

**AGENDA FOR THE WEST HAYMARKET
JOINT PUBLIC AGENCY (JPA)
TO BE HELD THURSDAY, JANUARY 27, 2022 AT 2:30 P.M.
CITY-COUNTY BUILDING
COUNCIL CHAMBERS, 1ST FLOOR
555 S. 10TH STREET
LINCOLN, NE 68508**

1. Introductions and Notice of Open Meetings Law Posted by Door
2. Public Comment and Time Limit Notification Announcement
Individuals from the audience will be given a total of 5 minutes to speak on specific items listed on today's agenda. Those testifying should identify themselves for the official record.
3. Approval of the minutes from the JPA meeting held November 3, 2021.
 - (Staff recommendation: Approval of the minutes as presented)
4. Approval of the Payment Register for October through December 2021 and review of the Expenditure Report as of December 31, 2021. (David Young)
 - Public Comment
 - (Staff recommendation: Approval of the Payment Registers. No action is required on the Expenditure Reports).
5. WH 22-1 Resolution to accept the financial audit and management letter and report from BKD CPAs & Advisors LLP for the period ending August 31, 2021. (Chris Lindner)
 - Public Comment
 - (Staff recommendation: Approval)
6. WH 22-2 Resolution to approve the grant of an Easement to Lincoln Electric System (LES) For Underground and Overhead Utility Lines, Underground Utility Facilities, and/or At-Grade Equipment. (Chris Connolly)
 - Public Comment
 - (Staff recommendation: Approval)
7. WH 22-3 Resolution to approve a Right of Entry Agreement between the West Haymarket JPA, City of Lincoln, and Cotswold Management, LLC allowing Cotswold Management, LLC to enter onto City and JPA property within West Haymarket 4th Addition until Cotswold completes rehabilitation and construction activities on its adjacent property. (Chris Connolly)
 - Public Comment
 - (Staff recommendation: Approval)
8. Next Meeting Date: The next meeting date will be Thursday, April 28, 2022 at 2:30 p.m. in Council Chambers, First Floor of the County-City Building.
9. Motion to Adjourn

WEST HAYMARKET JOINT PUBLIC AGENCY (JPA)
Board Meeting
November 3, 2021

Meeting Began At: 2:31 P.M.

Meeting Ended At: 2:57 P.M.

Members Present: Leirion Gaylor Baird, Tim Clare, and Tammy Ward

Item 1 - Introductions and Notice of Open Meetings Law Posted by Door.

Gaylor Baird advised that this is a public meeting subject to the open meetings act posted at the back of the room.

Item 2 - Public Comment and Time Limit Notification.

Gaylor Baird advised members of the public are given five minutes for public comment on specific items listed on today's agenda and those testifying should identify themselves for the record.

Item 3 – Approval of the minutes from the JPA meeting held September 23, 2021.

Clare moved approval of the minutes as presented. Ward seconded the motion. Motion carried 2-0, Ward abstained for voting.

Item 4 - Approval of September 2021 Payment Register and Review of September 2021 Expenditure Reports.

David Young, Interim Finance Director and JPA Treasurer, stated in reviewing the highlights for the September 2021 payment register, the major payments consisted of \$331,600.00 to the University of Nebraska athletics department for men's and women's basketball tickets; \$400,000.00 to Pinnacle Bank Arena for fiscal year 2021-22 consisting of the \$250,000.00 for the first quarter sponsorship revenue and \$150,000.00 for the operating increment; \$221,205.50 to DEC for the September billing of which 70.1% or \$155,098.30 was billed to the West Haymarket private customers; \$15,246.87 to the City of Lincoln for cleanup of JPA property; \$17,500.00 for reimbursement to Pinnacle Bank Arena for upgrades to HVAC control software which is the 2nd payment for this project; and \$36,326.30 to Pinnacle Bank Arena for August arena repair and maintenance.

Clare asked if the endowment could be used to pay the \$15,000 for the cleanup. Chris Connolly, Law Department, explained he reviewed the memo Caleb Swanson prepared several years ago discussing the uses of the endowment fund. The memo stated it can be used for capital improvement projects, major repairs, replacements, and extraordinary maintenance obligations at the current and/or future enhanced landscape and streetscape features within the WHJPA project area. He further explained he does not believe we can say this is an extraordinary maintenance obligation of the current and/or future enhancement landscape and streetscape feature.

Jane Kinsey, Watch Dogs of Lincoln Government, asked what kind of cleanup it was. Young explained it was the cleanup and removal of a homeless encampment. Kinsey stated this needs to be public knowledge.

Clare asked for a quick review on where the JPA is financially. Young stated we are in the first month of our budget. The occupation taxes collected for September are up 26.40% over the previous year or 2020. The projections for the occupation taxes right now are 9% ahead. Looking at the original 2010 projections for the project, we are 19% ahead of the projections corresponding with year 2030. We have collected \$23,743,146.00 in excess over the original projections of occupation taxes. In reviewing the financial statements for the JPA, total revenues were \$2,558,736.65, expenditures were \$960,500.44, leaving a profit of \$1,598,236.21, and retained earnings of \$42,253,409.84.

There being no further discussion or public comment, Ward moved approval of the payment register. Clare seconded the motion. Motion carried 3-0.

Item 5 – WH 21-13 Resolution approving an Agreement for Engineering Services between the West Haymarket JPA and JEO Consulting Group, Inc. for the Pinnacle Bank Arena ADA ramp improvements project for an amount not to exceed \$12,510.00. (Caleb Swanson)

Connolly stated this is for redesign work for the steps in front of the PBA box office. There were some older folks that had difficulty negotiating the stairs which are in ADA compliance. We are not committed to doing the construction at this point. We wanted to get the design process started and this is what this contract represents for a total amount of \$12,510.00.

Clare asked if we have looked into whether or not there were any grants to offset these costs. Connolly stated they have not been able to find anything for the PBA accessibility. We can try and look at other methods to fund this, but it may be more applicable to the construction which will be further down the road. He further explained they will continue to look into this.

Kinsey asked what kind of improvements they are talking about. Connolly stated there are some steps in front of the box office at PBA that some people have had difficulty getting up and down, so we are looking to turn it into an accessible ramp. Kinsey asked if there is another ramp. Connolly stated there are ways to get to the box office if you take a longer route.

There being no further discussion or public comment, Clare moved approval of the resolution. Ward seconded the motion. Motion carried 3-0.

Item 6 - WH 21-14 Resolution approving an Amendment to the Memorandum of Understanding between the West Haymarket JPA and Project Control of Texas, Inc., reflecting a rate increase for Construction Management Services for a term of September 1, 2021 through August 31, 2022 with costs not to exceed \$50,000.00. (Chris Connolly)

Connolly stated last month this item was brought to the Board stating the fees would not exceed \$50,000.00 and this is still true, however, what was not included in last months resolution were the rates that Project Control would be charging to get up to the \$50,000.00. The purpose of this resolution is to attach the new rates to be billed by Project Control. It is about a 3.4% rate increase generally and there are different increases based on different titles. This will be approving the rates with costs not to exceed \$50,000.00.

Clare publicly thanked PC Sports as they have done a great job for the City of Lincoln from the very start.

Kinsey asked if this is renewed yearly. Connolly explained this is an annual contract. It is a unique service by which they coordinate and manage construction projects around the JPA area. It has a maximum expenditure of \$50,000 for all projects throughout the course of the next year. Connolly further explained, last year we had two firms for construction management, but we found that it was not working trying to consult with two different firms at the same time. We decided to go back to the firm that has a lot of experience and knowledge of the JPA area. Kinsey asked how long they will stay around. Connolly explained it is up to the Board to decide on how long they will stay around.

There being no further discussion or public comment, Clare moved approval of the resolution. Ward seconded the motion. Motion carried 3-0.

Item 7 - WH 21-15 Resolution approving a Right of Entry Agreement between the West Haymarket JPA and the University of Nebraska to enter upon an abandoned railroad bridge to conduct 3D laser scanning experiments through December 31, 2021. (Chris Connolly)

Connolly stated the University of Nebraska, College of Architecture has asked if we will allow them to go onto the old railroad bridge for purposes of an educational experience allowing them to do 3D scanning experiments. We previously entered into a similar arrangement with the College of Architecture last year. They were going to do some load testing experiments, but they never did actually go on the bridge. He stated this group will get the scanning done by the end of December this year. We are not as concerned with the risks this time, however, they will have insurance and we are satisfied that we are well protected as much as we can be. There is no cost to the JPA on this.

Kinsey asked if this is for testing the earth. Connolly stated no and explained they want to do 3D scanning of the bridge structure for educational purposes.

There being no further discussion or public comment, Ward moved approval of the resolution. Clare seconded the motion. Motion carried 3-0.

Item 8 - WH 21-16 Resolution approving a Memorandum of Understanding between the West Haymarket JPA and the Lincoln-Lancaster County Health Department for purposes of administering COVID-19 vaccines at the Pinnacle Bank Arena. (Chris Connolly)

Connolly stated we are now to a point where booster shots for the COVID pandemic are going to be starting soon. The Health Department wanted to enter into another agreement similar to what was done last spring when the initial vaccine was being done. This agreement has been updated to reflect what is happening more recently, but otherwise the terms and conditions remain the same as what was done previously. The Health Department will reimburse the JPA up to \$50,000.

Kinsey asked if this is for all ages, including kids. Connolly stated we are not making the decision on who the shots are for. He explained this is for booster shots so he does not believe it will include small children.

Gaylor Baird took a moment to thank everyone involved with these clinics, especially the arena, SMG, the Health Department, and all of its partners. She commented none of us contemplated the use of the arena for this purpose when it was built and how fortunate for our community to have this large facility that helped so many be vaccinated quickly and efficiently. As we look to boosters, and 5- to 11-year-olds, this is a powerful resource to help our community.

There being no further discussion or public comment, Ward moved approval of the resolution. Clare seconded the motion. Motion carried 3-0.

Item 9 - Set Next Meeting Date.

The next meeting will be Thursday, December 9, 2021 at 2:30 p.m. in Council Chambers, First Floor of the County-City Building.

Item 10 – Motion to Adjourn

Ward moved to adjourn. Motion seconded by Clare. The meeting adjourned at 2:57 p.m.

West Haymarket Joint Public Agency Payment Register by Vendor 10/1/2021 through 12/31/2021										Page Date	- - 01/10/22	1
Busi Unit	Vendor Number	Vendor Name	Payment Remark	Obj Acct	Description	Do Ty	Document Number	Amount	Check Date	Payment Number		
06095	38391	Lincoln Journal Star	Acct 118-60115244	5952	Advertising/Media Serv	PV	2116155	33.92	10/14/21	165200		
06095	38391	Lincoln Journal Star	Acct 118-60115244	5952	Advertising/Media Serv	PV	2123254	46.35	12/09/21	166838		
total								80.27				
06095	53356	Lincoln Electric System	277 Pinnacle Arena Dr	5821	Electricity - Bldg & Grnds	PV	2116156	497.91	10/14/21	165209		
06095	53356	Lincoln Electric System	200 N 7th St	5821	Electricity - Bldg & Grnds	PV	2116157	118.83	10/14/21	165209		
06095	53356	Lincoln Electric System	605 N 8th St Pk Lot Lgh	5821	Electricity - Bldg & Grnds	PV	2116158	48.91	10/14/21	165209		
06095	53356	Lincoln Electric System	277 Pinnacle Arena Dr	5821	Electricity - Bldg & Grnds	PV	2119349	342.77	11/10/21	166063		
06095	53356	Lincoln Electric System	200 N 7th St	5821	Electricity - Bldg & Grnds	PV	2119350	112.90	11/10/21	166063		
06095	53356	Lincoln Electric System	605 N 8th St Pk Lot Lgh	5821	Electricity - Bldg & Grnds	PV	2119351	46.05	11/10/21	166063		
06095	53356	Lincoln Electric System	277 Pinnacle Arena Dr	5821	Electricity - Bldg & Grnds	PV	2123256	305.57	12/09/21	166844		
06095	53356	Lincoln Electric System	200 N 7th St	5821	Electricity - Bldg & Grnds	PV	2123257	107.40	12/09/21	166844		
06095	53356	Lincoln Electric System	605 N 8th St Pk Lot Lgh	5821	Electricity - Bldg & Grnds	PV	2123258	44.58	12/09/21	166844		
total								1,624.92				
06095	76881	Windstream	Billing number 402-477-6387	5829	Telephone	PV	2116159	115.95	10/14/21	165225		
06095	76881	Windstream	Billing number 402-477-6387	5829	Telephone	PV	2119352	113.84	11/10/21	166077		
06095	76881	Windstream	Billing number 402-477-6387	5829	Telephone	PV	2123255	114.50	12/09/21	166860		
total								344.29				
06095	77921	County/City Property Management	Acct #209-1 09/21	5261	Postage	PV	2117939	127.13	10/28/21	165709		
06095	77921	County/City Property Management	Acct #209-1 10/21	5261	Postage	PV	2121477	197.74	11/24/21	166528		
06095	77921	County/City Property Management	Amtrak Station supplies	5870	Other Bldg Maintenance	PV	2124555	79.10	12/16/21	167150		
06095	77921	County/City Property Management	JPA Acct #209-1 11/21	5261	Postage	PV	2125582	174.87	12/23/21	167410		
total								578.84				
06095	98079	Black Hills Energy	277 Pinnacle Arena Dr	5825	Natural Gas	PV	2116160	38.15	10/14/21	165262		
06095	98079	Black Hills Energy	277 Pinnacle Arena Dr	5825	Natural Gas	PV	2119353	38.15	11/10/21	166100		
06095	98079	Black Hills Energy	277 Pinnacle Arena Dr	5825	Natural Gas	PV	2121969	67.37	11/24/21	166546		
total								143.67				
06095	98415	Lincoln Water System	277 Pinnacle Arena Dr	5830	Water	PV	2117940	232.90	10/27/21	628772		
06095	98415	Lincoln Water System	277 Pinnacle Arena Dr	5830	Water	PV	2125585	232.90	12/22/21	630340		
total								465.80				
06095	102154	Public Building Commission	Space Rental 10/21	5928	Rent of Co/City Bldg Space	PV	2116161	86.10	10/14/21	165267		
06095	102154	Public Building Commission	Space Rental 10/21	5931	Parking Rent Bldg Comm	PV	2116161	8.75	10/14/21	165267		
06095	102154	Public Building Commission	Space Rental 11/21	5928	Rent of Co/City Bldg Space	PV	2120391	86.10	11/18/21	166325		
06095	102154	Public Building Commission	Space Rental 11/21	5931	Parking Rent Bldg Comm	PV	2120391	8.75	11/18/21	166325		
06095	102154	Public Building Commission	Space Rental 12/21	5928	Rent of Co/City Bldg Space	PV	2124556	86.10	12/16/21	167172		
06095	102154	Public Building Commission	Space Rental 12/21	5931	Parking Rent Bldg Comm	PV	2124556	8.75	12/16/21	167172		
total								284.55				
06095	108417	Citizen Information Center	WHJPA Meeting 8/26/2021	5952	Advertising/Media Serv	PV	2116162	100.00	10/13/21	628449		
total								100.00				
06095	113806	City Treasurer	WHJPA Credit Card Fees-Jul/Aug	5996	Credit Card/Bank Fees	PV	2117941	229.99	10/27/21	628773		
06095	113806	City Treasurer	WHJPA credit card fees 9/21	5996	Credit Card/Bank Fees	PV	2121480	15.58	11/24/21	629381		
06095	113806	City Treasurer	WHJPA October credit card fees	5993	Fees Paid to State of NE	PV	2125586	98.79	12/22/21	630341		

West Haymarket Joint Public Agency Payment Register by Vendor 10/1/2021 through 12/31/2021										Page Date	- -	2 01/10/22
Busi Unit	Vendor Number	Vendor Name	Payment Remark	Obj Acct	Description	Do Ty	Document Number	Amount	Check Date	Payment Number		
total								344.36				
06095	120272	City of Lincoln	- Accounting De	Reimburse charges 8/15-9/14/21	5762	Photocopying	PV 2123259	12.06	12/08/21	629603		
06095	120272	City of Lincoln	- Accounting De	Reimburse charges 9/15-10/14	5762	Photocopying	PV 2123260	17.92	12/08/21	629603		
06095	120272	City of Lincoln	- Accounting De	City Staff FY 2021-22 qtr 1	5621	Misc Contractual Services	PV 2123261	102,944.75	12/08/21	629603		
total								102,974.73				
06095	120299	Risk Management		Liability Insurance FY 2021-22	5783	General Liability	PV 2119354	26,509.00	11/10/21	629055		
06095	120299	Risk Management		Liability Insurance FY 2021-22	5794	Public Officials	PV 2119354	28,119.00	11/10/21	629055		
06095	120299	Risk Management		Property Insurance FY 2021-22	5786	Property	PV 2119355	185,435.00	11/10/21	629055		
06095	120299	Risk Management		Property Insurance FY 2021-22	5795	Misc Insurance Floater	PV 2119355	4,099.00	11/10/21	629055		
total								244,162.00				
195011	324566	Union Bank & Trust Company		WHJPA Series 2010A 10/20-9/21	6233	Bd Trustee Pmt-Serv Chg	PV 2117155	524.00	10/20/21	628583		
195011	324566	Union Bank & Trust Company		WHJPA Series 2010A 12/21	6234	Bd Trustee Pmt-Principal	PV 2123213	2,510,000.00	12/08/21	629604		
195011	324566	Union Bank & Trust Company		WHJPA Series 2010A 12/21	6235	Bd Trustee Pmt-Interest	PV 2123213	2,283,053.50	12/08/21	629604		
195021	324566	Union Bank & Trust Company		WHJPA Series 2010B 12/21	6234	Bd Trustee Pmt-Principal	PV 2123214	2,510,000.00	12/08/21	629604		
195021	324566	Union Bank & Trust Company		WHJPA Series 2010B 12/21	6235	Bd Trustee Pmt-Interest	PV 2123214	1,807,178.81	12/08/21	629604		
195021	324566	Union Bank & Trust Company		WHJPA Series 2010C 12/21	6235	Bd Trustee Pmt-Interest	PV 2123215	1,081,180.54	12/08/21	629604		
195041	324566	Union Bank & Trust Company		WHJPA Series 2013 12/21	6234	Bd Trustee Pmt-Principal	PV 2123216	655,000.00	12/08/21	629604		
195041	324566	Union Bank & Trust Company		WHJPA Series 2013 12/21	6235	Bd Trustee Pmt-Interest	PV 2123216	506,912.20	12/08/21	629604		
195051	324566	Union Bank & Trust Company		WHJPA Series 2019 12/21	6235	Bd Trustee Pmt-Interest	PV 2123217	1,434,483.52	12/08/21	629604		
total								12,788,332.57				
06095	406174	BKD LLP		Client# 0081643	5624	Auditing Service	PV 2124557	13,000.00	12/16/21	167232		
total								13,000.00				
06095	431100	City of Lincoln	- Parking	JPA Parking Garage Mgmt 8/21	5643	Deck 1 Mgmt Services	PV 2116163	40,240.56	10/13/21	628450		
06095	431100	City of Lincoln	- Parking	JPA Parking Garage Mgmt 8/21	5643	Deck 2 Mgmt Services	PV 2116163	19,983.51	10/13/21	628450		
06095	431100	City of Lincoln	- Parking	JPA Parking Garage Mgmt 8/21	5643	Deck 3 Mgmt Services	PV 2116163	27,855.29	10/13/21	628450		
06095	431100	City of Lincoln	- Parking	JPA Parking Garage Mgmt 9/21	5643	Deck 1 Mgmt Services	PV 2117942	51,631.27	10/27/21	628774		
06095	431100	City of Lincoln	- Parking	JPA Parking Garage Mgmt 9/21	5643	Deck 2 Mgmt Services	PV 2117942	26,647.43	10/27/21	628774		
06095	431100	City of Lincoln	- Parking	JPA Parking Garage Mgmt 9/21	5643	Deck 3 Mgmt Services	PV 2117942	33,404.32	10/27/21	628774		
06095	431100	City of Lincoln	- Parking	JPA Parking Garage Mgmt 10/21	5643	Deck 1 Mgmt Services	PV 2121483	53,306.70	11/24/21	629382		
06095	431100	City of Lincoln	- Parking	JPA Parking Garage Mgmt 10/21	5643	Deck 2 Mgmt Services	PV 2121483	40,498.88	11/24/21	629382		
06095	431100	City of Lincoln	- Parking	JPA Parking Garage Mgmt 10/21	5643	Deck 3 Mgmt Services	PV 2121483	47,044.51	11/24/21	629382		
06095	431100	City of Lincoln	- Parking	JPA Parking Garage Mgmt 11/21	5643	Deck 1 Mgmt Services	PV 2125587	26,258.07	12/22/21	630342		
06095	431100	City of Lincoln	- Parking	JPA Parking Garage Mgmt 11/21	5643	Deck 2 Mgmt Services	PV 2125587	17,979.51	12/22/21	630342		
06095	431100	City of Lincoln	- Parking	JPA Parking Garage Mgmt 11/21	5643	Deck 3 Mgmt Services	PV 2125587	21,565.36	12/22/21	630342		
total								406,415.41				
06095	588846	District Energy Corp		Customer ID 0005	5835	Thermal Heating & Cooling	PV 2117158	224,590.00	10/21/21	165581		
06095	588846	District Energy Corp		Customer ID 0005	5835	Thermal Heating & Cooling	PV 2120393	220,869.50	11/18/21	166381		
06095	588846	District Energy Corp		Customer ID 0005	5835	Thermal Heating & Cooling	PV 2125588	219,333.00	12/23/21	167512		
total								664,792.50				
06095	598263	Project Control of Texas, Inc		Project Management Services	5621	Misc Contractual Services	OV 2117920	805.50	10/28/21	165779		
06095	598263	Project Control of Texas, Inc		Project Management 8/21	5621	Misc Contractual Services	PV 2117943	1,097.00	10/28/21	165779		
06095	598263	Project Control of Texas, Inc		Project Management Services	5621	Misc Contractual Services	OV 2120387	1,984.00	11/18/21	166398		
06095	598263	Project Control of Texas, Inc		Project Management Services	5621	Misc Contractual Services	OV 2124570	1,697.00	12/16/21	167270		

West Haymarket Joint Public Agency
Payment Register by Vendor
10/1/2021 through 12/31/2021

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Busi Unit	Vendor Number	Vendor Name	Payment Remark	Obj Acct	Description	Do Ty	Document Number	Amount	Check Date	Payment Number
total								5,583.50		
06095	604774	Pinnacle Bank Arena	Arena Repair/Maint 9/21	5870	Other Bldg Maintenance	PV	2117944	49,003.46	10/28/21	165785
06095	604774	Pinnacle Bank Arena	Arena Repair/Maint/CIP 10/21	5870	Other Bldg Maintenance	PV	2121485	24,419.23	11/24/21	166653
06095	604774	Pinnacle Bank Arena	Sponsorship/Op Increment Qtr 2	5643	Management Services	PV	2124559	250,000.00	12/16/21	167279
06097	604774	Pinnacle Bank Arena	Sponsorship/Op Increment Qtr 2	5643	Management Services	PV	2124559	150,000.00	12/16/21	167279
06095	604774	Pinnacle Bank Arena	Arena Repair/Maint/CIP 11/21	5870	Other Bldg Maintenance	PV	2126392	21,045.23	12/30/21	167705
total								494,467.92		
06095	616389	Midwest Office Automations	CSL-FD00	5762	Photocopying	PV	2121681	25.57	11/24/21	166691
06095	616389	Midwest Office Automations	Printer copies	5762	Photocopying	PV	2125990	13.42	12/30/21	167717
total								38.99		
06095	620543	Midwest Alarm Services	Account 900508-11	5683	Fire Alarm Monitoring	PV	2117162	33.90	10/21/21	165640
06095	620543	Midwest Alarm Services	Account 900508-11	5683	Fire Alarm Monitoring	PV	2120394	33.90	11/18/21	166433
06095	620543	Midwest Alarm Services	Acct #900508-11	5683	Fire Alarm Monitoring	PV	2124560	33.90	12/16/21	167324
total								101.70		
06094	625206	The Home Agency	Partial Refund-PBA Club Seats	3526	The Home Agency	PV	2121975	3,750.00	11/24/21	629383
950	625206	The Home Agency	Partial Refund-PBA Club Seats	2140	Due State For Sales Tax	PV	2121975	54.38	11/24/21	629383
total								3,804.38		
06096	625262	Kento Warner	Red 1 Garage Refund	3941	Deck 1-Lease	PV	2123975	31.25	12/15/21	630165
total								31.25		
06096	625303	Julie Semrad	Blue 3 Garage Refund	3941	Deck 3-Lease	PV	2125377	35.00	12/22/21	630343
total								35.00		
06096	625304	Sam Gibson	Blue 3 Garage Refund	3941	Deck 3-Lease	PV	2125378	35.00	12/22/21	630344
total								35.00		
06096	625305	Gary Stromberg	Red 1 Garage Refund	3941	Deck 1-Lease	PV	2125379	45.50	12/22/21	630345
total								45.50		
Grand total								14,727,787.15		

83410	City of Lincoln, NE					1
MARK	West Haymarket Joint Public Agency					01/04/22
JPAADMIN8	Operating Expenditure Report					11:20:39
	As of December 31, 2021					
	Original Budget	P/Y Enc & Revisions	Total	YTD Expend	Encumbered	Available Balance
51 JPA						
00950 West Haymarket Revenue						
11 Materials & Supplies						
5221 Office Supplies	250.00		250.00			250.00
5261 Postage	2,500.00		2,500.00	724.00		1,776.00
5323 Bldg Maint Supplies	500.00		500.00			500.00
11 Materials & Supplies	3,250.00		3,250.00	724.00		2,526.00
12 Other Services & Charges						
5621 Misc Contractual Services	922,166.00		922,166.00	440,128.25	45,513.50	436,524.25
5624 Auditing Service	19,700.00		19,700.00	13,000.00		6,700.00
5628 Consultant Services	73,074.00		73,074.00			73,074.00
5631 Data Processing Service	1,277.00		1,277.00	1,277.00		
5633 Software	95,000.00		95,000.00			95,000.00
5635 Delivery Service	500.00		500.00			500.00
5643 Management Services	1,680,000.00		1,680,000.00	800,000.00		880,000.00
5643.61 Deck 1 Mgmt Services	868,160.00		868,160.00	171,436.60		696,723.40
5643.62 Deck 2 Mgmt Services	496,695.00		496,695.00	105,109.33		391,585.67
5643.63 Deck 3 Mgmt Services	583,384.00		583,384.00	129,869.48		453,514.52
5683.04 Snow Removal	2,500.00		2,500.00			2,500.00
5683.05 Fire Alarm Monitoring	500.00		500.00	135.60		364.40
5762 Photocopying	500.00		500.00	87.14		412.86
5763 Printing	250.00		250.00			250.00
5783 General Liability	26,509.00		26,509.00	26,509.00		
5786 Property	185,435.00		185,435.00	185,435.00		
5794 Public Officials	28,119.00		28,119.00	28,119.00		
5795 Misc Insurance Floater	4,099.00		4,099.00	4,099.00		
5821 Electricity - Bldg & Grnds	7,500.00		7,500.00	2,337.34		5,162.66
5825 Natural Gas	1,500.00		1,500.00	143.67		1,356.33
5829 Telephone	1,450.00		1,450.00	460.24		989.76
5830 Water	1,500.00		1,500.00	465.80		1,034.20
5835 Thermal Heating & Cooling	2,920,000.00		2,920,000.00	885,998.00		2,034,002.00
5856 City Share Linc Center Maint	21,000.00		21,000.00			21,000.00
5862 Grounds Maintenance	18,000.00		18,000.00			18,000.00
5870 Other Bldg Maintenance	401,194.00		401,194.00	99,740.41		301,453.59
5928 Rent of Co/City Bldg Space	1,055.00		1,055.00	344.40		710.60
5931 Parking Rent Bldg Comm	105.00		105.00	35.00		70.00

	Original Budget	P/Y Enc & Revisions	Total	YTD Expend	Encumbered	Available Balance
-----	-----	-----	-----	-----	-----	-----
51 JPA						
00950 West Haymarket Revenue						
12 Other Services & Charges						
5952 Advertising/Media Serv	1,560.00		1,560.00	180.27		1,379.73
5993 Fees Paid to State of NE	25.00		25.00	25.00		
5996 Credit Card/Bank Fees	7,500.00		7,500.00	344.36		7,155.64
	-----	-----	-----	-----	-----	-----
12 Other Services & Charges	8,370,257.00		8,370,257.00	2,895,279.89	45,513.50	5,429,463.61
13 Capital Outlay - Equipment						
6068 Concession Equipment	475,000.00		475,000.00			475,000.00
6076 Miscellaneous Equipment	700,000.00		700,000.00			700,000.00
	-----	-----	-----	-----	-----	-----
13 Capital Outlay - Equipment	1,175,000.00		1,175,000.00			1,175,000.00
14 Capital Outlay - Improvements						
6132 Buildings	1,855,000.00		1,855,000.00			1,855,000.00
6140 Grounds Improvements	824,600.00		824,600.00			824,600.00
6142 Sewer System	97,200.00		97,200.00			97,200.00
	-----	-----	-----	-----	-----	-----
14 Capital Outlay - Improvements	2,776,800.00		2,776,800.00			2,776,800.00
15 Debt Service						
6233 Bd Trustee Pmt-Serv Chg	2,620.00		2,620.00	524.00		2,096.00
6234 Bd Trustee Pmt-Principal	5,675,000.00		5,675,000.00	5,675,000.00		
6235 Bd Trustee Pmt-Interest	14,111,361.00		14,111,361.00	7,112,808.57		6,998,552.43
	-----	-----	-----	-----	-----	-----
15 Debt Service	19,788,981.00		19,788,981.00	12,788,332.57		7,000,648.43
	-----	-----	-----	-----	-----	-----
00950 West Haymarket Revenue	32,114,288.00		32,114,288.00	15,684,336.46	45,513.50	16,384,438.04
	-----	-----	-----	-----	-----	-----
51 JPA	32,114,288.00		32,114,288.00	15,684,336.46	45,513.50	16,384,438.04

	Current Fiscal Yr

Revenues:	
Occupation Taxes	6,642,179.57
Intergovernmental	1,808,781.32
Permits & Fees	951.00
DEC Customer Payments	603,709.22
Interest	164,005.20
Arena Premium Seat Revenue	736,614.00
Facility Lease & Other Rent	23,200.11
Parking Revenue	1,020,725.23
Sponsorship & Misc Revenue	500,212.50

Total Revenues	11,500,378.15

Expenditures:	
General Government	2,896,003.89
Debt Service-Service Charge	524.00
Debt Service P & I	12,787,808.57

Total Expenditures	15,684,336.46

Excess (Deficiency) Of Revenues Over Expenditures	<4,183,958.31>

Other Financing Sources (Uses):	

Total Other Financing Sources (Uses)	

Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures and Other Uses	<4,183,958.31>

Fund Balance Beginning Of Year	40,655,173.63

Fund Balance End Of Year	36,471,215.32
=====	

Pinnacle Bank Arena
Income Statement
For the Three Months Ending November 30, 2021

	Year to Date Actual	Year to Date Budget	Year to Date Variance	Annual Budget
EVENT INCOME				
Direct Event Income				
Rental Income	\$ 275,546	281,950	(6,404)	\$ 915,650
Service Revenue	742,532	1,040,600	(298,068)	2,611,300
Service Expenses	(981,584)	(1,349,558)	367,974	(3,504,584)
Total Direct Event Income	36,494	(27,008)	63,502	22,366
Ancillary Income				
F & B Concessions	604,197	491,451	112,746	1,611,434
F & B Catering	98,507	76,229	22,278	220,886
Novelty Sales	43,158	51,290	(8,132)	132,530
F & B Premium	82,226	54,715	27,511	146,564
Parking	231,077	252,567	(21,490)	295,124
Total Ancillary Income	1,059,165	926,252	132,913	2,406,538
Other Event Income				
Premium	21,196	36,000	(14,804)	90,100
Ticket Commissions	273,258	302,600	(29,342)	736,060
Facility Fees	113,576	145,074	(31,498)	371,068
Total Other Event Income	408,030	483,674	(75,644)	1,197,228
Total Event Income	1,503,689	1,382,918	120,771	3,626,132
Other Operating Income	264,395	260,499	3,896	1,046,000
JPA Operational Increment	150,000	150,000	0	600,000
NE Event Center Stabilization	0	0	0	0
Adjusted Gross Income	1,918,084	1,793,417	124,667	5,272,132
INDIRECT EXPENSES				
Salaries & Wages	1,020,668	1,211,406	(190,738)	4,202,959
Payroll Taxes & Benefits	238,656	249,057	(10,401)	996,217
Labor Allocations to Events	(426,855)	(607,082)	180,227	(1,785,644)
Net Salaries and Benefits	832,469	853,381	(20,912)	3,413,532
Contracted Services	0	999	(999)	4,000
General and Administrative	104,376	99,169	5,207	375,400
Operating	21,874	22,777	(903)	82,700
Repairs & Maintenance	602	1,575	(973)	6,300
Operational Supplies	29,694	35,639	(5,945)	140,500
Insurance	49,349	53,797	(4,448)	207,700
Utilities	273,814	274,001	(187)	1,071,000
Other	161	0	161	0
SMG Management Fees	57,199	55,251	1,948	221,000
Total Indirect Expenses	1,369,538	1,396,589	(27,051)	5,522,132
Net Income (Loss)	548,546	396,828	151,718	(250,000)
Beginning Retained Earnings	95,111	95,111	0	95,111
Net Income (Loss)	548,546	396,828	151,718	(250,000)
Ending Retained Earnings	\$ 643,657	\$ 491,939	151,718	(154,889)

Pinnacle Bank Arena
Income Statement
For the Two Months Ending October 31, 2021

	Year to Date Actual	Year to Date Budget	Year to Date Variance	Annual Budget
EVENT INCOME				
Direct Event Income				
Rental Income	\$ 233,546	252,050	(18,504)	\$ 915,650
Service Revenue	688,345	998,600	(310,255)	2,611,300
Service Expenses	(816,213)	(1,219,608)	403,395	(3,504,584)
Total Direct Event Income	105,678	31,042	74,636	22,366
Ancillary Income				
F & B Concessions	353,371	362,771	(9,400)	1,611,434
F & B Catering	53,775	46,316	7,459	220,886
Novelty Sales	39,089	49,790	(10,701)	132,530
F & B Premium	64,394	43,275	21,119	146,564
Parking	164,366	178,548	(14,182)	295,124
Total Ancillary Income	674,995	680,700	(5,705)	2,406,538
Other Event Income				
Premium	21,177	35,000	(13,823)	90,100
Ticket Commissions	273,141	302,600	(29,459)	736,060
Facility Fees	113,576	145,074	(31,498)	371,068
Total Other Event Income	407,894	482,674	(74,780)	1,197,228
Total Event Income	1,188,567	1,194,416	(5,849)	3,626,132
Other Operating Income	176,741	173,666	3,075	1,046,000
JPA Operational Increment	100,000	100,000	0	600,000
NE Event Center Stabilization	0	0	0	0
Adjusted Gross Income	1,465,308	1,468,082	(2,774)	5,272,132
INDIRECT EXPENSES				
Salaries & Wages	641,362	836,644	(195,282)	4,202,959
Payroll Taxes & Benefits	160,245	166,038	(5,793)	996,217
Labor Allocations to Events	(242,338)	(433,761)	191,423	(1,785,644)
Net Salaries and Benefits	559,269	568,921	(9,652)	3,413,532
Contracted Services	0	666	(666)	4,000
General and Administrative	66,593	67,929	(1,336)	375,400
Operating	13,148	15,799	(2,651)	82,700
Repairs & Maintenance	389	1,050	(661)	6,300
Operational Supplies	19,583	23,911	(4,328)	140,500
Insurance	32,899	36,413	(3,514)	207,700
Utilities	182,661	188,334	(5,673)	1,071,000
Other	150	0	150	0
SMG Management Fees	38,133	36,834	1,299	221,000
Total Indirect Expenses	912,825	939,857	(27,032)	5,522,132
Net Income (Loss)	552,483	528,225	24,258	(250,000)
Beginning Retained Earnings	95,111	95,111	0	95,111
Net Income (Loss)	552,483	528,225	24,258	(250,000)
Ending Retained Earnings	\$ 647,594	\$ 623,336	24,258	(154,889)

RESOLUTION NO.

1 BE IT RESOLVED by the Board of Representatives of the West Haymarket Joint Public

2 Agency:

3 That the Financial Audit and Management Letter and Report from BKD CPAs & Advisors

4 LLP for the period ending August 31, 2021, is hereby accepted.

5 The City Clerk is directed to return a fully-executed copy of this Resolution to David

6 Young, Interim Finance Director.

Adopted this _____ day of January, 2022.

Introduced by:

Approved as to Form & Legality:

West Haymarket Joint Public Agency
Board of Representatives

Legal Counsel for
West Haymarket Joint Public Agency

Leirion Gaylor Baird

Tim Clare

Tammy Ward

Board of Representatives and Management
West Haymarket Joint Public Agency
Lincoln, Nebraska

As part of our audit of the financial statements of the West Haymarket Joint Public Agency (herein referred to as the "Agency") as of and for the year ended August 31, 2021, we wish to communicate the following to you.

Auditor's Responsibility Under Auditing Standards Generally Accepted in the United States of America and the Standards Applicable to Financial Audits Contained in *Government Auditing Standards* Issued by the Comptroller General of the United States

An audit performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States is designed to obtain reasonable, rather than absolute, assurance about the financial statements. In performing auditing procedures, we establish scopes of audit tests in relation to the opinion unit being audited. Our engagement does not include a detailed audit of every transaction. Our contract more specifically describes our responsibilities.

These standards require communication of significant matters related to the financial statement audit that are relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. Such matters are communicated in the remainder of this letter or have previously been communicated during other phases of the audit. The standards do not require the auditor to design procedures for the purpose of identifying other matters to be communicated with those charged with governance.

An audit of the financial statements does not relieve management or those charged with governance of their responsibilities. Our contract more specifically describes your responsibilities.

Qualitative Aspects of Significant Accounting Policies and Practices

Significant Accounting Policies

The Agency's significant accounting policies are described in Note 1 of the audited financial statements. The following accounting policies and practices are of significant importance to the Agency's financial statements:

- Fund accounting and the reconciliation of the governmental fund and government-wide financial statements
- Revenue recognition in accordance with contractual arrangements

Alternative Accounting Treatments

We had discussions with management regarding alternative accounting treatments within accounting principles generally accepted in the United States of America for policies and practices for material items, including recognition, measurement, and disclosure considerations related to the accounting for specific transactions as well as general accounting policies, as follows:

No matters are reportable.

Management Judgments and Accounting Estimates

Accounting estimates are an integral part of financial statement preparation by management, based on its judgments. The following areas involve significant estimates for which we are prepared to discuss management's estimation process and our procedures for testing the reasonableness of those estimates:

- Federal interest subsidy receivable
- Estimated useful lives of capital assets and depreciation methods

Financial Statement Disclosures

The following areas involve particularly sensitive financial statement disclosures for which we are prepared to discuss the issues involved and related judgments made in formulating those disclosures:

- Disclosures about fair value of assets and liabilities
- Contractual arrangements
- Related party transactions
- Commitments

Audit Adjustments

During the course of any audit, an auditor may propose adjustments to financial statement amounts. Management evaluates our proposals and records those adjustments which, in its judgment, are required to prevent the financial statements from being materially misstated. A misstatement is a difference between the amount, classification, presentation, or disclosure of a reported financial statement item and that which is required for the item to be presented fairly in accordance with the applicable financial reporting framework.

Areas in which adjustments were proposed and recorded include:

- Accounts receivable and naming rights and sponsorship revenue
- Accounts receivable and unavailable revenue
- Unearned revenue and parking facility revenue

Auditor's Judgments About the Quality of the Agency's Accounting Principles

During the course of the audit, we made the following observations regarding the Agency's application of accounting principles. The Agency adopted Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities* for the fiscal year ended August 31, 2021.

Other Material Communications

Listed below are other material communications between management and us related to the audit:

- Management representation letter (attached)
- We orally communicated to management other deficiencies in internal control identified during our audit that are not considered material weaknesses or significant deficiencies

OTHER MATTER

We observed the following matter and offer this comment and suggestion with respect to a matter which came to our attention during the course of the audit of the financial statements. Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not bring to light all weaknesses in policies and procedures that may exist. However, this matter is offered as a constructive suggestion for the consideration of management as part of the ongoing process of modifying and improving financial and administrative practices and procedures. We can discuss this matter further at your convenience and may provide implementation assistance for changes or improvements.

New Accounting Pronouncement

Governmental Accounting Standards Board Statement No. 87

The Governmental Accounting Standards Board (GASB) has issued Statement No. 87, *Leases* (GASB 87). GASB 87 establishes a single approach to accounting for and reporting leases by state and local governments based on the principle that leases are financing of the right to use an underlying asset.

The main rules of GASB 87 with respect to government entities that are lessees require that the lessees:

- Recognize: (a) a lease liability and (b) an intangible asset representing the lessee's right to use the leased asset; and
- Report in its financial statements: (a) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (b) interest expense on the lease liability and (c) note disclosures about the lease.

Under GASB 87, government entities that are lessors must:

- Recognize: (a) a lease receivable and (b) a deferred inflow of resources and continue to report the leased asset in its financial statements; and
- Report in its financial statements: (a) lease revenue, recognized over the term of the lease, corresponding with the reduction of the deferred inflow, (b) interest income on the receivable; and (c) note disclosures about the lease.

GASB 87 provides exceptions from the single-approach for short-term leases, financed purchases, leases of assets that are investments, and certain regulated leases. GASB 87 also addresses accounting for lease terminations and modifications, sale-leaseback transactions, nonlease components embedded in lease contracts (such as service agreements), and leases with related parties.

This statement will be effective for the Agency's fiscal year ending August 31, 2022.

This communication is intended solely for the information and use of management, Board of Representatives, and others within the Agency and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

January 7, 2022

Representation of:

West Haymarket Joint Public Agency
555 South 10th Street
Lincoln, Nebraska 68508

Provided to:

BKD, LLP
Certified Public Accountants
1248 “O” Street, Suite 1040
Lincoln, Nebraska 68508

The undersigned (“We”) are providing this letter in connection with BKD’s audit of our financial statements as of and for the year ended August 31, 2021.

Our representations are current and effective as of the date of BKD’s report: January 7, 2022.

Our engagement with BKD is based on our contract for services dated: August 10, 2021.

Our Responsibility and Consideration of Material Matters

We confirm that we are responsible for the fair presentation of the financial statements subject to BKD’s report in conformity with accounting principles generally accepted in the United States of America.

We are also responsible for adopting sound accounting policies; establishing and maintaining effective internal control over financial reporting, operations, and compliance; and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

Confirmation of Matters Specific to the Subject Matter of BKD’s Report

We confirm, to the best of our knowledge and belief, the following:

1. We have fulfilled our responsibilities, as set out in the terms of our contract, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.
2. We acknowledge our responsibility for the design, implementation, and maintenance of:
 - a. Internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
 - b. Internal control to prevent and detect fraud.

3. We have reviewed and approved a draft of the financial statements and related notes referred to above, which you prepared in connection with your audit of our financial statements. We acknowledge that we are responsible for the fair presentation of the financial statements and related notes.
4. We have provided you with:
 - a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. All minutes of meetings of the governing body held through the date of this letter or summaries of actions of recent meetings for which minutes have not yet been prepared. All unsigned copies of minutes provided to you are copies of our original minutes approved by the governing body, if applicable, and maintained as part of our records.
 - e. All significant contracts and grants.
5. All transactions have been recorded in the accounting records and are reflected in the financial statements.
6. We have informed you of all current risks of a material amount that are not adequately prevented or detected by our procedures with respect to:
 - a. Misappropriation of assets.
 - b. Misrepresented or misstated assets, deferred outflows of resources, liabilities, deferred inflows of resources, or fund balance/net position.
7. We have no knowledge of any known or suspected fraudulent financial reporting or misappropriation of assets involving:
 - a. Management or employees who have significant roles in internal control, or
 - b. Others, where activities of others could have a material effect on the financial statements.
8. We have no knowledge of any allegations of fraud or suspected fraud affecting the Agency received in communications from employees, customers, regulators, suppliers, or others.
9. We have assessed the risk that the financial statements may be materially misstated as a result of fraud and disclosed to you any such risk identified.
10. We have disclosed to you the identity of all of the Agency's related parties and all the related-party relationships of which we are aware. In addition, we have disclosed to you all related-party transactions of which we are aware.

Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.

We understand that the term related party refers to an affiliate, management and members of their immediate families, component units, and any other party with which the Agency may deal if the Agency can significantly influence, or be influenced by, the management or operating policies of the other. The term affiliate refers to a party that directly or indirectly controls, or is controlled by, or is under common control with, the Agency.

11. We are not aware of any side agreements or other arrangements (either written or oral) that are in place.
12. Except as reflected in the financial statements, there are no:
 - a. Plans or intentions that may materially affect carrying values or classifications of assets and liabilities.
 - b. Material transactions omitted or improperly recorded in the financial records.
 - c. Material gain/loss contingencies requiring accrual or disclosure, including those arising from environmental remediation obligations.
 - d. Events occurring subsequent to the balance sheet/statement of net position date through the date of this letter requiring adjustment or disclosure in the financial statements.
 - e. Agreements to purchase assets previously sold.
 - f. Restrictions on cash balances or compensating balance agreements.
 - g. Guarantees, whether written or oral, under which the Agency is contingently liable.
13. We have disclosed to you all known instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
14. We are not aware of any pending or threatened litigation or claims whose effects should be considered when preparing the financial statements. We have not sought or received attorney's services related to pending or threatened litigation or claims during or subsequent to the audit period. Also, we are not aware of any litigation or claims, pending or threatened, for which legal counsel should be sought.
15. Adequate provisions and allowances have been accrued for any material losses from:
 - a. Uncollectible receivables.
 - b. Purchase commitments in excess of normal requirements or above prevailing market prices.
16. Except as disclosed in the financial statements, the Agency has:
 - a. Satisfactory title to all recorded assets, and they are not subject to any liens, pledges, or other encumbrances.

- b. Complied with all aspects of contractual and grant agreements, for which noncompliance would materially affect the financial statements.
- 17. The financial statements disclose all significant estimates and material concentrations known to us. Significant estimates are estimates at the balance sheet/statement of net position date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets for which events could occur that would significantly disrupt normal finances within the next year. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- 18. The fair values of financial and nonfinancial assets and liabilities, if any, recognized in the financial statements or disclosed in the notes thereto are reasonable estimates based on the methods and assumptions used. The methods and significant assumptions used result in measurements of fair value appropriate for financial statement recognition and disclosure purposes and have been applied consistently from period to period, taking into account any changes in circumstances. The significant assumptions appropriately reflect market participant assumptions.
- 19. We have not been designated as a potentially responsible party (PRP or equivalent status) by the Environmental Protection Agency (EPA) or other cognizant regulatory agency with authority to enforce environmental laws and regulations.
- 20. With respect to any nonattest services you have provided us during the year, including preparing a draft of the financial statements and related notes:
 - a. We have designated a qualified management-level individual to be responsible and accountable for overseeing the nonattest services.
 - b. We have established and monitored the performance of the nonattest services to ensure they meet our objectives.
 - c. We have made any and all decisions involving management functions with respect to the nonattest services and accept full responsibility for such decisions.
 - d. We have evaluated the adequacy of the services performed and any findings that resulted.
- 21. We have notified you of any instances of noncompliance with applicable disclosure requirements of the SEC Rule 15c2-12 and applicable state laws.
- 22. With regard to deposit and investment activities:
 - a. All deposit and investment transactions have been made in accordance with legal and contractual requirements.
 - b. Disclosures of deposit and investment balances and risks in the financial statements are consistent with our understanding of the applicable laws regarding enforceability of any pledges of collateral.
 - c. We understand that your audit does not represent an opinion regarding the enforceability of any collateral pledges.

23. As an entity subject to *Government Auditing Standards*:

- a. We acknowledge that we are responsible for compliance with applicable laws, regulations, and provisions of contracts and grant agreements.
 - b. We have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that have a direct and material effect on the determination of amounts in our financial statements or other financial data significant to the audit objectives.
 - c. We have identified and disclosed to you any violations or possible violations of laws, regulations, and provisions of contracts and grant agreements whose effects should be considered for recognition and/or disclosure in the financial statements or for your reporting on noncompliance.
 - d. We have taken or will take timely and appropriate steps to remedy any fraud, abuse, illegal acts, or violations of provisions of contracts or grant agreements that you or other auditors report.
 - e. We have a process to track the status of audit findings and recommendations.
 - f. We have identified to you any previous financial audits, attestation engagements, performance audits, or other studies related to the objectives of your audit and the corrective actions taken to address any significant findings and recommendations made in such audits, attestation engagements, or other studies.
24. The supplementary information required by the Governmental Accounting Standards Board, consisting of management's discussion and analysis, has been prepared and is measured and presented in conformity with the applicable GASB pronouncements, and we acknowledge our responsibility for the information. The information contained therein is based on all facts, decisions, and conditions currently known to us and is measured using the same methods and assumptions as were used in the preparation of the financial statements. We believe the significant assumptions underlying the measurement and/or presentation of the information are reasonable and appropriate. There has been no change from the preceding period in the methods of measurement and presentation.
25. In relation to environmental remediation, although future costs may be incurred, it is not possible at this time to reasonably estimate the amount of any obligation for remediation activities because of uncertainties with respect to assessing the extent of contamination or the applicable regulatory requirements.
26. We acknowledge the current economic volatility presents difficult circumstances and challenges for our industry. Entities are potentially facing declines in the fair values of investments and other assets, declines in the volume of business, constraints on liquidity and difficulty obtaining financing. We understand the values of the assets and liabilities recorded in the financial statements could change rapidly, resulting in material future adjustments to asset values, allowances for accounts receivable etc., that could negatively impact the Agency's ability to meet debt covenants or maintain sufficient liquidity.

We acknowledge that you have no responsibility for future changes caused by the current economic environment and the resulting impact on the Agency's financial statements. Further, management, the Board of Representatives, and the City Council are solely responsible for all aspects of managing the Agency, including questioning the quality and valuation of investments, and other assets; reviewing allowances for uncollectible amounts; evaluating capital needs and liquidity plans.

DocuSigned by:

A handwritten signature in black ink that reads "Melinda J Jones".

28DE48E37B9E496...
Melinda Jones, City Controller
mjones@lincoln.ne.gov

DocuSigned by:

A handwritten signature in black ink that reads "Mark Leikam, Assistant City Controller and West Haymarket".

EA71E6AF087046C...
Mark Leikam, Assistant City Controller and
West Haymarket Joint Public Agency
Accountant
mleikam@lincoln.ne.gov

West Haymarket Joint Public Agency

(A Component Unit of the City of Lincoln, Nebraska)
Independent Auditor's Reports and Financial Statements

August 31, 2021

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
August 31, 2021

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Independent Auditor's Report

Board of Representatives
West Haymarket Joint Public Agency
Lincoln, Nebraska

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the West Haymarket Joint Public Agency (the Agency), a component unit of the City of Lincoln, Nebraska, as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the West Haymarket Joint Public Agency as of August 31, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, 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 auditing standards generally accepted in the United States of America, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated January 7, 2022, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

BKD, LLP

Lincoln, Nebraska
January 7, 2022

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Management's Discussion and Analysis
August 31, 2021

As management of the West Haymarket Joint Public Agency (the Agency), we offer readers of the Agency's basic financial statements this narrative and analysis of the financial activities of the Agency as of and for the year ended August 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information provided in the basic financial statements.

The West Haymarket Joint Public Agency was organized as a joint public agency on April 2, 2010, created by a Joint Public Agency Agreement entered into between the City of Lincoln, Nebraska and the Board of Regents of the University of Nebraska. The Agency is a component unit of the City of Lincoln, Nebraska.

Overview of Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. These basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

Government-Wide Financial Statements

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

The statement of net position presents information on all of the Agency's assets and deferred outflows of resources, liabilities and deferred inflows of resources, with the 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 Agency is improving or deteriorating.

The statement of activities presents information showing how the Agency's net position changed during the year. 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 result in cash flow changes only in future fiscal periods.

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 Agency, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The Agency maintains one governmental fund – the West Haymarket JPA Fund.

The Agency is not required by the Nebraska State Budget Act to adopt an annual budget, therefore, a budgetary comparison has not been provided in the basic financial statements.

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Management's Discussion and Analysis
August 31, 2021

Notes to Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Agency's financial position. In the case of the West Haymarket Joint Public Agency, as of August 31, 2021, net position was (\$11,326,602). The Agency's condensed financial information as of August 31, 2021 and 2020 is found below.

Condensed Statements of Net Position

	2021	2020
Assets		
Equity in pooled cash and investments	\$ 35,155,570	\$ 34,756,958
Other current assets	11,580,120	12,066,004
Capital assets, net of accumulated depreciation	<u>271,633,806</u>	<u>277,022,713</u>
Total assets	<u>318,369,496</u>	<u>323,845,675</u>
Deferred Outflows of Resources		
Deferred loss on refunding	<u>501,093</u>	<u>501,093</u>
Total deferred outflows of resources	<u>501,093</u>	<u>501,093</u>
Liabilities		
Unearned revenue	7,945,420	6,259,749
Other liabilities	3,602,027	3,933,053
Long-term liabilities	<u>318,649,744</u>	<u>324,141,026</u>
Total liabilities	<u>330,197,191</u>	<u>334,333,828</u>
Net Position		
Net investment in capital assets	(45,457,095)	(45,562,010)
Restricted by enabling legislation	1,741,324	1,381,497
Unrestricted	<u>32,389,169</u>	<u>34,193,453</u>
Total net position	<u><u>\$ (11,326,602)</u></u>	<u><u>\$ (9,987,060)</u></u>

Total assets decreased approximately \$5.5 million from 2020 to 2021. Other current assets decreased by approximately \$0.5 million due to a decrease in investments offset by an increase in occupation taxes receivable. Net capital assets decreased approximately \$5.4 million primarily from depreciation on those assets. Total liabilities decreased approximately \$4 million from 2020 to 2021. Unearned revenue showed an increase of approximately \$1.7 million from 2020 to 2021 offset by scheduled principal payments of \$5,510,000 made on the Agency's long-term bonds payable.

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Management's Discussion and Analysis
August 31, 2021

Government-Wide Financial Analysis - Continued

Condensed Statements of Activities

	2021	2020
Revenues		
Occupation taxes	\$ 16,163,372	\$ 15,135,456
Intergovernmental	3,647,762	3,680,972
Parking facility revenue	1,586,029	2,279,962
Suite and premium seating revenue	81,370	2,469,108
Investment income	286,916	855,274
Sale (disposal) of assets	-	(7,343,736)
Other program revenues	3,728,009	3,501,664
Total revenues	<u>25,493,458</u>	<u>20,578,700</u>
Expenses		
General government	7,196,470	9,224,116
Culture and recreation	5,328,168	5,290,573
Debt service	14,308,362	15,678,126
Capital outlay	-	4,227
Total expenses	<u>26,833,000</u>	<u>30,197,042</u>
Transfers (To)/From City of Lincoln, net	<u>-</u>	<u>(422,196)</u>
Change in Net Position	(1,339,542)	(10,040,538)
Net Position, Beginning of Year	<u>(9,987,060)</u>	<u>53,478</u>
Net Position, End of Year	<u><u>\$ (11,326,602)</u></u>	<u><u>\$ (9,987,060)</u></u>

Pinnacle Bank Arena, constructed by the Agency within the West Haymarket area, officially opened in September 2013. Thus, 2021 represents the eighth full year of activity for the Agency, while Pinnacle Bank Arena has been in operation. Total revenues increased approximately \$4.9 million from 2020 to 2021, primarily attributed to increases in occupation taxes and a decrease in disposal of assets. The Agency received less revenue related to parking facility revenue in 2021 primarily due to the continued effects of the COVID-19 pandemic.

Total expenses decreased approximately \$3.4 million from 2020 to 2021, which primarily results from a decrease in general government expenses in 2021. General government expenses decreased from 2020 to 2021 primarily as a result of a one-time additional operational increment transfer to the Pinnacle Bank Arena in 2020.

West Haymarket Joint Public Agency
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Management's Discussion and Analysis
August 31, 2021

Occupation Taxes

Beginning January 1, 2011, occupation taxes were imposed within the City of Lincoln at a rate of 2% on bar and restaurant revenues and a rate of 4% on car rental and hotel revenues. This tax revenue is generated to finance the activities of the Agency and is pledged as repayment of any outstanding Agency bonds. Occupation tax revenue increased by 7% in 2021 compared to 2020. This is primarily a result of the COVID-19 pandemic as businesses were shut down for much of 2020. The Agency expects, in a normal year, for occupation tax revenue to continue growing by 2% annually.

Capital Assets

The Agency's investment in capital assets as of August 31, 2021 amounts to \$271,633,806. Additional information on the Agency's capital assets can be found in the notes to the financial statements.

Debt Administration

At August 31, 2021, the Agency had total bonded debt outstanding of \$319,285,000, which was used to fund a portion of the Agency's construction costs. Additional information on the Agency's debt can be found in the notes to the financial statements.

Financial Analysis of the Agency's Funds

The Agency has one governmental fund, the West Haymarket JPA Fund. The West Haymarket JPA Fund is considered a major fund and is used to account for the Agency's general operations, construction, and debt activities. Activity during the year ended August 31, 2021, resulted in a decrease in fund balance of \$1,879,534, resulting in a total fund balance at August 31, 2021 of \$36,695,033. 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.

Economic Outlook and Subsequent Events that Will Affect the Future

COVID-19 is a respiratory disease caused by a novel coronavirus that has not previously been seen in humans. On March 13, 2020, the Governor of the State of Nebraska declared a state of emergency to support the State's response to the outbreak of the virus.

The virus and the resulting actions by national, state and local governments is altering the behavior of businesses and people in a manner that will have negative impacts on global and local economies. These limitations that have been put in place through the emergency have adversely impacted the West Haymarket Joint Public Agency revenues. Through this pandemic, there have been decreases in occupation taxes, premium seating revenues, and parking revenues.

West Haymarket Joint Public Agency
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Management's Discussion and Analysis
August 31, 2021

Economic Outlook and Subsequent Events that Will Affect the Future - Continued

In setting its budget for fiscal 2022, the WHJPA increased estimated occupation tax collection by approximately 8% from the prior year actuals in response to the continued growth from the pandemic. The pandemic still has had a continued negative impact on the economy and could result in reduced revenue collections for the 2022 fiscal year and potentially moving forward but it is difficult to estimate these effects at a time with rapid economic changes associated with the pandemic.

Request for Information

This financial report is designed to provide a general overview of the Agency's finances for all those with an interest in the Agency. 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.

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Governmental Fund Balance Sheet/Statement of Net Position
August 31, 2021

	West Haymarket JPA Fund	Adjustments (Note 1)	Statement of Net Position
Assets			
Cash	\$ 17,225	\$ -	\$ 17,225
Equity in pooled cash and investments	35,155,570	-	35,155,570
Investments	6,006,126	-	6,006,126
Occupation taxes receivable	1,741,324	-	1,741,324
Accounts receivable	944,872	-	944,872
Interest receivable	99,886	-	99,886
Due from other governments	753,659	-	753,659
Prepaid expenses	278,263	-	278,263
Assets held for resale	1,738,765	-	1,738,765
Capital assets, net of accumulated depreciation of \$42,021,817	-	271,633,806	271,633,806
Total assets	<u>46,735,690</u>	<u>271,633,806</u>	<u>318,369,496</u>
Deferred Outflows of Resources			
Deferred loss on refunding	-	501,093	501,093
Liabilities			
Accounts payable	10,068	-	10,068
Interest payable	-	2,963,909	2,963,909
Due to other City funds	162,872	-	162,872
Due to other governments	284,178	-	284,178
Security deposits	181,000	-	181,000
Unearned revenue	7,945,420	-	7,945,420
Long-term liabilities			
Payable within one year	-	5,675,000	5,675,000
Payable in more than one year	-	312,974,744	312,974,744
Total liabilities	<u>8,583,538</u>	<u>321,613,653</u>	<u>330,197,191</u>
Deferred Inflows of Resources			
Unavailable revenues	<u>1,457,119</u>	<u>(1,457,119)</u>	<u>-</u>
Fund Balance/Net Position			
Fund Balance			
Nonspendable	278,263	(278,263)	-
Restricted for capital projects	1,057,750	(1,057,750)	-
Restricted by enabling legislation	1,741,324	(1,741,324)	-
Assigned for debt service	33,617,696	(33,617,696)	-
Total fund balance	<u>36,695,033</u>	<u>(36,695,033)</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 46,735,690</u>		
Net Position			
Net investment in capital assets		(45,457,095)	(45,457,095)
Restricted by enabling legislation		1,741,324	1,741,324
Unrestricted		32,389,169	32,389,169
Total net position		<u>\$ (11,326,602)</u>	<u>\$ (11,326,602)</u>

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Statement of Governmental Fund Revenues, Expenditures and
Changes in Fund Balance/Statement of Activities
Year Ended August 31, 2021

	West Haymarket JPA Fund	Adjustments (Note 1)	Statement of Activities
Expenditures/Expenses			
General government	\$ 7,135,731	\$ 60,739	\$ 7,196,470
Culture and recreation	-	5,328,168	5,328,168
Debt service	19,843,023	(5,534,661)	14,308,362
Total expenditures/expenses	<u>26,978,754</u>	<u>(145,754)</u>	<u>26,833,000</u>
Program Revenues			
Naming rights and sponsorship revenue	934,416	394,238	1,328,654
Suite and premium seating revenue	81,370	-	81,370
Parking facility revenue	1,586,029	-	1,586,029
Charges for services	1,828,210	-	1,828,210
Facility lease and other rent revenue	571,145	-	571,145
Total program revenues	<u>5,001,170</u>	<u>394,238</u>	<u>5,395,408</u>
General Revenues			
Occupation taxes	16,163,372	-	16,163,372
Intergovernmental	3,647,762	-	3,647,762
Investment income	286,916	-	286,916
Total general revenues	<u>20,098,050</u>	<u>-</u>	<u>20,098,050</u>
Expenditures in excess of revenues	(1,879,534)	1,879,534	-
Change in Net Position	-	(1,339,542)	(1,339,542)
Fund Balance/Net Position			
Beginning of Year	<u>38,574,567</u>	<u>(48,561,627)</u>	<u>(9,987,060)</u>
End of Year	<u>\$ 36,695,033</u>	<u>\$ (48,021,635)</u>	<u>\$ (11,326,602)</u>

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The West Haymarket Joint Public Agency (the Agency) was organized as a joint public agency under the Nebraska Joint Public Agency Act on April 2, 2010, to facilitate land acquisition, relocation of existing businesses, environmental remediation, site preparation and the construction, equipping, furnishing and financing of public facilities including, but not limited to, a sports/entertainment arena, roads, streets, sidewalks, a pedestrian overpass, public plaza space, sanitary sewer mains, water mains, electric transmission lines, drainage systems, flood control, parking garages and surface parking lots (collectively considered the West Haymarket Development Project or Project) for the benefit of residents of the City of Lincoln, Nebraska (the City). The Agency was created pursuant to a Joint Public Agency Agreement entered into between the City and the Board of Regents of the University of Nebraska.

Reporting Entity

As required by accounting principles generally accepted in the United States of America, these basic financial statements present the financial activities of the Agency. The Agency follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining the governmental activities, organizations, and functions that should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The Agency is not financially accountable for any other organization. Under current GASB pronouncements, the Agency has been determined to be a component unit of the City of Lincoln, Nebraska – the primary government. As such, the Agency's financial results are included in the City of Lincoln, Nebraska's Annual Comprehensive Financial Report.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements (*i.e.*, the statement of net position and the statement of activities) report information on all of the Agency's financial activities. Governmental activities are normally supported by taxes and intergovernmental revenue which are reported as general revenues.

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 1: Nature of Operations and Summary of Significant Accounting Policies - Continued

Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

The government-wide financial statements are presented using the total economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, the operating statement presents increases and decreases in current assets, net of liabilities, and unassigned fund balance is a measure of available spendable resources. This means that only current liabilities are generally included on the governmental fund balance sheet.

The statement of net position does not equal the governmental funds balance sheet at August 31, 2021, due to net capital assets, a deferred loss on refunding, unavailable revenues and bond principal and interest that are not payable from available spendable resources in the statement of net position.

Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Measurable means the amount of the transaction can be determined; available means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred and is expected to be paid from available spendable resources.

Occupation taxes and intergovernmental revenues are considered to be susceptible to accrual and are recorded as revenue in the period to which they relate.

Fund Accounting

The accounts of the Agency are organized on the basis of funds. The operations of the West Haymarket JPA Fund are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, deferred inflows and outflows of resources, fund equity, revenues and expenditures. Resources are allocated to and accounted for in the West Haymarket JPA Fund based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The major fund presented in the accompanying basic financial statements is the West Haymarket JPA Fund. The West Haymarket JPA Fund is the Agency's only fund and is used to account for general government operational activities.

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 1: Nature of Operations and Summary of Significant Accounting Policies - Continued

Use of 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, liabilities and deferred inflows and outflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in net position during the reporting period. Actual results could differ from those estimates.

Deposits and Investments

The Agency participates in a cash management pool managed by the City. The pool consists of bank deposits and investments. Cash balances in excess of current requirements are invested along with cash from other City funds and interest earned on these investments is allocated monthly to the various funds by the City Treasurer on a pro rata basis of using aggregate quarterly balances. The Agency's interest in the pool is shown as equity in pooled cash and investments in the statement of net position. Fair value of the equity in the pool is the same as the value of the pool shares determined using the fair value of the pool's underlying investment portfolio.

The Agency 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 City Investment Policy in effect on the date the investment is made. The Agency's investments in Tax Increment Financing investments are valued using discounted cash flow techniques.

Investment income includes interest income and the net change for the year in the fair value of investments carried at fair value.

Occupation Taxes

Beginning January 1, 2011, occupation taxes were imposed within the City of Lincoln at a rate of 2% on bar and restaurant revenues and a rate of 4% on car rental and hotel revenues. As stated in the related ordinance, occupation taxes, less any administrative expenses, shall be used to fund expenditures of the Agency.

Capital Assets

Arena and infrastructure planning, design and construction costs are capitalized on the government-wide financial statements. At August 31, 2021, certain arena and infrastructure assets were in-service, and are being depreciated on a straight-line basis over their estimated useful lives of 25-50 years.

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 1: Nature of Operations and Summary of Significant Accounting Policies - Continued

Unearned Revenue

Unearned revenue is primarily comprised of advance payments received for various arena suites, loge boxes and club seats, the arena naming rights and prepaid parking. Revenue for these agreements will be recognized when the term of the related agreements commence on September 1, 2021.

Fund Balance Classification

Fund balances are shown only in the governmental fund financial statements. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund-Type Definitions*, fund balance is required to be classified into four components – nonspendable, restricted, committed and/or assigned. These classifications are defined as follows:

Nonspendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual restraints.

Restricted - includes fund balance amounts that are constrained for specific purposes as stipulated by constitution; external resource providers, such as donors or creditors; or through enabling legislation.

Committed - includes fund balance amounts that can be used only for the specific purposes determined by a formal action of the Agency's highest level of decision-making authority.

Assigned - includes fund balance amounts that are not classified as either nonspendable, restricted, or committed.

When expenditures are incurred for purposes for which amounts in more than one category of fund balance are available for use, it is the Agency's policy to use the restricted amounts first, followed by the committed and assigned amounts.

Net Position Classification

Net position is required to be classified into three components - net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 1: Nature of Operations and Summary of Significant Accounting Policies - Continued

Net Position Classification - Continued

Net investment in capital assets - consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets, if any, 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 - consists of restricted assets, reduced by liabilities related to those assets, with constraints placed on their use either by a) external groups such as creditors (such as through debt covenants), contributors, or laws or regulations of other governments or b) law through constitutional provisions or enabling legislation.

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

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

Adjustments Column

The adjustments column on the governmental fund balance sheet/statement of net position represents the recording of certain assets and liabilities as required by GASB Statement No. 34.

The adjustments column on the governmental fund balance sheet/statement of net position is comprised of the following as of August 31, 2021:

Amounts reported for the West Haymarket JPA Fund are different from the statement of net position because of

Capital assets, net of accumulated depreciation	\$ 271,633,806
Interest payable	(2,963,909)
Unavailable revenue	1,457,119
Deferred loss on refunding	501,093
Long-term liabilities	<u>(318,649,744)</u>
Total adjustment amount	<u><u>\$ (48,021,635)</u></u>

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 1: Nature of Operations and Summary of Significant Accounting Policies - Continued

Adjustments Column - Continued

The adjustments column on the statement of governmental fund revenues, expenditures and changes in fund balance/statement of activities is comprised of the following for the year ended August 31, 2021:

Amounts reported for the West Haymarket JPA Fund are different from the statement of activities because of

Depreciation expense	\$ (5,388,907)
Debt service	5,534,661
Change in unavailable revenue	<u>394,238</u>
Total adjustment amount	<u><u>\$ 539,992</u></u>

Note 2: Deposits, Investments and Investment Return

Deposits

State statutes require banks either to provide a bond or to pledge government securities to the City Treasurer in the amount of the City's deposits. The Agency has been allocated a portion of the City's pooled cash and investments. The City's cash deposits, including certificates of deposit, are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). Any cash deposits or certificates of deposit in excess of FDIC limits are covered by collateral held in a Federal Reserve pledge account or by an agent for the City and thus no custodial credit risk exists. No legal opinion has been obtained regarding the enforceability of any of the collateral arrangements.

Investments

The Agency generally follows the investment policy adopted by the City Council and utilized by the City Treasurer. The Agency may legally invest in U.S. government securities and agencies, U.S. government sponsored agencies, and in bank repurchase agreements. It may also invest to a limited extent in corporate bonds, bankers' acceptances and investment agreements.

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 2: Deposits, Investments and Investment Return - Continued

At August 31, 2021, the Agency had the following investments, maturities and credit ratings:

Type	Fair Value	Maturities (in Years)		Credit Ratings Moody's/ S&P
		5 to 10	More than 10	
Tax Increment Financing Investments	\$ 6,006,126	\$ 2,301,459	\$ 3,704,667	Not rated

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Agency 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 values of a government's financial instruments or a government's cash flows. 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. Tax Increment Financing investments are allowed to 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:

	S & P	Moody's
Money Markets	AAm	---
Corporate Notes	AA-	Aa3
Investment Agreements	AA-	Aa3
Commercial Paper	A-1	P-1
Bankers' Acceptance	A-1	P-1
Local Government Debt	AA	Aa

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 2: Deposits, Investments and Investment Return - Continued

Concentration of Credit Risk

Concentration of credit risk is the risk associated with the amount of investments the Agency has with any one issuer that exceeds 5% or more of its total investments. Investments issued or explicitly guaranteed by the U.S. Government are excluded from this requirement. At August 31, 2021, the Agency's investments were comprised entirely of Tax Increment Financing investments.

Summary of Carrying Values

The carrying values of deposits and investments are as follows:

Cash	\$ 17,225
Investments	6,006,126
Equity in pooled cash and investments	35,155,570
	<u>\$ 41,178,921</u>

Investment Income

Investment income, consisting of interest income and fair market value adjustments, was \$286,916 for the year ended August 31, 2021.

Note 3: Disclosures About Fair Value of Assets and Liabilities

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

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

Investments

The only investments held by the Agency at August 31, 2021 are Tax Increment Financing investments, which are valued by the Agency on a recurring basis using discounted cash flow techniques, and are classified within Level 2 of the fair value hierarchy at August 31, 2021.

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 4: Capital Assets

As of August 31, 2021, the Agency's capital assets consisted of the following:

Depreciable assets, net of depreciation	
Buildings and improvements	\$ 212,523,574
Machinery and equipment	<u>400,721</u>
Total depreciable assets, net of depreciation	<u>212,924,295</u>
Nondepreciable assets	
Land	<u>58,709,511</u>
Total capital assets, net	<u><u>\$ 271,633,806</u></u>

Capital asset activity for 2021 was:

	Beginning Balance	Additions	Reductions	Transfers	Ending Balance
Buildings and improvements	\$ 254,422,841	\$ -	\$ -	\$ -	\$ 254,422,841
Land	58,709,511	-	-	-	58,709,511
Machinery and equipment	<u>523,271</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>523,271</u>
Total capital assets	313,655,623	-	-	-	313,655,623
Less accumulated depreciation	<u>(36,632,910)</u>	<u>(5,388,907)</u>	<u>-</u>	<u>-</u>	<u>(42,021,817)</u>
Capital assets, net	<u><u>\$ 277,022,713</u></u>	<u><u>\$ (5,388,907)</u></u>	<u><u>-</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 271,633,806</u></u>

Depreciation was charged to functions/programs as follows:

General government	\$ 60,739
Culture and recreation	<u>5,328,168</u>
Total depreciation expense	<u><u>\$ 5,388,907</u></u>

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 5: Long-term Liabilities

Long-term liability activity for 2021 was:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable	\$ 324,795,000	\$ -	\$ 5,510,000	\$ 319,285,000	\$ 5,675,000
Unamortized bond premium	334,609	-	5,403	329,206	-
Unamortized bond discount	(988,583)	-	(24,121)	(964,462)	-
Net bonds payable	<u>\$ 324,141,026</u>	<u>\$ -</u>	<u>\$ 5,491,282</u>	<u>\$ 318,649,744</u>	<u>\$ 5,675,000</u>

In September 2010, the Agency issued \$100,000,000 in General Obligation Facility Bonds, Taxable Series 2010A. Semi-annual interest payments began in December 2010. Annual principal payments began in December 2020 at amounts that range from \$2,440,000 to \$5,855,000 with the final maturity in December 2045. The bonds are Build America Bonds and, as such, the Agency has elected to receive a federal subsidy of 35 percent from the United States Department of Treasury (Treasury) for a portion of the interest payable on the bonds. The interest rates on the bonds range from 3.50 to 5.00 percent prior to the federal subsidy. The federal subsidy reduces the true interest cost to approximately 3.20 percent.

In December 2010, the Agency issued \$67,965,000 in General Obligation Facility Bonds, Taxable Series 2010B. Semi-annual interest payments began in June 2011. Annual principal payments began in December 2020 at amounts that range from \$2,440,000 to \$4,650,000 with the final maturity in December 2039. The bonds are direct pay Build America Bonds, with a federal subsidy of 35 percent from the Treasury for a portion of the interest payable on the bonds. The interest rates on the bonds range from 4.00 to 6.00 percent prior to the federal subsidy. The federal subsidy reduces the true interest cost to approximately 3.73 percent.

In December 2010, the Agency issued \$32,035,000 in General Obligation Recovery Zone Economic Development Bonds, Taxable Series 2010C. Semi-annual interest payments began in June 2011. Annual principal payments begin in December 2040 at amounts that range from \$4,865,000 to \$5,855,000 with the final maturity in December 2045. The bonds are direct pay General Obligation Recovery Zone Economic Development Bonds, with a federal subsidy of 45 percent from the Treasury for a portion of the interest payable on the bonds. The interest rate on the bonds is 6.75 percent prior to the federal subsidy. The federal subsidy reduces the true interest cost to approximately 3.79 percent.

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 5: Long-term Liabilities - Continued

In August 2011, the Agency issued \$100,000,000 in General Obligation Facility Bonds, Series 2011. Semi-annual interest payments began in December 2011. Annual principal payments were scheduled to begin in December 2021 at amounts that range from \$3,115,000 to \$6,660,000 with the final maturity in December 2042. The interest rates on the bonds range from 3.50 to 5.00 percent.

In December 2013, the Agency issued \$28,175,000 in General Obligation Facility Bonds, Series 2013. Semi-annual interest payments began in June 2014. Annual principal payments began in December 2014 at amounts that range from \$540,000 to \$1,595,000 with the final maturity in December 2043. The interest rates on the bonds range from 2.00 to 5.00 percent.

In November 2019, the Agency issued \$100,000,000 of General Obligation Facility Refunding Bonds, Taxable Series 2019. The bond proceeds, together with other Agency funds, were used to provide for payment of the principal and interest on the \$100,000,000 outstanding General Obligation Facility Bonds, Series 2011, through the redemption date of December 15, 2021, and to redeem any remaining balance of the Series 2011 bonds on that redemption date. The refunding resulted in debt service savings of approximately \$26,858,000 and net present value savings of approximately \$21,042,000. At August 31, 2021, \$100,000,000 of Series 2011 Bonds remain outstanding, which were called subsequent to year end.

The Series 2010A, 2010B and 2010C bonds are callable at the option of the Agency in whole or in part at any time. The Series 2011 bonds are callable at the option of the Agency in whole or in part at any time on or after December 15, 2021. The Series 2013 bonds are callable at the option of the Agency in whole or in part at any time on or after December 15, 2023.

All bonds were issued to provide a portion of the funds necessary to pay the costs of constructing, equipping, furnishing, and financing the development of the West Haymarket facilities. The full faith and credit and the taxing powers of the City are pledged for the payment of the principal and interest on the bonds.

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 5: Long-term Liabilities - Continued

Annual requirements to pay principal and interest to maturity on outstanding debt is as follow:

Years Ending August 31	Principal	Interest	Interest Subsidy	Net Interest	Total Debt Service
2022	\$ 5,675,000	\$ 14,111,363	\$ (3,801,967)	\$ 10,309,396	\$ 15,984,396
2023	9,750,000	13,816,159	(3,730,836)	10,085,323	19,835,323
2024	9,980,000	13,445,007	(3,654,326)	9,790,681	19,770,681
2025	10,240,000	13,062,695	(3,572,334)	9,490,361	19,730,361
2026	10,485,000	12,670,795	(3,485,332)	9,185,463	19,670,463
2027-2031	57,100,000	56,855,228	(15,916,876)	40,938,352	98,038,352
2032-2036	66,750,000	44,231,343	(12,853,332)	31,378,011	98,128,011
2037-2041	78,650,000	28,255,549	(8,942,386)	19,313,163	97,963,163
2042-2046	70,655,000	8,922,306	(3,350,533)	5,571,773	76,226,773
	<u>\$ 319,285,000</u>	<u>\$ 205,370,445</u>	<u>\$ (59,307,922)</u>	<u>\$ 146,062,523</u>	<u>\$ 465,347,523</u>

The Series 2010A, 2010B and 2010C bonds were issued as direct pay Build America Bonds and General Obligation Recovery Zone Economic Development Bonds, respectively, in accordance with the American Recovery and Reinvestment Act of 2009, which allows the Agency to receive a U.S. Treasury subsidy equal to 35% and 45%, respectively, of the amount of interest payable on those bonds. Pursuant to the requirements of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, refund payments to certain state and local government filers claiming refundable credits under section 6341 of the Internal Revenue Code applicable to certain qualified bonds are subject to sequestration. The refund payments processed on or after October 1, 2021 and on or before September 30, 2022 will be reduced by the fiscal year 2022 sequestration rate of 5.7%.

The interest subsidy is reflected in the table above as the Agency expects to receive these payments throughout the term of the related Bonds. Future subsidy payments are contingent on federal regulations and are subject to change. The subsidy is reflected as intergovernmental revenue in the Statement of Activities.

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 6: Arena Lease and Operating Agreement

The Agency has entered into a Lease and Operating Agreement with the Board of Regents of the University of Nebraska (“UNL”) as of October 2011. The agreement is for the lease of the basketball space and other defined leased improvements within the sports/entertainment arena, for a term of 30 years commencing on September 1, 2013, with the option to extend the term for three additional periods of five years each. Under the terms of the agreement, UNL is to pay an annual lease payment to the Agency, which is initially \$750,000 and is adjusted for inflation on an annual basis beginning September 1, 2014. The agreement also provides for credits against this lease payment for the annual amount of turnback sales tax receipts the City receives from the sale of UNL basketball tickets, and a provision for lost concession revenue in an amount equal to \$300,000, which is adjusted for inflation on an annual basis beginning September 1, 2014. The net rent revenue for fiscal year 2021 was approximately \$500,000.

The Agreement also provides for UNL to receive a portion of the revenues related to certain premium seating arrangements at the Arena, based on seating type. The Agency did not pay amounts to UNL during 2021 for revenue sharing for premium seating. The suite and premium seating revenues shown in the statement of governmental fund revenues, expenditures and changes in fund balance/statement of activities are shown net of amounts owed to UNL under this provision of the Agreement.

Note 7: Contractual Arrangements

Naming Rights and Premium Seating

The Agency has entered into a Title Sponsorship Agreement with Pinnacle Bank for the exclusive naming rights for the sports/entertainment arena through August 2038. The agreement called for Pinnacle Bank to make annual payments of \$280,000 through fiscal year 2023, when the payments increased to \$563,333 annually. The agreement also provided Pinnacle Bank with the opportunity to pay a discounted amount by making a prepayment to the Agency. Pinnacle Bank has exercised this option and has made prepayments to the Agency totaling approximately \$6,700,000 of which approximately \$4,578,000 is included in unearned revenue. This amount is included in unearned revenue on the balance sheet at August 31, 2021 and will be recognized as revenue on a pro-rata basis over the remaining term of the agreement.

The Agency has entered into agreements with individuals and businesses for various premium seating arrangements. The agreements require an initial security deposit and annual installments from the individuals and businesses, with the option of prepayment, and have terms ranging between five and ten years. As of August 31, 2021, amounts collected by the Agency for premium seating arrangements for future years totaled approximately \$1,643,000, with approximately \$743,000 remaining to be collected for the contract period beginning September 1, 2021.

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 7: Contractual Arrangements - Continued

Naming Rights and Premium Seating - Continued

The Agency will recognize revenues in future periods related to premium seating agreements as follows:

Annual Contract Period Beginning September 1,	
2021	\$ 2,385,607
2022	2,394,139
2023	222,933
2024	109,102
2025	95,569
Thereafter	101,575
	<u><u>\$ 5,308,925</u></u>

Advertising and Sponsorship Agreement

The Agency had entered into an agreement with IMG College, LLC (“IMG”) which granted IMG the exclusive advertising and sponsorship rights at the sports/entertainment arena, for the period of September 1, 2013 through June 30, 2021. The agreement was amended for the period of July 1, 2021 through June 30, 2029, and also provided for a one-time contract signing bonus equal to \$1,124,293, to be paid in installments through July 1, 2023. The agreement requires IMG to make guaranteed annual payments to the Agency, and 50% of any gross collected cash revenue in excess of the revenue sharing threshold, as outlined in the agreement. Payments totaling \$648,804 were received from IMG for the fiscal year ended August 31, 2021. The contracted schedule of remaining guaranteed annual payments and the revenue sharing threshold is shown below:

Annual Contract Period Beginning July 1,	Guaranteed Rights Fee	Revenue Sharing Threshold
2021	\$ 1,000,000	\$ 1,550,000
2022	1,000,000	1,550,000
2023	1,050,000	1,650,000
2024	1,050,000	1,650,000
2025	1,100,000	1,750,000
Thereafter	3,400,000	5,450,000

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 8: Risk Management

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The Agency carries commercial insurance for risks of loss, including liability, property, pollution, errors and omissions, and workers' compensation. The Agency has had no claims or judgments exceeding the policy limits.

Additionally, as a result of the spread of the SARS-CoV-2 Virus and the incidence of COVID-19, economic uncertainties have arisen which may negatively affect the financial position and results of operations of the Agency. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Note 9: Related Party Transactions

City of Lincoln (City)

The City provides certain administrative services to the Agency for which the Agency pays fees to the City. These fees amounted to approximately \$706,000 for the year ended August 31, 2021. These charges are recorded as general government expenses in the statement of governmental fund revenues, expenditures and changes in fund balance and statement of activities.

During 2014, the Agency entered into a second Amended and Restated Facilities Agreement with the City, which clarified the responsibilities for operation and maintenance of certain infrastructure assets within the West Haymarket Development Project. With the exception of certain infrastructure assets, the agreement details that ownership of arena project assets, including the related parking facilities, will remain with the Agency until such time as no associated bonds are outstanding, at which time these assets will be conveyed to the City for the sum of one dollar and other good and valuable consideration.

During 2013, the Agency entered into a Parking Garage Management Agreement with the City for the operation, management and maintenance of three parking garages constructed by the Agency within the West Haymarket Development Project. Under the agreement, the Agency made payments totaling approximately \$1,398,000 during fiscal year 2021 for the operation and maintenance of the Agency's parking garages.

As discussed in Note 1, the Agency is invested in the City of Lincoln, Nebraska's pooled cash and investment management system.

West Haymarket Joint Public Agency
(A Component Unit of the City of Lincoln, Nebraska)
Notes to Financial Statements
August 31, 2021

Note 10: Commitments

Environmental Matters

In connection with the West Haymarket Development Project, the Agency 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 Agency has not been designated as a potentially responsible party (PRP or equivalent status) by any regulatory agency requiring the immediate clean-up of impacted areas. Although future costs may be incurred, it is not possible at this time to reasonably estimate the amount of any obligation for remediation activities because of uncertainties with respect to assessing the extent of the contamination or the applicable regulatory requirements. No liability has been recorded for potential future remediation activities as of August 31, 2021.

**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

Board of Representatives
West Haymarket Joint Public Agency
Lincoln, Nebraska

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the West Haymarket Joint Public Agency (the Agency), a component unit of the City of Lincoln, Nebraska, as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated January 7, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency'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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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.

BKD, LLP

Lincoln, Nebraska
January 7, 2022

RESOLUTION NO.

1 BE IT RESOLVED by the Board of Representatives of the West Haymarket Joint Public
2 Agency:

3 That the Permanent Easement for Underground Utility Lines and/or Underground Utility
4 Facilities to Lincoln Electric System on or across certain described JPA property is hereby
5 approved and the Chair is hereby authorized to execute the Permanent Easement on behalf of the
6 West Haymarket Joint Public Agency.

7 The City Clerk is directed to send the original easement and a copy of this Resolution to
8 Chris Connolly, Law Department, for transmittal to Lincoln Electric System for recordation.

Adopted this _____ day of January, 2022.

Introduced by:

Approved as to Form & Legality:

West Haymarket Joint Public Agency
Board of Representatives

Legal Counsel for
West Haymarket Joint Public Agency

Leirion Gaylor Baird, Chair

Tim Clare

Tammy Ward

**EASEMENT FOR UNDERGROUND UTILITY LINES, UNDERGROUND UTILITY FACILITIES,
AND/OR AT GRADE EQUIPMENT**

KNOW ALL MEN BY THESE PRESENTS:

That **West Haymarket Joint Public Agency ("Grantor")**, a Nebraska political subdivision, of Lancaster County, Nebraska, the owner of Lot 2, West Haymarket 4th Addition, Lincoln, Lancaster County, Nebraska (the JPA Property), in consideration of \$1.00, receipt of which is hereby acknowledged, hereby grants and conveys unto the **City of Lincoln, Nebraska, a municipal corporation d/b/a LINCOLN ELECTRIC SYSTEM** (hereinafter referred to as Grantee, whether one or more), its (their) lessees, successors and assigns, the permanent right, privilege and easement to survey, construct, reconstruct, relocate, maintain, inspect, operate, alter, replace, and remove all necessary underground utility lines, underground utility facilities, communication lines and/or other necessary at grade equipment in connection therewith, on and across the JPA Property.

More particularly described and shown on the attached **Exhibit "A"** (the Easement Area).

The Grantee shall also have the non-exclusive privilege and easement of ingress and egress across that portion of the JPA Property to its (their) officers and employees for any purpose necessary in connection with the permanent right to survey, construct, reconstruct, relocate, maintain, inspect, operate, alter, replace, and remove all necessary underground utility lines, underground utility facilities, and/or other necessary at grade equipment, and shall have the right to remove, control, impede the growth of, trim, and clear away any and all vegetation, including but not limited to, trees, weeds, vines, briars, shrubs, roots, limbs, rocks, and/or other surface materials, which now and/or at any future time are located on, overhang, and/or extend into the easement area that endanger or interfere with the safe operation of the underground utility lines, underground utility facilities, and/or at grade equipment used in connection therewith. The Grantee will remove any and/or all vegetation, including but not limited to, trees, weeds, vines, briars, shrubs, roots, limbs, rocks, and/or other surface materials, which now and/or at any future time are located on, overhang, and/or extend into the easement area at its expense.

It is the intention of the parties hereto that Grantor is hereby granting the uses herein specified without divesting Grantor of title and ownership of the rights to use and enjoy the above-described property for any purpose except the construction of buildings and/or structures, storage of any flammable material, metal, or other personal property, or use of the area in any way which would, in the judgement of Grantee, endanger and/or endanger or be a hazard to or interfere with, the rights of Grantee to use the same for the purpose herein expressed in accordance with the terms hereof and subject to any prior leases or easements of record heretofore granted to other parties. Grantor shall not change or alter the grade of the easement area described hereinabove without the prior written approval of Grantee.

The Grantee shall at all times exercise reasonable effort to avoid injury or damage to the landscaping, and improvements of the Grantor, and the Grantee shall repair any such damage and loss arising or occurring to such property solely by the permanent right, privilege and easement to survey, construct, reconstruct, relocate, maintain, inspect, operate, alter, replace, and remove all necessary underground utility lines, underground utility facilities, and/or other necessary at grade equipment in connection therewith, however, in the event that all and/or part of the necessary underground utility lines, underground utility facilities, and/or other necessary at grade equipment which may be installed on said Easement Area becomes defective or unserviceable in the sole judgment of the Grantee, the Grantee shall have the right to survey, construct, reconstruct, relocate, maintain, inspect, operate, alter, replace, and remove all necessary underground utility lines, underground utility facilities, and/or other necessary at grade equipment in connection therewith; provided, if improvements to JPA Property make the installation of such replacements impractical at the location of the original easement granted hereby, the Grantor or their successors in title shall grant and convey to the Grantee, for the same consideration as given herein, an easement for such further installation at a location on said property which is mutually satisfactory to the parties.

If the parties fail to agree upon any such new location for the underground utility lines, underground utility facilities, and/or necessary at grade equipment, the Grantee shall have no obligation to replace and/or provide underground utility lines, underground utility facilities, and/or necessary at grade equipment across or to the JPA Property and Grantee shall not be liable nor bear any responsibility to Grantor, its successors and assigns for failure to provide electric service to the property. In determining the locations for further installation, the Grantee shall at all times exercise reasonable effort to avoid injury or damage to the landscaping and improvements of the Grantor or their successors.

Grantee shall perform any work in connection with this Easement in a good and workmanlike manner with reasonable effort to minimize interference with the Grantor's use of the JPA Property except as may be reasonably necessary for Grantee to carry out the terms and conditions of this easement. As soon as possible following completion of any construction by Grantee, Grantee will cause to be removed from the JPA Property all debris, construction, equipment and Grantee will restore the JPA Property to its pre-existing state.

Grantor, on behalf of itself and its tenants reserves the right to use the surface of the easement area for curbing, paving, signs, and otherwise provided such uses that do not interfere with the rights of Grantee and comply with applicable provisions of the National Electrical Safety Code and the Lincoln Municipal Code.

The Grantor acknowledges that this instrument, and the covenants and agreements herein contained, shall inure to the benefit of and be binding and obligatory upon the heirs, executors, administrators, lessees, successors, and assigns of the respective parties, and the easement's rights, obligations, and privileges of Grantee created by this instrument shall not in any manner be released, waived, or in any way terminated or affected by any delay, failure, or lack of use by Grantee for a period of time.

Signed the _____ day of _____, 2022.

West Haymarket Joint Public Agency, a Nebraska political subdivision

By: _____
Leirion Gaylor Baird, Chairperson

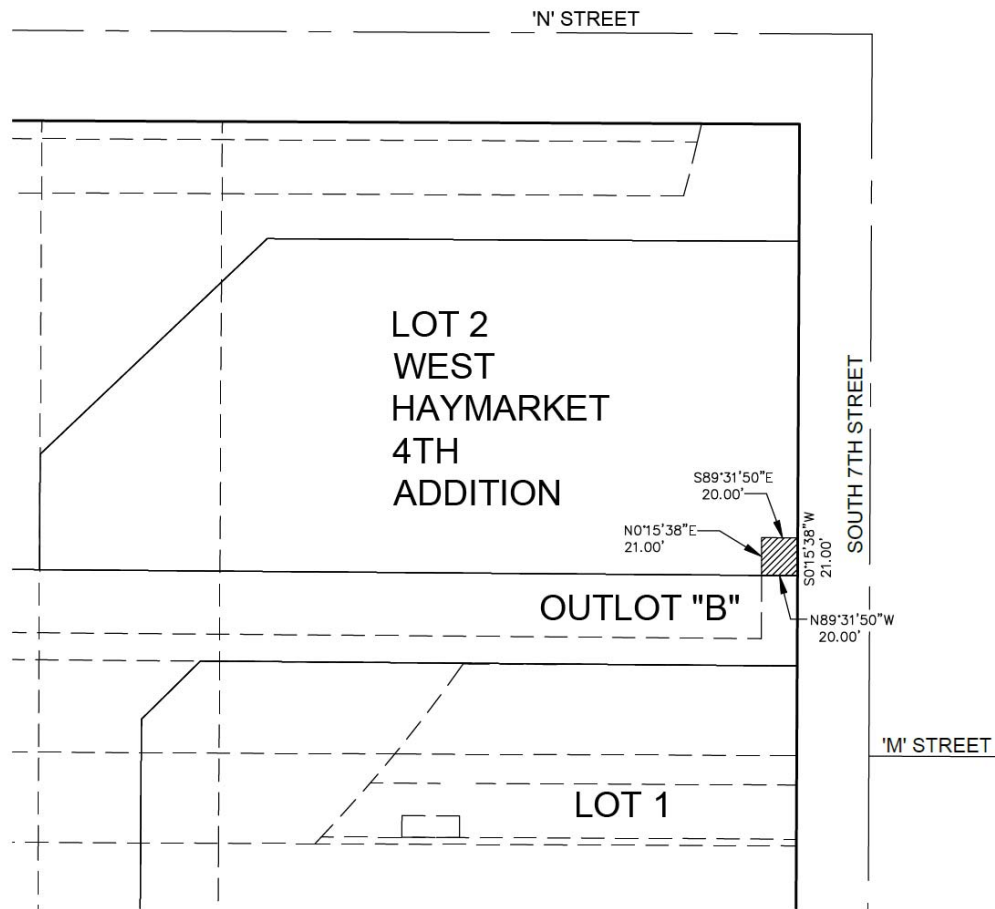
STATE OF NEBRASKA)
)ss.
COUNTY OF LANCASTER)

On this _____ day of _____, 2022, before me the undersigned, a Notary Public in and for said County and State, personally appeared **Leirion Gaylor Baird, Chairperson of the West Haymarket Joint Public Agency, a Nebraska political subdivision** personally to me known to be identical person(s) who signed the foregoing instrument on behalf of the West Haymarket Joint Public Agency and who acknowledged the execution thereof to be a voluntary act and deed for the purpose therein expressed.

WITNESS my hand and notarial seal on this _____ day of _____, 2022.

Notary Public

Exhibit "A"
LES EASEMENT



LINCOLN ELECTRIC SYSTEM EASEMENT

THAT PART OF LOT 2, WEST HAYMARKET 4th ADDITION, LOCATED IN THE NORTHWEST QUARTER OF SECTION 26, TOWNSHIP 10 NORTH, RANGE 6 EAST OF THE 6th P.M., LANCASTER COUNTY, NEBRASKA, BEING DESCRIBED AS FOLLOWS;

BEGINNING AT THE SOUTHEAST CORNER OF LOT 2, WEST HAYMARKET 4th ADDITION; THENCE WESTERLY ON THE SOUTH LINE OF SAID LOT 2 ON AN ASSIGNED BEARING OF N 89°31'50"W A DISTANCE OF 20.00; THENCE NORTHERLY PARALLEL TO THE EAST LINE OF SAID LOT 2, N 0°15'38"E 21.00'; THENCE EASTERLY PARALLEL TO THE SAID SOUTH LINE, S 89°31'50"E 20.00', TO A POINT ON SAID EAST LINE; THENCE SOUTHERLY ON SAID EAST LINE, S 0°15'38"W 21.00', TO THE POINT OF BEGINNING, SAID TRACT CONTAINING AN AREA OF 420.00 SQUARE FEET.

RESOLUTION NO.

1 BE IT RESOLVED by the Board of Representatives of the West Haymarket Joint Public
2 Agency:

3 That the attached Right of Entry Agreement between the West Haymarket JPA, City of
4 Lincoln, and Cotswold Management, LLC allowing Cotswold Management, LLC to enter onto
5 City and JPA property within West Haymarket 4th Addition, and adjacent City Right of Way until
6 Cotswold completes rehabilitation and construction activities on its property, is hereby approved
7 and the Chairperson of the West Haymarket Joint Public Agency is hereby authorized to execute
8 the same on behalf of the West Haymarket Joint Public Agency and any extension mutually agreed
9 to by the parties.

Adopted this _____ day of January, 2022.

Introduced by:

Approved as to Form & Legality:

West Haymarket Joint Public Agency
Board of Representatives

Legal Counsel for
West Haymarket Joint Public Agency

Leirion Gaylor Baird

Tim Clare

Tammy Ward

**RIGHT OF ENTRY AGREEMENT
WEST HAYMARKET JOINT PUBLIC AGENCY**

THIS RIGHT OF ENTRY AGREEMENT (the “Agreement”) is made and entered into this ____ day of _____, 2022, by and among the West Haymarket Joint Public Agency, a political subdivision and corporate body politic of the State of Nebraska (hereinafter “JPA”), City of Lincoln, Nebraska, a municipal corporation (“City”) and Cotswold Management, LLC, a Nebraska limited liability company and its successors and assigns (collectively “Cotswold”).

RECITALS

1. JPA owns the land legally described as Lot 2, West Haymarket 4th Addition, Lincoln, Lancaster County, Nebraska (“JPA Property”).
2. City owns the land legally described as Outlots A & B, West Haymarket 4th Addition, Lincoln, Lancaster County, Nebraska. City also controls the N Street Right of Way adjacent to Outlot A (“City Property”).
3. Cotswold owns the land legally described as Lot 1, West Haymarket 4th Addition, Lincoln, Lancaster County, Nebraska (“Cotswold Property”) and intends to rehabilitate an existing structure and construct a new addition on the Cotswold Property and other related improvements.
4. In order to conduct site preparation and construction on the Cotswold Property, the JPA, Cotswold, and City have agreed to enter into this temporary Right of Entry Agreement.

NOW, THEREFORE, in consideration of, and based on, the foregoing Recitals and the mutual promises and agreements set forth below, the parties agree as follows:

I. Right of Entry

- a. In consideration of the mutual benefits and obligations of this Agreement, the JPA and City hereby grant a right of entry, within the area designated “Construction Drive w/Rock” on the attached Exhibit A (the “Right of Entry Area”), from the JPA and City to Cotswold for the JPA Property and City Property for the following purposes and no others:
 1. Site preparation activities including, but not limited to, grading, excavation, and compaction of the Property.
 2. Construction activities including, but not limited to, rehabilitation of the existing Building on the Cotswold Property, construction of the new addition, improvements to the parking lot and improvements to the alley adjacent to the Cotswold property.

- b. The Right of Entry described above is conditioned on the following terms and conditions:
1. City may temporarily restrict access and use of the temporary driveway on N Street depicted on Exhibit A if City deems temporary restricted access is warranted by the circumstances. City shall use best efforts to give Cotswold at least twenty-four (24) hour notice if access to the temporary driveway is necessary.
 2. Cotswold shall install and maintain Advance Warning signage at the temporary driveway on N Street during the entire period it exercises its right of entry under this Agreement.
 3. Access to the Right of Entry Area from the temporary driveway on N Street shall be “right in, right out” movement only and Cotswold shall include such directional signage in its Advance Warning signage described in subparagraph b.3. above.
 4. Cotswold shall inspect the Right of Entry Area at the end of each day of use and ensure that any rock or tracking in the N Street right of way is cleaned and swept. Cotswold will inspect more frequently upon City request.
 5. Cotswold shall barricade the driveway access to N Street directly north of the temporary N street driveway, as depicted on Exhibit A, immediately after Cotswold has laid rock to the Right of Entry Area.
 6. Cotswold shall design and install gated access to the Right of Entry Area. Gated access shall be designed such that the longest vehicle making use of the Right of Entry Area can completely clear the traveled way when the gate is closed. Gates shall not be installed in City right of way.
 7. Vehicles must enter and exit the Right of Entry Area in a forward direction.
 8. No vehicles shall park, nor shall any equipment or supplies be loaded or unloaded, in the N Street right of way.
 9. Any damage to the N Street right of way or City facilities therein resulting from Cotswold’s exercise of its rights under this Agreement shall be repaired as soon as reasonably possible.
 10. At the end of the term of this Agreement, Cotswold shall return the Right of Entry Area to the same or better condition as exists on the date of this Agreement.
- c. It is understood and agreed that Cotswold shall not be liable for trespass or any other damages or takings of any kind arising out of entering on to the Property for the purposes provided herein. It is further understood and agreed that Cotswold shall be entitled to conduct the work described in Paragraphs I(a)(1) and (2) in any commercially reasonable manner as solely determined and directed by Cotswold and that City and JPA shall have no right to direct, interfere with, instruct, limit, or participate with, Cotswold with regard to the work described in Paragraphs I(a)(1) and (2), except and unless otherwise provided for in Cotswold’s Redevelopment Agreement with City or otherwise governed by law or regulation enforced by City.

- d. Cotswold shall require its contractor and any subcontractors thereof to carry Contractor's Public Liability and Property Damage Insurance as specified in the City of Lincoln Municipal Code or City of Lincoln Standard Specifications for Municipal Construction, where applicable.

II. Term and Termination.

- a. This Right of Entry shall be in force and effect from and after the execution and approval of this Agreement and shall terminate on the earlier of the following occurrences.
 - 1. Cotswold completes its construction activities on described in Paragraphs I(a)(1) and (2); or
 - 2. City begins construction of sidewalks and walkways associated with the Park to be located within Outlot A.
 - a. Commencement of construction of the Park Drive on City Property shall not trigger this occurrence.
 - 3. Development occurs on JPA Property.
- b. No use of the Property shall commence under this Agreement until Cotswold and Cotswold's successors, contractors, and subcontractors thereof have obtained all insurance required herein and such insurance has been approved by the City Attorney for the City of Lincoln; provided, however, if evidence of the required insurance is provided to the City Attorney for the City of Lincoln and no response is received by Cotswold within five days thereafter, then the City Attorney for the City of Lincoln shall be deemed to have approved the insurance.
- c. The JPA or City may terminate this Agreement immediately upon written notice to Cotswold if: (1) Cotswold violates any of the covenants, agreements, stipulations, or conditions herein, and such violation or default shall continue for a period of five (5) business days after written notice from the JPA or City to Cotswold of such violation or default or (2) Cotswold shall vacate or abandon the Property, then the JPA or City may without demand and notice terminate this Agreement and re-enter the Property with or without process of law, using such force as may be reasonably necessary to remove all persons or chattels therefrom, and the JPA nor City shall not be liable for damage by reason of such re-entry or forfeiture.
- d. Upon termination of this Agreement by the JPA or City, Cotswold shall cease its operations and pay the cost of removing any improvements made to the site by Cotswold during the term of this Agreement and return the Property to a condition with no physical obstacles to future construction present.

III. Indemnification.

- a. Indemnification by Cotswold. Cotswold agrees to indemnify and hold the City and JPA harmless against, and will reimburse the City and JPA upon demand for any payment, loss, cost or expense (including reasonable attorney's fees) made or incurred by or asserted against City or JPA with respect to any and all damages or deficiencies resulting from any

omission, misrepresentation, breach of warranty, or non-fulfillment of any term, provision, covenant, or agreement on the part of Cotswold contained in this Agreement; provided, however, in no event shall Cotswold be required to indemnify and hold harmless City or JPA for any damages, liabilities or obligations caused by the negligence or willful misconduct of City or JPA.

- b. Conditions of Indemnification. With respect to any actual or potential claim, any written demand, commencement of any action, or the occurrence of any other event which involves any matter or related series of matters (Claim) against which a party hereto is indemnified (Indemnified Party) by another party (Indemnifying Party) under Sections II(a) or II(b) hereof:
 1. Promptly after the Indemnified Party first receives written documents pertaining to the Claim, or if such Claim does not involve a third-party Claim, promptly after the Indemnified Party first has actual knowledge of such Claim, the Indemnified Party shall give notice to the Indemnifying Party of such Claim in reasonable detail and stating the amount involved, if known, together with copies of any such written documents; and
 2. If the Claim involves a third party Claim, then the Indemnifying Party shall have the right, at its sole cost, expense and ultimate liability regardless of outcome, through counsel of its choice, to litigate, defend, settle, or otherwise attempt to resolve such Claim, except that the Indemnified Party may elect, at any time and at the Indemnified Party's sole cost, expense and ultimate liability, regardless of outcome, and through counsel of its choice, to litigate, defend, settle, or otherwise attempt to resolve such Claim. If the Indemnified Party so elects (for reasons other than the Indemnifying Party's inability, failure, or refusal to provide a defense to such Claim), then the Indemnifying Party shall have no obligation to indemnify the Indemnified Party with respect to such Claim. In any event, all parties hereto shall fully cooperate with any other party and their respective counsel in connection with any such litigation, defense, settlement, or other attempt at resolution.

IV. Insurance.

- a. Insurance Limits. Cotswold and/or its contractors and subcontractors thereof providing services allowed pursuant to this Agreement shall maintain Commercial General Liability Insurance at its own expense during the term of this Agreement, naming and protecting Cotswold and City and JPA, their respective officers, agents, employees, successors, assigns, legal representatives, and agents as insured, against claims for damages resulting from (a) all acts or omissions, (b) bodily injury, (c) personal injury liability, and (d) property damage which may arise from operations under this Agreement whether such operations are conducted by Cotswold and its employees, or those directly or indirectly employed by Cotswold. This insurance shall be written by an insurance company authorized to do business in the State of Nebraska. The minimum acceptable limits of liability to be provided by such insurance shall be as follows:
 1. All Acts or Omissions - \$1,000,000 each Occurrence and \$2,000,000 Aggregate; and
 2. Bodily Injury/Property Damage - \$1,000,000 each Occurrence and \$2,000,000 Aggregate; and

3. Products and Completed Operations - \$1,000,000 each Occurrence; and
4. Personal and Advertising Injury - \$1,000,000 each Occurrence; and
5. Contractual Liability - \$1,000,000 each Occurrence; and
6. Medical Expenses - \$10,000 any one person
7. Fire damage - \$100,000 any one fire.

- b. Cotswold shall provide the City and JPA with a Certificate of Insurance for the General Liability Insurance required by this Agreement demonstrating that the limits set forth above are met and that the City and JPA are included as additional insured along with Cotswold with respect to all of the coverages required herein. Cotswold shall also provide a waiver of subrogation in favor of the City and JPA.

V. Severability.

If for any reason whatsoever, any one or more of the provisions of this Agreement shall be held or deemed to be inoperative, unenforceable, or invalid as applied to any particular case or in all cases, such circumstances shall not have the effect of rendering such provision invalid in any other case or of rendering any of the other provisions of this Agreement inoperative, unenforceable, or invalid.

VI. Construction.

The parties hereto acknowledge and agree that each party has participated in the drafting of this Agreement and that this document has been reviewed by the respective legal counsel for the parties hereto and that no inference in favor of, or against, any party shall be drawn by the fact that one party has drafted any portion hereof.

VII. Authority.

This Agreement has been duly executed and delivered by the parties and constitutes a legal, valid and binding obligation of each party, enforceable against the same in accordance with its terms. The JPA owns the Property, and no other persons have any interest in such real estate which would detrimentally affect Cotswold's ability to use the Right of Entry for the purposes stated herein.

VIII. Integration and Amendments.

This Agreement represents the entire agreement between the parties and all prior negotiations and representations are hereby expressly excluded from this Agreement. This Agreement may be amended or modified only in writing signed by both Parties.

IX. Assignment.

Cotswold may assign this Agreement to its contractor, subcontractors and/or material suppliers. Any such assignment shall not relieve Cotswold from any liabilities hereunder unless the City and JPA agree in writing.

Executed by West Haymarket Joint Public Agency this ____ day of _____, 2022.

ATTEST:

WEST HAYMARKET JOINT PUBLIC AGENCY,
a political subdivision and corporate body politic of
the State of Nebraska.

Tammy Ward, Secretary

By: _____
Leirion Gaylor Baird, Chair

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this ____ day of _____, 2022, by Leirion Gaylor Baird, Chair, on behalf of the West Haymarket Joint Public Agency, a political subdivision and corporate body politic of the State of Nebraska.

Notary Public

Executed this ____ day of _____, 2022 on behalf of the City of Lincoln, Nebraska.

“City”

ATTEST:

CITY OF LINCOLN, NEBRASKA

City Clerk

Leirion Gaylor Baird, Mayor of Lincoln

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing was acknowledged before me this ____ day of _____, 2022 by
Leirion Gaylor Baird, Mayor of the City of Lincoln, Nebraska, a political subdivision, on behalf
of the municipal corporation.

(SEAL)

Notary Public

Executed this ____ day of _____, 2022 on behalf of the Cotswold Management, LLC, a Nebraska limited liability company.

“Cotswold”

COTSWOLD MANAGEMENT, LLC, a
Nebraska limited liability company

By: J.A. Woollam Co., a Nebraska
corporation, Member

By: _____
Cathy Rustermier,
Board of Director, Secretary

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing was acknowledged before me this ____ day of _____, 2022 by
Cathy Rustermier, Board of Director, Secretary of J.A. Woollam Co., a Nebraska corporation, as
Member of the Cotswold Management, LLC, a Nebraska limited liability company, on behalf of
the limited liability company.

(SEAL)

Notary Public

My commission expires: _____

Exhibit A

