National Association, that expires on August 19, 2027. There were no advances outstanding under the credit agreement at December 31, 2024. 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, 2024. 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 2024 was 55 days.

Commercial paper activity for the year ended December 31, 2024, 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>467,500,000</u>	<u>(467,500,000)</u>	<u>65,500,000</u>	<u>65,500,000</u>

On April 6, 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 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, 2024.

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, 2024.

CITY OF LINCOLN, NEBRASKA
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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 \$5,481,660, \$2,868,582, \$2,202,329, and \$1,339,240 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:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	\$ 1,780,066	\$ 199,546
Buildings	29,141,504	1,502,602
Improvements	5,070,465	-
Infrastructure	43,523,749	-
Machinery and Equipment	13,492,627	2,531,221
Construction in Progress	-	-
Less Accumulated Depreciation, (where applicable)	(40,783,564)	(2,911,541)
Total	<u>\$ 52,224,847</u>	<u>\$ 1,321,828</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 under Contract D311548, 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.

The Lincoln Water System has also entered into a loan agreement with NDEE, under Contract D311692 to finance the replacement of known lead or lead contaminated water service lines. Under this agreement, NDEE will loan an amount not to exceed \$24,600,000 to the Lincoln Water System to pay a portion of the costs for

CITY OF LINCOLN, NEBRASKA
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the project and includes loan forgiveness of up to 62% of eligible project costs up to a ceiling of \$15,252,000. For any project costs incurred in areas outside of poverty rate census tracts, loan forgiveness will be at a rate of up to 46.28%. The agreement also includes a lead service line inventory grant of up to 10% of eligible project costs, up to a ceiling of \$2,460,000. The interest rate throughout the term of the loan is 0.00%. A commencement of principal repayment is estimated to start on December 15, 2027 as established under the agreement wherein repayment must begin within one year from the date of initiation of operation, but not later than three years from the date of the loan, whichever occurs first. The terms of the project loan payable are reflected in the summary of long-term debt. As of August 31, 2025, the Lincoln Water System has borrowed \$1,035,980 under this agreement.

The Lincoln Water System has also entered into a loan agreement with NDEE, under Contract D311715 to finance the replacement of known lead, lead contaminated water service lines, or galvanized service lines requiring replacement. Under this agreement, NDEE will loan an amount not to exceed \$8,000,000 to the Lincoln Water System to pay a portion of the costs for the project and includes loan forgiveness of up to 62% of eligible project costs up to a ceiling of \$4,960,000. For any project costs incurred in areas outside of poverty rate census tracts, loan forgiveness will be at a rate of up to 46.28%. The agreement also includes a lead service line inventory grant of up to 10% of the eligible project costs, up to a ceiling of \$800,000. The interest rate throughout the term of the loan is 0.00%. A commencement of principal repayment is estimated to start on December 17, 2027 as established under the agreement wherein repayment must begin within one year from the date of initiation of operation, but not later than three years from the date of the loan, whichever occurs first. The terms of the project loan payable are reflected in the summary of long-term debt. As of August 31, 2025, the Lincoln Water System has borrowed \$107,096 under this agreement.

CITY OF LINCOLN, NEBRASKA
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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	\$ 2,245
1,515	03/20/13	Stormwater Bonds	3.125	Term 2032	2023	"	1,515
6,300	06/28/16	Stormwater Bonds	2.000 - 3.000	Serial 2017 to 2036	2026	"	4,035
4,345	09/20/17	Stormwater Refunding Bonds	2.000 - 5.000	Serial 2018 to 2027	--	"	1,050
9,900	08/08/19	Stormwater Bonds	2.750 - 5.000	Serial 2020 to 2039	2029	"	8,180
4,140	08/20/20	Stormwater Refunding Bonds	5.00	Serial 2021 to 2030	--	"	2,325
13,900	03/20/25	Stormwater Bonds	4.406	Serial 2026 to 2044	2033	"	\$ 13,900
Total General Bonds							<u>\$ 33,250</u>
Tax Allocation Bonds:							
\$ 140	07/01/16	Tax Allocation Bonds	2.200	Serial 2016 to 2028	Anytime	Semiannually	\$ 43
128	03/15/19	Tax Allocation Bonds	3.090	Serial 2020 to 2034	Anytime	"	86
180	10/15/20	Tax Allocation Bonds	1.240	Serial 2022 to 2035	Anytime	"	135
120	12/01/20	Tax Allocation Bonds	1.420	Serial 2021 to 2034	Anytime	"	81
222	01/01/21	Tax Allocation Bonds	1.450	Serial 2021 to 2034	Anytime	"	150
192	01/01/21	Tax Allocation Bonds	1.450	Serial 2022 to 2035	Anytime	"	172
52	06/01/21	Tax Allocation Bonds	2.060	Serial 2022 to 2035	Anytime	"	40
240	02/01/23	Tax Allocation Bonds	4.020	Serial 2025 to 2039	Anytime	"	227
308	03/01/23	Tax Allocation Bonds	4.360	Serial 2025 to 2044	Anytime	"	304
385	12/01/23	Tax Allocation Bonds	4.890	Serial 2025 to 2045	Anytime	"	385
437	05/01/25	Tax Allocation Bonds	5.400	Serial 2027 to 2041	Anytime	"	437
Total Tax Allocation Bonds							<u>\$ 2,060</u>
Tax Supported Bonds:							
\$ 14,735	12/15/16	Highway Allocation Fund Refunding	2.000 - 5.000	Serial 2018 to 2027	2026	Semiannually	\$ 3,415
21,765	08/20/20	Limited Tax Arena Refunding Bonds	.200 - 3.000	Serial 2021 to 2037	2030	"	16,040
15,260	05/15/21	Highway Allocation Fund Bonds	2.000 - 5.000	Serial 2022 to 2037	2029	"	11,635
11,550	10/19/22	Highway Allocation Fund Bonds	4.000 - 5.000	Serial 2023 to 2042	2030	"	10,835
Total Tax Supported Bonds							<u>\$ 41,925</u>
Special Assessment Bonds:							
\$ 825	08/18/11	Special Assessment	0.400 - 3.700	Serial 2012 to 2026	2016	Semiannually	\$ 65
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	"	1,085
Total Special Assessment Bonds							<u>\$ 1,525</u>
Municipal Improvement Bonds:							
\$ 8,360	10/26/22	Municipal Improvement Bonds	3.270 - 4.250	Serial 2023 to 2028	2030	Semiannually	\$ 7,600
1,525	10/26/22	Municipal Improvement Bonds	4.375	Term 2040	2030	"	1,525
1,665	10/26/22	Municipal Improvement Bonds	4.500	Term 2042	2030	"	1,665
3,495	10/02/24	Municipal Improvement Bonds	4.065	Serial 2023 to 2042	2031	"	3,190
8,020	10/02/24	Municipal Improvement Bonds	4.065	Serial 2023 to 2042	2031	"	4,560
5,810	10/02/24	Municipal Improvement Bonds	4.065	Serial 2023 to 2042	2031	"	5,355
Total Municipal Improvement Bonds							<u>23,895</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	\$ 18,565
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	"	2,835
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	"	14,015
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	"	76,470
11,730	11/21/19	Facility Refunding Bonds	3.250	Term 2042	2029	"	11,730
Total West Haymarket Joint Public Agency Bonds							<u>\$ 283,640</u>
TOTAL GENERAL OBLIGATION BONDS							<u>\$ 386,295</u>

CITY OF LINCOLN, NEBRASKA
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August 31, 2025

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	\$ 8,295
12,220	04/09/15	Wastewater Revenue Refunding	1.000 - 4.000	Serial 2016 to 2030	2025	"	4,550
13,235	09/13/17	Wastewater Revenue Refunding	2.000 - 5.000	Serial 2018 to 2032	2027	"	7,220
20,120	07/24/19	Wastewater Revenue Bonds	2.000 - 5.000	Serial 2020 to 2040	2029	"	15,915
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	"	25,910
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>\$ 76,580</u>
\$ 10,170	08/20/19	Water Revenue Refunding	2.750 - 5.000	Serial 2020 to 2039	2029	Semiannually	\$ 7,025
Total Water Bonds							<u>\$ 7,025</u>
\$ 48,375	07/11/19	General Obligation Parking System and Refunding Bonds	2.300 - 3.000 3.00	Serial 2020 to 2035 Term 2039	2029 2029	Semiannually "	\$ 24,825 6,655
Total Parking Bonds							<u>\$ 31,480</u>
\$ 8,340	02/26/13	Solid Waste Management Revenue and Refunding	0.250 - 4.000	Serial 2013 to 2029	2023	Semiannually	\$ 1,635
5,520	07/08/15	Solid Waste Management Revenue	2.000 - 5.000	Serial 2016 to 2035	2025	"	3,340
Total Solid Waste Management Bonds							<u>\$ 4,975</u>
\$ 75,525	06/20/13	Electric Revenue and Refunding Bonds	2.700 - 5.000	Serial 2021 to 2025	2023	Semiannually	\$ 12,385
127,630	03/11/15	Electric Revenue and Refunding Bonds	3.000 - 5.000	Serial 2019 to 2036	2025	"	29,895
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	"	151,300
Total Electric Bonds							<u>\$ 493,655</u>
TOTAL REVENUE BONDS							<u><u>\$ 613,715</u></u>

Annual requirements to pay principal and interest to maturity on outstanding debt follow (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
2026	\$ 22,826	16,667	276	36	4,910	679
2027	19,274	15,584	252	25	3,563	481
2028	17,522	14,751	149	20	2,720	354
2029	18,095	14,049	152	17	1,813	257
2030	18,663	13,340	155	14	1,435	189
2031-2035	97,026	55,300	566	23	3,629	341
2036-2040	95,385	35,477	-	-	1,025	58
2041-2045	85,794	13,622	-	-	120	3
2046-2050	11,710	344	-	-	-	-
2051-2055	-	-	-	-	-	-
2056-2060	-	-	-	-	-	-
Total	<u>\$ 386,295</u>	<u>179,134</u>	<u>1,550</u>	<u>135</u>	<u>19,215</u>	<u>2,362</u>

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Fiscal Year Ended August 31	Business-Type Activities					
	Revenue Bonds		Loans/Note from Direct Borrowing		COPs	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 46,675	22,004	2,265	390	125	41
2027	48,915	20,686	2,319	300	135	35
2028	50,520	18,511	2,223	300	140	28
2029	49,895	16,536	2,270	253	145	21
2030	8,635	2,799	2,317	205	155	14
2031-2035	250,695	54,329	7,762	349	160	6
2036-2040	110,150	18,397	191	-	-	-
2041-2045	43,545	4,379	191	-	-	-
2046-2050	4,685	301	191	-	-	-
2051-2055	-	-	191	-	-	-
2056-2060	-	-	74	-	-	-
Total	<u>\$ 613,715</u>	<u>157,942</u>	<u>19,994</u>	<u>1,797</u>	<u>860</u>	<u>145</u>

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
2026	\$ 7,757	3,233	1,381	446	35,740	17,730
2027	8,044	2,935	1,439	396	37,580	16,807
2028	7,793	2,612	1,534	346	39,325	15,063
2029	5,457	2,355	1,592	293	40,915	13,458
2030	5,426	2,190	1,650	238	42,640	11,735
2031-2035	18,033	8,508	7,191	455	224,350	36,173
2036-2040	14,550	5,560	191	-	59,000	9,417
2041-2045	15,875	2,708	191	-	14,105	564
2046-2050	4,685	301	191	-	-	-
2051-2055	-	-	191	-	-	-
2056-2060	-	-	74	-	-	-
Total	<u>\$ 87,620</u>	<u>30,402</u>	<u>15,625</u>	<u>2,174</u>	<u>493,655</u>	<u>120,947</u>

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Long-term liability activity for the year ended August 31, 2025, was as follows (in thousands of dollars):

	Beginning Balance (As Restated)	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bond, Notes, and COPs Payable:					
General Bonds	\$ 21,975	13,900	(2,625)	33,250	2,055
Tax Allocation Bonds	1,727	437	(104)	2,060	111
Tax Supported Bonds	46,060	-	(4,135)	41,925	4,260
Municipal Improvement Bonds	11,160	17,325	(4,590)	23,895	5,685
Special Assessment Debt with Government Commitment	1,750	-	(225)	1,525	230
West Haymarket Joint Public Agency Bonds	293,880	-	(10,240)	283,640	10,485
Note from Direct Borrowing	1,816	-	(266)	1,550	276
COPs	24,100	-	(4,885)	19,215	4,910
Gross Bonds and COPs Payable	402,468	31,662	(27,070)	407,060	28,012
Deferred Amounts:					
For Issuance Premiums	9,668	1,728	(1,370)	10,026	-
For Issuance Discounts	(888)	-	27	(861)	-
Net Bonds, Notes, and COPs Payable	411,248	33,390	(28,413)	416,225	28,012
Other Liabilities:					
Leases	1,017	446	(208)	1,255	200
Subscription Software	1,756	6,234	(2,415)	5,575	2,403
Compensated Absences*	44,595	2,161	-	46,756	14,425
Claims and Judgements	16,110	7,852	(6,931)	17,031	8,343
Net Pension Liability	85,239	5,927	-	91,166	-
Total OPEB Liability	15,147	765	-	15,912	664
Governmental Activities Long-Term Liabilities	<u>\$ 575,112</u>	<u>56,775</u>	<u>(37,967)</u>	<u>593,920</u>	<u>54,047</u>
Business-Type Activities:					
Bonds, Loans, Note, and COPs:					
Wastewater Revenue Bonds	\$ 82,730	-	(6,150)	76,580	6,420
Wastewater Loans from Direct Borrowing	12,350	-	(1,310)	11,040	1,337
Water Revenue Bonds	9,905	-	(2,880)	7,025	625
Water Loan from Direct Borrowing	8,197	1,143	(740)	8,600	756
Electric System Revenue Bonds	531,455	-	(37,800)	493,655	35,740
Parking Revenue Bonds	34,635	-	(3,155)	31,480	3,220
Solid Waste Management Revenue Bonds	5,620	-	(645)	4,975	670
Note from Direct Borrowing	518	-	(164)	354	172
COPs	980	-	(120)	860	125
Gross Bonds, Loans, Note, and COPs Payable	686,390	1,143	(52,964)	634,569	49,065
Deferred Amounts:					
For Issuance Premiums	41,341	-	(6,754)	34,587	-
Net Bonds, Loans, Note, and COPs Payable	727,731	1,143	(59,718)	669,156	49,065
Other Liabilities:					
Compensated Absences*	4,951	-	(271)	4,680	1,950
Developer Performance Deposits	15,832	11,000	(1,712)	25,120	8,527
Claims and Judgements	722	441	-	1,163	-
Leases	2,959	787	(435)	3,311	431
Subscription Software	1,499	2,139	(1,174)	2,464	1,023
Net Pension Liability	5,563	-	(87)	5,476	-
Total OPEB Liability	1,899	-	(36)	1,863	78
Accrued Landfill Closure/Postclosure Care Costs	39,302	2,636	-	41,938	-
Asset Retirement Obligation	5,190	-	(2,217)	2,973	-
Business-Type Activities Long-Term Liabilities	<u>\$ 805,648</u>	<u>18,146</u>	<u>(65,650)</u>	<u>758,144</u>	<u>61,074</u>

*The change in compensated absences is a net change for the year.

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Internal Service funds predominantly serve the governmental funds; therefore, their long-term liabilities are included with the governmental activities. 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, 2025, was as follows (in thousands of dollars):

	Beginning Balance (As Restated)	Additions	Reductions	Ending Balance	Due Within One Year
Lincoln Wastewater System:					
Bonds and Loans Payable:					
Wastewater Revenue Bonds	\$ 82,730	-	(6,150)	76,580	6,420
Wastewater Loans from Direct Borrowing	12,350	-	(1,310)	11,040	1,337
COPs	-	-	-	-	-
Deferred for Issuance Premiums	4,464	-	(511)	3,953	-
Net Bonds and Loans Payable	99,544	-	(7,971)	91,573	7,757
Other Liabilities:					
Compensated Absences*	1,278	60	-	1,338	620
Total OPEB Liability	401	-	(33)	368	16
Total Long-Term Liabilities	<u>\$ 101,223</u>	<u>60</u>	<u>(8,004)</u>	<u>93,279</u>	<u>8,393</u>
Lincoln Water System:					
Bonds and Loan Payable:					
Water Revenue Bonds	\$ 9,905	-	(2,880)	7,025	625
Water Loan from Direct Borrowing	8,197	1,143	(740)	8,600	756
Deferred for Issuance Premiums	1,459	-	(302)	1,157	-
Net Bonds and Loan Payable	19,561	1,143	(3,922)	16,782	1,381
Other Liabilities:					
Compensated Absences*	1,957	-	(329)	1,628	736
Total OPEB Liability	484	-	(9)	475	20
Total Long-Term Liabilities	<u>\$ 22,002</u>	<u>\$ 1,143</u>	<u>(4,260)</u>	<u>18,885</u>	<u>2,137</u>
Lincoln Electric System:					
Bonds Payable:					
Electric System Revenue Bonds	\$ 531,455	-	(37,800)	493,655	35,740
Deferred for Issuance Premiums	34,655	-	(5,856)	28,799	-
Net Bonds Payable	566,110	-	(43,656)	522,454	35,740
Other Liabilities:					
Developer Performance Deposits	15,832	11,000	(1,712)	25,120	8,527
Claims and Judgements	722	441	-	1,163	-
Software Liabilities	1,439	1,659	(665)	2,433	992
Asset Retirement Obligation	5,190	-	(2,217)	2,973	-
Total Long-Term Liabilities	<u>\$ 589,293</u>	<u>13,100</u>	<u>(48,250)</u>	<u>554,143</u>	<u>45,259</u>

*The change in compensated absences is a net change for the year.

DEVELOPER PURCHASED TAX INCREMENT FINANCING NOTES AND BONDS

At August 31, 2025, \$116,206,329 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 period. At the end of the 15 or 20-year period, the tax jurisdiction collects on the increased property values. The related tax

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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. On August 31, 2025, \$7,203,000 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. On August 31, 2025, \$8,148,447 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. On August 31, 2025, these bonds had outstanding balances of \$18,000,000, Series 2022 A, and \$2,795,000, Series 2022B.

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. On August 31, 2025, \$25,560,000 of these bonds are outstanding.

On November 1, 2024, the City issued a maximum of \$11,500,000 of Multifamily Housing Revenue Bonds, Series 2024A and maximum of \$10,500,000 of Multifamily Housing Revenue Bonds, Series 2024B Bonds, for the purpose of financing a portion of the cost of the acquisition, construction, and equipping of a

CITY OF LINCOLN, NEBRASKA
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multifamily development of approximately 125 housing units to be located in Lincoln Nebraska and known as Center Terrace. The Bonds are limited obligations of the City and are payable solely from payments to be made by CT Redevelopment, LP, pursuant to a loan agreement dated November 1, 2025, by and between the City and CR Redevelopment, 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. On August 31, 2025, \$4,707,480 of these bonds are outstanding.

On June 1, 2025, the City issued a maximum of \$43,000,000 of Revenue and Refunding Bonds, Series 2025, to refund the Revenue Bonds (Eastmont Living Projects), Series 2020, of the County of Lancaster, in the State of Nebraska and County's Revenue Bonds (Eastmont Project), Series 2021A, that were issued for the purpose of financing the cost of constructing, remodeling and acquiring improvements to the borrower's nonprofit retirement facilities located in Lincoln, Nebraska and known as Eastmont Towers and to finance certain improvements to the borrower's nonprofit facilities and cost of issuance of the bonds. The Bonds are limited obligations of the City and are payable solely from payments to be made by Christian Retirement Homes, Inc. d/b/a Eastmont, pursuant to a loan agreement dated June 1, 2025, by and between the City and Christian Retirement Homes, Inc. 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. On August 31, 2025, \$42,951,000 of these bonds are outstanding

(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, 2025, 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	\$ 10,450,682	25,617,721	1,874,567
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.	(10,589,350)	1,182,954	(15,004,328)
Perspective differences occur when the structure used for budgeting differs from the fund structure used for financial reporting.	817,820	-	-
Amount budgeted on a project basis.	-	30,242,852	-
Balance on a budget basis	<u>\$ 679,152</u>	<u>57,043,527</u>	<u>(13,129,761)</u>

(11) DEFICIT NET POSITION OR FUND BALANCE

The following funds had a fund balance deficit as of August 31, 2025:

Special Revenue – Lincoln Bike Share Fund	\$ (850,303)
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- The Lincoln Bike Share Fund fund balance deficit is due to large initial implementation costs of the Lincoln Bike Share Program.

CITY OF LINCOLN, NEBRASKA
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(12) EXCESS OF EXPENDITURES OVER APPROPRIATIONS

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

General Fund		
Equipment Maintenance		
Lincoln Maintenance	\$	98,880
Street Construction Fund		
Fiscal Charges	\$	61
Federal Grants Fund		
Economic Opportunity		
Materials and Supplies	\$	20,635
Other Services and Charges		64,910
Health and Welfare		
Personal Services	\$	28,679
Materials and Supplies		44
Other Services and Charges		276
Advance Acquisition Fund		
Capital Outlay	\$	45,477
Cable Access Television Fund		
Materials and Supplies	\$	13,709
Lincoln City Libraries Fund		
Materials and Supplies	\$	120,595
StarTran Fund		
Materials and Supplies	\$	178,065
Other Services		213,259
Capital Outlay		15,883
Keno Fund		
Other Services and Charges	\$	479,789
Debt Service		399
Library Trust Fund		
Personal Service	\$	10
Vehicle Tax Residual Revenue Fund		
Other Services and Charges	\$	110

(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.

CITY OF LINCOLN, NEBRASKA
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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.
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.

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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>
$5 \leq \text{YOS} < 10$	23%	23%	21%
$10 \leq \text{YOS} < 15$	39%	39%	36%
$\text{YOS} \geq 15$	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 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

CITY OF LINCOLN, NEBRASKA
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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, 2025, is \$15,127,073.

Membership of the pension plan consisted of the following at August 31, 2025, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	591
Terminated plan members entitled to	
but not yet receiving benefits	22
Active plan members (non-DROP)	628
Death benefit refund due	13
DROP members	53
Total	<u>1,307</u>
Number of participating employers	<u>1</u>

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 2025 was \$12,462,426. For the fiscal year ended August 31, 2025, the Plan received \$13,752,662 in employer contributions.

Actuarial Methods and Assumptions – The annual required contribution for the current year was determined as part of the August 31, 2025, 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 7.25% per year compounded annually, (b) projected salary increases of 8.75% grading down to 3.00% per year, including wage inflation at 2.50%, and (c) the assumption that benefits will increase 2.50% 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 14 to 21 years.

Net Pension Liability

Total pension liability	\$ 458,395,730
Plan fiduciary net position	<u>(361,753,511)</u>
Net pension liability	<u>\$ 96,642,219</u>

Plan fiduciary net position as a percentage of the total pension liability	78.92%
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CITY OF LINCOLN, NEBRASKA
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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, 2025
Measurement date	August 31, 2025

Assumptions

The total pension liability as of August 31, 2025, was determined by an actuarial valuation performed as of August 31, 2025, 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, net of investment expense, including price inflation	7.10%
Municipal Bond Index Rate	5.22%
Single Equivalent Interest Rate, net of investment expense, including price inflation	7.10%
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, 2025 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, 2025, was 7.10%, which is a change from the discount rate of 7.20% used to measure the total pension liability at August 31, 2024. 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 7.10% 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 2124.

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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 7.10% long-term assumed rate of return for the current measurement date and the 7.20% 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.

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, 2025, 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 7.10%, as well as the City's net pension liability calculated using a discount rate that is 1 percentage point lower (6.10%) or 1 percentage point higher (8.10%) than the current rate.

	<u>1% Decrease 6.10%</u>	<u>Current Discount Rate 7.10%</u>	<u>1% Increase 8.10%</u>
Total Pension Liability	\$ 516,160,571	458,395,730	410,337,388
Fiduciary Net Position	<u>361,753,511</u>	<u>361,753,511</u>	<u>361,753,511</u>
Net Pension Liability	\$ 154,407,060	96,642,219	48,583,877

Rate of Return - For the year ended August 31, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 8.06%. 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.

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

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at August 31, 2024	\$ 430,533,761	339,731,903	90,801,858
Changes for the year:			
Service cost at end of year	10,911,889	-	10,911,889
Interest on TPL	30,179,224	-	30,179,224
Difference between expected and actual experience	4,735,390	-	4,735,390
Assumption changes	5,193,694	-	5,193,694
Employer contributions	-	13,752,662	(13,752,662)
Employee contributions	-	5,021,615	(5,021,615)
Net investment income	-	26,940,356	(26,940,356)
Benefit payments, including member refunds	(23,158,228)	(23,158,228)	-
Administrative expenses	-	(583,649)	583,649
Other Changes	-	48,852	(48,852)
Net changes	27,861,969	22,021,608	5,840,361
Balances at August 31, 2025	\$ 458,395,730	361,753,511	96,642,219

Deferred Outflows and Inflows of Resources

Deferred Outflows of Resources
As of August 31, 2025

Differences between expected and actual experience	\$ 14,658,873
Differences between projected and actual earnings	-
Changes of assumptions	9,678,762
Change in the City's proportion of the collective net pension liability since the prior measurement date	388,766
Change in the Emergency Medical Services Fund's proportion of the collective net pension liability since the prior measurement date	415,174
Total	\$ 25,141,575

Deferred Inflows of Resources
As of August 31, 2025

Differences between expected and actual experience	\$ 9,150
Differences between projected and actual earnings	362,666
Change in the City's proportion of the collective net pension liability since the prior measurement date	415,174
Change in the Emergency Medical Services Fund's proportion of the collective net pension liability since the prior measurement date	388,766
Total	\$ 1,175,756

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

<u>Fiscal Year</u> <u>Ending August 31</u>	<u>Net Deferred</u> <u>Outflows/Inflows</u> <u>of Resources</u>
2026	11,643,070
2027	4,027,173
2028	2,634,724
2029	3,428,571
2030	1,943,087
Thereafter	289,194
	<u>23,965,819</u>

Pension Expense

The calculation of the pension expense for the year ended August 31, 2025, is shown below:

Pension Expense For the Fiscal Year Ended August 31, 2025	
Service cost at end of year	\$ 10,911,889
Interest on the total pension liability	30,179,224
Expensed portion of current-period differences between expected and actual experience in the total pension liability	766,244
Expensed portion of current-period assumption changes	840,404
Employee contributions	(5,021,615)
Projected earnings on plan investments	(24,286,700)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(530,731)
Administrative expenses	583,649
Other changes	(48,852)
Amortization of beginning deferred outflows of resources	14,419,739
Amortization of beginning deferred inflows of resources	(10,057,178)
Total Pension Expense	<u>\$ 17,756,073</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 employer contributions. For the year ended December 31, 2024, LES incurred contribution expense of approximately \$5,930,000 and its employees contributed approximately \$6,250,000.

CITY OF LINCOLN, NEBRASKA
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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 \$204,066 and employee contributions totaled \$118,241. There were no voluntary employee contributions made for the year ended December 31, 2024.

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, 2024, the City incurred contribution expense totaling \$9,594,840. Employee contributions totaled \$6,147,824. Employees made \$172,293 in voluntary contributions for the year ended December 31, 2024.

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 \$1,906,989 for the year ended December 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, 2024, for members in payment and for active members. This was the data used in the valuation to develop the August 31, 2024, total OPEB liability:

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Retired members	60
Spouses of retired members	23
Surviving spouses	0
Active employees	2,138
Total	<u>2,221</u>
Number of participating employers	<u>1</u>

Actuarial Methods and Assumptions

The total OPEB liability of \$17,780,486 on August 31, 2025, was measured as of August 31, 2024. An actuarial valuation was prepared as of August 31, 2024, for members in payment under the plan and for active members. 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>	3.88% (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 2034.
<u>Cost-Sharing Premiums</u>	Premiums, effective as of November 1, 2023, were trended forward to the valuation date, August 31, 2024. 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, 2024

		<u>Police/Fire</u>		<u>Civilians</u>
Retiree	\$	12,122	\$	10,987
Spouse	\$	15,084	\$	14,117

Mortality:	General Pub-2010 Tables used for Civilians and Safety Pub-2010 Tables used for Police and Fire.
	<u>Active:</u> Pub-2010 Active Mortality Table with generational mortality improvement using the MP-2021 Mortality Improvement Scale.
	<u>Retires:</u> Pub-2010 Healthy Annuitant Mortality Table with generational mortality improvement using the MP-2021 Mortality Improvement Scale.
	<u>Disabled Retirees:</u> Pub-2010 Disabled Mortality Table with generational mortality improvement using the MP-2021 Mortality Improvement Scale.
	<u>Beneficiaries:</u> Pub-2010 Contingent Annuitant Mortality Table with generational mortality improvement using the MP-2021 Mortality Improvement Scale.

CITY OF LINCOLN, NEBRASKA
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The Police and Fire demographic actuarial assumptions used in the August 31, 2024 valuation 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.

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 2024 and trending downward to 4.50% in 2034, as well as the total OPEB liability calculated using trend rates that are 1% lower or 1% higher than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$ 15,719,523	\$ 17,780,486	\$ 20,235,767

The following presents the total OPEB liability of the plan, calculated using the discount rate of 3.88%, as well as the Plan's total OPEB liability calculated using a discount rate that is 1% lower (2.88%) or 1% higher (4.88%) than the current rate:

	1% Decrease 2.88%	Current Discount Rate 3.88%	1% Increase 4.88%
Total OPEB Liability	\$ 19,646,761	\$ 17,780,486	\$ 16,114,833

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at Beginning of Year	\$ 17,052,346
Changes for the year:	
Service cost at end of year	994,888
Interest on total OPEB liability	630,012
Difference between expected and actual experience	(642,965)
Assumption changes	434,907
Benefit payments	(688,702)
Net changes	728,140
Balance at End of Year	\$ 17,780,486

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Notes to the Financial Statements
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OPEB Expense

The calculation of the OPEB expense for the fiscal year ended August 31, 2025, is shown below:

OPEB Expense Year Ending August 31, 2025	
Service cost at end of year	\$ 994,888
Interest on the total OPEB liability	630,012
Expensed portion of current-period differences between expected and actual experience in total OPEB liability	(84,936)
Expensed portion of current-period assumption changes	57,451
Recognition of beginning deferred outflows of resources	951,879
Recognition of beginning deferred inflows of resources	(2,168,402)
Total OPEB Expense	<u>\$ 380,892</u>

Deferred Outflows and Inflows of Resources

Deferred Outflows of Resources As of August 31, 2025	
Benefit payments subsequent to the measurement date	\$ 750,924
Differences between expected and actual experience	93,213
Changes of assumptions	<u>2,679,267</u>
Total	<u>\$ 3,523,404</u>

Deferred Inflows of Resources As of August 31, 2025	
Differences between expected and actual experience	\$ 7,795,313
Changes of assumptions	<u>1,727,349</u>
Total	<u>\$ 9,522,662</u>

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, 2026. 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
2025	\$ 1,009,330	(2,053,641)	(1,044,311)
2026	955,806	(1,961,376)	(1,005,570)
2027	602,241	(1,961,376)	(1,359,135)
2028	57,451	(1,960,128)	(1,902,677)
2029	57,451	(1,378,931)	(1,321,480)
Thereafter	90,201	(207,210)	(117,009)
	<u>\$ 2,772,480</u>	<u>(9,522,662)</u>	<u>(6,750,182)</u>

CITY OF LINCOLN, NEBRASKA
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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 \$1,629,901.

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 \$1,099,994 has been included in the Insurance Revolving Internal Service Fund, as it relates to these benefits. Beginning January 1, 2025, the City's long-term disability benefit plan was transitioned to an insurance provider for new claims. The insurance annual premium of \$55,112 is based on a calendar year. As of August 31, 2025, the City has paid \$36,741 in insurance premiums.

(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. State statutes impose additional restrictions on political subdivisions' ability to collect property tax revenue. The 2024 tax levy, for the 2024-2025 fiscal year, was \$240,215,610 below the legal limit, with a tax rate per \$100 valuation of \$0.29533. The assessed value upon which the 2024 levy was based was \$35,463,614,606.

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.

Within the government-wide financial statements, property taxes are recognized as revenue in the year for which they are levied. Property taxes levied for 2024-2025 are recorded as revenue in the fund financial statements when expected to be collected within 60 days after August 31, 2025. 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, 2025, 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; and self-insured dental benefits.

The City manages its liability exposures through a self-insured retention and layered excess liability insurance structure. Under this program, the City retains the first \$1,000,000 per occurrence of liability costs through a Self-Insured Retention (SIR). Within this retention, the City is responsible for all claims-related expenses, including legal defense, settlements, and judgments. This includes General, Auto, Law Enforcement, Transit, EMT, Medical and certain Professional, and Public Officials Liability. There are two excess providers, the first one provides limits of \$5,000,000 per occurrence and \$10,000,000 in aggregate. The secondary provider adds an additional \$2,000,000 per occurrence and \$2,000,000 in aggregate. The total excess provided by both policies is \$7,000,000 per occurrence and \$12,000,000 in aggregate. There are also several additional Professional Liability policies purchased for those specific risks. The Nebraska Political Tort Claims Act limits the City's liability for tort claims to \$1,000,000 per individual and \$5,000,000 per occurrence.

Workers' compensation was covered by a policy that provided statutory limits above the City's retention of \$800,000 per individual and up to \$1,000,000 of Employers Liability Insurance.

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 \$250,000 retention per claim. There are several additional insurance policies purchased by the City to manage specific risks which include Fiduciary, Pollution, Fine Arts and Public Employee Dishonesty, Cyber, Condo, Drone, Referees, Long-term Disability, and Volunteer Insurance.

There were two significant recoveries in the current year's collection efforts for damage caused by others. Amounts recovered were \$102,000 for a bridge retaining wall and \$102,000 for a damaged traffic signal and box. In the past three fiscal years there were no claims for liability or property claims that exceeded the limits of coverage for the City.

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 \$17,030,840 were recorded at August 31, 2025, which do not include claims relating to Lincoln Electric System's self-funded health and dental insurance programs. Excluding medical care claims approximating \$4,465,188, 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 amount of pay-outs, and other economic and social factors. The claims liability estimate also includes amounts for

CITY OF LINCOLN, NEBRASKA
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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, 2025 and 2024:

	Worker's Compensation and Others	Long-Term Disability	Health and Dental	Total
Balance at August 31, 2024	\$ 12,308,049	1,059,218	2,742,680	16,109,947
Current year claims and changes in estimates	3,439,556	148,376	54,048,062	57,635,994
Claims payments	(4,281,947)	(107,600)	(52,325,554)	(56,715,101)
Balance at August 31, 2025	<u>\$ 11,465,658</u>	<u>1,099,994</u>	<u>4,465,188</u>	<u>17,030,840</u>

	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>

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:

	2024	2023
Balance beginning of year	\$ 693,000	708,000
Claims and fees incurred	8,784,000	8,167,000
Claims paid/other	(8,314,000)	(8,182,000)
Balance end of year	<u>\$ 1,163,000</u>	<u>693,000</u>

As required by state statute, LES maintains an incurred but not reported claims reserve which is actuarially determined, the balance of which was \$1,163,000 and \$693,000 at December 31, 2024 and 2023, 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.

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(17) COMMITMENTS AND CONTINGENCIES

ENCUMBRANCES

At August 31, 2025, encumbrance balances, by major fund and nonmajor governmental and enterprise funds in the aggregate were:

Fund	Amount
General	\$ 1,545,774
Street Construction	12,999,128
West Haymarket JPA	65,155
Federal Grants	2,013,047
Nonmajor Governmental	8,716,670
Internal Service	5,198,327
Wastewater	691,423
Water	906,959
Nonmajor Enterprise	14,102,508
Total	<u>\$ 46,238,991</u>

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, 2025, 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 \$5,229,000 as of August 31, 2025, which will be financed primarily through highway user fees, bond proceeds, federal and state grants, and developer contributions.

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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 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, 2025, the Agency has a remaining commitment of \$4,500,000 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 if the contamination or the applicable regulatory requirements. No liability has been recorded for potential future remediation activities as of August 31, 2025.

SOLID WASTE MANAGEMENT

The Solid Waste Management Fund has commitments under major construction contracts in progress of approximately \$5,521,000 as of August 31, 2025.

LINCOLN WASTEWATER SYSTEM

The Lincoln Wastewater System has commitments under major construction contracts in progress of approximately \$68,845,000 as of August 31, 2025.

LINCOLN WATER SYSTEM

The Lincoln Water System has commitments under major construction contracts in progress of approximately \$189,400,000 as of August 31, 2025.

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 2024, 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.

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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 \$7,720,000 in 2024.

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 \$16,295,000 as of December 31, 2024. These are primarily contracts for purchasing equipment related to large substation and transmission projects to serve a large data center in the service territory and a five-year contract to purchase 345kv circuit breakers as needed.

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 October 1, 2029 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, 2025, the City had incurred a liability of approximately \$34,105,000 for the municipal solid waste landfill which represents the amount of costs reported to date based on the approximately 76% of landfill capacity used to date. The remaining estimated liability for these costs is approximately \$8,974,000 million, which will be recognized as the remaining capacity is used (estimated to be approximately 10 years).

As of August 31, 2025, the City had incurred a liability of approximately \$2,208,000 for the construction and demolition debris landfill which represents the amount of costs reported to date based on the approximately 49% of landfill capacity used to date. The remaining estimated liability for these costs is approximately \$2,188,000, which will be recognized as the remaining capacity is used (estimated to be approximately 23 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.

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.

CITY OF LINCOLN, NEBRASKA
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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, 2025, a liability for closure and postclosure care costs is recorded in the amount of approximately \$5,625,000. 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, 2025, is presented as follows:

	Parking Systems	Solid Waste Management
CONDENSED STATEMENT OF NET POSITION		
Assets:		
Current Assets, excluding Due from Other Funds	\$ 5,790,902	13,813,771
Due from Other Funds	723,944	217,905
Other Assets	3,558,383	4,143,152
Capital Assets, Net	88,510,527	34,992,290
Total Assets	98,583,756	53,167,118
Deferred Outflows of Resources	577,384	35,004
Liabilities:		
Current Liabilities, excluding Due to Other Funds	5,016,086	2,637,246
Due to Other Funds	175,571	4,812
Noncurrent Liabilities	30,684,628	47,058,291
Total Liabilities	35,876,285	49,700,349
Deferred Inflows of Resources	5,390	94,606
Net Position:		
Net Investment in Capital Assets	55,093,310	30,222,865
Restricted	3,160,919	232,834
Unrestricted	5,025,236	(27,048,532)
Total Net Position	\$ 63,279,465	3,407,167

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

Operating Revenues	\$ 15,464,446	12,867,705
Depreciation and Amortization Expense	(2,671,094)	(3,047,655)
Other Operating Expenses	(8,775,794)	(14,154,070)
Operating Income (Loss)	<u>4,017,558</u>	<u>(4,334,020)</u>
Nonoperating Revenues (Expenses):		
Investment Earnings	186,017	662,407
Grant Revenue	-	(2,588)
Gain (Loss) on Disposal of Capital Assets	16,000	(168,825)
Insurance Recovery	4,311	7,882
Occupation Tax	-	5,985,901
Interest Expense and Fiscal Charges	(1,007,419)	(150,345)
Capital Contributions	-	549,875
Transfers	<u>(2,095,026)</u>	<u>(1,284,933)</u>
Change in Net Position	1,121,441	1,265,354
Beginning Net Position	62,158,024	2,141,813
Ending Net Position	<u><u>\$ 63,279,465</u></u>	<u><u>3,407,167</u></u>

CONDENSED STATEMENT OF CASH FLOWS

Net Cash Provided (Used) by:		
Operating Activities	\$ 7,149,347	1,560,499
Noncapital Financing Activities	(2,013,743)	3,982,976
Capital and Related Financing Activities	(5,743,891)	(3,323,196)
Investing Activities	<u>1,484,963</u>	<u>(653,809)</u>
Net Increase in Cash	876,676	1,566,470
Beginning Balance	295,266	1,221,666
Ending Balance	<u><u>\$ 1,171,942</u></u>	<u><u>2,788,136</u></u>

(20) PLEDGED 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 \$118,020,408 with annual payments expected to require 41% of net revenues. Principal and interest paid for the current year and net system revenues were \$10,982,243 and \$26,907,011 , 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 \$17,798,939, with annual payments expected to require 13% of net revenues. Principal and interest paid for the current year and net system revenues were \$4,206,526 and \$37,181,982 , 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 \$614,602,000, with annual payments expected to require 39% of net revenues. Principal and interest paid for the current year and net system revenues were \$55,280,000 and \$143,415,000 , respectively.

CITY OF LINCOLN, NEBRASKA
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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 \$36,970,438, with annual payments expected to require 64% of net revenues. Principal and interest paid for the current year and net system revenues were \$4,052,638 and \$6,874,669, 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 \$5,748,023, with annual payments expected to require 13% of net revenues. Principal and interest paid for the current year and net system revenues were \$834,573 and \$6,713,010 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, 2025, the City made rental payments of approximately \$3.7 million to the Commission.

As of August 31, 2025, the Commission has debt outstanding of \$14,946,790. 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.

(22) **TAX ABATEMENTS**

As of August 31, 2025, 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, 2047.

During the fiscal year ended August 31, 2025, the City abated \$3,449,199 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, 2025, the City abated \$2,689,986 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 \$45,807,000 are reflected in the utility plant on December 31, 2024.

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 \$1,315,000 on December 31, 2024.

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.

CITY OF LINCOLN, NEBRASKA
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LES recorded the following amounts as asset retirement obligations, which is offset with a deferred outflow of resources on the LES Statement of Net Position:

(Dollars in thousands)

Asset retirement obligations:

Obligation, beginning of year	\$ 5,190
Additional obligations	(419)
Accretion	327
Liabilities settled	<u>(2,125)</u>
Obligation, end of year	<u><u>\$ 2,973</u></u>

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 2024 LES billed the County \$2,017,000 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 \$103,767,000 are reflected in utility plant on December 31, 2024.

(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 \$2,763,000 in 2024. The total amount of payments to LES for energy was approximately \$1,020,000 in 2024.

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(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, 2025, was \$3,180,767 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, 2024 was \$730,000, 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 2055. 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, 2025:

<u>Governmental Activities</u>			
Fiscal Year Ended August 31	Total to be Paid	Principal	Interest
2026	\$ 248,951	200,366	48,585
2027	246,565	207,256	39,309
2028	240,113	209,995	30,118
2029	123,757	99,223	24,534
2030	123,915	103,894	20,021
2031-2035	410,671	376,763	33,908
2036-2040	45,875	41,581	4,294
2041-2045	16,497	16,175	322
Total	<u>\$ 1,456,344</u>	<u>1,255,253</u>	<u>201,091</u>
<u>Business-Type Activities</u>			
Fiscal Year Ended August 31	Total to be Paid	Principal	Interest
2026	\$ 508,638	430,799	77,839
2027	436,477	368,133	68,344
2028	283,927	223,367	60,560
2029	283,878	230,833	53,045
2030	283,828	238,580	45,248
2031-2035	760,576	597,013	163,563
2036-2040	609,678	500,806	108,872
2041-2045	298,197	223,917	74,280
2046-2050	298,197	252,688	45,509
2051-2055	258,438	245,114	13,324
Total	<u>\$ 4,021,834</u>	<u>3,311,250</u>	<u>710,584</u>

CITY OF LINCOLN, NEBRASKA
Notes to the Financial Statements
August 31, 2025

Subscriptions

The City has agreements covering software subscriptions for various locations of its operations, the terms of which expire in various years through 2031. 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, 2025:

<u>Governmental Activities</u>			
Fiscal Year Ended August 31	Total to be Paid	Principal	Interest
2026	\$ 2,491,928	2,403,231	88,697
2027	1,859,398	1,818,695	40,703
2028	468,078	446,828	21,250
2029	284,936	271,339	13,597
2030	291,437	282,655	8,782
2031	368,196	352,252	15,944
Total	<u>\$ 5,763,973</u>	<u>5,575,000</u>	<u>188,973</u>

<u>Business-Type Activities</u>			
Fiscal Year Ended August 31	Total to be Paid	Principal	Interest
2026	\$ 1,120,871	1,022,543	98,328
2027	1,007,000	946,000	61,000
2028	260,000	239,000	21,000
2029	267,000	256,000	11,000
Total	<u>\$ 2,654,871</u>	<u>2,463,543</u>	<u>191,328</u>

(26) SUBSEQUENT EVENTS

In September 2025, the Lincoln Police Union labor contract for August 31, 2025 through August 31, 2028 was approved by City Council.

In October 2025, the Lincoln M Class Employee's Association labor contract for August 14, 2025 through August 31, 2027 was approved by City Council.

In September 2025, the City issued a \$23,000,000 of Municipal Improvement Bond. The bond proceeds will be used for the downtown library project.

CITY OF LINCOLN, NEBRASKA
Required Supplementary Information
August 31, 2025

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service cost	\$ 10,911,889	\$ 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
Interest	30,179,224	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
Differences between expected and actual experience	4,735,390	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)
Effect of assumption changes or inputs	5,193,694	2,452,446	4,810,131	2,091,838	1,998,466	1,916,405	13,739,593	-	-	-
Benefit payments, including refunds of member contributions	(23,158,228)	(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)
Net change in total pension liability	27,861,969	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
Total pension liability - beginning	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
Total pension liability - ending (a)	<u>\$ 458,395,730</u>	<u>\$ 430,533,761</u>	<u>\$ 401,094,971</u>	<u>\$ 375,472,940</u>	<u>\$ 358,573,819</u>	<u>\$ 343,087,750</u>	<u>\$ 325,109,208</u>	<u>\$ 296,440,660</u>	<u>\$ 285,038,672</u>	<u>\$ 271,594,222</u>
Plan Fiduciary Net Position										
Contributions - employer	\$ 13,752,662	\$ 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
Contributions - employee	5,021,615	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
Net investment income	26,940,356	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
Benefit payments, including refunds of member contributions	(23,158,228)	(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)
Administrative expense	(583,649)	(674,257)	(586,917)	(648,134)	(549,560)	(510,761)	(445,481)	(435,578)	(445,579)	(493,860)
Other Changes	48,852	-	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	22,021,608	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
Plan fiduciary net position - beginning	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
Plan fiduciary net position - ending (b)	<u>\$ 361,753,511</u>	<u>\$ 339,731,903</u>	<u>\$ 312,197,770</u>	<u>\$ 301,227,002</u>	<u>\$ 318,905,474</u>	<u>\$ 267,193,074</u>	<u>\$ 246,294,314</u>	<u>\$ 245,880,530</u>	<u>\$ 233,140,335</u>	<u>\$ 213,857,935</u>
PFP Net Pension Liability - Ending (a) - (b)	<u>\$ 96,642,219</u>	<u>\$ 90,801,858</u>	<u>\$ 88,897,201</u>	<u>\$ 74,245,938</u>	<u>\$ 39,668,345</u>	<u>\$ 75,894,676</u>	<u>\$ 78,814,894</u>	<u>\$ 50,560,130</u>	<u>\$ 51,898,337</u>	<u>\$ 57,736,287</u>
Plan fiduciary net position as a percentage of the total pension liability	78.92%	78.91%	77.84%	80.23%	88.94%	77.88%	75.76%	82.94%	81.79%	78.74%
Covered payroll	\$ 62,980,062	\$ 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
PFP net pension liability as a percentage of covered payroll	153.45%	150.81%	161.89%	145.63%	78.52%	156.49%	169.43%	112.64%	120.89%	136.23%

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:

8/31/25 valuation -	Expected future investment return was reduced from 7.20% to 7.10% compounded annually. Interest on member contributions was reduced from 7.20% to 7.10% compounded annually.
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 (NPERS) Mortality Improvement Scale.
8/31/2016 valuation -	Expected future investment return was increased from 6.40% to 7.50% compounded annually.

CITY OF LINCOLN, NEBRASKA
Required Supplementary Information
August 31, 2025

Schedule of Employer Contributions for the Police and Fire Pension
For the Fiscal Year Ended August 31

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarial determined employer contribution	\$ 12,462,426	\$ 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
Actual employer contributions	13,752,662	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
Annual contribution deficiency (excess)	<u>\$ (1,290,236)</u>	<u>\$ (329,913)</u>	<u>\$ (374,265)</u>	<u>\$ (1,063,722)</u>	<u>\$ (255,586)</u>	<u>\$ (67,081)</u>	<u>\$ -</u>	<u>\$ (75,057)</u>	<u>\$ (145,628)</u>	<u>\$ 2,496,748</u>
Covered payroll - current	\$ 62,980,062	\$ 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
Actual contributions as a percentage of covered payroll	21.84%	17.91%	19.18%	22.70%	19.77%	17.51%	17.92%	18.36%	18.58%	16.92%

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:	8/31/23	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
Methods and assumptions used to determine contributions rates:										
Actuarial cost method:	Entry Age Normal 30 years, closed	Entry Age Normal 30 years, closed	Entry Age Normal 30 years, closed	Entry Age Normal 30 years, closed	Entry Age Normal 30 years, closed	Entry Age Normal 30 years, closed	Entry Age Normal 30 years, closed	Entry Age Normal 30 years, closed	Entry Age Normal 30 years, closed	Entry Age Normal 30 years, closed
Amortization method:	level percent, closed	level percent, closed	level percent, closed	level percent, closed	level percent, closed	level percent, closed	level percent, closed	level percent, closed	level percent, closed	level percent, closed
Remaining amortization period:	layered bases varying 14 - 21 years	layered bases varying 15 - 22 years	layered bases varying 16 - 23 years	layered bases varying 17 - 24 years	layered bases varying 18 - 25 years	layered bases varying 19 - 26 years	layered bases varying 20 - 27 years	28 years	29 years	30 years
Asset valuation method:	5-year smoothed market	5-year smoothed market	5-year smoothed market	5-year smoothed market	5-year smoothed market	5-year smoothed market	5-year smoothed market	5-year smoothed market	5-year smoothed market	5-year smoothed market
Inflation:	250.00%	2.25%	2.25%	2.25%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%
Salary increases:	3.00% - 8.75%	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%
Investment rate of return:	7.25%	7.30%	7.35%	7.40%	7.45%	7.50%	7.50%	7.50%	6.40%	6.75%

Schedule of Investment Returns for the Police and Fire Pension
Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money-weighted rate of return, net of investment expense	8.06%	0.86%	5.79%	-4.14%	21.93%	11.11%	2.24%	7.59%	11.25%	7.36%

CITY OF LINCOLN, NEBRASKA
Required Supplementary Information
August 31, 2025

**Schedule of Changes in the Total OPEB Liability
and Related Ratios**
Measurement Period Ending August 31, 2024

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability								
Service cost	\$ 994,888	\$ 1,050,494	\$ 1,899,828	\$ 1,852,572	\$ 1,236,714	\$ 1,071,230	\$ 1,160,514	\$ 969,040
Interest	630,012	562,332	600,161	562,803	621,025	689,255	645,475	539,411
Differences between expected and actual experience	(642,965)	-	(11,865,943)	-	265,188	-	(231,632)	-
Effect of assumption changes or inputs	434,907	(907,736)	(1,583,693)	(28,968)	5,650,737	1,423,068	(1,475,337)	(1,133,914)
Benefit payments	(688,702)	(574,801)	(870,966)	(630,467)	(872,444)	(997,277)	(962,027)	(1,070,494)
Net change in total OPEB liability	728,140	130,289	(11,820,613)	1,755,940	6,901,220	2,186,276	(863,007)	(695,957)
Total OPEB liability - beginning	17,052,346	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>\$ 17,780,486</u>	<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	\$ 185,909,153	\$ 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	9.56%	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:

8/31/24 valuation -	The discount rate has changed from 3.77% to 3.88% 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 2034.
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, 2025

	General Fund	Athletic Field & Facilities Improvement	Lincoln Area Agency On Aging	911 Communication	Unemployment Compensation	Fast Forward	Total
ASSETS							
Cash and Cash Equivalents	\$ 26,380,091	\$ 119,941	\$ 433,548	\$ 1,067,675	\$ 24,368	\$ 409,432	\$ 28,435,055
Investments	150,436,333	604,240	3,385,042	8,335,911	201,413	3,209,618	166,172,557
Receivables:							
Receivables, (Net of Allowance for Uncollectibles)	13,913,025	5,054,177	42,716	206,806	41	54,509	19,271,274
Due from Other Funds	2,835,674	-	-	-	-	-	2,835,674
Due from Other Governments	19,094,725	-	2,102,787	-	-	-	21,197,512
Inventories	56,490	-	-	-	-	-	56,490
Prepaid Items	149,701	-	-	-	-	-	149,701
Total Assets	<u>\$ 212,866,039</u>	<u>\$ 5,778,358</u>	<u>\$ 5,964,093</u>	<u>\$ 9,610,392</u>	<u>\$ 225,822</u>	<u>\$ 3,673,559</u>	<u>\$ 238,118,263</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities:							
Accounts Payable	5,464,432	-	40,654	36,549	-	-	5,541,635
Accrued Liabilities	5,141,958	-	105,013	213,093	-	-	5,460,064
Due to Other Funds	10,388,342	2,040	1,863	202	866	-	10,393,313
Due to Other Governments	127,581	-	5,482	128	-	-	133,191
Unearned Revenue	144	-	185,378	-	-	-	185,522
Total Liabilities	<u>21,122,457</u>	<u>2,040</u>	<u>338,390</u>	<u>249,972</u>	<u>866</u>	<u>-</u>	<u>21,713,725</u>
Deferred Inflows of Resources:							
Unavailable Revenues	3,175,037	-	1,843,183	-	24	-	5,018,244
Deferred Inflow for Leases	3,161,179	4,589,941	-	-	-	-	7,751,120
Total Deferred Inflows of Resources	<u>6,336,216</u>	<u>4,589,941</u>	<u>1,843,183</u>	<u>-</u>	<u>24</u>	<u>-</u>	<u>12,769,364</u>
Fund Balances:							
Nonspendable	215,608	-	-	-	-	-	215,608
Restricted	2,378,369	-	-	-	-	-	2,378,369
Assigned	26,836,346	1,186,377	3,782,520	9,360,420	224,932	3,673,559	45,064,154
Unassigned	155,977,043	-	-	-	-	-	155,977,043
Total Fund Balances	<u>185,407,366</u>	<u>1,186,377</u>	<u>3,782,520</u>	<u>9,360,420</u>	<u>224,932</u>	<u>3,673,559</u>	<u>203,635,174</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 212,866,039</u>	<u>\$ 5,778,358</u>	<u>\$ 5,964,093</u>	<u>\$ 9,610,392</u>	<u>\$ 225,822</u>	<u>\$ 3,673,559</u>	<u>\$ 238,118,263</u>

CITY OF LINCOLN, NEBRASKA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2025

	General Fund	Athletic Field & Facilities Improvement	Lincoln Area Agency On Aging	911 Communication	Unemployment Compensation	Fast Forward	Total
Revenues							
Taxes:							
Property	\$ 80,578,046	\$ -	\$ -	\$ -	\$ 31	\$ -	\$ 80,578,077
Motor Vehicle	7,969,757	-	-	-	-	-	7,969,757
Sales and Use	109,891,604	-	-	-	-	-	109,891,604
Sundry and In Lieu	32,720	-	-	-	-	-	32,720
Occupation	4,651,274	-	-	-	-	-	4,651,274
Special Assessment	27,218	-	-	-	-	-	27,218
Intergovernmental	5,963,336	-	1,910,254	946,042	-	-	8,819,632
Permits and Fees	6,977,335	-	25,192	756,811	-	-	7,759,338
Reimbursement for Services	9,305,172	543,372	101,640	-	-	-	9,950,184
Investment Income	7,676,184	4,763	144,134	360,095	-	205,749	8,390,925
Donations	645,551	-	2,685	-	-	-	648,236
Miscellaneous	1,164,711	173,387	534	604	-	-	1,339,236
Total Revenues	234,882,908	721,522	2,184,439	2,063,552	31	205,749	240,058,201
Expenditures							
Current:							
General Government	53,979,111	-	-	-	-	-	53,979,111
Public Safety	98,346,854	-	-	6,493,005	-	-	104,839,859
Streets and Highways	6,492,580	-	-	-	-	-	6,492,580
Culture and Recreation	22,448,636	-	-	-	-	-	22,448,636
Economic Opportunity	46,085	-	-	-	-	3,350,000	3,396,085
Health and Welfare	517,831	-	4,032,200	-	-	-	4,550,031
Equipment Maintenance	62,630	-	-	-	-	-	62,630
Bond Retirement	5,340,000	-	-	-	-	-	5,340,000
Interest	1,624,586	-	-	9,051	-	-	1,633,637
Leases and SBITA Principal	157,664	-	-	-	-	-	157,664
Leases and SBITA Interest	45,035	-	-	-	-	-	45,035
Fiscal Charges	6,912	-	-	-	-	-	6,912
Developer Purchased TIF Payments	119,267	-	-	-	-	-	119,267
Miscellaneous	183,327	-	36,152	-	-	-	219,479
Total Expenditures	189,370,518	-	4,068,352	6,502,056	-	3,350,000	203,290,926
Excess (Deficiency) of Revenues Over (Under) Expenditures	45,512,390	721,522	(1,883,913)	(4,438,504)	31	(3,144,251)	36,767,275
Other Financing Sources (Uses):							
Transfers In	21,458,809	-	-	-	-	-	21,458,809
Intrafund Transfers In	2,247,866	-	2,527,794	5,968,009	-	-	10,743,669
Transfers Out	(55,524,443)	(321,698)	(247,635)	-	-	-	(56,093,776)
Intrafund Transfers Out	(10,743,669)	-	-	-	-	-	(10,743,669)
Issuance of Debt	8,020,000	-	-	-	-	-	8,020,000
Premium on Debt Issued	278,199	-	-	-	-	-	278,199
Sale of Capital Assets	19,350	-	825	-	-	-	20,175
Total Other Financing Sources (Uses)	(34,243,888)	(321,698)	2,280,984	5,968,009	-	-	(26,316,593)
Net Change in Fund Balances	11,268,502	399,824	397,071	1,529,505	31	(3,144,251)	10,450,682
Fund Balances - Beginning	174,138,864	786,553	3,385,449	7,830,915	224,901	6,817,810	193,184,492
Fund Balances - Ending	\$ 185,407,366	\$ 1,186,377	\$ 3,782,520	\$ 9,360,420	\$ 224,932	\$ 3,673,559	\$ 203,635,174



CITY OF LINCOLN, NEBRASKA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2025

	Special Revenue	Debt Service	Capital Projects	Permanent Funds	Total
ASSETS					
Cash and Cash Equivalents	\$ 11,966,184	\$ 3,966,642	\$ 8,340,908	\$ 2,334,230	\$ 26,607,964
Investments	89,416,767	9,778,290	64,166,371	78,316,031	241,677,459
Receivables, (Net of Allowance for Uncollectibles)	3,304,123	1,853,168	774,007	8,190	5,939,488
Due from Other Funds	1,142,638	-	1,690,510	-	2,833,148
Due from Other Governments	1,341,187	23,563	5,361,412	-	6,726,162
Inventories	1,652,400	-	-	-	1,652,400
Beneficial Interest Asset	3,064,495	-	-	-	3,064,495
Total Assets	<u>\$ 111,887,794</u>	<u>\$ 15,621,663</u>	<u>\$ 80,333,208</u>	<u>\$ 80,658,451</u>	<u>\$ 288,501,116</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	1,009,511	1,248	3,467,032	17,793	4,495,584
Contracts Payable	3,800	-	7,619	-	11,419
Accrued Liabilities	2,064,694	-	-	-	2,064,694
Due to Other Funds	38,617,011	3,095	12,078	96	38,632,280
Due to Other Governments	138,869	-	-	-	138,869
Due to Other Contractors	-	2,596,087	-	-	2,596,087
Unearned Revenue	190,344	-	23,492	-	213,836
Total Liabilities	<u>42,024,229</u>	<u>2,600,430</u>	<u>3,510,221</u>	<u>17,889</u>	<u>48,152,769</u>
Deferred Inflows of Resources:					
Unavailable Revenues	720,424	1,129,422	1,308,368	-	3,158,214
Beneficial Interest Revenue	3,064,495	-	-	-	3,064,495
Deferred Inflow for Leases	-	-	6,610	-	6,610
Total Deferred Inflows of Resources	<u>3,784,919</u>	<u>1,129,422</u>	<u>1,314,978</u>	<u>-</u>	<u>6,229,319</u>
Fund Balances (Deficits):					
Nonspendable	1,652,400	-	-	37,160,000	38,812,400
Restricted	21,717,758	11,891,811	75,508,009	43,480,562	152,598,140
Committed	312,717	-	-	-	312,717
Assigned	43,246,074	-	-	-	43,246,074
Unassigned	(850,303)	-	-	-	(850,303)
Total Fund Balances	<u>66,078,646</u>	<u>11,891,811</u>	<u>75,508,009</u>	<u>80,640,562</u>	<u>234,119,028</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 111,887,794</u>	<u>\$ 15,621,663</u>	<u>\$ 80,333,208</u>	<u>\$ 80,658,451</u>	<u>\$ 288,501,116</u>

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

	Special Revenue	Debt Service	Capital Projects	Permanent Funds	Total
REVENUES					
Taxes:					
Property	\$ 23,374,179	\$ 7,970,583	\$ -	\$ -	\$ 31,344,762
Wheel	10,295,216	-	10,295,215	-	20,590,431
Sales and Use	-	-	18,763,577	-	18,763,577
Turnback	-	2,255,063	250,563	-	2,505,626
Sundry and In Lieu	7,420	1,023	-	-	8,443
Occupation	-	1,841,113	-	-	1,841,113
Special Assessment	1,404	1,789,735	-	-	1,791,139
Intergovernmental	15,448,020	-	414,730	-	15,862,750
Permits and Fees	16,637,711	-	421,003	-	17,058,714
Reimbursement for Services	549,783	-	10,000	-	559,783
Investment Earnings	2,179,227	465,495	2,496,449	6,885,311	12,026,482
Donations	1,153,965	-	700,502	-	1,854,467
Keno Proceeds	7,369,699	-	-	-	7,369,699
Private Sector Share of Projects	124,750	38,659	2,278,037	-	2,441,446
Miscellaneous	391,333	-	25,030	26,787	443,150
Total Revenues	<u>77,532,707</u>	<u>14,361,671</u>	<u>35,655,106</u>	<u>6,912,098</u>	<u>134,461,582</u>
EXPENDITURES					
Current:					
General Government	17,183,210	-	-	-	17,183,210
Public Safety	9,578,622	-	-	-	9,578,622
Streets and Highways	110	-	-	-	110
Culture and Recreation	13,508,854	-	-	869	13,509,723
Health and Welfare	20,811,598	-	-	2,376,271	23,187,869
Mass Transit	24,518,021	-	-	-	24,518,021
Debt Service:					
Bond Retirement	305,000	8,763,435	-	-	9,068,435
Interest and Fiscal Charges	266,282	2,596,034	-	-	2,862,316
Leases and SBITA Principal	222,832	-	-	-	222,832
Leases and SBITA Interest	442	-	-	-	442
Fiscal Charges	399	5,248	-	-	5,647
Developer Purchased TIF Payments	-	4,549,288	-	-	4,549,288
Miscellaneous	38	808,859	-	-	808,897
Capital Outlay:					
General Government	-	-	1,217	-	1,217
Public Safety	-	-	7,970,013	-	7,970,013
Streets and Highways	-	-	2,009,570	-	2,009,570
Culture and Recreation	-	-	9,990,567	-	9,990,567
Economic Opportunity	-	-	8,177,261	-	8,177,261
Health & Welfare	-	-	601,385	-	601,385
Total Expenditures	<u>86,395,408</u>	<u>16,722,864</u>	<u>28,750,013</u>	<u>2,377,140</u>	<u>134,245,425</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(8,862,701)</u>	<u>(2,361,193)</u>	<u>6,905,093</u>	<u>4,534,958</u>	<u>216,157</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	32,049,703	6,137,033	21,961,540	27	60,148,303
Transfers Out	(14,387,999)	(1,247,697)	(28,510,850)	-	(44,146,546)
Issuance of Debt	-	-	17,831,625	-	17,831,625
Premium on Debt Issued	-	-	1,092,949	-	1,092,949
Subscriptions	1,140,810	-	-	-	1,140,810
Sale of Capital Assets	189,696	-	-	-	189,696
Total Other Financing Sources (Uses)	<u>18,992,210</u>	<u>4,889,336</u>	<u>12,375,264</u>	<u>27</u>	<u>36,256,837</u>
Net Change in Fund Balances	10,129,509	2,528,143	19,280,357	4,534,985	36,472,994
Fund Balances - Beginning	<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>
Fund Balances - Ending	<u>\$ 66,078,646</u>	<u>\$ 11,891,811</u>	<u>\$ 75,508,009</u>	<u>\$ 80,640,562</u>	<u>\$ 234,119,028</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, 2025

	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	\$ 263,783	\$ 41,348	\$ 691,482	\$ 1,885,294	\$ -	\$ -	\$ 1,071,669	\$ 1,211,195
Investments	2,072,608	344,351	5,379,684	14,033,957	-	-	825,145	11,326,106
Receivables (Net of Allowance for Uncollectibles):								
Receivables, (Net of Allowance for Uncollectibles)	32,077	-	739,795	211,360	907	816,250	627,268	278,384
Due from Other Funds	-	-	-	288	-	-	-	-
Due from Other Governments	-	-	194	778	-	-	87,741	-
Inventories	-	-	-	-	-	-	1,652,400	-
Beneficial Interest Asset	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 2,368,468</u>	<u>\$ 385,699</u>	<u>\$ 6,811,155</u>	<u>\$ 16,131,677</u>	<u>\$ 907</u>	<u>\$ 816,250</u>	<u>\$ 4,264,223</u>	<u>\$ 12,815,685</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities:								
Accounts Payable	-	10	114,836	238,091	-	-	277,443	246,005
Contracts Payable	-	-	-	-	-	-	3,800	-
Accrued Liabilities	-	1,067	299,356	515,307	-	427,480	562,188	-
Due to Other Funds	-	1,481	6,978	49,791	-	-	32,740	76,151
Due to Other Governments	-	-	506	1,426	-	-	178	135,905
Unearned Revenue	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>2,558</u>	<u>421,676</u>	<u>804,615</u>	<u>-</u>	<u>427,480</u>	<u>876,349</u>	<u>458,061</u>
Deferred Inflows of Resources:								
Unavailable Revenues	-	-	326,905	-	855	388,770	3,894	-
Beneficial Interest Revenue	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>326,905</u>	<u>-</u>	<u>855</u>	<u>388,770</u>	<u>3,894</u>	<u>-</u>
Fund Balances (Deficits):								
Nonspendable	-	-	-	-	-	-	1,652,400	-
Restricted	1,720,582	-	-	-	52	-	-	11,921,020
Committed	-	312,717	-	-	-	-	-	-
Assigned	647,886	70,424	6,062,574	15,327,062	-	-	1,731,580	436,604
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances (Deficits)	<u>2,368,468</u>	<u>383,141</u>	<u>6,062,574</u>	<u>15,327,062</u>	<u>52</u>	<u>-</u>	<u>3,383,980</u>	<u>12,357,624</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,368,468</u>	<u>\$ 385,699</u>	<u>\$ 6,811,155</u>	<u>\$ 16,131,677</u>	<u>\$ 907</u>	<u>\$ 816,250</u>	<u>\$ 4,264,223</u>	<u>\$ 12,815,685</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
\$ 451,727 3,560,468	\$ 1,940 6,497	\$ 1,338,123 9,869,251	\$ 4,485,827 35,130,373	\$ 273,159 2,137,580	\$ 27,233 233,899	\$ 194,930 4,275,943	\$ - -	\$ 28,474 220,905	\$ 11,966,184 89,416,767
-	16,328	116,024	437,382	21,687	3,216	82	559	2,804	3,304,123
-	-	726,950	415,400	-	-	-	-	-	1,142,638
338,830	-	-	-	-	-	-	-	913,644	1,341,187
-	-	-	-	-	-	-	-	-	1,652,400
-	-	-	-	-	-	3,064,495	-	-	3,064,495
<u>\$ 4,351,025</u>	<u>\$ 24,765</u>	<u>\$ 12,050,348</u>	<u>\$ 40,468,982</u>	<u>\$ 2,432,426</u>	<u>\$ 264,348</u>	<u>\$ 7,535,450</u>	<u>\$ 559</u>	<u>\$ 1,165,827</u>	<u>\$ 111,887,794</u>
-	24,039	19,200	1,417	8,725	95	-	79,650	-	1,009,511
-	-	-	-	-	-	-	-	-	3,800
-	-	255,342	-	-	3,954	-	-	-	2,064,694
15,315	-	52,637	37,610,919	-	-	-	770,999	-	38,617,011
-	-	-	-	641	-	-	213	-	138,869
-	-	190,344	-	-	-	-	-	-	190,344
<u>15,315</u>	<u>24,039</u>	<u>517,523</u>	<u>37,612,336</u>	<u>9,366</u>	<u>4,049</u>	<u>-</u>	<u>850,862</u>	<u>-</u>	<u>42,024,229</u>
-	-	-	-	-	-	-	-	-	720,424
-	-	-	-	-	-	3,064,495	-	-	3,064,495
-	-	-	-	-	-	3,064,495	-	-	3,784,919
-	-	-	-	-	-	-	-	-	1,652,400
-	726	-	-	2,178,297	260,299	4,470,955	-	1,165,827	21,717,758
-	-	-	-	-	-	-	-	-	312,717
4,335,710	-	11,532,825	2,856,646	244,763	-	-	-	-	43,246,074
-	-	-	-	-	-	-	(850,303)	-	(850,303)
<u>4,335,710</u>	<u>726</u>	<u>11,532,825</u>	<u>2,856,646</u>	<u>2,423,060</u>	<u>260,299</u>	<u>4,470,955</u>	<u>(850,303)</u>	<u>1,165,827</u>	<u>66,078,646</u>
<u>\$ 4,351,025</u>	<u>\$ 24,765</u>	<u>\$ 12,050,348</u>	<u>\$ 40,468,982</u>	<u>\$ 2,432,426</u>	<u>\$ 264,348</u>	<u>\$ 7,535,450</u>	<u>\$ 559</u>	<u>\$ 1,165,827</u>	<u>\$ 111,887,794</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, 2025

	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	\$ -	\$ -	\$ 10,748,775	\$ -	\$ 849	\$ 12,624,555	\$ -	\$ -
Wheel Tax	-	-	-	-	-	-	-	-
Sundry and In Lieu Tax	-	-	3,306	-	-	4,114	-	-
Special Assessment	-	-	-	1,404	-	-	-	-
Intergovernmental	-	-	1,061,827	3,962,801	-	-	8,535,827	-
Permits and Fees	-	113,176	71,759	5,682,478	-	-	3,825,492	-
Reimbursement for Services	3,300	-	1,200	231,386	-	-	63,389	-
Investment Earnings	105,774	-	126,114	496,690	-	-	72,113	79,692
Donations	970	-	-	-	-	-	-	-
Keno Proceeds	-	-	-	-	-	-	-	7,369,699
Private Sector Share of Projects	-	-	-	-	-	-	-	-
Miscellaneous	-	-	49,531	-	-	-	277,086	-
Total Revenues	<u>110,044</u>	<u>113,176</u>	<u>12,062,512</u>	<u>10,374,759</u>	<u>849</u>	<u>12,628,669</u>	<u>12,773,907</u>	<u>7,449,391</u>
Expenditures - Current:								
General Government	46,774	185,085	-	-	-	12,628,669	-	2,809,912
Public Safety	-	-	-	-	-	-	-	-
Streets and Highways	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	11,696,188	-	-	-	-	1,162,118
Health and Welfare	-	-	-	20,811,598	-	-	-	-
Mass Transit	-	-	-	-	-	-	24,193,576	-
Bond Retirement	-	-	-	-	-	-	-	305,000
Interest	-	-	90,832	-	-	-	-	175,450
Leases and SBITA Principal	-	-	158,201	64,631	-	-	-	-
Leases and SBITA Interest	-	-	-	442	-	-	-	-
Fiscal Charges	-	-	-	-	-	-	-	399
Exp_Miscellaneous	-	-	-	-	-	-	-	-
Total Expenditures	<u>46,774</u>	<u>185,085</u>	<u>11,945,221</u>	<u>20,876,671</u>	<u>-</u>	<u>12,628,669</u>	<u>24,193,576</u>	<u>4,452,879</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>63,270</u>	<u>(71,909)</u>	<u>117,291</u>	<u>(10,501,912)</u>	<u>849</u>	<u>-</u>	<u>(11,419,669)</u>	<u>2,996,512</u>
Other Financing Sources (Uses):								
Transfers In	-	-	-	12,645,679	-	-	13,442,591	3,426,855
Transfers Out	(579,169)	-	(20,179)	(895,786)	(825)	-	(14,459)	(2,367,623)
Subscriptions	-	-	423,231	717,579	-	-	-	-
Sale of Capital Assets	19,276	90,000	-	2	-	-	79,933	-
Total Other Financing Sources (Uses)	<u>(559,893)</u>	<u>90,000</u>	<u>403,052</u>	<u>12,467,474</u>	<u>(825)</u>	<u>-</u>	<u>13,508,065</u>	<u>1,059,232</u>
Net Change In Fund Balances	(496,623)	18,091	520,343	1,965,562	24	-	2,088,396	4,055,744
Fund Balances (Deficits) - Beginning	<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>
Fund Balances (Deficits) - Ending	<u>\$ 2,368,468</u>	<u>\$ 383,141</u>	<u>\$ 6,062,574</u>	<u>\$ 15,327,062</u>	<u>\$ 52</u>	<u>\$ -</u>	<u>\$ 3,383,980</u>	<u>\$ 12,357,624</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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,374,179
-	-	-	-	-	-	-	-	10,295,216	10,295,216
-	-	-	-	-	-	-	-	-	7,420
-	-	-	-	-	-	-	-	-	1,404
1,887,565	-	-	-	-	-	-	-	-	15,448,020
-	-	6,752,779	164,876	448	-	-	26,703	-	16,637,711
-	-	131,961	-	96,580	-	-	21,967	-	549,783
-	49,002	528,157	12,398	74,881	10,971	607,846	-	15,589	2,179,227
-	-	-	-	929,070	109,425	-	114,500	-	1,153,965
-	-	-	-	-	-	-	-	-	7,369,699
-	-	-	-	124,750	-	-	-	-	124,750
-	-	551	-	64,118	-	-	47	-	391,333
1,887,565	49,002	7,413,448	177,274	1,289,847	120,396	607,846	163,217	10,310,805	77,532,707
-	1,507,317	-	5,453	-	-	-	-	-	17,183,210
-	-	9,578,622	-	-	-	-	-	-	9,578,622
-	-	-	-	-	-	-	-	110	110
-	-	-	-	531,351	119,197	-	-	-	13,508,854
-	-	-	-	-	-	-	-	-	20,811,598
-	-	-	-	-	-	-	324,445	-	24,518,021
-	-	-	-	-	-	-	-	-	305,000
-	-	-	-	-	-	-	-	-	266,282
-	-	-	-	-	-	-	-	-	222,832
-	-	-	-	-	-	-	-	-	442
-	-	-	-	-	-	-	-	-	399
-	-	38	-	-	-	-	-	-	38
-	1,507,317	9,578,660	5,453	531,351	119,197	-	324,445	110	86,395,408
1,887,565	(1,458,315)	(2,165,212)	171,821	758,496	1,199	607,846	(161,228)	10,310,695	(8,862,701)
-	918,370	1,598,751	17,457	-	-	-	-	-	32,049,703
(100,000)	-	(69,481)	-	-	-	-	-	(10,340,477)	(14,387,999)
-	-	-	-	-	-	-	-	-	1,140,810
-	-	-	-	485	-	-	-	-	189,696
(100,000)	918,370	1,529,270	17,457	485	-	-	-	(10,340,477)	18,992,210
1,787,565	(539,945)	(635,942)	189,278	758,981	1,199	607,846	(161,228)	(29,782)	10,129,509
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
\$ 4,335,710	\$ 726	\$ 11,532,825	\$ 2,856,646	\$ 2,423,060	\$ 260,299	\$ 4,470,955	\$ (850,303)	\$ 1,165,827	\$ 66,078,646



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, 2025

	Tax Allocation Projects	Bond Interest & Redemption	Tax Supported Bonds	Special Assessment	Total
ASSETS					
Cash and Cash Equivalents	\$ 2,120,979	\$ 312,921	\$ 359,278	\$ 1,173,464	\$ 3,966,642
Investments	4,710,472	2,423,457	2,644,361	-	9,778,290
Receivables (Net of Allowance for Uncollectibles):					
Receivables, (Net of Allowance for Uncollectibles)	235,692	234,081	212,389	1,171,006	1,853,168
Due from Other Governments	-	60	-	23,503	23,563
Total Assets	<u>\$ 7,067,143</u>	<u>\$ 2,970,519</u>	<u>\$ 3,216,028</u>	<u>\$ 2,367,973</u>	<u>\$ 15,621,663</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	-	1,248	-	-	1,248
Due to Other Funds	-	-	3,095	-	3,095
Due to Other Contractors	1,585,483	-	1,010,604	-	2,596,087
Total Liabilities	<u>1,585,483</u>	<u>1,248</u>	<u>1,013,699</u>	<u>-</u>	<u>2,600,430</u>
Deferred Inflows of Resources:					
Unavailable Revenues	-	100,689	-	1,028,733	1,129,422
Fund Balances:					
Restricted	<u>5,481,660</u>	<u>2,868,582</u>	<u>2,202,329</u>	<u>1,339,240</u>	<u>11,891,811</u>
Total Fund Balances	<u>5,481,660</u>	<u>2,868,582</u>	<u>2,202,329</u>	<u>1,339,240</u>	<u>11,891,811</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 7,067,143</u>	<u>\$ 2,970,519</u>	<u>\$ 3,216,028</u>	<u>\$ 2,367,973</u>	<u>\$ 15,621,663</u>

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

	Tax Allocation Projects	Bond Interest & Redemption	Tax Supported Bonds	Special Assessment	Total
Revenues:					
Real Property and Personal Property Tax	\$ 4,646,153	\$ 3,324,430	\$ -	\$ -	\$ 7,970,583
Turnback Tax	-	-	2,255,063	-	2,255,063
Sundry and In Lieu Tax	-	1,023	-	-	1,023
Occupation Tax	-	-	1,841,113	-	1,841,113
Special Assessment	-	-	-	1,789,735	1,789,735
Investment Income	243,869	75,367	146,259	-	465,495
Private Sector Share of Projects	38,659	-	-	-	38,659
Total Revenues	<u>4,928,681</u>	<u>3,400,820</u>	<u>4,242,435</u>	<u>1,789,735</u>	<u>14,361,671</u>
Expenditures - Debt Service:					
Bond Retirement	103,435	4,300,000	4,135,000	225,000	8,763,435
Interest	63,922	928,844	1,542,398	60,870	2,596,034
Fiscal Charges	-	2,848	1,600	800	5,248
Developer Purchased TIF Payments	2,681,201	-	1,868,087	-	4,549,288
Miscellaneous	808,859	-	-	-	808,859
Total Expenditures	<u>3,657,417</u>	<u>5,231,692</u>	<u>7,547,085</u>	<u>286,670</u>	<u>16,722,864</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,271,264</u>	<u>(1,830,872)</u>	<u>(3,304,650)</u>	<u>1,503,065</u>	<u>(2,361,193)</u>
Other Financing Sources (Uses):					
Transfers In	158,966	1,835,567	4,142,500	-	6,137,033
Transfers Out	(329,327)	-	-	(918,370)	(1,247,697)
Total Other Financing Sources (Uses)	<u>(170,361)</u>	<u>1,835,567</u>	<u>4,142,500</u>	<u>(918,370)</u>	<u>4,889,336</u>
Net Change in Fund Balances	1,100,903	4,695	837,850	584,695	2,528,143
Fund Balances - Beginning	<u>4,380,757</u>	<u>2,863,887</u>	<u>1,364,479</u>	<u>754,545</u>	<u>9,363,668</u>
Fund Balances - Ending	<u>\$ 5,481,660</u>	<u>\$ 2,868,582</u>	<u>\$ 2,202,329</u>	<u>\$ 1,339,240</u>	<u>\$ 11,891,811</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, 2025

	Lincoln On The Move	Vehicle Tax	Storm Sewer Bonds	Other Capital Projects	Special Assessment	Total
ASSETS						
Cash and Cash Equivalents	\$ 4,165,372	\$ 149,991	\$ 2,503,956	\$ 1,521,589	\$ -	\$ 8,340,908
Investments	32,622,453	51,978	19,608,557	11,883,383	-	64,166,371
Accrued Interest Receivable	403,409	2,226	248,460	119,912	-	774,007
Due from Other Funds	-	-	-	1,690,510	-	1,690,510
Due from Other Governments	3,139,400	913,644	75,790	1,232,578	-	5,361,412
Total Assets	<u>\$ 40,330,634</u>	<u>\$ 1,117,839</u>	<u>\$ 22,436,763</u>	<u>\$ 16,447,972</u>	<u>\$ -</u>	<u>\$ 80,333,208</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts Payable	-	-	108,799	3,358,233	-	3,467,032
Contracts Payable	-	-	-	7,619	-	7,619
Due to Other Funds	-	-	-	12,078	-	12,078
Unearned Revenue	-	-	-	23,492	-	23,492
Total Liabilities	<u>-</u>	<u>-</u>	<u>108,799</u>	<u>3,401,422</u>	<u>-</u>	<u>3,510,221</u>
Deferred Inflows of Resources:						
Unavailable Revenues	-	-	75,790	1,232,578	-	1,308,368
Deferred Inflow for Leases	-	-	-	6,610	-	6,610
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>75,790</u>	<u>1,239,188</u>	<u>-</u>	<u>1,314,978</u>
Fund Balances:						
Restricted	<u>40,330,634</u>	<u>1,117,839</u>	<u>22,252,174</u>	<u>11,807,362</u>	<u>-</u>	<u>75,508,009</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 40,330,634</u>	<u>\$ 1,117,839</u>	<u>\$ 22,436,763</u>	<u>\$ 16,447,972</u>	<u>\$ -</u>	<u>\$ 80,333,208</u>

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

	Lincoln On The Move	Vehicle Tax	Storm Sewer Bonds	Other Capital Projects	Special Assessment	Total
Revenues:						
Wheel Tax	\$ -	\$ 10,295,215	\$ -	\$ -	\$ -	\$ 10,295,215
Sales and Use Tax	18,763,577	-	-	-	-	18,763,577
Turnback	-	-	-	250,563	-	250,563
Intergovernmental	-	-	251,400	163,330	-	414,730
Permits and Fees	-	-	-	421,003	-	421,003
Variable Lease Income	-	-	-	10,000	-	10,000
Investment Income	1,347,891	11,516	705,958	431,084	-	2,496,449
Donations	-	-	-	700,502	-	700,502
Private Sector Share of Projects	-	-	-	2,278,037	-	2,278,037
Miscellaneous	-	-	-	25,030	-	25,030
Total Revenues	<u>20,111,468</u>	<u>10,306,731</u>	<u>957,358</u>	<u>4,279,549</u>	<u>-</u>	<u>35,655,106</u>
Expenditures:						
Capital Outlay:						
General Government	-	-	-	1,217	-	1,217
Public Safety	-	-	-	7,970,013	-	7,970,013
Streets and Highways	279,347	111	1,024,990	705,122	-	2,009,570
Culture and Recreation	-	-	-	9,990,567	-	9,990,567
Economic Opportunity	-	-	-	8,177,261	-	8,177,261
Health & Welfare	-	-	-	601,385	-	601,385
Total Expenditures	<u>279,347</u>	<u>111</u>	<u>1,024,990</u>	<u>27,445,565</u>	<u>-</u>	<u>28,750,013</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>19,832,121</u>	<u>10,306,620</u>	<u>(67,632)</u>	<u>(23,166,016)</u>	<u>-</u>	<u>6,905,093</u>
Other Financing Sources (Uses):						
Transfers In	-	-	-	21,961,540	-	21,961,540
Transfers Out	(13,735,873)	(10,310,477)	-	(4,464,500)	-	(28,510,850)
Issuance of Debt	-	-	13,900,000	3,931,625	-	17,831,625
Premium on Debt Issued	-	-	849,415	243,534	-	1,092,949
Total Other Financing Sources (Uses)	<u>(13,735,873)</u>	<u>(10,310,477)</u>	<u>14,749,415</u>	<u>21,672,199</u>	<u>-</u>	<u>12,375,264</u>
Net Change in Fund Balances	6,096,248	(3,857)	14,681,783	(1,493,817)	-	19,280,357
Fund Balances - Beginning	<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>
Fund Balances - Ending	<u>\$ 40,330,634</u>	<u>\$ 1,117,839</u>	<u>\$ 22,252,174</u>	<u>\$ 11,807,362</u>	<u>\$ -</u>	<u>\$ 75,508,009</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, 2025

	Community Health Permanent Endowment	JJ Hompes	Total
ASSETS			
Cash and Cash Equivalents	\$ 2,288,870	\$ 45,360	\$ 2,334,230
Investments	76,810,568	1,505,463	78,316,031
Accrued Interest Receivable	6,457	1,733	8,190
Total Assets	<u>\$ 79,105,895</u>	<u>\$ 1,552,556</u>	<u>\$ 80,658,451</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	17,759	34	17,793
Due to Other Funds	96	-	96
Total Liabilities	<u>17,855</u>	<u>34</u>	<u>17,889</u>
Fund Balances:			
Nonspendable	37,000,000	160,000	37,160,000
Restricted	42,088,040	1,392,522	43,480,562
Total Fund Balances	<u>79,088,040</u>	<u>1,552,522</u>	<u>80,640,562</u>
Total Liabilities and Fund Balances	<u>\$ 79,105,895</u>	<u>\$ 1,552,556</u>	<u>\$ 80,658,451</u>

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR PERMANENT FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

	Community Health Permanent Endowment	JJ Hompes	Total
Revenues:			
Investment Earnings	\$ 6,802,625	\$ 82,686	\$ 6,885,311
Miscellaneous	<u>26,787</u>	<u>-</u>	<u>26,787</u>
Total Revenues	<u>6,829,412</u>	<u>82,686</u>	<u>6,912,098</u>
Expenditures - Current:			
Culture and Recreation	-	869	869
Health and Welfare	<u>2,376,271</u>	<u>-</u>	<u>2,376,271</u>
Total Expenditures	<u>2,376,271</u>	<u>869</u>	<u>2,377,140</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,453,141</u>	<u>81,817</u>	<u>4,534,958</u>
Other financing sources:			
Transfers In	<u>27</u>	<u>-</u>	<u>27</u>
Total other financing sources	<u>27</u>	<u>-</u>	<u>27</u>
Net Change in Fund Balances	4,453,168	81,817	4,534,985
Fund Balances - Beginning	<u>74,634,872</u>	<u>1,470,705</u>	<u>76,105,577</u>
Fund Balances - Ending	<u><u>\$ 79,088,040</u></u>	<u><u>\$ 1,552,522</u></u>	<u><u>\$ 80,640,562</u></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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Investment Earnings	\$ -	-	5,262	5,262
Rental Income	504,400	504,400	517,215	12,815
Miscellaneous	-	-	62,392	62,392
Total Revenues	504,400	504,400	584,869	80,469
Other Financing Uses:				
Transfers Out	(374,400)	(936,743)	(321,698)	615,045
Net Change in Fund Balances	\$ 130,000	(432,343)	263,171	695,514
Fund Balance - Beginning			412,670	
Fund Balance - Ending			\$ 675,841	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 263,171	
Revenue and Transfer Accruals			136,653	
Net Change in Fund Balance, GAAP Basis			399,824	
Fund Balance - Beginning, GAAP Basis			786,553	
Fund Balance - Ending, GAAP Basis			\$ 1,186,377	

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental	\$ 1,489,650	1,489,650	2,139,311	649,661
Permits and Fees	36,500	36,500	25,107	(11,393)
Client Contributions	120,500	120,500	101,906	(18,594)
Investment Earnings	25,601	25,601	136,618	111,017
Donations	-	-	2,685	2,685
Miscellaneous	-	-	535	535
Total Revenues	<u>1,672,251</u>	<u>1,672,251</u>	<u>2,406,162</u>	<u>733,911</u>
Expenditures -- Health and Welfare:				
Personal Services	2,992,599	2,992,599	2,855,674	136,926
Materials and Supplies	339,425	360,800	341,991	18,809
Other Services and Charges	851,522	1,965,153	874,222	1,090,931
Capital Outlay	16,500	632,518	5,432	627,087
Total Expenditures	<u>4,200,046</u>	<u>5,951,070</u>	<u>4,077,318</u>	<u>1,873,752</u>
Deficiency of Revenues Under Expenditures	(2,527,795)	(4,278,819)	(1,671,156)	2,607,663
Other Financing Sources (Uses):				
Transfers In	2,527,796	2,527,796	2,527,794	(2)
Transfers Out	-	(247,635)	(247,635)	-
Sale of Capital Assets	-	-	825	825
Total Other Financing Sources (Uses)	<u>2,527,796</u>	<u>2,280,161</u>	<u>2,280,984</u>	<u>823</u>
Net Change in Fund Balances	<u>\$ 1</u>	<u>(1,998,658)</u>	609,828	<u>2,608,486</u>
Fund Balance - Beginning			<u>3,193,129</u>	
Fund Balance - Ending			<u>\$ 3,802,957</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 609,828	
Revenue and Transfer Accruals			(221,722)	
Expenditure and Transfer Accruals			<u>8,965</u>	
Net Change in Fund Balance, GAAP Basis			397,071	
Fund Balance - Beginning, GAAP Basis			<u>3,385,449</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 3,782,520</u>	

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental	\$ 441,397	441,397	976,925	535,528
Permits and Fees	930,000	930,000	725,734	(204,266)
Investment Earnings	-	83	367,069	366,986
Miscellaneous	-	-	603	603
Total Revenues	<u>1,371,397</u>	<u>1,371,480</u>	<u>2,070,331</u>	<u>698,850</u>
Expenditures -- Public Safety:				
Personal Services	6,227,887	6,108,741	5,295,960	812,781
Materials and Supplies	51,100	69,056	22,366	46,691
Other Services and Charges	1,131,565	4,009,798	1,198,569	2,811,229
Capital Outlay	<u>48,000</u>	<u>357,206</u>	<u>22,634</u>	<u>334,572</u>
Total Expenditures	<u>7,458,552</u>	<u>10,544,802</u>	<u>6,539,529</u>	<u>4,005,273</u>
Deficiency of Revenues Under Expenditures	<u>(6,087,155)</u>	<u>(9,173,321)</u>	<u>(4,469,198)</u>	<u>4,704,123</u>
Other Financing Sources:				
Transfers In	<u>6,087,155</u>	<u>5,968,009</u>	<u>5,968,009</u>	-
Total Other Financing Sources	<u>6,087,155</u>	<u>5,968,009</u>	<u>5,968,009</u>	-
Net Change in Fund Balances	<u>\$ -</u>	<u>(3,205,312)</u>	<u>1,498,811</u>	<u>4,704,123</u>
Fund Balance - Beginning			<u>7,875,401</u>	
Fund Balance - Ending			<u>\$ 9,374,212</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 1,498,811	
Revenue and Transfer Accruals			(6,779)	
Expenditure and Transfer Accruals			<u>37,473</u>	
Net Change in Fund Balance, GAAP Basis			1,529,505	
Fund Balance - Beginning, GAAP Basis			<u>7,830,915</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 9,360,420</u>	

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, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Real Property and Personal Property Tax	\$ -	-	15	15
Total Revenues	-	-	15	15
Other Financing Uses:				
Transfers Out	(5,000)	(5,000)	-	5,000
Net Change in Fund Balances	<u><u>\$ (5,000)</u></u>	<u><u>(5,000)</u></u>	15	<u><u>5,015</u></u>
Fund Balance - Beginning			224,900	
Fund Balance - Ending			<u><u>\$ 224,915</u></u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 15	
Revenue and Transfer Accruals			<u>16</u>	
Net Change in Fund Balance, GAAP Basis			31	
Fund Balance - Beginning, GAAP Basis			<u>224,901</u>	
Fund Balance - Ending, GAAP Basis			<u><u>\$ 224,932</u></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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Investment Earnings	\$ -	-	117,975	117,975
Donations	-	-	970	970
Rental Income	-	-	3,300	3,300
Total Revenues	-	-	122,245	122,245
Expenditures -- Health and Welfare:				
Other Services and Charges	30,000	30,000	1,297	28,703
Capital Outlay	-	-	45,477	(45,477)
Total Expenditures	30,000	30,000	46,774	(16,774)
Deficiency of Revenues Under Expenditures	(30,000)	(30,000)	75,471	105,471
Other Financing Sources (Uses):				
Transfers In	-	13,818	-	(13,818)
Transfers Out	-	(1,748,663)	(579,169)	1,169,494
Sale of Assets	-	-	19,276	19,276
Total Other Financing Sources (Uses)	-	(1,734,845)	(559,893)	1,174,952
Net Change in Fund Balances	<u>\$ (30,000)</u>	<u>(1,764,845)</u>	<u>(484,422)</u>	<u>1,280,423</u>
Fund Balance - Beginning			2,854,571	
Fund Balance - Ending			<u>\$ 2,370,149</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ (484,422)	
Revenue and Transfer Accruals			<u>(12,201)</u>	
Net Change in Fund Balance, GAAP Basis			(496,623)	
Fund Balance - Beginning, GAAP Basis			2,865,091	
Fund Balance - Ending, GAAP Basis			<u>\$ 2,368,468</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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Permits and Fees	\$ 170,000	170,000	131,902	(38,098)
Total Revenues	<u>170,000</u>	<u>170,000</u>	<u>131,902</u>	<u>(38,098)</u>
Expenditures -- General Government:				
Personal Services	32,625	32,625	32,047	578
Materials and Supplies	5,100	5,100	18,809	(13,709)
Other Services and Charges	94,820	94,820	68,310	26,510
Capital Outlay	<u>90,000</u>	<u>90,000</u>	<u>66,128</u>	<u>23,872</u>
Total Expenditures	<u>222,545</u>	<u>222,545</u>	<u>185,295</u>	<u>37,250</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(52,545)</u>	<u>(52,545)</u>	<u>(53,393)</u>	<u>(848)</u>
Other Financing Sources:				
Sale of Assets	<u>-</u>	<u>-</u>	<u>90,000</u>	<u>90,000</u>
Net Change in Fund Balances	<u>\$ (52,545)</u>	<u>(52,545)</u>	<u>36,607</u>	<u>89,152</u>
Fund Balance - Beginning			<u>347,612</u>	
Fund Balance - Ending			<u>\$ 384,219</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 36,607	
Revenue and Transfer Accruals			(18,726)	
Expenditure and Transfer Accruals			<u>210</u>	
Net Change in Fund Balance, GAAP Basis			18,091	
Fund Balance - Beginning, GAAP Basis			<u>365,050</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 383,141</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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Revenues:				
Real Property and Personal Property Tax	\$ 9,814,709	9,814,709	10,718,548	903,839
Sundry Taxes and In Lieu	5,000	5,000	3,272	(1,728)
Intergovernmental	1,061,827	1,061,827	1,061,827	-
Permits and Fees	65,000	65,000	70,896	5,896
Investment Earnings	9,690	9,690	130,225	120,535
Rental Income	1,200	1,200	1,200	-
Miscellaneous	26,800	26,800	48,557	21,757
Total Revenues	10,984,226	10,984,226	12,034,524	1,050,298
Expenditures -- Culture and Recreation:				
Personal Services	8,714,463	8,714,463	8,094,592	619,871
Materials and Supplies	202,900	202,900	323,495	(120,595)
Other Services and Charges	1,670,963	3,679,368	2,115,465	1,563,903
Capital Outlay	930,000	1,180,000	1,033,031	146,969
Total Expenditures	11,518,326	13,776,731	11,566,584	2,210,147
Excess (Deficiency) of Revenues Over (Under) Expenditures	(534,100)	(2,792,505)	467,941	3,260,446
Other Financing Sources (Uses):				
Transfers Out	-	-	(20,179)	(20,179)
Subscriptions	-	-	423,231	423,231
Total Other Financing Sources (Uses)	-	-	403,052	403,052
Net Change in Fund Balances	\$ (534,100)	(2,792,505)	870,993	3,663,498
Fund Balance - Beginning			5,607,024	
Fund Balance - Ending			\$ 6,478,017	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 870,993	
Revenue and Transfer Accruals			27,986	
Expenditure and Transfer Accruals			(378,636)	
Net Change in Fund Balance, GAAP Basis			520,343	
Fund Balance - Beginning, GAAP Basis			5,542,231	
Fund Balance - Ending, GAAP Basis			\$ 6,062,574	

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Revenues:				
Special Assessment	\$ 1,000	1,000	1,345	345
Intergovernmental	3,825,594	3,825,594	8,709,012	4,883,418
Permits and Fees	5,531,115	5,531,115	5,687,465	156,350
Reimbursement for Services	866,437	866,437	186,321	(680,116)
Investment Earnings	205,000	205,000	448,105	243,105
Miscellaneous	-	-	17,179	17,179
Total Revenues	<u>10,429,146</u>	<u>10,429,146</u>	<u>15,049,427</u>	<u>4,620,281</u>
Expenditures -- Health and Welfare:				
Personal Services	14,953,515	14,928,515	13,747,773	1,180,742
Materials and Supplies	348,250	587,250	383,346	203,904
Other Services and Charges	5,423,829	10,315,068	5,950,897	4,364,171
Capital Outlay	-	65,955	-	65,955
Total Expenditures	<u>20,725,594</u>	<u>25,896,788</u>	<u>20,082,015</u>	<u>5,814,773</u>
Deficiency of Revenues Under Expenditures	<u>(10,296,448)</u>	<u>(15,467,642)</u>	<u>(5,032,589)</u>	<u>10,435,053</u>
Other Financing Sources (Uses):				
Transfers In	10,259,881	10,259,881	12,645,678	2,385,797
Transfers Out	(858,000)	(3,358,000)	(895,786)	2,462,214
Sale of Assets	-	-	1	1
Total Other Financing Sources (Uses)	<u>9,401,881</u>	<u>6,901,881</u>	<u>11,749,893</u>	<u>4,848,012</u>
Net Change in Fund Balances	<u><u>\$ (894,567)</u></u>	<u><u>(8,565,761)</u></u>	<u>6,717,305</u>	<u><u>15,283,066</u></u>
Fund Balance - Beginning			<u>8,996,467</u>	
Fund Balance - Ending			<u><u>\$ 15,713,772</u></u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 6,717,305	
Revenue and Transfer Accruals			(4,674,669)	
Expenditure and Transfer Accruals			<u>(77,074)</u>	
Net Change in Fund Balance, GAAP Basis			1,965,562	
Fund Balance - Beginning, GAAP Basis			<u>13,361,500</u>	
Fund Balance - Ending, GAAP Basis			<u><u>\$ 15,327,062</u></u>	

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, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Real Property and Personal Property Tax	\$ 2,000	2,000	798	(1,202)
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>798</u>	<u>(1,202)</u>
Expenditures -- General Government:				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	2,000	2,000	798	(1,202)
Other Financing Uses:				
Transfers Out	<u>(2,000)</u>	<u>(2,000)</u>	<u>(825)</u>	<u>1,175</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>-</u>	<u>(27)</u>	<u>(27)</u>
Fund Balance - Beginning			<u>27</u>	
Fund Balance - Ending			<u>\$ -</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ (27)	
Revenue and Transfer Accruals			<u>51</u>	
Net Change in Fund Balance, GAAP Basis			24	
Fund Balance - Beginning, GAAP Basis			<u>28</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 52</u>	

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental	\$ 2,515,000	2,515,000	3,425,767	910,767
Permits and Fees	3,352,592	3,352,592	3,228,932	(123,660)
Reimbursement for Services	140,000	140,000	66,913	(73,087)
Miscellaneous	151,500	151,500	277,085	125,585
Total Revenues	6,159,092	6,159,092	6,998,697	839,605
Expenditures -- Mass Transit:				
Personal Services	15,052,909	15,052,909	14,112,313	940,596
Materials and Supplies	2,393,929	2,393,929	2,571,994	(178,065)
Other Services and Charges	2,140,346	2,140,346	2,353,605	(213,259)
Capital Outlay	-	-	15,883	(15,883)
Total Expenditures	19,587,184	19,587,184	19,053,795	533,389
Deficiency of Revenues Under Expenditures	(13,428,092)	(13,428,092)	(12,055,098)	1,372,994
Other Financing Sources (Uses):				
Transfers In	13,442,591	13,442,591	13,442,591	-
Transfers Out	(14,500)	(14,500)	(14,459)	41
Sale of Assets	-	-	79,933	79,933
Total Other Financing Sources (Uses)	13,428,091	13,428,091	13,508,065	79,974
Net Change in Fund Balances	\$ (1)	(1)	1,452,966	1,452,967
Amount Budgeted on Project Basis			(932,430)	
Fund Balance - Beginning			939,248	
Fund Balance - Ending			\$ 1,459,784	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 1,452,966	
Revenue and Transfer Accruals			466,848	
Expenditure and Transfer Accruals			1,101,012	
Amount Budgeted on Project Basis			(932,430)	
Net Change in Fund Balance, GAAP Basis			2,088,396	
Fund Balance - Beginning, GAAP Basis			1,295,584	
Fund Balance - Ending, GAAP Basis			\$ 3,383,980	

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Investment Earnings	\$ -	-	79,692	79,692
Keno Proceeds	6,049,750	6,049,750	7,429,407	1,379,657
Total Revenues	6,049,750	6,049,750	7,509,099	1,459,349
Expenditures:				
Health and Welfare:				
Materials and Supplies	122,625	122,625	78,108	44,517
Other Services and Charges	2,345,750	2,345,750	2,825,539	(479,789)
Capital Outlay	916,875	1,051,936	991,419	60,517
Debt Service	480,450	480,450	480,849	(399)
Total Expenditures	3,865,700	4,000,761	4,375,915	(375,154)
Excess of Revenues Over Expenditures	2,184,050	2,048,989	3,133,185	1,084,195
Other Financing Sources (Uses):				
Transfers In	-	-	3,426,855	3,426,855
Transfers Out	(2,034,370)	(5,831,007)	(2,387,463)	3,443,544
Total Other Financing Sources (Uses)	(2,034,370)	(5,831,007)	1,039,391	6,870,398
Net Change in Fund Balances	\$ 149,680	(3,782,017)	4,172,576	1,084,195
Fund Balance - Beginning			8,327,418	
Fund Balance - Ending			\$ 12,499,994	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 4,172,576	
Revenue and Transfer Accruals			(59,708)	
Expenditure and Transfer Accruals			(57,124)	
Net Change in Fund Balance, GAAP Basis			4,055,744	
Fund Balance - Beginning, GAAP Basis			8,301,880	
Fund Balance - Ending, GAAP Basis			\$ 12,357,624	

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Permits and Fees	\$ 7,784,042	7,784,042	6,758,810	(1,025,232)
Reimbursement for Services	158,563	158,563	132,148	(26,415)
Investment Earnings	-	-	1,342,517	1,342,517
Miscellaneous	286	286	551	265
Total Revenues	<u>7,942,891</u>	<u>7,942,891</u>	<u>8,234,027</u>	<u>291,136</u>
Expenditures -- Public Safety:				
Personal Services	7,658,210	7,658,210	7,171,459	486,751
Materials and Supplies	138,659	138,659	117,968	20,691
Other Services and Charges	2,884,730	3,418,680	2,305,872	1,112,808
Capital Outlay	-	13,186	13,146	40
Total Expenditures	<u>10,681,599</u>	<u>11,228,735</u>	<u>9,608,445</u>	<u>1,620,290</u>
Deficiency of Revenue Under Expenditures	(2,738,708)	(3,285,844)	(1,374,418)	1,911,426
Other Financing Sources (Uses):				
Transfers In	1,584,933	1,584,933	1,598,751	13,818
Transfers Out	(62,250)	(62,250)	(69,481)	(7,231)
Total Other Financing Sources (Uses)	<u>1,522,683</u>	<u>1,522,683</u>	<u>1,529,270</u>	<u>6,587</u>
Net Change in Fund Balances	<u>\$ (1,216,025)</u>	<u>(1,763,161)</u>	154,852	<u>1,918,014</u>
Fund Balance - Beginning			<u>11,537,610</u>	
Fund Balance - Ending			<u>\$ 11,692,462</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 154,852	
Revenue and Transfer Accruals			(820,578)	
Expenditure and Transfer Accruals			<u>29,784</u>	
Net Change in Fund Balance, GAAP Basis			(635,942)	
Fund Balance - Beginning, GAAP Basis			<u>12,168,767</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 11,532,825</u>	

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Permits and Fees	\$ 6,570,100	6,570,100	164,876	(6,405,224)
Investment Earnings	300,000	300,000	202,415	(97,585)
Total Revenues	<u>6,870,100</u>	<u>6,870,100</u>	<u>367,292</u>	<u>(6,502,808)</u>
Expenditures -- Health and Welfare:				
Other Services and Charges	15,200	15,200	6,037	9,163
Total Expenditures	<u>15,200</u>	<u>15,200</u>	<u>6,037</u>	<u>9,163</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>6,854,900</u>	<u>6,854,900</u>	<u>361,254</u>	<u>(6,493,646)</u>
Other Financing Sources (Uses):				
Transfers In	-	-	17,457	17,457
Transfers Out	<u>(3,500,000)</u>	<u>(3,500,000)</u>	-	3,500,000
Total Other Financing Sources (Uses)	<u>(3,500,000)</u>	<u>(3,500,000)</u>	<u>17,457</u>	<u>3,517,457</u>
Net Change in Fund Balances	<u>\$ 3,354,900</u>	<u>3,354,900</u>	<u>378,711</u>	<u>(2,976,189)</u>
Fund Balance - Beginning			<u>1,918,648</u>	
Fund Balance - Ending			<u>\$ 2,297,359</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 378,711	
Revenue and Transfer Accruals			(190,019)	
Expenditure and Transfer Accruals			<u>586</u>	
Net Change in Fund Balance, GAAP Basis			189,278	
Fund Balance - Beginning, GAAP Basis			<u>2,667,368</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 2,856,646</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, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Investment Earnings	\$ 4,000	4,000	11,794	7,794
Donations	130,000	130,000	109,425	(20,575)
Total Revenues	134,000	134,000	121,218	(12,782)
Expenditures -- Culture and Recreation:				
Personal Services	114,459	114,459	112,587	1,872
Materials and Supplies	-	-	10	(10)
Capital Outlay	10,000	10,000	6,278	3,722
Total Expenditures	124,459	124,459	118,875	5,584
Net Change in Fund Balance	\$ 9,541	9,541	2,343	(7,198)
Fund Balance - Beginning			257,933	
Fund Balance - Ending			\$ 260,276	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 2,343	
Revenue and Transfer Accruals			(822)	
Expenditure and Transfer Accruals			(322)	
Net Change in Fund Balance, GAAP Basis			1,199	
Fund Balance - Beginning, GAAP Basis			259,100	
Fund Balance - Ending, GAAP Basis			\$ 260,299	

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Permits and Fees	-	-	26,703	26,703
Donations	\$ 100,000	100,000	114,500	14,500
Rental Income	45,000	45,000	21,801	(23,199)
Miscellaneous	-	-	47	47
Total Revenues	<u>145,000</u>	<u>145,000</u>	<u>163,051</u>	<u>18,051</u>
Expenditures -- Mass Transit:				
Other Services and Charges	<u>335,750</u>	<u>335,750</u>	<u>273,976</u>	<u>61,774</u>
Total Expenditures	<u>335,750</u>	<u>335,750</u>	<u>273,976</u>	<u>61,774</u>
Deficiency of Revenues Under Expenditures	(190,750)	(190,750)	(110,925)	<u>79,825</u>
Net Change in Fund Balances	<u>\$ (190,750)</u>	<u>(190,750)</u>	<u>(110,925)</u>	<u>79,825</u>
Fund Balance - Beginning			<u>(551,336)</u>	
Fund Balance - Ending			<u>\$ (662,261)</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ (110,925)	
Revenue and Transfer Accruals			167	
Expenditure and Transfer Accruals			<u>(50,470)</u>	
Net Change in Fund Balance, GAAP Basis			(161,228)	
Fund Balance - Beginning, GAAP Basis			<u>(689,075)</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ (850,303)</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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Wheel Tax	\$ 9,898,000	9,898,000	10,345,110	447,110
Investment Earnings	-	-	55,964	55,964
Total Revenues	9,898,000	9,898,000	10,401,073	503,073
Expenditures -- Health and Welfare:				
Other Services and Charges	-	-	110	(110)
Total Expenditures	-	-	110	(110)
Deficiency of Revenues Under Expenditures	9,898,000	9,898,000	10,400,964	502,964
Other Financing Uses:				
Transfers Out	(9,898,000)	(9,898,000)	(10,340,477)	(442,477)
Total Other Financing Sources (Uses)	(9,898,000)	(9,898,000)	(10,340,477)	(442,477)
Net Change in Fund Balances	\$ -	-	60,487	60,487
Fund Balance - Beginning			188,109	
Fund Balance - Ending			\$ 248,596	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 60,487	
Revenue and Transfer Accruals			(90,269)	
Net Change in Fund Balance, GAAP Basis			(29,782)	
Fund Balance - Beginning, GAAP Basis			1,195,609	
Fund Balance - Ending, GAAP Basis			\$ 1,165,827	

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Real Property and Personal Property Tax	\$ -	-	4,595,821	4,595,821
Investment Earnings	-	-	48,461	48,461
Miscellaneous	-	-	220,324	220,324
Total Revenues	-	-	4,864,606	4,864,606
Expenditures -- Debt Service:				
Principal Retirement	102,302	102,302	103,435	(1,133)
Interest	110,556	110,556	63,922	46,634
Fiscal Charges	-	-	-	-
Developer Purchased TIF Payments	-	-	2,749,150	(2,749,150)
Miscellaneous	-	-	809,308	(809,308)
Total Expenditures	212,858	212,858	3,725,815	(3,512,957)
Excess (Deficiency) of Revenues				
Over (Under) Over Expenditures	(212,858)	(212,858)	1,138,791	1,351,649
Other Financing Sources (Uses):				
Transfers In	-	-	158,966	158,966
Transfers Out	-	-	(329,327)	(329,327)
Total Other Financing Sources (Uses)	-	-	(170,361)	(170,361)
Net Change in Fund Balances	\$ (212,858)	(212,858)	968,430	1,181,288
Fund Balances - Beginning			5,790,670	
Fund Balances - Ending			\$ 6,759,100	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 968,430	
Revenue and Transfer Accruals			64,075	
Expenditure and Transfer Accruals			68,398	
Net Change in Fund Balance, GAAP Basis			1,100,903	
Fund Balance - Beginning, GAAP Basis			4,380,757	
Fund Balance - Ending, GAAP Basis			\$ 5,481,660	

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Real Property and Personal Property Tax	\$ 3,031,860	3,031,860	3,312,828	280,968
Sundry and In Lieu Tax	1,500	1,500	1,011	(489)
Investment Earnings	101,391	101,391	82,636	(18,755)
Total Revenues	<u>3,134,751</u>	<u>3,134,751</u>	<u>3,396,475</u>	<u>261,724</u>
Expenditures -- Debt Service:				
Principal Retirement	2,625,000	2,625,000	2,625,000	-
Interest	770,091	770,091	768,276	1,815
Fiscal Charges	3,300	3,300	1,600	1,700
Lease Principal	-	-	1,675,000	(1,675,000)
Lease Interest	-	-	160,567	(160,567)
Total Expenditures	<u>3,398,391</u>	<u>3,398,391</u>	<u>5,230,443</u>	<u>(1,832,052)</u>
Deficiency of Revenues Under Expenditures	(263,640)	(263,640)	(1,833,968)	(1,570,328)
Other Financing Sources:				
Transfers In	-	-	1,835,567	1,835,567
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>1,835,567</u>	<u>1,835,567</u>
Net Change in Fund Balances	<u>\$ (263,640)</u>	<u>(263,640)</u>	1,599	<u>265,239</u>
Fund Balances - Beginning			<u>2,728,529</u>	
Fund Balances - Ending			<u>\$ 2,730,128</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 1,599	
Revenue and Transfer Accruals			4,344	
Expenditure and Transfer Accruals			<u>(1,248)</u>	
Net Change in Fund Balance, GAAP Basis			4,695	
Fund Balance - Beginning, GAAP Basis			<u>2,863,887</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 2,868,582</u>	

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Turnback Tax	\$ 2,412,000	2,412,000	2,255,063	(156,937)
Occupation Tax	-	-	1,820,773	1,820,773
Investment Earnings	-	-	139,686	139,686
Total Revenues	2,412,000	2,412,000	4,215,522	1,803,522
Expenditures -- Debt Service:				
Principal Retirement	4,135,000	4,135,000	4,135,000	-
Interest	1,542,398	1,542,398	1,542,398	-
Fiscal Charges	-	-	1,600	(1,600)
Payments Made to Developer	-	-	1,760,561	(1,760,561)
Total Expenditures	5,677,398	5,677,398	7,439,559	(1,762,161)
Deficiency of Revenues Under Expenditures	(3,265,398)	(3,265,398)	(3,224,037)	41,361
Other Financing Sources (Uses):				
Transfers In	4,142,500	4,142,500	4,142,500	-
Transfers Out	(230,000)	(230,000)	-	230,000
Total Other Financing Sources (Uses)	3,912,500	3,912,500	4,142,500	230,000
Net Change in Fund Balances	\$ 647,102	647,102	918,463	271,361
Fund Balances - Beginning			2,074,843	
Fund Balances - Ending			\$ 2,993,306	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 918,463	
Revenue and Transfer Accruals			26,914	
Expenditure and Transfer Accruals			(107,527)	
Net Change in Fund Balance, GAAP Basis			837,850	
Fund Balance - Beginning, GAAP Basis			1,364,479	
Fund Balance - Ending, GAAP Basis			\$ 2,202,329	

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Revenues:				
Special Assessment	\$ 1,600,000	1,600,000	1,697,237	97,237
Special Assessment Interest	125,000	125,000	78,619	(46,381)
Total Revenues	<u>1,725,000</u>	<u>1,725,000</u>	<u>1,775,856</u>	<u>50,856</u>
Expenditures -- Debt Service:				
Principal Retirement	225,000	225,000	225,000	-
Interest	60,870	60,870	60,870	-
Fiscal Charges	-	-	800	(800)
Total Expenditures	<u>285,870</u>	<u>285,870</u>	<u>286,670</u>	<u>(800)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,439,130	1,439,130	1,489,186	50,056
Other Financing Sources (Uses):				
Transfers Out	(1,600,000)	(1,600,000)	(982,256)	617,744
Total Other Financing Sources (Uses)	<u>(1,600,000)</u>	<u>(1,600,000)</u>	<u>(982,256)</u>	<u>617,744</u>
Net Change in Fund Balances	<u>\$ (160,870)</u>	<u>(160,870)</u>	506,930	<u>667,800</u>
Fund Balances - Beginning			<u>666,534</u>	
Fund Balances - Ending			<u>\$ 1,173,464</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 506,930	
Revenue and Transfer Accruals			13,880	
Expenditure and Transfer Accruals			<u>63,885</u>	
Net Change in Fund Balance, GAAP Basis			584,695	
Fund Balance - Beginning, GAAP Basis			<u>754,545</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 1,339,240</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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Revenues:				
Investment Earnings	\$ 3,844,689	3,844,689	6,802,736	2,958,047
Donations	-	-	4,000	4,000
Miscellaneous	-	-	22,787	22,787
Total Revenues	<u>3,844,689</u>	<u>3,844,689</u>	<u>6,829,523</u>	<u>2,984,834</u>
Expenditures -- Health and Welfare:				
Personal Services	655,382	655,382	557,085	98,297
Materials and Supplies	4,200	4,200	4,378	(178)
Other Services and Charges	3,185,107	4,535,025	1,817,769	2,717,256
Capital Outlay	-	-	804	(804)
Total Expenditures	<u>3,844,689</u>	<u>5,194,607</u>	<u>2,380,036</u>	<u>2,814,571</u>
Deficiency of Revenues Under Expenditures	<u>\$ -</u>	<u>(1,349,918)</u>	4,449,487	<u>5,799,405</u>
Other Financing Sources (Uses):				
Operating Transfers In	-	-	27	27
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>27</u>	<u>27</u>
Net Change in Fund Balances	<u>-</u>	<u>(1,349,918)</u>	4,449,514	<u>5,799,432</u>
Fund Balances - Beginning			<u>74,669,482</u>	
Fund Balances - Ending			<u>\$ 79,118,969</u>	
Reconciliation between Budget Basis and GAAP:				
Net Change in Fund Balance, Budget Basis			\$ 4,449,487	
Revenue and Transfer Accruals			(111)	
Expenditure and Transfer Accruals			<u>3,792</u>	
Net Change in Fund Balance, GAAP Basis			4,453,168	
Fund Balance - Beginning, GAAP Basis			<u>74,634,872</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 79,088,040</u>	



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, 2025

	Golf	Parking System	Pinnacle Bank Arena	Solid Waste Management	Emergency Medical Services	Broadband Enterprise	Total
ASSETS							
Current Assets:							
Cash and Cash Equivalents	\$ 981,775	\$ 820,458	\$ 11,145,463	\$ 871,275	\$ 976,094	\$ 290,208	\$ 15,085,273
Investments	4,076,409	4,741,822	-	10,508,742	7,061,778	2,080,167	28,468,918
Receivables (Net of Allowance for Uncollectibles)	55,552	228,622	307,617	2,412,729	2,198,652	1,375,126	6,578,298
Due from Other Funds	-	723,944	471,961	217,905	-	-	1,413,810
Due from Other Governments	-	-	-	21,025	-	-	21,025
Inventories	160,080	-	350,053	-	581,207	-	1,091,340
Prepaid Expenses	-	-	378,173	-	-	-	378,173
Total Current Assets	5,273,816	6,514,846	12,653,267	14,031,676	10,817,731	3,745,501	53,036,837
Noncurrent Assets:							
Investments	341,689	397,464	-	880,854	591,926	174,362	2,386,295
Lease Receivable	-	-	-	-	-	17,786,105	17,786,105
Restricted Assets:							
Cash and Cash Equivalents	-	351,484	-	1,916,861	-	-	2,268,345
Investments	-	2,774,306	-	1,182,491	-	-	3,956,797
Receivables	-	35,129	-	162,946	-	-	198,075
Total Restricted Assets	-	3,160,919	-	3,262,298	-	-	6,423,217
Capital Assets:							
Land	1,068,949	17,127,041	-	1,540,452	-	-	19,736,442
Buildings	4,439,914	95,968,674	-	3,643,440	168,363	-	104,220,391
Improvements Other Than Buildings	11,494,136	12,830,989	-	56,969,653	-	62,180,511	143,475,289
Machinery and Equipment	3,001,752	5,238,107	1,954,747	16,460,005	5,276,621	110,021	32,041,253
Construction in Progress	927,860	1,242,975	-	3,696,723	-	-	5,867,558
Less Accumulated Depreciation	(12,905,741)	(46,050,034)	(794,831)	(47,317,983)	(2,709,485)	(10,681,830)	(120,459,904)
Total Capital Assets, Net	8,026,870	86,357,752	1,159,916	34,992,290	2,735,499	51,608,702	184,881,029
Lease Assets:							
Lease Assets	2,069,965	2,581,967	-	-	-	-	4,651,932
Less Amortization	(745,168)	(429,192)	-	-	-	-	(1,174,360)
Total Lease Assets, Net	1,324,797	2,152,775	-	-	-	-	3,477,572
Subscription Assets:							
Subscription Assets	120,915	-	-	-	-	-	120,915
Less Amortization	(78,091)	-	-	-	-	-	(78,091)
Total Subscription Assets, Net	42,824	-	-	-	-	-	42,824
Total Capital Assets, Net	9,394,491	88,510,527	1,159,916	34,992,290	2,735,499	51,608,702	188,401,425
Total Noncurrent Assets	9,736,180	92,068,910	1,159,916	39,135,442	3,327,425	69,569,169	214,997,042
Total Assets	15,009,996	98,583,756	13,813,183	53,167,118	14,145,156	73,314,670	268,033,879
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Loss on Refunding	-	575,390	-	-	-	-	575,390
Deferred Outflows for Pension	-	-	-	-	1,686,202	-	1,686,202
Deferred Outflows for OPEB	15,002	1,994	-	35,004	150,084	-	202,084
Total Deferred Outflows of Resources	15,002	577,384	-	35,004	1,836,286	-	2,463,676

(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	270,336	940,513	579,499	1,556,957	140,374	65,009	3,552,688
Accrued Liabilities	93,134	11,663	413,536	138,938	329,037	9,664	995,972
Accrued Compensated Absences	154,186	29,416	-	250,383	116,729	43,158	593,872
Notes Payable	-	-	-	-	172,412	-	172,412
Due to Other Funds	237	175,571	38,720	4,812	162,801	1,679	383,820
Due to Other Governments	69,119	300	572,196	57	45	-	641,717
Unearned Revenue	236,576	678,582	8,236,440	-	-	-	9,151,598
Accrued Interest	17,249	34,364	-	13,451	7,529	-	72,593
Accrued Lease Interest	9,668	9,482	-	-	-	-	19,150
Accrued Subscription Interest	383	-	-	-	-	-	383
Current Portion of COPs	125,000	-	-	-	-	-	125,000
Current Portion of Long-Term Debt	-	3,220,000	-	670,000	-	-	3,890,000
Current Portion of OPEB Liability	3,197	425	-	7,460	31,986	-	43,068
Current Portion of Lease Liability	339,458	91,341	-	-	-	-	430,799
Current Portion of Subscription Liability	30,543	-	-	-	-	-	30,543
Total Current Liabilities	1,349,086	5,191,657	9,840,391	2,642,058	960,913	119,510	20,103,615
Noncurrent Liabilities:							
Accrued Compensated Absences	309,686	62,653	-	360,615	337,268	49,790	1,120,012
Long-Term Debt, Net	172,304	28,480,911	-	4,590,430	-	-	33,243,645
COPs Payable	735,000	-	-	-	-	-	735,000
Notes Payable	-	-	-	-	181,222	-	181,222
Net Pension Liability	-	-	-	-	5,476,136	-	5,476,136
Total OPEB Liability, Net	72,509	9,639	-	169,187	725,396	-	976,731
Lease Liability	749,027	2,131,425	-	-	-	-	2,880,452
Postclosure Care Costs	-	-	-	41,938,059	-	-	41,938,059
Total Noncurrent Liabilities	2,038,526	30,684,628	-	47,058,291	6,720,022	49,790	86,551,257
Total Liabilities	3,387,612	35,876,285	9,840,391	49,700,349	7,680,935	169,300	106,654,872
DEFERRED INFLOWS OF RESOURCES							
Deferred Inflows for Pension	-	-	-	-	416,885	-	416,885
Deferred Inflows for OPEB	40,546	5,390	-	94,606	405,630	-	546,172
Deferred Inflows for Leases	-	-	-	-	-	18,342,633	18,342,633
Total Deferred Inflows of Resources	40,546	5,390	-	94,606	822,515	18,342,633	19,305,690
NET POSITION							
Net Investment in Capital Assets	7,243,158	55,093,310	1,159,916	30,222,865	2,381,865	51,608,702	147,709,816
Restricted for:							
Capital Projects	-	3,160,919	-	232,834	-	-	3,393,753
Unrestricted	4,353,682	5,025,236	2,812,876	(27,048,532)	5,096,127	3,194,035	(6,566,576)
Total Net Position	\$ 11,596,840	\$ 63,279,465	\$ 3,972,792	\$ 3,407,167	\$ 7,477,992	\$ 54,802,737	\$ 144,536,993



CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

	Golf	Parking Systems	Pinnacle Bank Arena	Solid Waste Management	Emergency Medical Services	Broadband Enterprise	Total
Operating Revenues							
Charges for Services	\$ 498,987	\$ 2,381,138	\$ -	\$ 19,490	\$ 12,478,232	\$ 118,948	\$ 15,496,795
Fees	6,730,839	1,383,761	-	11,767,934	-	-	19,882,534
Parking Revenue	-	11,479,646	-	-	-	-	11,479,646
Performance Revenue	-	-	10,651,657	-	-	-	10,651,657
Other Operating Revenue	60,648	219,901	1,702,670	1,080,281	7,246	-	3,070,746
Total Operating Revenues	<u>7,290,474</u>	<u>15,464,446</u>	<u>12,354,327</u>	<u>12,867,705</u>	<u>12,485,478</u>	<u>118,948</u>	<u>60,581,378</u>
Operating Expenses							
Personal Services	2,159,360	324,706	4,032,225	3,993,190	8,099,332	381,249	18,990,062
Contractual Services	262,244	5,094,569	6,027,417	6,012,063	568,622	76,885	18,041,800
Operation and Maintenance	2,439,244	3,356,519	2,973,634	4,148,817	1,293,368	311,995	14,523,577
Depreciation	427,931	2,563,796	186,090	3,047,655	337,471	2,059,118	8,622,061
Amortization	535,000	107,298	-	-	-	-	642,298
Total Operating Expenses	<u>5,823,779</u>	<u>11,446,888</u>	<u>13,219,366</u>	<u>17,201,725</u>	<u>10,298,793</u>	<u>2,829,247</u>	<u>60,819,798</u>
Operating Income (Loss)	<u>1,466,695</u>	<u>4,017,558</u>	<u>(865,039)</u>	<u>(4,334,020)</u>	<u>2,186,685</u>	<u>(2,710,299)</u>	<u>(238,420)</u>
Nonoperating Revenues (Expenses)							
Investment Earnings	140,421	186,017	360,399	662,407	332,113	95,342	1,776,699
Lease Income	-	-	-	-	-	1,335,823	1,335,823
Lease Interest Income	-	-	-	-	-	354,532	354,532
Grant Revenue	-	-	-	(2,588)	-	-	(2,588)
Gain (Loss) on Disposal of Capital Assets	875	16,000	(2,160)	(168,825)	-	5,872	(148,238)
Insurance Recoveries	-	4,311	-	7,882	17,925	-	30,118
Occupation Tax	-	-	-	5,985,901	-	-	5,985,901
Interest Expense and Fiscal Charges	(37,008)	(1,007,419)	-	(150,345)	(22,960)	-	(1,217,732)
Total Nonoperating Revenues (Expenses)	<u>104,288</u>	<u>(801,091)</u>	<u>358,239</u>	<u>6,334,432</u>	<u>327,078</u>	<u>1,791,569</u>	<u>8,114,515</u>
Income (Loss) Before Contributions and Transfers	<u>1,570,983</u>	<u>3,216,467</u>	<u>(506,800)</u>	<u>2,000,412</u>	<u>2,513,763</u>	<u>(918,730)</u>	<u>7,876,095</u>
Capital Contributions	918,264	-	248,637	549,875	-	3,182,150	4,898,926
Transfers In	167,400	-	-	754,460	-	-	921,860
Transfers Out	(984,563)	(2,095,026)	(600,000)	(2,039,393)	(104,519)	-	(5,823,501)
Change in Net Position	<u>1,672,084</u>	<u>1,121,441</u>	<u>(858,163)</u>	<u>1,265,354</u>	<u>2,409,244</u>	<u>2,263,420</u>	<u>7,873,380</u>
Net Position - Beginning, as previously reported	<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>
Restatement	(140,663)	(26,498)	-	(187,273)	(270,290)	(87,339)	(712,063)
Net Position - Beginning as restated	<u>9,924,756</u>	<u>62,158,024</u>	<u>4,830,955</u>	<u>2,141,813</u>	<u>5,068,748</u>	<u>52,539,317</u>	<u>136,663,613</u>
Net Position - Ending	<u>\$ 11,596,840</u>	<u>\$ 63,279,465</u>	<u>\$ 3,972,792</u>	<u>\$ 3,407,167</u>	<u>\$ 7,477,992</u>	<u>\$ 54,802,737</u>	<u>\$ 144,536,993</u>

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

	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	\$ 7,243,593	13,509,639	12,777,180	11,439,890	12,449,551	127,991	57,547,844
Receipts from Interfund Services Provided	-	2,214,742	-	7	-	-	2,214,749
Receipts From Sales Tax	-	-	1,290,727	-	-	-	1,290,727
Payments For Sales Tax	-	-	(1,077,725)	-	-	-	(1,077,725)
Payments to Suppliers for Goods and Services	(2,009,962)	(7,517,908)	(10,203,607)	(6,087,942)	(1,685,966)	(293,075)	(27,798,460)
Payments to Employees	(2,107,908)	(327,000)	-	(3,977,716)	(7,731,196)	(369,486)	(14,513,306)
Payments for Interfund Services Provided	(785,109)	(950,027)	(2,245,338)	(913,511)	(627,761)	(128,518)	(5,650,264)
Other Receipts	60,648	219,901	1,702,670	1,099,771	7,247	-	3,090,237
Net Cash Provided (Used) by Operating Activities	2,401,262	7,149,347	2,243,907	1,560,499	2,411,875	(663,088)	15,103,802
Cash Flows from Noncapital Financing Activities							
Occupation Tax	-	-	-	5,984,315	-	-	5,984,315
Transfers to Other Funds	(984,563)	(2,095,026)	(600,000)	(2,039,393)	(104,519)	-	(5,823,501)
Repayments from Other Funds	-	81,283	-	40,642	-	-	121,925
Grant Proceeds	-	-	-	(2,588)	-	-	(2,588)
Net Cash Provided (Used) by Non-Capital Financing Activities	(984,563)	(2,013,743)	(600,000)	3,982,976	(104,519)	-	280,151
Cash Flows from Capital and Related Financing Activities							
Additions to Capital Assets	(993,595)	(1,582,387)	-	(3,799,516)	(1,384,212)	-	(7,759,710)
Capital Contributions	918,264	-	-	549,875	-	-	1,468,139
Transfers from Other Funds	167,400	-	-	754,460	-	-	921,860
Proceeds from Sale of Capital Assets	875	21,000	-	-	-	5,872	27,747
Proceeds from Leases/Lease Interest	-	-	-	-	-	1,552,768	1,552,768
Insurance Recoveries	-	4,311	-	7,882	17,925	-	30,118
Principal Payments of Leases	(427,437)	(89,552)	-	-	-	-	(516,989)
Principal Payments of Subscriptions	(31,200)	-	-	-	-	-	(31,200)
Principal Payments of COPS	(120,000)	-	-	-	-	-	(120,000)
Principal Payments of Notes	-	-	-	-	(164,030)	-	(164,030)
Principal Payments of Bonded Debt	-	(3,155,000)	-	(645,000)	-	-	(3,800,000)
Interest and Fiscal Charges Paid	(47,492)	(942,263)	-	(190,897)	(26,453)	-	(1,207,105)
Net Cash Provided (Used) by Capital and Related Financing Activities	(533,185)	(5,743,891)	-	(3,323,196)	(1,556,770)	1,558,640	(9,598,402)
Cash Flows from Investing Activities							
Proceeds from Sale and Maturities of Investments	3,501,028	8,466,170	360,399	9,371,437	6,618,767	1,293,697	29,611,498
Purchases of Investments	(4,018,162)	(7,197,238)	-	(11,434,035)	(6,960,875)	(2,050,445)	(31,660,755)
Interest and Other Receipts	157,828	216,031	-	1,408,789	372,613	91,846	2,247,107
Net Cash Provided (Used) by Investing Activities	(359,306)	1,484,963	360,399	(653,809)	30,505	(664,902)	197,850
Net Increase in Cash and Cash Equivalents	524,208	876,676	2,004,306	1,566,470	781,091	230,650	5,983,401
Cash and Cash Equivalents - Beginning	457,567	295,266	9,141,157	1,221,666	195,003	59,558	11,370,217
Cash and Cash Equivalents - Ending	\$ 981,775	1,171,942	11,145,463	2,788,136	976,094	290,208	17,353,618

(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)	\$ 1,466,695	4,017,558	(865,039)	(4,334,020)	2,186,685	(2,710,299)	(238,420)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:							
Depreciation and Amortization	962,931	2,671,094	186,090	3,047,655	337,471	2,059,118	9,264,359
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:							
Accounts Receivable and Unbilled Revenues	(2,071)	246,984	73,912	(364,855)	(28,681)	9,043	(65,668)
Due from Other Funds	-	(159,116)	(183,259)	40,661	-	-	(301,714)
Due from Other Governments	4	-	-	(3,843)	-	-	(3,839)
Inventories	(59,767)	-	(62,707)	-	(134,325)	-	(256,799)
Prepaid Expenses	-	-	(258,991)	-	-	-	(258,991)
Deferred Outflows for Pension	-	-	-	-	83,048	-	83,048
Deferred Outflows for OPEB	2,960	2,790	-	3,302	24,996	-	34,048
Accounts Payable	(59,147)	47,382	(226,843)	525,297	(83,187)	61,206	264,708
Accrued Liabilities	10,747	(814)	16,427	10,163	4,783	(6,721)	34,585
Accrued Compensated Absences	70,417	14,267	-	2,933	(44,496)	(30,288)	12,833
Due to Other Funds	218	(64,289)	38,720	(1,736)	19,908	(45,147)	(52,326)
Due to Other Governments	3,811	60	356,061	(134)	12	-	359,810
Unearned Revenue	15,834	391,968	3,169,536	-	-	-	3,577,338
Net Pension Liability	-	-	-	-	(86,454)	-	(86,454)
Total OPEB Liability	(1,506)	(10,501)	-	11,978	4,754	-	4,725
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	2,636,000	-	-	2,636,000
Deferred Inflows for Pension	-	-	-	-	213,102	-	213,102
Deferred Inflows for OPEB	(9,864)	(8,036)	-	(12,902)	(85,741)	-	(116,543)
Total Adjustments	934,567	3,131,789	3,108,946	5,894,519	225,190	2,047,211	15,342,222
Net Cash Provided (Used) by Operating Activities	\$ 2,401,262	7,149,347	2,243,907	1,560,499	2,411,875	(663,088)	15,103,802
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities:							
Contribution of Capital Assets*	\$ -	-	248,637	-	-	3,182,150	3,430,787
Capital Asset Trade-Ins	-	-	-	(225,000)	-	-	(225,000)
Purchase of Capital Assets on Account	-	68,930	-	626,079	-	-	695,009
Change in Fair Value of Investments	19,866	(27,304)	-	7,287	39,959	(5,202)	34,606
Amortization of Debt Premiums	-	22,139	-	38,716	-	-	60,855

*Includes Construction In Progress transfers from Governmental funds.



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, 2025

	Information Services	Transportation & Utilities Revolving	Insurance Revolving	Fleet Services	Police Garage	Municipal Services Center	Total
ASSETS							
Current Assets:							
Cash and Cash Equivalents	\$ 760,106	\$ 611,862	\$ 5,502,010	\$ 868,200	\$ 931,273	\$ 279,812	\$ 8,953,263
Investments	5,485,167	4,424,102	39,894,405	6,192,544	6,720,079	1,996,241	64,712,538
Accounts Receivable	187,607	213,462	921,850	69,198	201,751	-	1,593,868
Due from Other Funds	201,151	47,297	6,096,077	1,135,147	1,014,783	-	8,494,455
Due from Other Governments	322,763	-	-	2,221	100,556	-	425,540
Inventories	-	-	-	1,057,777	463,003	-	1,520,780
Prepaid Expenses	1,180,789	-	-	-	-	-	1,180,789
Total Current Assets	8,137,583	5,296,723	52,414,342	9,325,087	9,431,445	2,276,053	86,881,233
Noncurrent Assets:							
Investments	459,773	370,833	3,286,245	519,066	563,284	167,327	5,366,528
Lease Receivable	-	-	-	1,299,461	-	-	1,299,461
Capital Assets:							
Land	-	-	-	-	335,751	1,258,700	1,594,451
Buildings	26,486	-	-	-	5,294,266	19,498,579	24,819,331
Improvements Other Than Buildings	-	-	-	407,891	45,500	1,960,679	2,414,070
Machinery and Equipment	5,335,207	267,569	28,936	29,175,947	19,902,458	58,131	54,768,248
Construction in Progress	-	-	-	729,734	14,377	-	744,111
Less Accumulated Depreciation	(4,884,881)	(154,584)	(28,936)	(17,710,533)	(14,271,572)	(7,875,985)	(44,926,491)
Total Capital Assets, Net	476,812	112,985	-	12,603,039	11,320,780	14,900,104	39,413,720
Lease Assets:							
Lease Assets	-	-	-	18,917	-	-	18,917
Less Amortization	-	-	-	(5,675)	-	-	(5,675)
Total Lease Assets, Net	-	-	-	13,242	-	-	13,242
Subscription Assets:							
Subscription Assets	6,480,041	1,002,072	265,317	-	-	-	7,747,430
Less Amortization	(2,130,523)	(637,318)	(132,659)	-	-	-	(2,900,500)
Total Subscription Assets, Net	4,349,518	364,754	132,658	-	-	-	4,846,930
Total Capital Assets, Net	4,826,330	477,739	132,658	12,616,281	11,320,780	14,900,104	44,273,892
Total Noncurrent Assets	5,286,103	848,572	3,418,903	14,434,808	11,884,064	15,067,431	50,939,881
Total Assets	13,423,686	6,145,295	55,833,245	23,759,895	21,315,509	17,343,484	137,821,114
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Outflows for OPEB	37,014	56,004	5,998	20,003	13,007	5,998	138,024
LIABILITIES							
Current Liabilities:							
Accounts Payable	512,293	25,351	544,022	482,531	224,746	73,326	1,862,269
Accrued Liabilities	225,425	348,091	44,653	75,628	32,488	18,031	744,316
Accrued Compensated Absences	439,806	661,912	82,570	342,894	77,925	21,193	1,626,300
Due to Other Funds	3,450	27,763	469,234	33,831	61,606	9,414	605,298
Due to Other Governments	8	78	-	-	-	-	86
Unearned Revenue	-	15,970	-	-	-	-	15,970
Claims	-	-	8,342,613	-	-	-	8,342,613
Accrued Interest	-	-	-	30,624	-	31,026	61,650
Accrued Lease Interest	-	-	-	140	-	-	140
Accrued Subscription Interest	56,379	13,483	2,337	-	-	-	72,199
Current Portion of COPs	-	-	-	465,000	-	1,260,000	1,725,000
Current Portion of Total OPEB Liability	7,889	11,936	1,278	4,263	2,772	1,278	29,416
Current Portion of Lease Liability	-	-	-	1,357	-	-	1,357
Current Portion of Subscription Liability	2,025,973	88,798	88,361	-	-	-	2,203,132
Total Current Liabilities	3,271,223	1,193,382	9,575,068	1,436,268	399,537	1,414,268	17,289,746
Noncurrent Liabilities:							
Accrued Compensated Absences, Net	967,648	1,253,337	20,109	72,233	83,504	30,888	2,427,719
Long-Term Debt, Net	-	-	-	250,794	-	213,125	463,919
Claims, Net	-	-	8,688,227	-	-	-	8,688,227
COPs Payable, Net	-	-	-	1,005,000	-	1,315,000	2,320,000
Total OPEB Liability, Net	178,897	270,684	28,989	96,678	62,870	28,989	667,107
Lease Liability, Net	-	-	-	12,599	-	-	12,599
Subscription Liability, Net	2,183,593	188,710	-	-	-	-	2,372,303
Total Noncurrent Liabilities	3,330,138	1,712,731	8,737,325	1,437,304	146,374	1,588,002	16,951,874
Total Liabilities	6,601,361	2,906,113	18,312,393	2,873,572	545,911	3,002,270	34,241,620
DEFERRED INFLOWS OF RESOURCES							
Deferred Inflows for Refunding	-	-	-	-	-	1,939	1,939
Deferred Inflows for OPEB	100,037	151,362	16,210	54,061	35,156	16,210	373,036
Deferred Inflows for Leases	-	-	-	1,231,597	-	-	1,231,597
Total Deferred Inflows of Resources	100,037	151,362	16,210	1,285,658	35,156	18,149	1,606,572
NET POSITION							
Net Investment in Capital Assets	616,764	200,231	44,297	10,881,531	11,309,298	12,000,844	35,052,965
Unrestricted	6,142,538	2,943,593	37,466,343	8,739,137	9,438,151	2,328,219	67,057,981
Total Net Position	\$ 6,759,302	\$ 3,143,824	\$ 37,510,640	\$ 19,620,668	\$ 20,747,449	\$ 14,329,063	\$ 102,110,946

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

	Information Services	Transportation & Utilities Revolving	Insurance Revolving	Fleet Services	Police Garage	Municipal Services Center	Total
Operating Revenues							
Charges for Services	\$ 13,136,094	\$ 11,580,419	\$ 60,484,362	\$ 10,580,851	\$ 7,469,342	\$ 3,124,486	\$ 106,375,554
Fees	-	407,638	-	-	-	-	407,638
Parking Revenue	-	-	-	-	1,209	-	1,209
Other Operating Revenue	772	144,702	2,780,684	1,497,872	1,105,539	179,545	5,709,114
Total Operating Revenues	<u>13,136,866</u>	<u>12,132,759</u>	<u>63,265,046</u>	<u>12,078,723</u>	<u>8,576,090</u>	<u>3,304,031</u>	<u>112,493,515</u>
Operating Expenses							
Personal Services	5,720,249	9,200,486	1,180,036	2,167,653	1,284,731	495,430	20,048,585
Contractual Services	921,966	1,791,286	3,968,581	309,657	176,305	134,551	7,302,346
Operation and Maintenance	5,120,622	941,584	61,464,633	5,921,241	3,610,613	553,529	77,612,222
Depreciation	192,589	20,521	-	1,976,755	1,864,766	754,514	4,809,145
Amortization	1,812,503	243,184	88,439	1,419	-	-	2,145,545
Total Operating Expenses	<u>13,767,929</u>	<u>12,197,061</u>	<u>66,701,689</u>	<u>10,376,725</u>	<u>6,936,415</u>	<u>1,938,024</u>	<u>111,917,843</u>
Operating Income (Loss)	<u>(631,063)</u>	<u>(64,302)</u>	<u>(3,436,643)</u>	<u>1,701,998</u>	<u>1,639,675</u>	<u>1,366,007</u>	<u>575,672</u>
Nonoperating Revenues (Expenses)							
Investment Earnings	299,440	64,353	81,274	-	-	-	445,067
Lease Income	-	-	-	124,007	-	-	124,007
Lease Interest Income	-	-	-	28,348	-	-	28,348
Gain (Loss) on Disposal of Capital Assets	-	3,100	-	49,605	245,637	24,510	322,852
Insurance Recoveries	-	-	789,276	1,379	86,549	-	877,204
Interest Expense and Fiscal Charges	(89,854)	(14,849)	(6,894)	(11,026)	-	6,686	(115,937)
Total Nonoperating Revenues (Expenses)	<u>209,586</u>	<u>52,604</u>	<u>863,656</u>	<u>192,313</u>	<u>332,186</u>	<u>31,196</u>	<u>1,681,541</u>
Income (Loss) Before Contributions and Transfers	<u>(421,477)</u>	<u>(11,698)</u>	<u>(2,572,987)</u>	<u>1,894,311</u>	<u>1,971,861</u>	<u>1,397,203</u>	<u>2,257,213</u>
Capital Contributions	-	-	-	-	-	1,029,407	1,029,407
Transfers In	-	220,253	-	1,159,614	-	-	1,379,867
Transfers Out	-	(249,479)	(361,560)	(1,377)	(105,069)	(590)	(718,075)
Change in Net Position	<u>(421,477)</u>	<u>(40,924)</u>	<u>(2,934,547)</u>	<u>3,052,548</u>	<u>1,866,792</u>	<u>2,426,020</u>	<u>3,948,412</u>
Net Position - Beginning as previously reported	<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>
Restatement	<u>(707,068)</u>	<u>(268,210)</u>	<u>(11,087)</u>	<u>28,187</u>	<u>43,467</u>	<u>(115,638)</u>	<u>(1,030,349)</u>
Net Position - Beginning as restated	<u>7,180,779</u>	<u>3,184,748</u>	<u>40,445,187</u>	<u>16,568,120</u>	<u>18,880,657</u>	<u>11,903,043</u>	<u>98,162,534</u>
Net Position - Ending	<u>\$ 6,759,302</u>	<u>\$ 3,143,824</u>	<u>\$ 37,510,640</u>	<u>\$ 19,620,668</u>	<u>\$ 20,747,449</u>	<u>\$ 14,329,063</u>	<u>\$ 102,110,946</u>

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

	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	\$ 4,741,898	10,648,037	14,800,818	556,170	(613,577)	353,321	30,486,667
Receipts from Interfund Services Provided	11,296,712	1,515,029	47,303,398	10,470,473	8,719,981	3,099,293	82,404,886
Payments to Suppliers for Goods and Services	(5,896,217)	(1,707,571)	(63,248,233)	(5,328,239)	(3,209,922)	(411,230)	(79,801,412)
Payments to Employees	(5,800,440)	(9,011,985)	(1,288,738)	(2,160,303)	(1,338,267)	(582,278)	(20,182,011)
Payments for Interfund Services Provided	(470,374)	(1,070,130)	(702,930)	(591,528)	(757,004)	(359,381)	(3,951,347)
Net Cash Provided (Used) by Operating Activities	<u>3,871,579</u>	<u>373,380</u>	<u>(3,135,685)</u>	<u>2,946,573</u>	<u>2,801,211</u>	<u>2,099,725</u>	<u>8,956,783</u>
Cash Flows from Noncapital Financing Activities							
Transfers from Other Funds	-	220,253	-	1,159,614	-	-	1,379,867
Transfers to Other Funds	-	(249,479)	(361,560)	(1,377)	(105,069)	(590)	(718,075)
Advances to Other Funds	-	-	(5,000,000)	-	-	-	(5,000,000)
Repayments from Other Funds	-	-	162,566	-	-	-	162,566
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>(29,226)</u>	<u>(5,198,994)</u>	<u>1,158,237</u>	<u>(105,069)</u>	<u>(590)</u>	<u>(4,175,642)</u>
Cash Flows from Capital and Related Financing Activities							
Additions to Capital Assets	-	(79,861)	-	(3,042,077)	(3,664,289)	(1,135,224)	(7,921,451)
Proceeds from Sale of Capital Assets	-	3,100	-	96,925	270,604	24,510	395,139
Proceeds from Leases/Lease Interest	-	-	-	128,010	-	-	128,010
Insurance Recoveries	-	-	789,276	1,378	86,549	-	877,203
Cost of Debt Issuance	-	-	-	-	-	(2,087)	(2,087)
Principal Payments of COPs	-	-	-	(445,000)	-	(1,215,000)	(1,660,000)
Principal Payments of Subscriptions	(1,850,727)	(291,648)	(93,035)	-	-	-	(2,235,410)
Principal Payments of Leases	-	-	-	(1,597)	-	-	(1,597)
Interest and Fiscal Charges Paid	-	-	-	(95,967)	-	(132,773)	(228,740)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,850,727)</u>	<u>(368,409)</u>	<u>696,241</u>	<u>(3,358,328)</u>	<u>(3,307,136)</u>	<u>(2,460,574)</u>	<u>(10,648,933)</u>
Cash Flows from Investing Activities							
Proceeds from Sale and Maturities of Investments	3,427,612	4,749,584	50,228,867	6,046,532	7,931,745	2,537,297	74,921,637
Purchases of Investments	(5,406,792)	(4,360,888)	(38,645,266)	(6,104,061)	(6,624,059)	(1,967,718)	(63,108,784)
Interest and Other Receipts	300,209	106,557	81,338	-	-	-	488,104
Net Cash Provided (Used) by Investing Activities	<u>(1,678,971)</u>	<u>495,253</u>	<u>11,664,939</u>	<u>(57,529)</u>	<u>1,307,686</u>	<u>569,579</u>	<u>12,300,957</u>
Net Increase in Cash and Cash Equivalents	341,881	470,998	4,026,501	688,953	696,692	208,140	6,433,165
Cash and Cash Equivalents - Beginning	418,225	140,864	1,475,509	179,247	234,581	71,672	2,520,098
Cash and Cash Equivalents - Ending	<u>\$ 760,106</u>	<u>611,862</u>	<u>5,502,010</u>	<u>868,200</u>	<u>931,273</u>	<u>279,812</u>	<u>8,953,263</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) Operating Activities							
Operating Income (Loss)	<u>\$ (631,063)</u>	<u>(64,302)</u>	<u>(3,436,643)</u>	<u>1,701,998</u>	<u>1,639,675</u>	<u>1,366,007</u>	<u>575,672</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:							
Depreciation and amortization	2,005,092	263,705	88,439	1,978,174	1,864,766	754,514	6,954,690
Changes in Assets and Liabilities:							
Accounts Receivable	74,308	(89,227)	(777,881)	56,715	104,843	-	(631,242)
Refundable Deposits	-	-	(118,000)	-	-	-	(118,000)
Due from Other Funds	2,543,711	188,415	(264,950)	(1,106,574)	(499,418)	148,583	1,009,767
Due from Other Governments	283,724	-	-	(2,221)	(75,111)	-	206,392
Inventories	-	-	-	(55,710)	(157,328)	-	(213,038)
Prepaid Expenses	(483,971)	-	-	-	-	-	(483,971)
Deferred Outflows for OPEB	8,459	12,215	(5)	2,743	4,955	(5)	28,362
Accounts Payable	160,975	(29,482)	293,862	369,067	(52,950)	(80,444)	661,028
Accrued Liabilities	27,539	23,886	4,367	4,090	(9,364)	(1,255)	49,263
Accrued Compensated Absences	(79,907)	203,125	(116,961)	7,128	(22,303)	(89,485)	(98,403)
Due to Other Funds	(1,015)	(15,380)	267,349	(2,226)	30,279	(2,086)	276,921
Due to Other Governments	8	48	(51)	-	(9)	-	(4)
Unearned Revenue	-	(68,888)	-	-	-	-	(68,888)
Claims	-	-	920,893	-	-	-	920,893
Total OPEB Liability	(8,694)	(10,637)	4,505	3,164	(11,570)	4,505	(18,727)
Deferred Inflows for OPEB	(27,587)	(40,098)	(609)	(9,775)	(15,254)	(609)	(93,932)
Total Adjustments	<u>4,502,642</u>	<u>437,682</u>	<u>300,958</u>	<u>1,244,575</u>	<u>1,161,536</u>	<u>733,718</u>	<u>8,381,111</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,871,579</u>	<u>373,380</u>	<u>(3,135,685)</u>	<u>2,946,573</u>	<u>2,801,211</u>	<u>2,099,725</u>	<u>8,956,783</u>
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities:							
Contribution of Capital Assets	\$ -	-	-	-	-	1,029,407	1,029,407
Purchase of Capital Assets on Account	-	-	-	-	11,482	109,196	120,678
SBITA Additions	5,092,619	-	-	-	-	-	5,092,619
Change in Fair Value of Investments	(13,882)	(31,071)	-	-	-	-	(44,953)
Amortization of Debt Premiums	-	-	-	75,921	-	122,813	198,734

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, 2025

	Developer TIF Deposits	Seized Funds	Collections Due Other Governments	Total
ASSETS				
Cash and Cash Equivalents	\$ 7,866,381	\$ 456,547	\$ -	\$ 8,322,928
Receivables:				
Taxes	471,664	-	-	471,664
Accrued Interest	45,786	-	-	45,786
Total Assets	<u>\$ 8,383,831</u>	<u>\$ 456,547</u>	<u>\$ -</u>	<u>\$ 8,840,378</u>
LIABILITIES				
Liabilities:				
Due to Other Contractors	8,323,786	-	-	8,323,786
Total Liabilities	<u>8,323,786</u>	<u>-</u>	<u>-</u>	<u>8,323,786</u>
NET POSITION				
Restricted for:				
Developers, Seized Cash, and Other Governments	60,045	456,547	-	516,592
Total Net Position	<u>\$ 60,045</u>	<u>\$ 456,547</u>	<u>\$ -</u>	<u>\$ 516,592</u>

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

	Developer TIF Deposits	Seized Funds	Collections Due Other Governments	Total
Additions:				
Investment Income	\$ 258,995	\$ -	\$ -	\$ 258,995
Real Property and Personal Property Tax	15,616,962	-	-	15,616,962
Sales Tax Collections For Other Governments	-	-	606,508	606,508
Seized Cash	-	112,826	-	112,826
Miscellaneous	146,372	-	-	146,372
Total Additions	<u>16,022,329</u>	<u>112,826</u>	<u>606,508</u>	<u>16,741,663</u>
Deductions:				
Seized Cash Used	-	183,320	-	183,320
Payments of Sales Tax to Other Governments	-	-	606,508	606,508
Developer Purchased TIF Payments	14,200,225	-	-	14,200,225
Miscellaneous	1,859,702	-	-	1,859,702
Total Deductions	<u>16,059,927</u>	<u>183,320</u>	<u>606,508</u>	<u>16,849,755</u>
Change in Net Position	<u>(37,598)</u>	<u>(70,494)</u>	<u>-</u>	<u>(108,092)</u>
Net Position - Beginning of the Year	<u>97,643</u>	<u>527,041</u>	<u>-</u>	<u>624,684</u>
Net Position - Ending	<u><u>\$ 60,045</u></u>	<u><u>\$ 456,547</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 516,592</u></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	186
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	191
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	200
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	204
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	206
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									
		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities:											
Net Investment in											
Capital Assets	\$	1,124,779,742	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
Restricted		302,290,082	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
Unrestricted		236,650,232	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
Total Governmental Activities											
Net Position	\$	1,663,720,056	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
Business-Type Activities:											
Net Investment in											
Capital Assets	\$	1,391,650,089	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
Restricted		36,592,598	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
Unrestricted		279,856,370	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
Total Business-Type Activities											
Net Position	\$	1,708,099,057	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
Primary Government:											
Net Investment in											
Capital Assets	\$	2,516,429,831	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
Restricted		338,882,680	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
Unrestricted		516,506,602	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
Total Primary Government											
Net Position	\$	3,371,819,113	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

CITY OF LINCOLN, NEBRASKA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Table 2

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Governmental Activities:										
General Government	\$ 92,049,086	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
Public Safety	158,203,918	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
Streets and Highways	65,830,431	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
Culture and Recreation	56,147,135	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
Economic Opportunity	23,072,313	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
Health and Welfare	41,537,254	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
Mass Transit	23,280,164	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
Equipment Management	866,842	833,572	2,480,241	971,044	654,123	627,942	562,531	508,118	527,243	614,893
Engineering Services	8,366,252	7,096,334	6,717,158	2,146,618	7,298,448	1,519,718	3,900,549	4,394,576	4,159,498	2,527,524
Interest in Long-Term Debt	15,861,260	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
Total Governmental Activities Expenses	<u>485,214,655</u>	<u>455,338,960</u>	<u>450,280,645</u>	<u>423,546,125</u>	<u>380,575,622</u>	<u>375,472,782</u>	<u>376,636,400</u>	<u>343,338,717</u>	<u>324,405,485</u>	<u>321,053,878</u>
Business-Type Activities:										
Golf	6,000,574	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
Parking System	12,485,801	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
Municipal Arena	13,221,526	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
Solid Waste Management	17,688,677	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
Emergency Medical Services	10,592,041	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
Broadband Enterprise	2,910,714	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	34,902,370	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
Water System	42,379,104	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
Electric System	313,452,000	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
Total Business-Type Activities Expenses	<u>453,632,807</u>	<u>436,313,160</u>	<u>442,121,356</u>	<u>435,998,822</u>	<u>385,442,425</u>	<u>388,483,659</u>	<u>391,340,560</u>	<u>411,145,735</u>	<u>403,620,294</u>	<u>379,100,136</u>
Total	<u>\$ 938,847,462</u>	<u>\$ 891,652,120</u>	<u>\$ 892,402,001</u>	<u>\$ 859,544,947</u>	<u>\$ 766,018,047</u>	<u>\$ 763,956,441</u>	<u>\$ 767,976,960</u>	<u>\$ 754,484,452</u>	<u>\$ 728,025,779</u>	<u>\$ 700,154,014</u>
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 49,485,314	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
Public Safety	8,740,656	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
Streets and Highways	3,015,511	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
Culture and Recreation	8,709,051	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
Economic Opportunity	263,327	66,789	36,092	147,389	45,797	42,693	977,619	2,138,366	1,112,696	1,346,373
Health and Welfare	6,358,893	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
Other Activities	17,445,835	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
Operating Grants and Contributions	114,392,683	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
Capital Grants and Contributions	53,804,115	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
Total Governmental Activities	<u>\$ 262,215,385</u>	<u>\$ 230,895,943</u>	<u>\$ 218,608,609</u>	<u>\$ 228,716,908</u>	<u>\$ 226,371,360</u>	<u>\$ 160,854,226</u>	<u>\$ 162,429,053</u>	<u>\$ 172,371,304</u>	<u>\$ 161,715,349</u>	<u>\$ 151,129,317</u>
Business-Type Activities:										
Charges for Services:										
Wastewater System	43,704,776	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
Water System	62,275,907	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
Electric System	359,817,000	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
Other Activities	60,507,465	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
Operating Grants and Contributions	1,232,552	2,139,156	2,099,741	3,163,517	4,428,538	264,280	19,303	112,847	-	61,066
Capital Grants and Contributions	86,360,032	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
Total Business-Type Activities	<u>\$ 613,897,732</u>	<u>\$ 526,088,775</u>	<u>\$ 533,626,425</u>	<u>\$ 526,502,030</u>	<u>\$ 456,353,319</u>	<u>\$ 467,472,950</u>	<u>\$ 463,833,405</u>	<u>\$ 457,834,038</u>	<u>\$ 439,993,692</u>	<u>\$ 423,849,224</u>
Total	<u>\$ 876,113,117</u>	<u>\$ 756,984,718</u>	<u>\$ 752,235,034</u>	<u>\$ 755,218,938</u>	<u>\$ 682,724,679</u>	<u>\$ 628,327,176</u>	<u>\$ 626,262,458</u>	<u>\$ 630,205,342</u>	<u>\$ 601,709,041</u>	<u>\$ 574,978,541</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (222,999,270)	(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)
Business-Type Activities	160,264,925	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
Total	<u>\$ (62,734,345)</u>	<u>\$ (134,667,402)</u>	<u>\$ (140,166,967)</u>	<u>\$ (104,326,009)</u>	<u>\$ (83,293,368)</u>	<u>\$ (135,629,265)</u>	<u>\$ (141,714,502)</u>	<u>\$ (124,279,110)</u>	<u>\$ (126,316,738)</u>	<u>\$ (125,175,473)</u>

(Continued)

(Changes In Net Position, Table 2, Continued)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Revenues and Other Changes										
In Net Position										
Governmental Activities:										
Taxes:										
Property Tax	\$ 112,306,277	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
Motor Vehicle Tax	7,969,757	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
Wheel Tax	20,590,430	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
Sales and Use Tax	128,655,180	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
Turnback Tax	2,505,625	2,364,718	2,301,626	677,204	1,453,709	2,400,569	-	-	-	-
Sundry and In Lieu Tax	41,163	67,806	58,515	29,048	103,155	54,872	2,433,643	2,153,276	1,659,560	1,618,479
Occupation Tax	29,528,366	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
Unrestricted Grants and Contributions	32,280	31,926	30,170	25,405	27,580	56,090	50,330	60,620	71,620	67,640
Unrestricted Investment Earnings (Loss)	20,582,454	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
Miscellaneous General Revenues	7,986,086	1,820,590	4,229,432	3,994,211	888,231	1,580,490	1,576,598	919,184	489,198	708,314
Gain on Sale of Capital Assets	359,460	342,010	245,404	662,074	1,443,961	-	-	-	-	-
Gain on Extinguishment of Debt	-	-	-	-	-	170,995	-	-	-	-
Transfers	17,634,425	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
Total Governmental Activities	348,191,503	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
Business-Type Activities:										
Occupation Tax	5,985,901	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
Unrestricted Investment Earnings (Loss)	15,440,581	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
Miscellaneous General Revenues	24,923,219	22,413,555	1,554,120	4,322,030	3,138,463	1,034,848	680,853	192,670	233,578	89,483
Gain on Sale of Capital Assets	63,300	44,590	4,195	112,575	144,015	-	-	-	-	-
Transfers	(16,859,975)	(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)
Total Business-Type Activities	29,553,026	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)
Total	\$ 377,744,529	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
Change in Net Position										
Governmental Activities	\$ 125,192,233	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
Business-Type Activities	189,817,951	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
Total	\$ 315,010,184	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

CITY OF LINCOLN, NEBRASKA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Table 3

		Fiscal Year									
		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund											
Nondisposable	\$	215,608	860,295	550,204	511,606	321,325	288,584	327,026	571,722	440,254	470,421
Restricted		2,378,369	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
Assigned		45,064,154	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
Unassigned		155,977,043	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
Total General Fund	\$	203,635,174	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
Other Governmental Funds											
Special Revenue Funds											
Nondisposable	\$	2,413,198	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
Restricted		163,887,882	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
Committed		312,717	294,741	12,255,138	845,575	309,043	269,582	120,295	1,024,874	1,592,063	1,367,357
Assigned		86,816,629	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
Unassigned		(2,275,309)	(3,516,017)	(705,352)	(682,107)	(4,542,810)	(339,815)	(298,670)	(77,349)	(85,684)	(111,254)
Debt Service											
Restricted		11,891,811	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
Committed		-	6,785	7,354	6,666	205,923	657,857	109,791	1,967,704	1,600,425	1,256,039
Capital Projects Funds											
Nondisposable		-	-	-	-	-	-	-	-	-	-
Restricted		75,508,009	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
Assigned		-	-	-	-	-	-	-	14,583	15,467	29,271
Unassigned		-	-	-	-	-	-	-	-	-	-
Permanent Funds											
Nondisposable		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		43,480,562	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
Total Other											
Governmental Funds	\$	419,195,499	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

CITY OF LINCOLN, NEBRASKA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Table 4

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues										
Taxes:										
Property	\$ 111,922,839	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
Motor Vehicle	7,969,757	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
Wheel	20,590,431	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
Sales and Use	128,655,181	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
Turnback	2,505,626	2,364,718	2,301,626	677,204	1,453,709	2,400,569	236,107	-	-	-
Sundry and In Lieu	41,163	67,806	76,277	41,303	73,419	68,218	2,177,001	2,169,669	1,662,544	1,605,175
Occupation	29,528,366	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
Special Assessment	1,818,357	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
Intergovernmental	114,004,201	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
Permits and Fees	29,126,513	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
Reimbursement for Services	22,156,615	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
Court Settlements	-	-	22,149	800,011	-	-	-	-	-	75,000
Program Income	46,391	-	36,092	144,389	43,297	40,193	18,129	172,718	267,705	22,726
Investment Earnings (Loss)	27,455,267	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
Donations	2,603,379	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
Keno Proceeds	7,369,699	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
Private Sector Share of Projects	4,598,209	-	2,838,556	2,836,448	-	-	-	-	-	-
Miscellaneous	2,108,592	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
Total Revenues	<u>512,500,586</u>	<u>496,475,331</u>	<u>488,171,751</u>	<u>439,394,349</u>	<u>423,398,570</u>	<u>365,415,761</u>	<u>349,924,024</u>	<u>355,427,900</u>	<u>351,818,323</u>	<u>326,876,416</u>
Expenditures										
General Government	84,307,233	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
Public Safety	125,535,847	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
Streets and Highways	33,465,060	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
Culture and Recreation	36,660,192	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
Economic Opportunity	17,430,570	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
Health and Welfare	47,126,254	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
Mass Transit	24,768,001	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
Equipment Maintenance	62,630	-	-	-	-	-	-	-	-	-
Debt Service										
Principal Retirement	25,156,383	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
Interest	17,699,548	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
Miscellaneous	5,757,266	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
Capital Outlay	76,221,248	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
Total Expenditures	<u>494,190,232</u>	<u>464,754,314</u>	<u>473,632,558</u>	<u>428,909,346</u>	<u>380,442,155</u>	<u>376,978,530</u>	<u>402,712,879</u>	<u>364,997,749</u>	<u>342,755,689</u>	<u>335,463,988</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>18,310,354</u>	<u>31,721,017</u>	<u>14,539,193</u>	<u>10,485,003</u>	<u>42,956,415</u>	<u>(11,562,769)</u>	<u>(52,788,855)</u>	<u>(9,569,849)</u>	<u>9,062,634</u>	<u>(8,587,572)</u>
Other Financing Sources (Uses)										
Transfers In	136,813,899	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
Transfers Out	(118,682,245)	(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)
Note Proceeds	-	-	-	-	7,325,000	-	2,175,079	-	-	-
Issuance of Debt	31,661,625	385,240	24,561,781	-	22,860,890	-	13,468,200	8,784,375	710,000	12,935,000
Issuance of Refunding Debt	-	-	-	-	-	125,905,000	-	-	14,735,000	-
Premium on Debt Issued	1,728,145	-	-	-	4,496,279	2,313,786	1,600,192	892,807	1,523,051	622,829
Leases Issued	445,727	904,559	-	93,718	-	-	-	-	-	-
Subscriptions Issued	1,140,810	-	304,755	-	-	-	-	-	-	-
Transfer to Bond Refunding Agent	-	-	-	-	-	(127,329,995)	-	(5,706,591)	(16,091,516)	-
Sale of Capital Assets	215,871	523,029	577,888	415,175	931,764	3,773,798	1,790,585	2,565,801	690,794	1,153,276
Total Other Financing Sources (Uses)	<u>53,323,832</u>	<u>21,701,971</u>	<u>42,446,024</u>	<u>11,981,723</u>	<u>49,978,495</u>	<u>18,913,178</u>	<u>29,217,955</u>	<u>19,769,607</u>	<u>14,045,618</u>	<u>26,750,450</u>
Net Change in Fund Balances	<u>\$ 71,634,186</u>	<u>53,422,988</u>	<u>56,985,217</u>	<u>22,466,726</u>	<u>92,934,910</u>	<u>7,350,409</u>	<u>(23,570,900)</u>	<u>10,199,758</u>	<u>23,108,252</u>	<u>18,162,878</u>
Debt Service as a Percentage of Noncapital Expenditures	10.4%	12.0%	10.7%	10.3%	10.5%	10.3%	10.4%	11.3%	12.6%	13.8%

CITY OF LINCOLN, NEBRASKA
LINCOLN ELECTRIC SYSTEM MEGAWATT-HOUR SALES
LAST TEN CALENDAR YEARS

Table 5

Lincoln Electric System Megawatt-Hour Sales							Average Cent per Kilowatt Hour Rate
Calendar Year	Residential	Commercial	Industrial	Unbilled Energy Increase/ (Decrease)	Sales To Others	Total Megawatt-Hour Sales	
2024	1,307,692	1,473,539	469,693	-	622,199	3,873,123	\$ 0.0926
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

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	2024			2015		
	Revenue From Electric Sales	Rank	Percentage of Revenue From Electric Sales	Revenue From Electric Sales	Rank	Percentage of Revenue From Electric Sales
Residential	\$ 141,988	1	39.46%	\$ 111,483	1	38.83%
Commercial	125,713	2	34.94%	110,421	2	38.47%
Industrial	33,439	4	9.29%	32,039	4	11.16%
Other	58,677	3	16.31%	33,115	3	11.54%
Total	<u>\$ 359,817</u>		<u>100.00%</u>	<u>\$ 287,058</u>		<u>100.00%</u>

Note: The numbers are based on Lincoln Electric System's December 31, fiscal year end.

Source: Lincoln Electric System
2015 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
2025	\$ 7,701,570,973	0.0175
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

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

	Direct ¹	Overlapping ²	
Fiscal Year	City of Lincoln	State of Nebraska	Total Tax Rate
2025	0.0175	0.0550	0.0725
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

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.

¹ 2025 voter approved tax rate continuation began October 1, 2025.

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	2024			2015		
	Net Taxable Sales	Rank	Percentage of Total Net Taxable Sales	Net Taxable Sales	Rank	Percentage of Total Net Taxable Sales
Retail Trade	\$ 2,365,744,815	1	47.09%	\$ 1,805,300,923	1	45.34%
Accommodation & Food Services	842,244,774	3	16.77%	619,898,545	3	15.57%
Wholesale Trade	425,618,566	4	8.47%	254,429,361	4	6.39%
Utilities	298,412,307	5	5.94%	212,863,804	5	5.35%
Other	1,091,576,605	2	21.73%	1,088,831,301	2	27.35%
Total	<u>\$ 5,023,597,067</u>		<u>100.00%</u>	<u>\$ 3,981,323,934</u>		<u>100.00%</u>

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. 2025 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		
2025	\$ 23,967,989,200	\$ 10,195,510,442	\$ 884,041,103	\$ 426,267,129	\$ 35,473,807,874	0.2973
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

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									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City of Lincoln										
General	0.2203	0.2185	0.2270	0.2289	0.2127	0.2094	0.1930	0.1990	0.1957	0.1859
Library	0.0297	0.0308	0.0300	0.0352	0.0365	0.0373	0.0413	0.0444	0.0421	0.0438
Social Security	0.0000	0.0000	0.0000	0.0000	0.0123	0.0117	0.0146	0.0158	0.0144	0.0163
Police and Fire Pension	0.0384	0.0365	0.0292	0.0347	0.0327	0.0347	0.0367	0.0402	0.0352	0.0374
Unemployment Compensation	0.0000	0.0000	0.0000	0.0000	0.0002	0.0003	0.0003	0.0003	0.0003	-
Bond Interest and Redemption	0.0089	0.0095	0.0091	0.0141	0.0254	0.0231	0.0306	0.0340	0.0319	0.0362
Total City of Lincoln	0.2973	0.2953	0.2953	0.3129	0.3198	0.3165	0.3165	0.3337	0.3196	0.3196
Overlapping Rates ¹										
School District No. ¹	1.0212	1.1091	1.0700	1.2072	1.2222	1.2241	1.2389	1.2397	1.2429	1.2434
Lancaster County	0.2145	0.2223	0.2224	0.2608	0.2816	0.2666	0.2666	0.2753	0.2783	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	0.0200	0.0937	0.0937	0.0937	0.0907	0.0907	0.0752	0.0757	0.0598
Lower Platte South N.R.D.	0.0230	0.2225	0.0225	0.0260	0.0309	0.0312	0.0321	0.0335	0.0345	0.0358
Lancaster County Correctional JPA City	0.0063	0.0069	0.0066	0.0074	0.0093	0.0110	0.0141	0.0153	0.0156	0.0168
Lancaster County Correctional JPA County	0.0042	0.0047	0.0048	0.0059	0.0070	0.0075	0.0079	0.0085	0.0088	0.0094
Lincoln Airport Authority	0.0293	0.0298	0.0168	0.0171						
Railroad Transportation Safety District	0.0153	0.0195	0.0222	0.0222	0.0147	0.0222	0.0222	0.0190	0.0160	0.0130
Agricultural Society of Lancaster Co	0.0038	0.0041	0.0013	0.0013	0.0014	0.0014	0.0014	0.0015	0.0015	0.0015
Agricultural Society of Lancaster Co JPA	0.0015	0.0016	0.0020	0.0020	0.0025	0.0028	0.0028	0.0030	0.0031	0.0033
Public Building Commission	0.0149	0.0155	0.0151	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170
Total Overlapping Rates	1.3690	1.4710	1.4920	1.6756	1.6953	1.6895	1.7087	1.7030	1.7084	1.6963

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	2025		Percentage of Total City Taxable Assessed Value	2016		Percentage of Total City Taxable Assessed Value
		Taxable Assessed Value	Rank		Taxable Assessed Value	Rank	
Burlington Northern	Railroad	\$ 255,493,405	1	0.75 %	\$ 97,411,314	2	0.53 %
B & J Partnership Ltd.	Building Management	226,642,600	2	0.66	127,817,700	1	0.69
Allo Communications LLC	Communication	222,382,205	3	0.65	-	-	-
Nebco Inc	Construction / Development	185,548,708	4	0.54	70,822,225	4	0.38
Windstream Nebraska Inc	Telecommunications	170,728,477	5	0.50	48,598,528	7	0.26
Bousek, Mark A	Property Management	101,209,600	6	0.30	-	-	-
Kawasaki Motors Mfg Corp	Manufacturing	90,834,403	7	0.27	79,811,695	3	-
Blackhills Nebraska Gas	Energy	87,829,336	8	0.26	-	-	0.43
Zoetis Inc	Manufacturing/Development	79,348,788	9	0.23	-	-	-
HPI Lincoln LLC	Property Management	77,119,195	10	0.23	-	-	-
Ameritas Life Insurance	Insurance	-	-	-	58,790,576	5	0.32
WEA Gateway LLC	Retail Management	-	-	-	52,978,600	6	0.29
Bryan Medical Center	Hospital	-	-	-	42,814,500	8	0.23
Assurity Life Insurance Co.	Insurance	-	-	-	41,260,319	9	0.22
Wal-Mart Real Estate Trust	Retail Management	-	-	-	39,070,700	10	0.21
Total		<u>\$ 1,497,136,717</u>		<u>4.38 %</u>	<u>\$ 659,376,157</u>		<u>3.56 %</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
2025	\$ 104,489,604	\$ 100,650,861	96.33 %	\$ -	\$ 101,454,883	97.10 %
2024	100,027,752	97,910,819	97.88	2,116,933	100,027,752	100.00
2023	87,112,815	85,374,290	98.00	1,738,525	87,112,815	100.00
2022	85,059,983	83,361,780	98.00	1,698,203	85,059,983	100.00
2021	76,786,221	75,159,229	97.88	1,626,992	76,786,221	100.00
2020	74,339,497	72,577,018	97.63	1,762,479	74,339,497	100.00
2019	68,390,503	66,842,290	97.74	1,548,213	68,390,503	100.00
2018	64,824,600	63,903,976	98.58	923,066	64,827,042	100.00
2017	62,977,211	61,735,542	98.03	1,244,362	62,979,904	100.00
2016	58,944,563	57,685,951	97.86	1,237,349	58,923,300	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									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities										
General Bonds	\$ 33,250	21,975	24,495	27,605	30,620	33,545	40,685	35,275	40,780	45,370
Tax Supported Bonds	41,925	46,060	52,885	47,785	53,835	43,775	47,290	52,005	56,565	62,385
Tax Allocation Bonds	2,060	1,727	1,779	1,644	2,514	2,401	3,009	3,738	4,911	4,966
Municipal Improvement Bonds	23,895	11,160	11,550	-	-	-	-	-	-	-
Special Assessment Bonds	1,525	1,750	1,965	2,175	2,380	2,575	2,765	2,955	3,135	3,315
Antelope Valley Project Bonds	-	-	-	-	-	-	-	-	-	2,020
West Haymarket JPA Bonds	283,640	293,880	303,860	313,610	319,285	324,795	325,400	325,980	326,545	327,095
COPs	19,215	24,100	30,015	35,807	41,910	29,859	35,433	37,490	39,370	43,320
Notes from Direct Borrowing	1,550	1,816	2,072	1,723	1,855	1,985	2,112	-	-	-
Leases	1,255	1,017	786	1,442	-	-	-	-	-	-
Subscription Software	5,575	1,756	1,017	-	-	-	-	-	-	-
Unamortized Premiums/Discounts	9,165	8,780	10,362	11,009	12,467	13,666	12,907	12,217	12,328	11,690
Business-Type Activities										
Revenue Bonds	613,715	664,345	708,389	712,870	752,475	784,955	819,355	677,650	705,720	755,635
Loans from Direct Borrowing	18,497	20,547	22,553	24,520	26,442	28,362	30,167	31,972	33,739	35,469
Notes from Direct Borrowing	354	518	-	-	-	-	800	1,000	1,200	1,400
COPs	860	980	1,120	1,253	1,974	1,138	1,582	1,290	1,241	1,677
Leases	3,311	2,959	3,446	3,278	-	-	-	-	-	-
Subscription Software	2,464	1,499	90	-	-	-	-	-	-	-
Unamortized Premiums/Discounts	35,731	41,341	48,277	54,546	62,642	69,991	77,208	60,739	65,823	57,341
Total Primary Government	<u>\$ 1,097,987</u>	<u>1,146,210</u>	<u>1,224,661</u>	<u>1,239,267</u>	<u>1,308,399</u>	<u>1,337,047</u>	<u>1,398,713</u>	<u>1,242,311</u>	<u>1,291,357</u>	<u>1,351,683</u>
Net Debt Per Capita ¹	\$ 3,652	3,889	4,185	4,235	4,495	4,625	4,867	4,363	4,606	4,874
Percentage of Personal Income ¹	-%	5.04%	5.92%	6.00%	6.72%	7.46%	8.18%	7.44%	8.30%	9.08%

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
2025	\$ 33,250	\$ 41,925	\$ 2,060	\$ 23,895	\$ 1,525	\$ 283,640	\$ 9,165	\$ 395,460	\$ 11,892	\$ 383,568	1,275.93	1.12 %
2024	21,975	46,060	1,727	11,160	1,750	293,880	8,780	385,332	9,357	375,975	1,275.54	1.14
2023	24,495	52,885	1,779	11,550	1,965	303,860	10,362	406,896	7,804	399,092	1,363.69	1.49
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

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, 2025

Table 16

Governmental Units	Debt Outstanding	Estimated Percentage Applicable ¹	Direct And Overlapping Debt To The City
Direct:			
City	\$ 423,055,000	100.0 %	\$ 423,055,000
Overlapping:			
School District #1	476,995,000	99.5	474,610,000
Public Building Commission	14,355,000	85.4	12,259,000
Lancaster County Correctional Facility	15,370,000	85.4	13,126,000
Lancaster County Ag Society JPA	4,785,000	85.4	4,086,000
	511,505,000		504,081,000
Total	\$ 934,560,000		\$ 927,136,000

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									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Wastewater System										
Gross Revenues	\$ 48,133,882	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
Direct Operating Expenses	21,226,871	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
Net Available Revenue	26,907,011	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
Debt Service Requirements										
Principal	7,459,608	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
Interest	3,522,635	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
Total	10,982,243	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
Coverage	2.45	2.48	2.49	2.50	2.23	2.01	2.59	2.52	2.14	2.03
Water System										
Gross Revenues	\$ 69,609,969	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
Direct Operating Expenses	32,427,987	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
Net Available Revenue	37,181,982	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
Debt Service Requirements										
Principal	3,619,676	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
Interest	586,850	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
Total	4,206,526	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
Coverage	8.84	8.10	7.10	5.22	4.81	4.01	3.68	3.71	3.20	3.25
Lincoln Electric System										
Gross Revenues	\$ 389,248,000	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
Direct Operating Expenses	245,833,000	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
Net Available Revenue	143,415,000	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
Debt Service Requirements										
Principal	37,800,000	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
Interest	17,480,000	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
Total	55,280,000	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
Coverage	2.59	2.41	2.36	2.55	2.16	2.39	2.78	2.49	2.05	2.01
Parking Systems										
Gross Revenues	\$ 15,650,463	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
Direct Operating Expenses	8,775,794	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
Net Available Revenue	6,874,669	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
Debt Service Requirements										
Principal	3,155,000	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
Interest	897,638	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
Total	4,052,638	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
Coverage	1.70	1.48	1.54	1.43	1.20	2.23	3.50	3.13	3.22	2.53
Solid Waste Management										
Gross Revenues	\$ 19,516,013	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
Direct Operating Expenses	12,803,003	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
Net Available Revenue	6,713,010	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
Debt Service Requirements										
Principal	645,000	645,000	600,000	575,000	850,000	830,000	810,000	810,000	795,000	775,000
Interest	189,573	203,687	243,834	269,284	303,284	327,084	348,896	366,796	382,096	396,521
Total	834,573	848,687	843,834	844,284	1,153,284	1,157,084	1,158,896	1,176,796	1,177,096	1,171,521
Coverage	8.04	7.41	4.03	4.37	3.14	2.91	2.89	3.21	2.75	3.82

Note: The Wastewater System, Water System, and Lincoln Electric System bonds are secured by revenues from utility service charges. Parking Facilities bonds are secured by revenues from parking fees. 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
2025	300,619	\$ -	\$ -	41,940	2.8%
2024	294,757	22,725,186	68,273	42,282	2.5%
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%

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. 2025 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	2025			2016		
	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	4.80 %
Lincoln Public Schools	5000-7500	2	3.96	7501-9999	2	4.27
University of Nebraska-Lincoln	5000-7500	3	3.96	5000-7500	3	3.36
Bryan Health	2500-4999	4	2.64	2500-4999	4	1.83
Nelnet Inc.	2500-4999	5	2.64	-	-	-
US Government	2500-4999	6	2.64	2500-4999	5	1.70
B&R Stores	2500-4999	7	2.64	-	-	-
City of Lincoln	2500-4999	8	2.64	2500-4999	6	1.36
Kawasaki Motors Mfg. Corp.	1000-2499	9	1.32	-	-	-
Saint Elizabeth Regional Medical Center	1000-2499	10	1.32	1000-2499	7	1.20
Total			<u>27.72 %</u>			<u>18.52 %</u>

Sources: Nebraska Department of Labor, Lincoln Partnership for Economic Development, and the 2016 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									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government										
Legislative	8.00	8.00	8.00	9.00	8.50	9.00	9.00	8.00	8.00	8.00
Executive	21.23	21.23	20.63	20.10	17.60	17.75	17.75	17.70	17.95	17.25
Financial Administration	91.25	91.25	87.75	83.50	79.50	79.50	74.50	70.20	69.95	69.20
Law	34.02	34.02	32.85	32.40	32.40	32.70	32.70	32.25	32.00	32.50
Human Resources	32.00	31.50	30.00	26.00	22.00	22.00	22.00	22.80	22.80	22.80
Planning and Zoning	21.00	21.00	21.00	21.00	20.00	21.00	21.00	21.00	20.75	20.00
Urban Development	9.45	9.45	9.30	9.30	9.30	10.05	10.05	9.22	9.22	9.50
Public Safety										
Police	441.60	441.60	435.23	438.63	438.63	413.13	412.46	397.63	396.63	388.03
Fire	305.23	305.23	288.56	273.51	266.51	264.18	265.13	270.46	270.06	268.97
Building and Safety	60.14	60.14	59.14	56.14	56.14	53.47	53.47	53.15	53.13	50.85
Transportation	19.75	19.75	19.75	19.75	19.75	19.75	19.75	14.25	14.25	16.00
911 Communication	61.25	61.25	60.25	59.25	58.25	57.88	57.88	56.25	56.25	56.00
Streets and Highways	132.00	132.00	127.00	126.00	113.00	113.00	114.00	112.02	111.95	108.32
Culture and Recreation										
Parks and Recreation	254.49	250.99	250.63	252.84	253.50	254.89	254.71	242.83	243.79	239.99
Library	108.04	108.04	107.54	107.04	107.04	107.54	107.54	105.54	105.54	105.54
Economic Opportunity										
Urban Development	10.35	10.35	10.36	8.17	8.12	8.10	8.10	8.81	8.81	9.15
Workforce Investment Act ¹	1.25	1.25	1.78	0.00	0.00	0.00	0.00	13.80	13.65	12.85
Health and Welfare										
Health Services	137.85	138.85	135.15	121.90	116.20	115.47	110.70	109.25	109.00	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	43.20	46.51	45.01	44.81	46.03	46.03	48.04	48.04	48.05
Mass Transit	146.50	146.50	147.00	144.00	135.52	135.52	136.52	133.52	133.52	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	14.00	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	71.63	69.63	69.73	78.85	78.85	78.85	71.55	70.51	69.55
Broadband	3.00	3.00	3.00	3.00	5.90	5.90	5.90	4.90	4.90	0.00
Municipal Services Center ²	6.00	6.00	6.00	5.00	5.00	5.00	5.00	0.00	0.00	0.00
Golf	30.19	30.19	30.49	30.82	29.82	30.70	30.70	31.04	30.49	28.78
Parking Facilities	2.70	2.70	2.85	2.83	3.08	2.60	2.60	2.98	2.98	2.98
Sanitary Landfill	36.52	36.52	37.00	35.50	32.50	32.50	32.50	35.22	36.19	36.47
Emergency Medical Services	51.02	51.02	49.69	43.74	43.74	43.11	43.16	37.83	36.68	33.28
Wastewater System	82.56	82.56	85.00	82.30	83.80	83.80	83.80	87.68	87.60	87.18
Water System	122.56	121.56	104.63	104.13	101.73	101.73	101.73	105.66	102.60	100.26
Electric System	560.00	560.00	541.00	527.00	488.00	476.00	480.00	490.00	492.00	491.00
Total	<u>2,942.78</u>	<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>

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									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Public Safety										
Police:										
Arrests	19,902	19,638	19,055	16,966	16,669	16,623	19,716	22,390	22,811	23,076
Parking Violations	102,407	77,033	69,228	69,638	68,837	90,148	114,287	99,263	100,560	82,276
Traffic Violations	28,223	26,820	26,181	20,036	21,048	26,000	34,047	38,968	41,214	42,888
Fire:										
Number of Calls Answered	35,378	34,405	33,042	32,494	29,995	26,802	26,440	26,166	25,310	24,663
Building and Safety:										
Number of Commercial										
Building Permits	690	742	765	1,053	1,153	852	986	1,036	1,007	1,038
Number of Residential										
Building Permits	2,770	2,686	2,270	2,926	2,621	2,128	2,380	3,014	3,036	2,891
Culture and Recreation										
Library:										
Total Circulation (thousands)	3,025	2,992	2,975	2,816	2,784	2,399	3,089	3,072	3,100	3,089
Golf:										
Rounds of Golf	242,020	235,012	220,117	208,526	209,787	185,191	155,963	158,080	164,307	168,272
Mass Transit										
StarTran Ridership (thousands)	2,298	2,266	2,112	2,375	1,727	1,934	2,442	2,464	2,379	2,275
Wastewater										
Number of Consumers	90,947	90,451	89,792	89,040	87,254	86,425	85,126	84,300	83,479	82,511
Water										
Number of Consumers	93,632	90,963	90,635	89,514	87,578	86,736	85,460	84,636	83,797	82,853
Average Daily Consumption										
(thousand gallons)	39,431	37,077	39,627	37,536	36,380	33,136	31,881	34,734	34,242	34,858
Electric System										
Number of Consumers	152,832	150,329	147,844	145,834	143,797	141,658	140,034	138,489	136,641	134,417

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									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Public Safety										
Police Stations	4	4	4	3	3	3	3	3	3	3
Fire Stations	16	16	16	16	16	16	15	14	14	14
Ambulances	14	14	14	13	13	13	13	13	13	13
Streets and Highways										
Lane Miles of Streets	3,013	3,009	2,967	2,967	2,982	2,948	2,921	2,909	2,899	2,820
Streetlights	33,212	32,942	32,816	32,501	32,158	31,858	31,514	31,236	31,010	30,740
Culture and Recreation										
Parks Acreage	7,530	7,424	7,239	7,855	7,815	7,747	7,528	7,511	7,303	6,814
Parks	168	168	165	165	165	165	161	160	158	161
Playgrounds	96	97	95	93	93	91	89	89	90	90
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	188	186	183	172	172	170	170	166	165	161
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	97	95	91	91	92	94	84	80	80	80
Wastewater										
Miles of Wastewater Mains	1,150	1,142	1,137	1,152	1,146	1,134	1,149	1,140	1,107	1,070
Water										
Miles of Water Mains	1,295	1,286	1,275	1,204	1,171	1,161	1,225	1,249	1,234	1,216

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, 2025

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 2024	\$ 10,687	\$	\$	
WIC Special Supplemental Nutrition Program for Women, Infants & Children	10.557	FY 2025	80,306			
WIC Special Supplemental Nutrition Program for Women, Infants & Children	10.557	FY 2024	157,628			
WIC Special Supplemental Nutrition Program for Women, Infants & Children	10.557	FY 2025	1,153,414	1,402,035		-
Cooperative Forestry Assistance	10.664	25-6553-0001-004	14,247	14,247		-
Inflation Reduction Act Urban and Community Forestry Program	10.727	25-6553-0115-008	39,870	39,870		-
Total U.S. Department Of Agriculture				1,456,152		-
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Direct Programs:						
Multifamily Housing Service Coordinators	14.191	MFSC189856-01-10	27,402			
Multifamily Housing Service Coordinators	14.191	MFSC189856-01-11	49,941			
Multifamily Housing Service Coordinators	14.191	MFSC189855-01-09	22,327			
Multifamily Housing Service Coordinators	14.191	MFSC189855-01-10	40,406	140,076		
CDBG Entitlement Grants Cluster:						
Community Development Block Grants/Entitlement Grants	14.218	B-23 MC-31-0001	1,189,206			
Community Development Block Grants/Entitlement Grants	14.218	B-24 MC-31-0001	1,828,447			
Community Development Block Grants/Entitlement Grants	14.218		14,144,673			
Total CDBG Entitlement Grants Cluster				17,162,326		-
Emergency Solutions Grant Program	14.231	E-23-MC-31-0002	40,165			
Emergency Solutions Grant Program	14.231	E-24-MC-31-0002	148,497	188,662		-
HOME Investment Partnerships Program	14.239	* M-20 MC-31-0202	51,737			
HOME Investment Partnerships Program	14.239	* M-21 MC-31-0202	391,590			
HOME Investment Partnerships Program	14.239	* M-22 MC-31-0202	240,872			
HOME Investment Partnerships Program	14.239	* M-23 MC-31-0202	169,999			
HOME Investment Partnerships Program	14.239	* M-24 MC-31-0202	594,833			
HOME Investment Partnerships Program	14.239	* M21-MP310202	1,565,934			
HOME Investment Partnerships Program	14.239	*	10,146,610	13,161,575		-
Continuum of Care Program	14.267	NE0059L7D022211	5,792			
Continuum of Care Program	14.267	NE0181L7D022200	45,619	51,411		-
Youth Homelessness Demonstration Grant	14.276	NE0143Y7D021900	61,323	61,323		-
Fair Housing Assistance Program	14.401	FF207K217017	69,592			
Fair Housing Assistance Program	14.401	FF207P217017	6,372			
Fair Housing Assistance Program	14.401	FF207K217017	806	76,770		-
Lead Hazard Reduction Demonstration Grant Program	14.905	NELHD0444-20	152,390			
Lead Hazard Reduction Demonstration Grant Program	14.905	NELHD0444-20	623,080			
Lead Hazard Reduction Demonstration Grant Program	14.905	NELHD0524-24	64,213			
Lead Hazard Reduction Demonstration Grant Program	14.905	NELHD0524-24	520,682	1,360,365		-
Healthy Homes Production Program	14.913	NEHHP0182-24	2,120	2,120		-
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				32,284,130		-
U.S. DEPARTMENT OF INTERIOR						
Direct Programs:						
WaterSMART (Sustain and Manage America's Resources for Tomorrow)	15.507	14045966	14,677	14,677		-
Pass-Through State Historical Society:						
Historic Preservation Fund Grants-in-Aid	15.904	FY 24 short	4,882			-
Historic Preservation Fund Grants-in-Aid	15.904	24/25	26,467	31,349		-
Total U.S. Department Of Interior				46,026		-
U.S. DEPARTMENT OF JUSTICE						
Direct Programs:						
Public Safety Partnership and Community Policing Grants	16.710	2020UMWX0116	267,692			
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-21-GG-03549-UHPX	131,023			
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-23-GG-01773-PPSE	74,312			
Public Safety Partnership and Community Policing Grants	16.710		11,891	484,918		-
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	15PBJA-23-GG-02197-MENT	2,534	2,534		-
Equitable Sharing Program	16.922	NB0550100	60,709	60,709		-
Pass-Through State Commission On Law Enforcement And Criminal Justice:						
Violence Against Women Formula Grants	16.588	187-2024-VW4013 YR2	45,816	45,816		-
Crime Victim Assistance	16.575	102-2024-VA1049 YR2	108,470			
Crime Victim Assistance	16.575	102-2024-VA1049 YR3	22,045	130,515		-
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	12,900	155,829		-
Total U.S. Department Of Justice				880,321		-

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	32,745	
WIOA Adult Program	17.258	2023	779	
WIOA Adult Program	17.258	24A55AT000100-01-01	235,140	
WIOA Adult Program	17.258	24A55AT000100-01-01	68,944	
WIOA Adult Program	17.258	24A55AT000100-01-01	17,781	
WIOA Adult Program	17.258	24A55AT000100-01-01	17,828	
WIOA Adult Program	17.258	25A55AT000145-01-00	11,268	
WIOA Youth Activities	17.259	2023	55,786	
WIOA Youth Activities	17.259	2023	54,199	
WIOA Youth Activities	17.259	24A55AT000100-01-00	56,417	
WIOA Youth Activities	17.259	24A55AT000100-01-00	424,703	
WIOA Youth Activities	17.259	24A55AT000100-01-00	132,692	
WIOA Youth Activities	17.259	25A55AY000145-01-00	17,901	
WIOA Youth Activities	17.259	25A55AY000145-01-00	15,321	
WIOA Dislocated Workers Formula Grants	17.278	2023	60,493	
WIOA Dislocated Workers Formula Grants	17.278	24A55AW000066-01-01	23,566	
WIOA Dislocated Workers Formula Grants	17.278	24A55AW000066-01-01	6,476	
WIOA Dislocated Workers Formula Grants	17.278	24A55AW000066-01-01	160,981	
WIOA Dislocated Workers Formula Grants	17.278	24A55AW000066-01-01	59,540	
Total WIOA Cluster			1,452,560	-
WIA Dislocated Workers	17.260	23A55AW000008-01-01	22,569	22,569
			1,475,129	-
Total U.S. Department Of Labor				
U.S. DEPARTMENT OF TRANSPORTATION				
Direct Programs:				
Federal Transit Cluster:				
Federal Transit Formula Grants	20.507	* NE-2023-005-00	152,871	
Federal Transit Formula Grants	20.507	* NE-2023-031-00	859,398	
Federal Transit Formula Grants	20.507	* NE-2023-022-00	129,600	
Federal Transit Formula Grants	20.507	* NE-2025-003	870,934	
Federal Transit Formula Grants	20.507	* NE-2024-012-00	63,904	
Federal Transit Formula Grants	20.507	* NE-2025-004	554,066	
Federal Transit Formula Grants	20.507	* NE-2025-004	290,528	
Federal Transit Formula Grants	20.507	* NE-2025-009	253,919	
Federal Transit Formula Grants	20.507	* NE-2025-009	36,750	
Federal Transit Formula Grants	20.507	* NE-2023-025-00	2,830,093	
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Program	20.526	* NE-2021-014	634,693	
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Program	20.526	* NE-2024-07-00	596	
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Program	20.526	* NE-2024-017-00	216,900	
Total Federal Transit Cluster			6,894,252	-
Clean Fuels	20.519	NE-2022-010	44,210	44,210
			156,406	156,406
COVID-19 Safe Streets and Roads for All	20.939	NE-2024-017-00		-
Pass-Through Nebraska Department Of Roads:				
Highway Planning and Construction	20.205	HPR-PL1(62)	256,209	
Highway Planning and Construction	20.205	HPR-PL1(63)	46,557	
Highway Planning and Construction	20.205	Project# STWD0193	8,506	311,272
			174,344	174,344
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	NE-X80(030)		
Formula Grants for Rural Areas and Tribal Transit Program	20.509	RPT-C551(222)	2,126	
Formula Grants for Rural Areas and Tribal Transit Program	20.509	RPT-C551(222)(22/23)	77,246	
Formula Grants for Rural Areas and Tribal Transit Program	20.509	RPT-C551(222)(23/24)	72,521	
Formula Grants for Rural Areas and Tribal Transit Program	20.509	RPT-C551(222)(24-25)	63,363	215,256
Transit Services Programs Cluster:				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	P8160024	78,393	
Total Transit Services Programs Cluster			78,393	-
Highway Safety Cluster:				
State and Community Highway Safety	20.600	STEP 402-25-28-08	8,510	
State and Community Highway Safety	20.600	STEP 402-25-28-08	9,109	
State and Community Highway Safety	20.600	STEP 402-25-28-08	12,811	
State and Community Highway Safety	20.600	STEP 402-25-28-08	5,599	
State and Community Highway Safety	20.600	STEP 402-25-28-08	5,285	
State and Community Highway Safety	20.600	STEP 402-25-28-08	6,306	
State and Community Highway Safety	20.600	STEP 402-25-28-08	7,179	
State and Community Highway Safety	20.600	STEP 402-25-28-08	6,886	
State and Community Highway Safety	20.600	STEP 402-25-28-08	2,937	
State and Community Highway Safety	20.600	STEP 402-25-28-08	3,913	
State and Community Highway Safety	20.600	STEP 402-25-28-08	12,491	
State and Community Highway Safety	20.600	STEP 402-25-28-08	9,960	
State and Community Highway Safety	20.600	4021-24-12-69	13,798	
State and Community Highway Safety	20.600	STEP 402-25-28-08	3,031	
State and Community Highway Safety	20.600	STEP 402-25-28-08	2,051	
State and Community Highway Safety	20.600	STEP 402-25-28-08	4,928	
State and Community Highway Safety	20.600	STEP 402-25-28-08	11,940	
State and Community Highway Safety	20.600	402-25-25-10	4,171	
National Priority Safety Programs	20.616	405d-24-51-58	482	
National Priority Safety Programs	20.616	#4022305	3,871	
National Priority Safety Programs	20.616	STEP 402-25-28-08	15,145	
National Priority Safety Programs	20.616	STEP 402-25-28-08	13,936	
National Priority Safety Programs	20.616	STEP 402-25-28-08	3,104	
National Priority Safety Programs	20.616	STEP 402-25-28-08	2,253	
National Priority Safety Programs	20.616	405d-25-04-02	5,780	
National Priority Safety Programs	20.616	405d-25-04-06	1,793	
National Priority Safety Programs	20.616	402-24-22-10	1,700	
National Priority Safety Programs	20.616	STEP 402-25-28-08	1,024	
National Priority Safety Programs	20.616	STEP 402-25-28-08	9,851	
National Priority Safety Programs	20.616	STEP 402-25-28-08	1,187	
National Priority Safety Programs	20.616	STEP 402-25-28-08	4,100	
National Priority Safety Programs	20.616	STEP 402-25-28-08	13,546	
Total Highway Safety Cluster			208,677	-
Total U.S. Department Of Transportation				
			8,082,810	-

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	
DEPARTMENT OF THE TREASURY						
Direct Programs:						
Equitable Sharing	21.016	TREASURY -NB0550100	330,570	330,570		-
COVID-19 Emergency Rental Assistance Program	21.023	ERA2 E0110	2,888,037			
COVID-19 Emergency Rental Assistance Program	21.023	ERA2 E0110	184,390	3,072,427		-
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	* SLFRP0326	9,150,943		7,897,875	
Pass-Through Nebraska Department of Natural Resources						
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	* Sub Award#1354	63,513,850			
Pass-Through Nebraska Department of Economic Development						
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	* SLFRP1965	13,500			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	* SLFRP1965	1,102,313	73,780,606		7,897,875
Total Department Of the Treasury				77,183,603		7,897,875
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION						
Direct Program:						
Employment Discrimination State & Local Fair Employment Practices Agency Contracts	30.002	EEC45310021C0042	11,671	11,671		-
Total Equal Employment Opportunity Commission				11,671		-
INSTITUTE OF MUSEUM AND LIBRARY SERVICES						
Pass-Through State Library Commission:						
Grants to States	45.310	LS-252471-OLS-22	90	90		-
Total Institute of Museum and Library Services				90		-
U.S. ENVIRONMENTAL PROTECTION AGENCY						
Direct Program:						
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818	BF97786901	226,315	226,315		-
Reduce, Reuse, Recycling Education and Outreach Grants	66.921	4Y84080201 Fed Agency-RTPEC-68128933	77,198	77,198		-
Pass-Through State Department Of Environmental Quality:						
Performance Partnership Grants	66.605	FY 2023	1			
Performance Partnership Grants	66.605	FY 2024	50,093			
Performance Partnership Grants	66.605	FY 2025	68,657	118,751		-
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	DO 24094	11,672			
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	FY 2025	9,093	20,765		-
Drinking Water State Revolving Fund	66.468	Project #D311692 Contract #9538 E.O. 98937	2,552,874			
Drinking Water State Revolving Fund	66.468	Project #D311715 Contract #9538 E.O.98937	229,646	2,782,520		-
Total U.S. Environmental Protection Agency				3,225,549		-
DEPARTMENT OF ENERGY						
Direct Program:						
Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	DE-SE0000199	225,067	225,067		-
Total Department of Energy				225,067		-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Direct Program:						
Food and Drug Administration Research	93.103	FY 2024	47,419			
Food and Drug Administration Research	93.103	FY 2024	28,024			
Food and Drug Administration Research	93.103	\$39,500	8,267			
Food and Drug Administration Research	93.103	\$19,500	158			
Food and Drug Administration Research	93.103	\$19,500	1,933	85,801		-
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	14,095			-
Special Programs for the Aging Title III, Part D: Disease Prevention and Health Promotion Services	93.043	NGA58040-Y3-III-D	21,128	35,223		-
Aging Cluster:						
Special Programs for the Aging Title III, Part B: Grants for Supportive Services and Senior Centers	93.044	NGA58040-Y3-III-B	18,851			
Special Programs for the Aging Title III, Part B: Grants for Supportive Services and Senior Centers	93.044	NGA58040-Y3-III-B	138,244			
Special Programs for the Aging Title III, Part B: Grants for Supportive Services and Senior Centers	93.044	NGA58040-Y3-III-B	157,096			
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	NGA58040-Y3-III-C1	153,913			
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	NGA58040-Y3-III-C1	262,067			
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	NGA58040-Y3-III-C2	99,632			
Nutrition Services Incentive Program	93.053	NGA 78973-Y3	90,255			
Total Aging Cluster				920,058		-
COVID-19 National Family Caregiver Support, Title III, Part E	93.052	NGA 58040-Y3-III-E	72,415	72,415		-
Public Health Emergency Preparedness	93.069	FY 2024	(435)			
Public Health Emergency Preparedness	93.069	FY 2025	306,378			
Public Health Emergency Preparedness	93.069	FY 2026	48,970	354,913		-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	FY 2024	(49)			
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	FY 2025	5,000	4,951		-
Injury Prevention and Control Research and State and Community Based Programs	93.136	FY 2025	48,742	48,742		-

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	
Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	FY 2024	(754)			
Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	FY 2025	28,692	27,938		-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	DHHS-DBH-2025-07	8,688	8,688		-
Immunization Cooperative Agreements	93.268	FY 2024	(165)			
Immunization Cooperative Agreements	93.268	FY 2025	94,209			
Immunization Cooperative Agreements	93.268	FY 2026	8,480			
Immunization Cooperative Agreements	93.268	FY25	12,975			
COVID-19 Immunization Cooperative Agreements	93.268	FY 2024	300			
COVID-19 Immunization Cooperative Agreements	93.268	FY 2025	105,867	221,666		-
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	2018	42,258	42,258		-
Protecting and Improving Health Globally: Building and Strengthening Public Health Impact, Systems, and Capacity and Security	93.318		242	242		-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	FY2023	19,384			
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	49575 Y3 DO 21906	10,372			
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	FY 2024	6,117	35,873		-
Cooperative Agreement to Support Navigators in Federally-Facilitated Exchanges	93.332	FY 2024	(1,387)			
Cooperative Agreement to Support Navigators in Federally-Facilitated Exchanges	93.332	FY 2025	28,481	27,094		-
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	FY 2022	200	200		-
COVID-19 Strengthening Public Health Systems and Services Through National Partnerships to Improve and Protect the Nation's Health	93.421	6NU38OT000306-02-08	2,773	2,773		-
Refugee and Entrant Assistance State Administered Programs	93.566	FY 2023	72,766			
Refugee and Entrant Assistance State Administered Programs	93.566	FY 2024	314,621			
Refugee and Entrant Assistance State Administered Programs	93.566	FY 2025	380,243	767,630		-
CCDF Cluster:						
Child Care and Development Block Grant	93.575	53336	835			
Child Care and Development Block Grant	93.575	53336	418			
Child Care and Development Block Grant	93.575	53336	1,150			
Child Care and Development Block Grant	93.575	52479	15,784			
Total CCDF Cluster				18,187		-
Assisted Outpatient Treatment	93.997	FY 2025	125,423	125,423		-
Foster Care Title IV-E	93.658	FY 2024	15,966			
Foster Care Title IV-E	93.658	FY 2025	73,639	89,605		-
Social Services Block Grant	93.667	April 2024-March 2025	6,298	6,298		-
Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	FY 2024	46,571			
Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	FY 2025	335,539			
COVID-19 Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	ARPA	9,064	391,174		-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	(FY 2024) 46445-Y3	10,707			
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	(FY 2025) 46445-Y3	84,141			
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	(FY 2026) 46445-Y3	141			
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	FY 2024	9,801			
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	FY 2025	14,910	119,700		-
HIV Care Formula Grants	93.917	FY 2025	251,618	251,618		-
HIV Prevention Activities Health Department Based	93.940	53036 Y3 DO 23096	28,395			
HIV Prevention Activities Health Department Based	93.940	FY 2025	8,248			
HIV Prevention Activities Health Department Based	93.940	FY 2025	17,226			
HIV Prevention Activities Health Department Based	93.940	FY 2026	4,342	58,211		-
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	FY 2025	15,121	15,121		-
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	FY 2024	1,945			
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	FY 2025	99,777	101,722		-
Preventive Health and Health Services Block Grant	93.991	FY 2024	5,789			
Preventive Health and Health Services Block Grant	93.991	FY 2025	14,590			
Preventive Health and Health Services Block Grant	93.991	DO 22617	6,744			
Preventive Health and Health Services Block Grant	93.991	FY 2024	13,714			
Preventive Health and Health Services Block Grant	93.991	(FY 2026) DO 22617	330	41,167		-
Maternal and Child Health Services Block Grant to the States	93.994	FY 2024	17,725			
Maternal and Child Health Services Block Grant to the States	93.994	FY 2025	52,000			
Maternal and Child Health Services Block Grant to the States	93.994	FY 2026	10,917			
Maternal and Child Health Services Block Grant to the States	93.994	FY 2025	57,069	137,711		-
Total U.S. Department Of Health And Human Services				4,012,402		-
EXECUTIVE OFFICE OF THE PRESIDENT						
Pass-Through Nebraska State Patrol:						
High Intensity Drug Trafficking Areas Program	95.001	23HD03	12,447			
High Intensity Drug Trafficking Areas Program	95.001	24HD02	67,149	79,596		-
Total U.S. Department Of Office of the President				79,596		
DEPARTMENT OF HOMELAND SECURITY						
Direct Programs:						
National Urban Search and Rescue (US&R) Response System	97.025	EMW-2022-CA-00069	153,347	153,347		-
Assistance to Firefighters Grant	97.044	EMW-2022-FG-02795	231,152			
Assistance to Firefighters Grant	97.044	EMW-2023-CA-05372	438,482			
Assistance to Firefighters Grant	97.044	EMW-2023-CA-05372	1,041,024	1,710,658		-

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	
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2022-FF-01059	<u>2,123,665</u>	2,123,665	<u></u>	-
Fire Prevention & Safety	97.151	EMW-2022-FP-00392	<u>359,375</u>	359,375	<u></u>	-
Cooperating Technical Partners	97.045	EMK-2024-CA-05006	499,625			
Pass-Through Nebraska Emergency Management:						
Cooperating Technical Partners	97.045	EMK-2022-CA-00011	241,566			
Cooperating Technical Partners	97.045	EMK-2023-CA-05007	<u>312,363</u>	1,053,554	<u></u>	-
Hazard Mitigation Grant	97.039	DR4420-NE-013	<u>227,827</u>	<u>227,827</u>	<u></u>	-
Total Department of Homeland Security				<u>5,628,426</u>	<u></u>	-
Total Federal Expenditures				<u>\$ 134,590,972</u>	<u>\$ 7,897,875</u>	
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, 2025

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, 2025. 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, 2025, basic financial statements for LES are audited amounts as of and for the year ended December 31, 2024. 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 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, 2025, consists of:

Assistance Listing #	Program Name	Outstanding Balance as of August 31, 2025
14.218	Community Development Block Grant	\$ 15,008,110
14.228	Community Development Block Grant - Neighborhood Stabilization Program	79,502
14.239	HOME Investment Partnership Program	10,417,206

New loans included in the Schedule totaled approximately \$1,767,803, \$0, and \$1,301,846, 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*, 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, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 17, 2026, which contained an "Emphasis of Matter" paragraph regarding a change in accounting principle.

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

April 17, 2026

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, 2025. 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, 2025.

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
April 17, 2026**

City of Lincoln, Nebraska
Schedule of Findings and Questioned Costs
Year Ended August 31, 2025

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>
14.239	HOME Investment Partnerships Program
20.507 & 20.526	Federal Transit Cluster
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

8. Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000.

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, 2025

Section II – Financial Statement Findings

Reference Number	Finding
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No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
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No matters are reportable.

City of Lincoln, Nebraska
Summary Schedule of Prior Audit Findings
Year Ended August 31, 2025

Reference Number	Summary of Finding	Status
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No matters are reportable.



APPENDIX C

FORM OF CONTINUING DISCLOSURE UNDERTAKING

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated June 18, 2026 (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 **\$27,860,000 Limited Tax Community Improvement Bonds, Series 2026** (the “**Bonds**”), pursuant to an ordinance passed on August 11, 2025, by the governing body of the Issuer and approved by the Mayor on August 14, 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, 2027, 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 2026 Bonds. The Series 2026 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 2026 Bond will be issued for each maturity of the Series 2026 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 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2026 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 2026 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 2026 Bonds, except in the event that use of the book-entry system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026 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 2026 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 2026 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026 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 2026 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2026 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. For example, Beneficial Owners of Series 2026 Bonds may wish to ascertain that the nominee holding the Series 2026 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 2026 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 2026 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 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2026 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 2026 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 2026 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

Robert W. Baird & Co., Inc.
Milwaukee, Wisconsin

Re: \$27,860,000 City of Lincoln, Nebraska, Limited Tax Community Improvement Bonds,
Series 2026

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 the levy of property taxes by the City, in an amount up to 2.6 cents per \$100 of taxable valuation, at such times and in such amounts as shall be necessary to pay in full the principal of and interest on the Bonds, when and as the same shall become due (the “*Limited Tax Levy*”), to the extent not paid from other sources as described in the ordinance authorizing the Bonds.

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,