

CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
APRIL 7, 2020 AGENDA

Subject:	Type:	Submitted By:
FY 2018/2019 AUDITED COMPREHENSIVE ANNUAL FINANCIAL REPORT — BKD, LLP	◆ RESOLUTION ORDINANCE RECEIVE/FILE	CINDY MISEREZ FINANCE DIRECTOR

SYNOPSIS

A resolution has been prepared to accept the audited Comprehensive Annual Financial Report (CAFR) for the twelve months ending September 30, 2019. The Council will also be accepting the audited Financial Report for the Economic Development Fund – LB840.

FISCAL IMPACT

N/A.

RECOMMENDATION

Approval.

BACKGROUND

This report marks the first Comprehensive Annual Financial Report (CAFR) issued by the City. The CAFR, while facilitating transparency and full disclosure, goes beyond the minimum requirements of generally accepted accounting principles to not only assess the financial health of the City but to ensure that users of the financial statements have the information they need to do so themselves.

The Transmittal Letter gives the reader background on the City. The Management Discussion and Analysis (MD&A) explains the year's financial results. The Statistical Section provides trend information to indicate how the City's financial performance and position have changed over time and provides context for information provided in the Financial Section.

The Government Finance Officers Association (GFOA) sponsors a Certificate of Achievement for Excellence in Financial Reporting Program (CAFR Program). The City plans to submit this CAFR for that consideration.

The certified public accountants, BKD, LLP have submitted to the City their *Independent Auditor's Report on the Financial Statements and Report on Internal Control over Financial Reporting*. The auditor's reports state that the City's financial statements were tested and present fairly, in all material respects, the financial position of the City and disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

RESOLUTION NO.

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, NEBRASKA APPROVING THE FISCAL YEAR 2018-2019 MUNICIPAL AUDIT AS PREPARED BY THE AUDITING FIRM OF BKD, LLP, OMAHA, NEBRASKA.

WHEREAS, the City of La Vista has contracted with the firm of BKD, LLP, Omaha, Nebraska, to complete an audit of the City's fiscal year 2018-2019 municipal operations; and

WHEREAS, BKD, LLP has completed said audit and provided copies of their findings.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of La Vista, Nebraska, that the 2018-2019 municipal audit is hereby accepted and approved.

PASSED AND APPROVED THIS 7TH DAY OF APRIL 2020.

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, CMC
City Clerk

Comprehensive Annual Financial Report

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2019



CITY OF LA VISTA,
NEBRASKA

City of La Vista, Nebraska
Comprehensive Annual Financial Report
For the Fiscal Year Ended
September 30th, 2019
Prepared by:
The Finance Department

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City of La Vista, Nebraska
List of Elected and Appointed Officials
September 30, 2019

Elected Officials

Mayor

Douglas Kindig

City Council

Ward I

Kim Thomas, Council President
Mike Crawford

Ward III

Alan Ronan
Deb Hale

Ward II

Terrilyn Quick
Ron Sheehan

Ward IV

Kelly Sell
Jim Frederick

Appointed Officials

City Administrator

City Clerk

City Engineer

Finance Director

Director of Public Works

Chief of Police

City Attorney

Brenda Gunn

Pam Buethe

John Kottman, Pat Dowse

Cindy Miserez

Joe Soucie

Bob Lausten

Tom McKeon (FSBB, PC, LLO)

Executive Management Team

City Administrator

Assistant City Administrator

Assistant to the City Administrator

Director of Administrative Services

Director of Public Works

Chief of Police

Brenda Gunn

Rita Ramirez

Tommy Prouhet

Kevin Pokorny

Joe Soucie

Bob Lausten



March 31, 2020

Honorable Mayor, City Council,
And The Citizens of La Vista, Nebraska

The inaugural Comprehensive Annual Financial Report of the City of La Vista, Nebraska (the "City," "La Vista," or "City of La Vista") for the fiscal year ended September 30, 2019 is hereby submitted. State law requires cities to issue, within six months of fiscal year end, a set of audited financial statements. This report fulfills this requirement for the fiscal year ended September 30, 2019.

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

As a recipient of federal, state, and local financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to these programs.

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

The City's financial statements have been audited by BKD, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the City's financial statements for the fiscal year ended September 30, 2019, are fairly presented in accordance with general accepted accounting principles ("GAAP"). The independent auditor's report is presented as the first component of this report.

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

CITY PROFILE

Located on the northern edge of Sarpy County, in the Greater Omaha Combined Statistical Area (CSA), La Vista is the "youngest" city in the State of Nebraska, incorporated in 1960. From modest beginnings as a subdivision of 335 homes platted on 80 acres of land and a population of 1,360, La Vista has grown to become a dynamic and progressive community of over 18,000 and one of the fastest growing cities in Nebraska. La Vista is bordered by the

City Hall
8116 Park View Blvd.
La Vista, NE 68128-2198
p: 402-331-4343
f: 402-331-4375

Community Development
8110 Park View Blvd.
p: 402-593-6400
f: 402-593-6445

Library
9110 Giles Rd.
p: 402-537-3900
f: 402-537-3902

Police
7701 S. 96th St.
p: 402-331-1582
f: 402-331-7210

Public Works
9900 Portal Rd.
p: 402-331-8927
f: 402-331-1051

Recreation
8116 Park View Blvd.
p: 402-331-3455
f: 402-331-0299

www.cityoflavista.org
info@cityoflavista.org

cities of Omaha and Ralston on the north, Papillion on the south, Bellevue on the east and by Interstate 80 on the west.

La Vista is a friendly community, offering both the advantages of a small town and the opportunities of a large city. Its inviting neighborhoods feature well-kept homes abutting tree-lined streets, and its commercial and industrial districts are undergoing impressive development and redevelopment. City leaders and citizens have a progressive vision for La Vista that started with its incorporation over 60 years ago. La Vista offers an exceptional quality of life in a great suburban environment. The people who live and work in La Vista are truly proud of their community. The community embraces a forward-thinking plan for future growth and is able to attract and retain diverse businesses and highly skilled residents as a result of the City's solid infrastructure and convenient location. It has become home to a number of market leading businesses because of its location and the commitment of its elected officials to envision the City's future in partnership with its corporate citizens.

The City of La Vista operates under the Mayor-Council form of government. The Mayor is elected at large to a four-year term, and eight City Council members are elected from four dual-member wards to staggered four-year terms. The Mayor, with confirmation from the City Council, appoints a professional City Administrator and certain other officials as provided in the La Vista Municipal Code. The City Administrator manages the day-to-day operations of the City, which is organized into the following function areas: Public Safety, Public Works, Community Services, and Administrative Services, which are managed by four senior directors.

LOCAL ECONOMY

La Vista's corporate community includes Oath (Yahoo!), PayPal, Streck Laboratories, Oriental Trading Co., Cabela's, Inc., Costco, Rotella's and Securities America, among many others. Southport, the City's regional destination development located near the Interstate 80 Interchange at Harrison & Giles on the western edge of the City, features a full-service Embassy Suites Hotel and the La Vista Conference Center, and select-service hotels which include Courtyard by Marriott, Hampton Inn & Suites, and Comfort Suites, in addition to a growing compliment of retail and office users. In all, Southport contains more than 600 hotel rooms.

La Vista's diverse and high quality housing stock provides a wide range of residential options. With 17 parks, a premier 62-acre sports complex, swimming pool, community center, youth and senior recreation programs, and an outstanding public library, leisure time opportunities abound.

Elementary and secondary education is provided through the Papillion La Vista Community Schools, the fourth largest school district in the State, and the Omaha Catholic Archdiocese, which operates schools in adjoining Ralston and Papillion. Pre-kindergarten education is available through the private Primrose Academy and two Montessori Schools.

La Vista residents enjoy exceptional higher education opportunities as well. The University of Nebraska at Omaha (UNO), Creighton University and Bellevue University are easily accessible locally. Metro Community College's Sarpy Center is located in La Vista, and the University of Nebraska at Lincoln is only 45 minutes away. The overall quality of life in the City of La Vista was rated as "excellent" or "good" by 90% of respondents to the 2020 National Citizen Survey. 94% of respondents reported that they plan to remain in La Vista for the next five years.

LONG-RANGE FINANCIAL PLANNING

On September 20, 2011 the City Council approved a General Fund Cash Reserve Policy to ensure that the General Fund Reserve balance is accumulated and maintained to protect the stability of tax rates, fiscal solvency, and creditworthiness of the City. The policy establishes a reserve up to 25% of the year's General Fund operating expenditure budget. Based on the fiscal 2019 budget and the unassigned cash balance in the General Fund at September 30, 2019, the operating cash reserve percentage is 47%. The excess reserve primarily relates to the state sales and use tax reserve associated with the State of Nebraska economic development incentive programs.

The City maintains a five-year Capital Improvement Program to establish a proactive approach to sustain and improve the community's infrastructure. The Plan is updated annually in conjunction with the budget process. The plan establishes priorities and funding of capital investments, which the City of La Vista should make to assure its continued economic viability and to protect public health and safety. The first and second years of the plan are adopted as the capital budget.

MAJOR INITIATIVES

Corridor 84 is a major redevelopment project currently underway along a major north-south corridor in the heart of the City. A private developer is constructing a mixed-use district consisting of residential, commercial/retail, office and entertainment components, along with a state-of-the-art indoor/outdoor performance and entertainment venue. This area has been named City Centre. In conjunction with this project, the City is constructing public infrastructure that supports the development including streets, sewers, parking facilities and public plaza spaces. The City is also transforming what was an adjacent golf course into a regional recreation area that includes a large lake, restrooms, shelters, trails, and other amenities. Additional corridor improvements include a bridge and pedestrian underpass to connect the east and west sides of the community; and streetscape improvements that will integrate pedestrian pathways, lighting, landscaping and signage improvements to clearly identify the La Vista community. The City's infrastructure projects are included in the five-year Capital Improvement Program (CIP) and long-range operational needs such as staffing and maintenance are ongoing discussions and budget considerations.

ACKNOWLEDGEMENTS

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

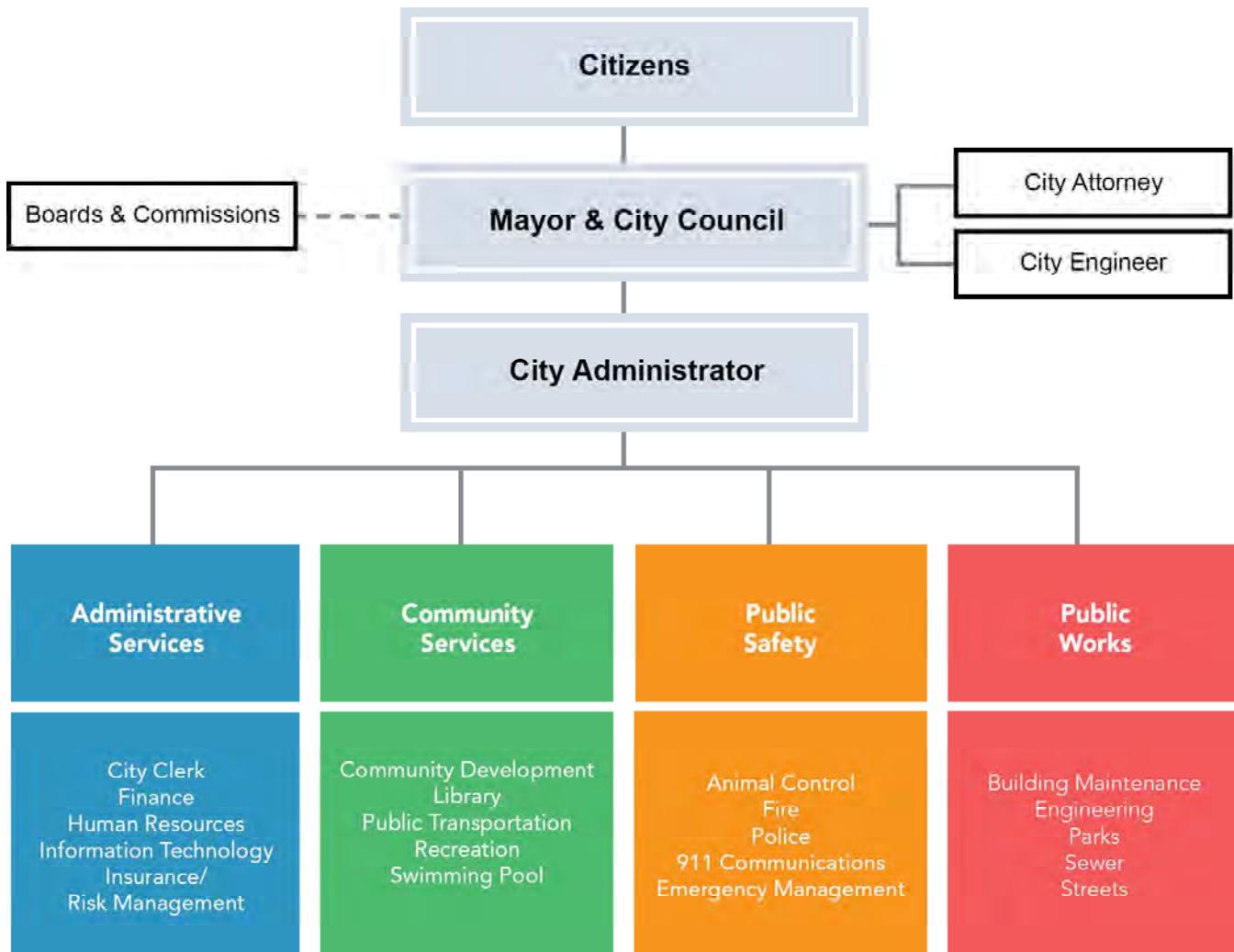
Respectfully submitted,



Brenda S. Gunn
City Administrator



Cindy Miserez, CGFM, MBA
Finance Director





FINANCIAL SECTION

COMPREHENSIVE ANNUAL FINANCIAL REPORT / CITY OF LA VISTA, NEBRASKA

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Independent Auditor's Report

The Honorable Major and City Council
City of La Vista, Nebraska

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of La Vista, Nebraska (City of La Vista) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City of La Vista'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, the business-type activities and each major fund of the City of La Vista, as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The budgetary comparison schedules and the introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison schedules and the introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated March 31, 2020, on our consideration of the City of La Vista's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of La Vista's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of La Vista's internal control over financial reporting and compliance.

BKD, LLP

Omaha, Nebraska
March 31, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED SEPTEMBER 30, 2019

This section of the City of La Vista, Nebraska (The “City” or “City of La Vista”) comprehensive annual financial report offers readers of the City’s financial statements a narrative overview and analysis of the City’s financial activities as a whole for the fiscal year ended September 30, 2019. Please consider this discussion in conjunction with the additional information provided in the Letter of Transmittal and the activities reflected in the City’s financial statements.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows of resources at September 30, 2019, by \$61.2 million. Of this amount, \$13.2 million is unrestricted and may be used to meet the government’s ongoing obligations to citizens and creditors.
- The City’s total net position increased by \$4.7 million, or 8.2% from the prior year. Of this amount, \$4.0 million, or 86%, is related to governmental activities and \$0.7 million, or 14%, is related to business-type activities.
- As of September 30, 2019, the unassigned fund balance for the General Fund was \$7.8 million or 47% of total operating General Fund expenditures. As of September 30, 2018 the corresponding fund balance amount was \$6.8 million or 43% of total operating General Fund expenditures.
- The City’s total bonded debt decreased by \$4.1 million, or 8.7% during the current fiscal year.
- As of September 30, 2019, the City’s general obligation bond rating from Moody’s Investor Service is Aa3.
- The City’s cash balance as of September 30, 2019, is \$15,643,683.

Overview of the Financial Statements

The City’s financial statements are prepared in accordance with accounting principles established by the Governmental Accounting Standards Board (“GASB”).

This discussion and analysis is intended to serve as an introduction to the City’s basic financial statements. The City’s basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

The basic financial statements include two kinds of statements which present different views of the City.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City’s overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City’s operations in more detail than the government-wide statements.
 - The governmental fund statements indicate how general governmental services such as public safety were financed in the short-term as well as what remains for future spending.
 - Proprietary fund statements offer short and long-term financial information about the activities the government operates like businesses, such as the sewer system.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information and other supplementary information which include fund budgetary comparisons. These statements further explain and support the information in the financial statements.

Government-Wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all the government’s assets and liabilities. All of the current year’s revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements on pages 20 and 21 report the City’s net position and how they have changed.

The Statement of Net Position presents the difference between the City’s assets and deferred outflows of resources and liabilities and deferred inflows of resources.

- Over time, increases or decreases in the City’s net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City one needs to consider additional non-financial factors such as changes in the City’s property tax base and the condition of the City’s capital assets.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- The City's certified valuation for fiscal year 2019 was \$1,542,141,658 compared to \$1,496,821,908 for fiscal year 2018. This equates to a 3.0% increase in overall valuation. The County Assessor's certified growth for fiscal year 2019 was \$11.8 million which reflects growth in new construction.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event of the change occurs, regardless of the timing of related cash flows. This is the accrual basis of accounting. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal months (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements of the City are divided into two categories:

- Governmental activities - Most of the City's basic services are included here. This includes police, streets, fire, library, planning, building inspection, parks, recreation departments, and general administration. Property and sales taxes, charges for services, and state and federal grants finance most of these activities.
- Business-type activities - The City charges fees to customers to help it cover the costs of certain services it provides. The City's sewer system is currently the only business type activity.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's funds - not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by state law and bond covenants.
- The City Council establishes other funds to control and manage money for particular purposes.

The City has two types of funds:

Governmental Funds - Most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view which helps determine whether there are greater or fewer financial resources which can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, a reconciliation to the Statement of Activities is provided which explains the relationship (or differences) between them. By comparing the governmental activities in the government-wide financial statements the reader may better understand the long-term impact of the government's near-term financing decisions.

Fund information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance Statement.

The basic governmental fund financial statements can be found on pages 24 through 27 of this report.

The City adopts a biennial appropriated budget for all its funds. A budgetary comparison statement has been provided for the General Fund, Keno Fund, and Police Academy Funds to demonstrate compliance with this budget. These statements can be found on pages 48 through 50 of this report. For other legally adopted fund budgets, these statements can be found on pages 54 through 57 of this report.

Proprietary funds - Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short-term financial information. In fact, the City's enterprise fund (one type of proprietary fund) is the same as its business-type activities, but provide more detail and additional information, such as a Statement of Cash Flows.

The basic proprietary fund financial statements can be found on pages 28 through 30 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32 through 46 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's 2019 budget information for various City funds. Required supplementary information can be found on pages 48 through 50 of this report.

Other Supplementary Information

This section contains legally adopted budget information for funds not previously included in the required supplementary information. These schedules are found on pages 54 through 57 of this report.

Financial Analysis of the City as a Whole

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows of resources by \$61.2 million at September 30, 2019.

The largest portion of the City's net position (66.6%) reflects its investment in capital assets (e.g. land, infrastructure, buildings, machinery, and equipment) less any related outstanding debt to acquire those assets still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

Condensed Statements of Net Position September 30, 2019 and 2018

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 27,203,454	\$ 33,933,111	\$ 3,981,066	\$ 3,328,231	\$ 31,184,520	\$ 37,261,342
Capital assets	76,884,383	68,423,396	5,100,597	5,035,436	81,984,980	73,458,832
Total assets	<u>104,087,837</u>	<u>102,356,507</u>	<u>9,081,663</u>	<u>8,363,667</u>	<u>113,169,500</u>	<u>110,720,174</u>
Deferred outflows of resources	443,412	527,210	-	-	443,412	527,210
Long-term liabilities	41,148,541	45,130,714	43,782	49,686	41,192,323	45,180,400
Other liabilities	10,107,251	8,465,894	1,160,192	1,108,298	11,267,443	9,574,192
Total liabilities	<u>51,255,792</u>	<u>53,596,608</u>	<u>1,203,974</u>	<u>1,157,984</u>	<u>52,459,766</u>	<u>54,754,592</u>
Deferred inflows of resources	-	-	-	-	-	-
Net position:						
Net investment in capital assets	35,719,808	32,292,598	5,005,395	5,035,436	40,725,203	37,328,034
Restricted	7,197,216	9,039,861	-	-	7,197,216	9,039,861
Unrestricted	<u>10,358,433</u>	<u>7,954,650</u>	<u>2,872,294</u>	<u>2,170,247</u>	<u>13,230,727</u>	<u>10,124,897</u>
Total Net Position	<u>\$ 53,275,457</u>	<u>\$ 49,287,109</u>	<u>\$ 7,877,689</u>	<u>\$ 7,205,683</u>	<u>\$ 61,153,146</u>	<u>\$ 56,492,792</u>

An additional portion of the City's net position (11.8%) represents resources subject to external restrictions on their use. The remaining balance of unrestricted net position (21.6%) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City reports positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

In addition to the General Fund departments listed on page 16, these funds are included in governmental activities expenditures:

Expenditure Category	Fund
General Government	Debt Service Fund
	Keno Fund (audit expenditures)
Public Safety	Police Academy Fund
Community Betterment	Keno Fund (remaining expenditures)
Community Development	Redevelopment Fund
	Economic Development Fund

Condensed Statements of Activities
For the Year Ended September 30, 2019 and 2018

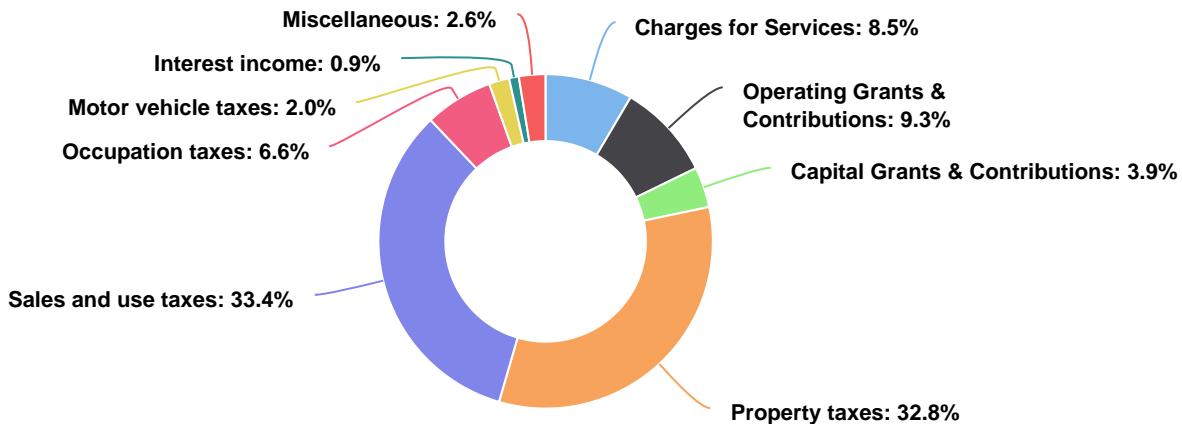
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues						
Charges for services	\$ 2,206,116	\$ 2,195,101	\$ 4,203,683	\$ 3,959,894	\$ 6,409,799	\$ 6,154,995
Operating grants & contributions	2,411,249	2,281,279	-	-	2,411,249	2,281,279
Capital grants & contributions	1,014,391	-	-	-	1,014,391	-
General revenues						
Property taxes	8,534,805	8,378,504	-	-	8,534,805	8,378,504
Sales and use taxes	10,024,129	9,821,847	-	-	10,024,129	9,821,847
State sales and use tax refunds	(1,351,136)	(414,404)	-	-	(1,351,136)	(414,404)
Occupation taxes	1,711,471	1,831,621	-	-	1,711,471	1,831,621
Motor vehicle taxes	510,523	483,324	-	-	510,523	483,324
Interest income	242,470	1,002,789	23,395	9,328	265,865	1,012,117
Miscellaneous	665,769	727,168	-	-	665,769	727,168
Total Revenues	25,969,787	26,307,229	4,227,078	3,969,222	30,196,865	30,276,451
Expenditures						
General government	4,038,516	4,033,942	-	-	4,038,516	4,033,942
Public safety	7,605,607	7,132,385	-	-	7,605,607	7,132,385
Public works	5,016,988	3,839,031	-	-	5,016,988	3,839,031
Culture and recreation	2,699,851	2,975,688	-	-	2,699,851	2,975,688
Community betterment	563,462	499,720	-	-	563,462	499,720
Community development	707,573	1,235,141	-	-	707,573	1,235,141
Interest on long-term debt	1,333,392	2,011,109	-	-	1,333,392	2,011,109
Sewer	-	-	3,571,122	3,305,178	3,571,122	3,305,178
Total Expenses	21,965,389	21,727,016	3,571,122	3,305,178	25,536,511	25,032,194
Increase in Net Position Before Transfers						
	4,004,398	4,580,213	655,956	664,044	4,660,354	5,244,257
Transfers	(16,050)	(23,528)	16,050	23,528	-	-
Capital contributions	-	(125,197)	-	125,197	-	-
Transfer of capital assets	-	33,447	-	(33,447)	-	-
Total Transfers	(16,050)	(115,278)	16,050	115,278	-	-
Increase in Net Position						
	3,988,348	4,464,935	672,006	779,322	4,660,354	5,244,257
Net position - beginning	49,287,109	44,822,174	7,205,683	6,426,361	56,492,792	51,248,535
Net position - ending	\$ 53,275,457	\$ 49,287,109	\$ 7,877,689	\$ 7,205,683	\$ 61,153,146	\$ 56,492,792

Governmental Activities

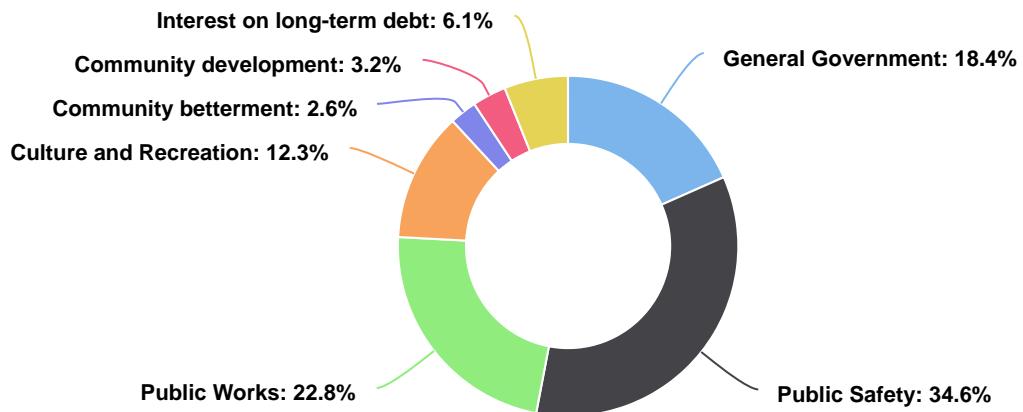
Governmental activities increased the City's net position by \$4.0 million. Key elements of the \$575,815 year over year decrease in net position activity are as follows:

- Operating grants and contributions increased \$129,970 (5.7%) in fiscal year 2019 due to increased payments in lieu of tax and highway allocation funds.
- Capital grants and contributions increased \$1 million in fiscal year 2019, primarily due to reimbursement from the State of Nebraska Department of Transportation of approximately \$934,000.
- Property tax receipts increased \$156,301 (1.9%) in fiscal year 2019 primarily due to a 3.0% increase in the overall tax base.
- Gross sales tax receipts increased by \$202,282 (2.1%) fiscal year 2019.
- State sales and use tax refunds were \$1 million higher in fiscal year 2019, reducing revenue. The Nebraska Advantage Act allows eligible businesses refunds of their state sales and use tax payments.
- Interest income decreased \$760,319 in fiscal year 2019 due to the full principal payment of the Economic Development Program Fund loan in fiscal year 2018.
- Expenditures increased \$238,373 in fiscal year 2019 primarily due to increased public works expenditures to repair streets.

Revenues by Source - Governmental Activities



Expenses by Category - Governmental Activities



Business-Type Activities

Business type activities increased the City's net position by \$0.7 million, or 14% of the total growth in the net position of the City.

The City Council accepted a sewer rate study which recommended increasing sewer use fees by an average of 5%. The rate supports the City's effort to create a capital replacement fund and meet the ongoing operations needed to maintain the sewer system.

The City's enterprise operations are reviewed on an ongoing basis. Revenues and expenses are adjusted as necessary to maintain an adequate amount of working capital. The City has decided to account for these activities through the use of enterprise accounting to better identify the cost of the services and for better management control.

Financial Analysis of the City's Funds

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a measure of a government's net resources available for spending at the end of the fiscal year. As the City completed the year, its governmental funds reported a combined fund balance of \$22.2 million. Of that fund balance, \$7.8 million constitutes unassigned fund balance.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The General Fund is the main operating fund of the City. At the end of fiscal year 2019, the unassigned fund balance of the general fund was \$7.8 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. The City's unassigned fund balance is 99% of the total fund balance. The unassigned fund balance represents 47% of the total 2019 governmental fund expenditures. This exceeds the target fund balance reserve policy of maintaining a reserve of up to 25%. This percentage of fund to expenditure ratio is important for the City to mitigate current and future risk, such as revenue shortfalls or unanticipated expenditures in capital or maintenance needs of City infrastructure and facilities. In addition, through the state's Nebraska Advantage Act incentive program, the City may need to refund earned sales taxes over several years into the future. To mitigate the revenue loss, the City maintains a reserve to offset these refunds. This state sales and use tax reserve balance is \$3.7 million. Excluding this amount from the general fund reserve balance the reserve balance is 25% which represents three months of operating expense.

The Debt Service Fund provides for the servicing of bonded debt issued for governmental activities regarding the general obligation bonds and notes from direct placements. At the end of the current fiscal year, the restricted fund balance was \$4.2 million which represents 108% of the scheduled principal and interest payments of the currently issued general obligation bonds and notes from direct placements due in the next twelve months.

The Keno Fund is restricted for community betterment as defined by Nebraska State Statutes. At the end of the fiscal year 2019, the restricted fund balance was \$3.6 million which is a \$324,612 increase from the prior year. The increase is a result of lower than anticipated expenditures. The majority of current year revenue was used for community events, such as Salute to Summer, Easter Egg Hunt, Halloween Safe Night and Holiday Tree Lighting. Funds are also directed to strategic initiatives such as the City's brand development, community surveys and other strategic initiatives. These funds will continue to be used in the future for community betterment purposes as allowed by the state.

The Capital Improvements Fund accounts for the City's construction projects. The fund balance of \$0.3 million is restricted for various capital projects. The decrease from last year's fund balance of \$3.6 million is a result of a parking garage construction located in City Centre.

The activity in the Economic Development Program Fund was minimal due to the close out of the existing grant in fiscal year 2018. The fund balance is restricted for future grant activity.

The 84th Street Redevelopment Fund was created to track proceeds of the additional one-half percent sales and use tax and related expenditures for public infrastructure projects or public purposes associated with redevelopment of the 84th Street corridor. The Redevelopment Fund is not exclusive and other funds of the City may be involved with respect to the 84th Street Redevelopment Area. At the end of the current fiscal year, the restricted fund balance was \$6.1 million which is a \$4.4 million decrease from one year ago. The decrease is a result of ongoing public infrastructure construction activity. The tax revenue bond debt service is paid through the 84th Street Redevelopment Fund.

The Sarpy-Douglas Law Enforcement Academy (SDLEA) is the primary activity of the Police Academy Fund. The fund balance of \$23,465 is restricted for SDLEA activities.

General Fund Budgetary Highlights

Significant variances between the general fund's actual revenues and expenditures (on the budgetary basis) and the final amended budget are summarized as follows:

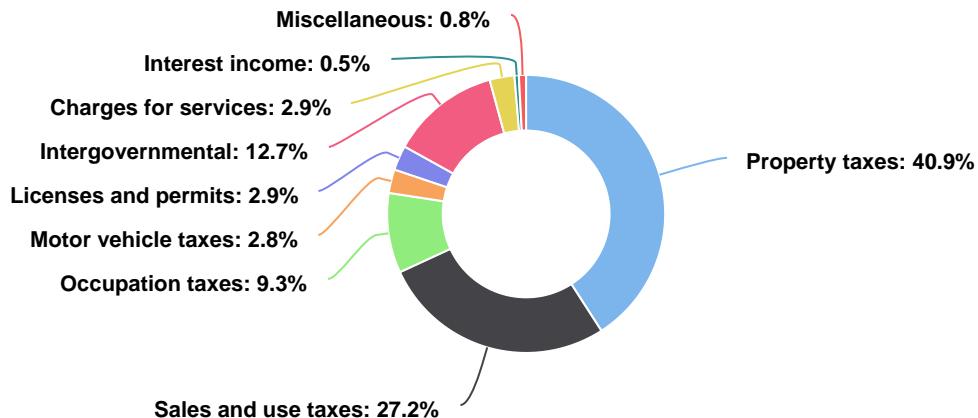
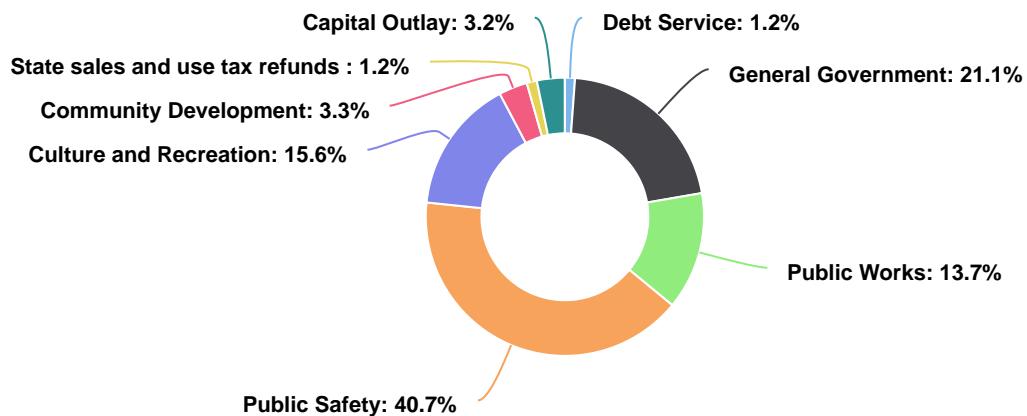
- Net sales tax revenue was under budget by \$0.4 million resulting from two variances:
 - Sales tax revenue was \$1.4 million below budget.
 - State sales and use tax refunds were \$1.0 million below budget.
- General government activity was \$603,676 below budget.
- Public works activity was \$131,658 below budget.
 - The Streets Department was \$79,605 below budget.
- Public safety activity was \$298,185 below budget.
 - The Police Department was \$270,632 below budget.
- Culture and recreation was \$537,093 below budget.
 - The Parks Department was \$367,772 below budget.
- The Community Development Department was \$154,459 below budget.

The primary source of budget variance is due to open positions during a portion of the year and reduced utilization of planned contracts. Over the course of the year, the City Council did not revise the City budget.

General Fund Budget and Actual (Budget Basis)

Year Ended September 30, 2019

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$15,057,339	\$15,057,339	\$14,635,068
Charges for services	373,618	373,618	523,976
Other	3,004,584	3,004,584	3,040,599
Total	18,435,541	18,435,541	18,199,643
Expenditures, lapsed encumbrances, and transfers			
	18,731,524	18,731,524	16,687,103
Changes in fund balance	\$ (295,983)	\$ (295,983)	\$ 1,512,540

General Fund Revenues - Actual**General Fund Expenses - Actual**

The following departments are included in the General Fund Expense Categories Chart on the prior page.

General Government

Administration
Administrative Services
Building Maintenance
Information Technology
Human Resources
Public Transportation
Special Services Bus
Finance

Public Works

Public Works Administration
Streets

Public Safety

Police
Fire
Animal Control
Police Academy

Culture and Recreation

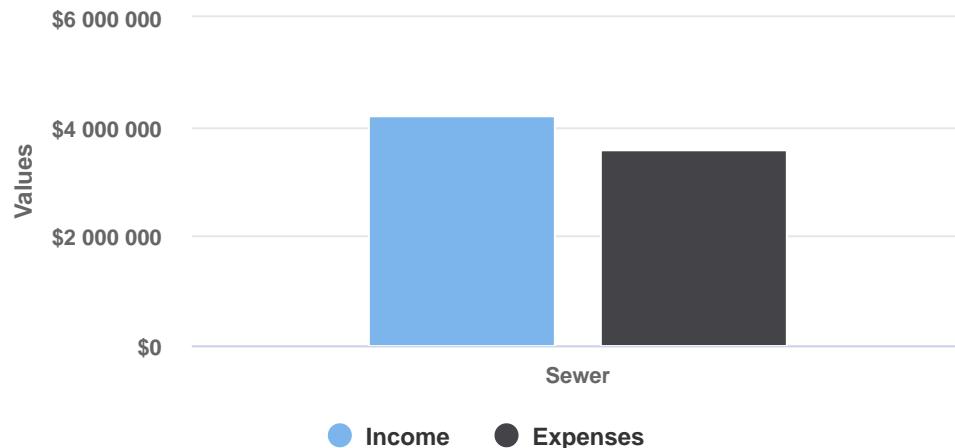
Parks
Recreation
Sports Complex
Library
Pool

Community Development

Community Development

Proprietary Fund

Expense and Program Revenues - Business Type Activities



The City's Sewer Fund provides the same type of information found in the government-wide financial statements, but in more detail.

The total proprietary fund unrestricted net position at the end of the year was \$2.9 million. Factors concerning the finances of this fund are addressed in the discussion of the City's business-type activities.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's capital assets for its governmental and business-type activities as of September 30, 2019, equals \$82.0 million (net of accumulated depreciation). This investment in capital assets includes vehicles, furniture, land, buildings, and system improvements, including construction-in-progress, machinery and equipment, park facilities, utility systems, roads, highways, and bridges. The net increase in the City's capital assets for the current year was \$8.5 million. This is a 12% increase over the prior year, resulting from new asset purchases being greater than the depreciation of assets. This is an increase of 12% for governmental activities and an increase of 1% for business type activities.

Capital Assets (net of depreciations)
September 30, 2019 and 2018

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 15,609,324	\$ 15,609,324	\$ 9,524	\$ 9,524	\$ 15,618,848	\$ 15,618,848
Buildings	10,617,438	6,559,140	-	-	10,617,438	6,559,140
Improvements/Infrastructure	30,598,233	30,412,095	-	-	30,598,233	30,412,095
Equipment/Furniture/Vehicles	3,328,144	3,238,791	722,106	627,129	4,050,250	3,865,920
Sewer line system	-	-	4,241,085	4,398,783	4,241,085	4,398,783
Construction in progress	16,731,244	12,604,046	127,882	-	16,859,126	12,604,046
Total	\$ 76,884,383	\$ 68,423,396	\$ 5,100,597	\$ 5,035,436	\$ 81,984,980	\$ 73,458,832

Major Capital Asset events during 2019 include the following

- One-and-Six Year Road Plan improvements, including:
 - 84th Street from Harrison Street to Giles Road was resurfaced with a new asphalt overlay for \$1.6 million. The State of Nebraska was billed for \$934,000.
 - A new asphalt overlay on Park View Boulevard from 72nd Street to 84th Street and Brentwood Drive from 84th to 87th Street was installed. The amount expended was \$832,000.
- City Centre Public Improvements:
 - A \$3.7 million parking garage was constructed.
 - Public infrastructure improvements including streets, sewer, and utilities amounted to \$2.6 million in expenditures.
- Civic Center Park Phase 2 improvements which include a walking trail, lake, fountain, and utilities, amounts to \$2 million.

Additional Information on the City's capital assets can be found in Note 7 of the notes to the financial statements on pages 39 and 40 of this report.

Long Term Debt

At the end of fiscal year 2019, the City had total bonded debt outstanding of \$43.2 million, all backed by the full faith and credit of the government. The City made all scheduled payments.

Outstanding Bonded Debt
September 30, 2019 and 2018

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
General obligation bonds	\$ 22,075,000	\$ 25,300,000	\$ -	\$ -	\$ 22,075,000	\$ 25,300,000
Tax revenue bonds	18,065,000	18,560,000	-	-	18,065,000	18,560,000
Notes from direct placements	2,810,000	3,150,000	-	-	2,810,000	3,150,000
Premium/discount on bonds issued	247,341	285,118	-	-	247,341	285,118
Total	\$ 43,197,341	\$ 47,295,118	\$ -	\$ -	\$ 43,197,341	\$ 47,295,118

The City's bonded debt decreased by 8.7% in fiscal year 2019. The net decrease of \$4.1 million is a result of scheduled payments towards the outstanding bonds.

The City maintains a Aa3 bond rating as issued by Moody's Investors Service.

The City has notes payable direct borrowings of \$362,605 related to capital equipment. These notes contain a provision that in the event of default, outstanding amounts become immediately due if the City is unable to make payment.

Additional information on the City's long-term debt can be found in Note 8 on pages 40 through 42 of this report.

Economic Factors and Next Year's Budget and Rates

While establishing fiscal year 2020's budget, the focus is on the long-term future of the City, not simply a one-year view. As a result of budgetary planning done in prior years, the City was able to prepare the fiscal 2020 budget without an increase to the property tax levy.

Revenues:

- Gross sales and use tax continues to increase at a steady pace. Sales and use tax incentive refunds are budgeted at \$1.5 million in 2020. Net sales tax receipts in 2020 are projected at \$9.4 million, which is a 1% decrease from 2019 receipts of \$9.5 million on a budget basis. This is due to higher sales and use tax refunds in 2020. Gross sales and use tax receipts are estimated to increase 8.3% in 2020. Sales & use tax is 27% of revenues for the General Fund on a budgetary basis and 33% of revenues on a governmental activity basis.
- The City's assessed property tax valuation for the year ending September 30, 2019, is \$1,542,141,658 which is 3.0% higher compared to the year ended September 30, 2018, due primarily to an increase in property values within city limits. Property tax is a significant revenue source and accounts for approximately 33% of General Fund revenues on a budgetary basis and 30% of revenues on a governmental activity basis.
- A Restaurants and Drinking Places tax was approved by City Council on September 3, 2019. The City may set the rate to collect up to \$700,000 per fiscal year per state statute with periodic review of the rate.
- A sewer rate study was completed in 2019 for the sewer system which recommended a 5% rate increase. The rates became effective on October 1, 2019.
- The City anticipated continued commercial build out of the 84th Street corridor and annexations to increase future year's sales tax and property tax revenue.

Expenditures:

- The City has budgeted and expects to make significant expenditures for the following capital projects during the next two fiscal years. Major projects are listed below:

Project	2020 Adopted	2021 Projection
City Hall Facility Improvements	\$ 150,000	\$ 2,000,000
Giles Road Widening	512,000	2,484,000
66th Street Reconstruction	12,600	829,600
96th Street Panel Overlay	1,100,000	-
108th Street Asphalt Overlay	2,400,000	-
City Centre Drive	1,000,000	250,000
84th Street Underpass	500,000	2,000,000
Civic Center Park OPPD Line	2,100,000	-
84th Corridor Streetscape	2,500,000	2,500,000
East La Vista Sewer and Pavement Rehabilitation	50,000	3,800,000
Civic Center Park Phase 3	200,000	2,000,000
City Centre Parking #1	200,000	-
City Centre Parking #2	550,000	-
City Park Interface Improvements	3,350,000	2,000,000
Swimming Pool	500,000	6,000,000
Street Resurfacing #2	-	500,000
Resurface Edgewood and 78th Street	-	900,000
Thompson Creek Channel and Trail	150,000	1,600,000
 Total	 \$ 15,274,600	 \$ 26,863,600

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Clerk's Office, 8116 Park View Blvd La Vista, NE 68128.



Government-Wide Financial Statements

COMPREHENSIVE ANNUAL FINANCIAL REPORT  CITY OF LA VISTA, NEBRASKA

Statement of Net Position
September 30, 2019

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 12,968,065	\$ 2,675,618	\$ 15,643,683
Restricted cash and cash equivalents	5,631,679	-	5,631,679
Cash at County Treasurer	107,712	-	107,712
Certificates of deposit	2,060,674	257,539	2,318,213
Investments	2,979,247	504,791	3,484,038
Receivables	3,391,000	543,118	3,934,118
Prepaid items	65,077	-	65,077
Capital assets			
Nondepreciable	32,340,568	137,406	32,477,974
Depreciable, net	44,543,815	4,963,191	49,507,006
Total assets	<u>104,087,837</u>	<u>9,081,663</u>	<u>113,169,500</u>
Deferred Outflows of Resources			
Deferred charge on refunding	<u>443,412</u>	<u>-</u>	<u>443,412</u>
Liabilities			
Accounts payable	3,395,896	1,040,177	4,436,073
Accrued expenses	1,249,055	117,457	1,366,512
State sales and use tax refunds payable	1,351,136	-	1,351,136
Compensated absences			
Payable within one year	167,369	2,558	169,927
Payable in more than one year	1,532,390	43,782	1,576,172
Notes payable			
Due within one year	148,795	-	148,795
Due in more than one year	213,810	-	213,810
Bonds payable			
Due within one year	3,795,000	-	3,795,000
Due in more than one year	39,402,341	-	39,402,341
Total liabilities	<u>51,255,792</u>	<u>1,203,974</u>	<u>52,459,766</u>
Net Position			
Net investment in capital assets	35,719,808	5,005,395	40,725,203
Restricted for community betterment	3,577,253	-	3,577,253
Restricted for debt service	3,596,498	-	3,596,498
Restricted for public safety	23,465	-	23,465
Unrestricted	10,358,433	2,872,294	13,230,727
Total net position	<u>\$ 53,275,457</u>	<u>\$ 7,877,689</u>	<u>\$ 61,153,146</u>

See Notes to the Financial Statements

Statement of Activities
Year Ended September 30, 2019

	Net Revenues (Expenses) and Changes in Net Position					
	Program Revenues			Net Revenues (Expenses) and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government						
Governmental activities						
General government	\$ 4,038,516	\$ 530,210	\$ 378,590	\$ -	\$ (3,129,716)	\$ -
Public safety	7,605,607	-	156,973	12,629	(7,436,005)	-
Public works	5,016,988	-	1,875,686	1,001,762	(2,139,540)	-
Culture and recreation	2,699,851	563,996	-	-	(2,135,855)	-
Community betterment	563,462	1,111,910	-	-	548,448	-
Community development	707,573	-	-	-	(707,573)	-
Interest on long-term debt	1,333,392	-	-	-	(1,333,392)	-
Total governmental activities	21,965,389	2,206,116	2,411,249	1,014,391	(16,333,633)	-
Business-type activities						
Sewer	3,571,122	4,203,683	-	-	-	632,561
Total business-type activities	3,571,122	4,203,683	-	-	-	632,561
Total Primary Government	\$ 25,536,511	\$ 6,409,799	\$ 2,411,249	\$ 1,014,391	\$ (16,333,633)	\$ 632,561
General Revenues						
Property taxes				8,534,805	-	8,534,805
Sales and use taxes				10,024,129	-	10,024,129
State sales and use tax refunds				(1,351,136)	-	(1,351,136)
Occupation taxes				1,711,471	-	1,711,471
Motor vehicle taxes				510,523	-	510,523
Interest income				242,470	23,395	265,865
Miscellaneous				665,769	-	665,769
Transfers				(16,050)	16,050	-
Total general revenues and transfers	20,321,981			39,445		20,361,426
Change in Net Position				3,988,348	672,006	4,660,354
Net Position, Beginning of Year				49,287,109	7,205,683	56,492,792
Net Position, End of Year				\$ 53,275,457	\$ 7,877,689	\$ 61,153,146

See Notes to the Financial Statements

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Fund Financial Statements

COMPREHENSIVE ANNUAL FINANCIAL REPORT  CITY OF LA VISTA, NEBRASKA

FUND FINANCIAL STATEMENTS

**Balance Sheet –
Governmental Funds
September 30, 2019**

	General Fund	Debt Service Fund	Keno Fund	Capital Improvements Fund	Economic Development Fund	84th Street Redevelopment Fund	Police Academy Fund	Total Governmental Funds
Assets								
Cash and cash equivalents	\$ 5,297,654	\$ 3,745,148	\$ 380,434	\$ 226,805	\$ 7,043	\$ 3,310,981	\$ -	\$ 12,968,065
Restricted cash and cash equivalents	131,146	-	72,333	2,133,821	-	3,270,824	23,555	5,631,679
Cash at County Treasurer	102,401	5,311	-	-	-	-	-	107,712
Certificates of deposit	1,287,732	-	772,942	-	-	-	-	2,060,674
Investments	559,032	36,575	2,383,640	-	-	-	-	2,979,247
Due from other funds	348	2,377	-	-	-	-	-	2,725
Prepaid items	62,711	-	-	-	-	-	2,366	65,077
Receivables	1,538,663	424,410	82,893	933,527	-	410,350	1,157	3,391,000
Total assets	\$ 8,979,687	\$ 4,213,821	\$ 3,692,242	\$ 3,294,153	\$ 7,043	\$ 6,992,155	\$ 27,078	\$ 27,206,179
Liabilities								
Accounts payable	\$ 464,972	\$ -	\$ 29,625	\$ 2,037,907	\$ -	\$ 862,298	\$ 1,094	\$ 3,395,896
Accrued expenses	442,454	-	92,059	-	-	-	2,519	537,032
Due to other funds	2,377	-	348	-	-	-	-	2,725
Total liabilities	\$ 909,803	-	122,032	2,037,907	-	862,298	3,613	3,935,653
Deferred Inflows of Resources								
Unavailable revenues	130,261	10,279	-	933,527	-	-	-	1,074,067
Fund Balances								
Nonspendable	62,711	-	-	-	-	-	2,366	65,077
Restricted for:								
Debt service	-	4,203,542	-	-	-	-	-	4,203,542
Community betterment	-	-	3,570,210	-	-	-	-	3,570,210
Economic development	-	-	-	-	7,043	-	-	7,043
84th street redevelopment	-	-	-	322,719	-	6,129,857	-	6,452,576
Public safety	-	-	-	-	-	-	21,099	21,099
Committed for:								
Capital outlay	100,716	-	-	-	-	-	-	100,716
Unassigned	7,776,196	-	-	-	-	-	-	7,776,196
Total fund balances	\$ 7,939,623	4,203,542	3,570,210	322,719	\$ 7,043	6,129,857	23,465	\$ 22,196,459
Total liabilities, deferred inflows of resources and fund balances	\$ 8,979,687	\$ 4,213,821	\$ 3,692,242	\$ 3,294,153	\$ 7,043	\$ 6,992,155	\$ 27,078	\$ 27,206,179

See Notes to the Financial Statements

**Reconciliation of the Balance Sheet
of Governmental Funds to the
Statement of Net Position
September 30, 2019**

Total Fund Balances - Total Governmental Funds	\$ 22,196,459
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, net of accumulated depreciation used in governmental activities, are not financial resources and, therefore, are not reported in the funds.	76,884,383
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds. Other related amounts include interest payable of \$269,260, bond premiums of \$274,768 and bond discounts of \$27,427. Amount also includes retainage payable of \$442,763 and notes payable of \$362,605.	(44,271,969)
Deferred outflows of resources related to refunded debt are not current financial resources, and therefore, are not reported in the funds.	443,412
Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(1,699,759)
State sales and use tax refunds payable are not due and payable in the current period and, therefore, are not reported in the funds.	(1,351,136)
Deferred inflows represents funds not available in the current period and, therefore, are not recognized as revenue in the governmental funds.	<u>1,074,067</u>
Net Position of Governmental Activities	<u>\$ 53,275,457</u>

See Notes to the Financial Statements

FUND FINANCIAL STATEMENTS

**Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds
Year Ended September 30, 2019**

	General Fund	Debt Service Fund	Keno Fund	Capital Improvements Fund	Economic Development Fund	84th Street Redevelopment Fund	Police Academy Fund	Total
Revenues								
Property taxes	\$ 7,531,642	\$ 970,025	\$ -	\$ -	\$ -	\$ 2,506,032	\$ -	\$ 8,501,667
Sales and use taxes	5,012,065	2,506,032	-	-	-	-	-	10,024,129
Occupation taxes	1,711,471	-	-	-	-	-	-	1,711,471
Motor vehicle taxes	507,578	-	-	-	-	-	-	507,578
Licenses and permits	530,410	-	-	-	-	-	-	530,410
Intergovernmental	2,342,116	-	-	-	-	-	81,762	2,423,878
Charges for services	530,676	-	-	-	-	-	-	530,676
Keno	-	-	1,111,910	-	-	-	-	1,111,910
Interest income	75,044	49,280	52,930	13,055	109	60,368	212	250,998
Special assessments	-	455,621	-	-	-	-	-	455,621
Miscellaneous	152,494	509,244	-	-	-	-	-	661,738
Total revenues	18,393,496	4,490,202	1,164,840	13,055	109	2,566,400	81,974	26,710,076
Expenditures								
Current								
General government	3,612,840	150,053	26,380	38,513	-	500	-	3,828,286
Public works	2,345,088	-	-	-	-	-	-	2,345,088
Public safety	6,964,579	-	-	-	-	-	95,389	7,059,968
Culture and recreation	2,670,865	-	-	-	-	-	-	2,670,865
Community betterment	-	-	563,462	-	-	163,722	-	727,184
Community development	571,650	-	-	-	-	-	-	571,650
State sales tax refunds	201,445	100,722	-	-	-	100,722	-	402,889
Capital outlay	553,248	-	-	6,269,431	-	4,984,079	-	11,806,758
Debt service								
Principal retirement	168,603	3,565,000	-	-	-	495,000	-	4,228,603
Interest	14,661	633,751	-	-	-	637,618	-	1,286,030
Total expenditures	17,102,979	4,449,526	589,842	6,307,944	-	6,381,641	95,389	34,927,321
Excess (Deficiency) of Revenues Over (Under) Expenditures								
Over (Under) Expenditures	1,290,517	40,676	574,998	(6,294,889)	109	(3,815,241)	(13,415)	(8,217,245)
Other Financing Sources (Uses)								
Transfers, net	(365,856)	(1,868,892)	(250,386)	3,016,874	-	(552,083)	20,000	(343)
Total other financing sources (uses)	(365,856)	(1,868,892)	(250,386)	3,016,874	-	(552,083)	20,000	(343)
Net Change in Fund Balances	924,661	(1,828,216)	324,612	(3,278,015)	109	(4,367,324)	6,585	(8,217,588)
Fund Balances, Beginning of Year	7,014,962	6,031,758	3,245,598	3,600,734	6,934	10,497,181	16,880	30,414,047
Fund Balances, End of Year	\$ 7,939,623	\$ 4,203,542	\$ 3,570,210	\$ 322,719	\$ 7,043	\$ 6,129,857	\$ 23,465	\$ 22,196,459

See Notes to the Financial Statements

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities - Governmental Activities
September 30, 2019**

Net Change in Fund Balances - Total Governmental Funds	\$ (8,217,588)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	8,022,849
The issuance of long-term debt provides current financial resources to governmental funds; however, the transaction increases long-term liabilities in the Statement of Net Position. Governmental funds report the effect of the premiums, discounts and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.	37,777
Repayment of bond, note and warrant principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	4,228,603
In the Statement of Activities, interest is accrued on outstanding bonds and notes, whereas in governmental funds, an interest expenditure is reported when due.	(36,436)
Compensated absences do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(50,391)
State sales tax refunds payable do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds until the refunds are paid. This is the amount by which refunds accrued in the Statement of Activities exceed payments made in the governmental funds.	(948,247)
Deferred inflows represent funds not available in the current period and, therefore, are not recognized as revenue in the governmental funds.	1,051,286
Government funds report capital asset transfers to proprietary funds as expenditures.	(15,707)
Amortization of deferred amounts on refunding that do not represent activity in the current period.	<u>(83,798)</u>
Change in Net Position of Governmental Activities	<u>\$ 3,988,348</u>

See Notes to the Financial Statements

**Balance Sheet –
Proprietary Fund
September 30, 2019**

Assets		Sewer Fund
Current Assets		
Cash and cash equivalents	\$ 2,675,618	
Certificates of deposit	257,539	
Investments	504,791	
Accounts receivable	543,118	
		3,981,066
Total current assets		
Non-Current Assets		
Land	9,524	
Equipment and furniture	1,942,636	
Utility systems	7,872,662	
Buildings and improvements	9,365	
Construction in progress	127,882	
Accumulated depreciation	(4,861,472)	
		5,100,597
Capital assets - net of depreciation		
		\$ 9,081,663
Total assets		
Liabilities and Net Position		
Current Liabilities		
Accounts payable	\$ 1,040,177	
Accrued expenses	117,457	
Compensated absences - current portion	2,558	
		1,160,192
Total current liabilities		
Non-Current Liabilities		
Compensated absences	43,782	
		43,782
Total non-current liabilities		
Net Position		
Net investment in capital assets	5,005,395	
Unrestricted	2,872,294	
		7,877,689
Total net position		
		\$ 9,081,663
Total liabilities and net position		

See Notes to the Financial Statements

**Statement of Revenues, Expenses, and Changes in Net Position –
Proprietary Fund
Year Ended September 30, 2019**

	Sewer Fund
Operating Revenues	
User fees	\$ 4,087,111
Permits and hookups	<u>116,572</u>
Total operating revenues	<u>4,203,683</u>
Operating Expenses	
General and administrative	13,126
Maintenance	3,300,164
Depreciation and amortization	<u>257,832</u>
Total operating expenses	<u>3,571,122</u>
Operating Income	<u>632,561</u>
Nonoperating Revenues	
Interest income	<u>23,395</u>
Total nonoperating revenues	<u>23,395</u>
Income Before Transfers	<u>655,956</u>
Transfers	<u>16,050</u>
Change in Net Position	<u>672,006</u>
Net Position, Beginning of Year	<u>7,205,683</u>
Net Position, End of Year	<u>\$ 7,877,689</u>

See Notes to the Financial Statements

Statement of Cash Flows – Proprietary Funds
Year Ended September 30, 2019

	Sewer Fund
Cash Flows from Operating Activities	
Receipts from customers	\$ 4,144,865
Payments to suppliers	(2,823,754)
Payments to employees	<u>(538,748)</u>
Net cash provided by operating activities	<u>782,363</u>
Cash Flows from Noncapital Financing Activities	
Transfers	<u>16,050</u>
Net cash provided by noncapital financing activities	<u>16,050</u>
Cash Flows from Capital and Related Financing Activities	
Acquisition of capital assets	<u>(227,791)</u>
Net cash used in capital and related financing activities	<u>(227,791)</u>
Cash Flows from Investing Activities	
Net proceeds (purchases) from sales and maturities of investments	(507,986)
Interest income	<u>23,395</u>
Net cash used in investing activities	<u>(484,591)</u>
Net Increase in Cash and Cash Equivalents	<u>86,031</u>
Cash and Cash Equivalents, Beginning of Year	<u>2,589,587</u>
Cash and Cash Equivalents, End of Year	<u>\$ 2,675,618</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating income	632,561
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	257,832
Changes in operating assets and liabilities	
Increase in receivables	(58,818)
Increase in payables and accrued expenses	<u>(49,212)</u>
Net Cash Provided by Operating Activities	<u>\$ 782,363</u>
Supplemental Cash Flows Information	
Accounts payable incurred for capital assets	<u>\$ 95,202</u>

See Notes to the Financial Statements



Notes to Financial Statements

COMPREHENSIVE ANNUAL FINANCIAL REPORT  CITY OF LA VISTA, NEBRASKA

NOTES TO THE FINANCIAL STATEMENTS**Note 1: Summary of Significant Accounting Policies****Introduction**

The accounting and reporting framework and the more significant accounting principles and practices of the City of La Vista, Nebraska (the "City") are discussed in the subsequent section of this Note. The remainder of the Notes are organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended September 30, 2019.

The City of La Vista, Nebraska operates under a Council-Mayor form of government and provides the following services: public safety (Police and Fire), public works (highway and streets), sanitary sewer, culture and recreation, community development (planning and zoning), and general administrative services.

Financial Reporting Entity

These financial statements present the financial statements of the City as the primary government. In determining its reporting entity, the City has considered all potential component units for which it is financially accountable, including other organizations which are fiscally dependent on the City, or the significance of their relationship with the City are such that exclusion would make the financial statements misleading or incomplete. The Governmental Accounting Standards Board ("GASB") has set forth criteria to be considered in determining financial accountability, which was used in making this evaluation.

The City has determined the La Vista Municipal Facilities Corporation is a blended component unit as the governing body consists of members appointed by the City government and the City is obligated to help support the component unit. A blended component unit, although a legally separate entity, is a direct part of the government's operations. The City is financially responsible for this blended component unit and provides operational responsibility and control. No separate financial statements are issued for this blended component unit.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period and that it is legally available for such purposes. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for debt service expenditures and other long-term obligations general obligations, which are reported as expenditures in the year due.

Major revenues that are determined to be susceptible to accrual include real estate taxes, sales taxes, earned interest, and charges for services. Major revenues not susceptible to accrual because they are either not available early enough to pay liabilities from the current period or are not measurable until received include franchise taxes, special assessments, licenses, permits, and fines. Revenues not considered available are recorded as unearned revenues.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

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

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements report financial information for the City as a whole excluding fiduciary activities. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The Statement of Activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

Net position should be reported as restricted when constraints placed on net position use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Separate financial statements are provided for governmental funds and proprietary funds. Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Major individual funds are reported in separate columns in the fund financial statements. A fund is considered major if it is the primary operating fund of the City, meets specific criteria set forth by GASB or is identified as a major fund by the City's management.

Fund Types and Major Funds

Governmental funds are those through which most general governmental functions of the City are financed. Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

The City reports the following major governmental funds:

General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for services and interest income.

Debt Service Fund is used to account for financial resources that are restricted for, and the payment of, general long-term debt principal, interest, and related costs.

Keno Fund is a special revenue fund used to account for the revenues and expenses related to the Keno operations of the City. These funds are used for community betterment.

Capital Improvements Fund is a capital projects fund used to account for financial resources that are committed to expenditures for capital outlay.

Economic Development Fund is a debt service fund used to account for revenues and expenditures to support the payment of long-term debt principal, interest and related costs. The bond proceeds are used to issue grants to support the commercial developments, rehabilitate residential neighborhoods and expand industrial development in order to ensure economic stability and vitality of the City.

84th Street Redevelopment Fund is a capital projects fund used to account for revenues and expenditures to support the redevelopment of the 84th Street corridor between Harrison Street and Giles Street to improve the economic viability of a town center and central park. A voter approved sales tax levy provides the revenue for this fund.

The Police Academy Fund is a special revenue fund used to account for revenues and expenditures to support the operation of a law enforcement training academy as defined in an interlocal agreement between Sarpy County, Douglas County, City of Papillion and City of Bellevue.

A legally adopted budget is approved for each of the above funds.

Proprietary funds are used to account for the City's ongoing organizations and activities that are similar to those often found in the private sector. Proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included in the balance sheet. Proprietary fund operating statements present increases and decreases in total net position.

Note 1: Summary of Significant Accounting Policies (Continued)

The City reports the following major proprietary fund:

Sewer Fund accounts for the activities of the government's sewer utility.

Cash and Investments

For purposes of the Statement of Cash Flows, cash equivalents are short-term, highly liquid investments which are both readily convertible to known amounts of cash, and so near their maturity (generally original maturity of three months or less) that they present insignificant risk of changes in value because of interest rate changes.

The City maintains a cash deposit pool that is available for use by all funds. The pool consists of bank deposits and investments. The equity of proprietary funds in this pool is cash and cash equivalents for purposes of the Statement of Cash Flows. In addition, cash and investments are separately held by several of the City's funds.

Nonnegotiable certificates of deposit are carried at amortized cost, which approximates fair value. The City invests in an external investment pool which primarily invests in government agency securities, certificates of deposit, demand deposits and repurchase agreements which are valued at amortized cost, which approximates fair value based on the short-term nature of the investments. All other investments are carried at fair value. Fair value is determined using quoted market prices.

Investment income includes dividend and interest income and the net change for the year in the fair value of investments carried at fair value. Investment income is assigned to the funds with which the related investment asset is associated.

Special Assessments

Special assessments are recorded as revenue in the year the assessments become current. Annual installments not yet due are reflected as special assessments receivables and deferred inflows of resources. As of September 30, 2019, there are no outstanding special assessments owed to the City.

Unbilled Sewer Revenue

Billings for sewer revenues are rendered on a monthly basis. Unbilled sewer revenues, representing estimated consumer usage for the period between the last billing date and the end of the year, have been recorded in the amount of \$537,780, and are included in accounts receivable.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded as an expenditure at the time of consumption.

Capital Assets and Depreciation

The City's property, plant, equipment and infrastructure with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements; proprietary capital assets are also reported in their respective fund. The City maintains infrastructure asset records consistent with all other capital assets. The City generally capitalizes assets with a cost of \$2,500 or more as purchase and construction outlays occur. Such assets are recorded at historical cost or estimated historical cost. Donated assets are stated at acquisition value on the date donated. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized.

Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	10 - 45 years
Improvements	5 - 30 years
Infrastructure and utility systems	20 - 60 years
Equipment, furniture, and fixtures	5 - 20 years

Note 1: Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category, the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category and is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, special assessments, and grants that are deferred and recognized as an inflow of resources in the period that the amounts become available.

Revenues are deferred if not received within 60 days of recognition.

Long-Term Obligations

In government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond discounts or premiums are amortized over the terms of the respective bonds using a method that approximates the effective interest method.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

Compensated Absences

Vacation leave and other compensated absences with similar characteristics are accrued as the benefits are earned if the leave is attributable to past services and it is probable that the City will compensate the employees for such benefits. Sick leave and other compensated absences with similar characteristics are accrued as the benefits are earned only to the extent that it is probable that the City will compensate the employees for such benefits. Such accruals are based on current salary rates plus an additional amount for compensation-related payments such as Social Security and Medicare taxes and pension amounts using rates in effect at that date. Vacation and sick leave is accrued in accordance with the City's policy, when incurred in the government-wide and proprietary fund financial statements. In the governmental funds, only compensated absences expected to be liquidated with expendable available financial resources are recorded as a fund liability.

State Sales and Use Tax Refund Payable

Qualified companies in the State of Nebraska are allowed certain benefits under various legislative acts and incentive programs, including refunds of State sales and use taxes paid. These refunds can include the local option tax as well as state taxes. Under State Statute, the State Tax Commissioner must notify an affected city, village, county, or municipal county of any pending refund claims of more than twenty-five thousand dollars by June 15 of a given year. The notification must be made by July 1 of the same year and the refund will be made on or after November 15. On a monthly basis, the State notifies the City of approved refund claims exceeding \$25,000. The State pays the refund to the recipient and, twelve months later, deducts that amount from the City's sales and use tax proceeds. If the amount of a refund exceeds 25% of the City's sales and use tax receipts for a prior fiscal year, the deduction will be made in twelve equal installments beginning thirteen months after the payment is made by the State to the recipient. The City accrues these tax refunds due upon receipt of notification from the State Tax Commissioner.

Net Position

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

NOTES TO THE FINANCIAL STATEMENTS**Note 1: Summary of Significant Accounting Policies (Continued)**

Net investment in capital assets – This component of net position 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 improvements of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvements of those assets are also included in this component of net position. If there are significant unspent related debt proceeds at year-end, the portion of debt attributable to unspent proceeds is not included in the calculation of net investment in capital assets.

Restricted – This component of net position consists of restrictions placed on net position use through external constraints imposed by creditors (such as debt covenants), contributors, or law or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Fund Balance Classification

The fund balances for the City's governmental funds are displayed in five components:

Nonspendable - Nonspendable fund balances are not in a spendable form or are required to be maintained intact.

Restricted - Restricted fund balances may be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

The source of the restricted fund balance for the Debt Service Fund is unexpended tax revenue to be used for debt service. The Keno Fund restricted fund balance is intended for community betterment expenditures. The restricted fund balance in the Capital Improvements Fund is designated for 84th Street redevelopment parking garage capital construction expenditures. The fund balance in the Economic Development Fund is restricted for economic development purposes. The source of the restricted fund balance in the 84th Street Redevelopment Fund is unexpended sales tax revenue and bond proceeds. The designated use of these funds is debt service payments and capital construction expenditures. The restricted fund balance of the Police Academy Fund is designated for program expenditures of the Sarpy-Douglas law Enforcement Academy (SDLEA).

Committed - Committed fund balances may be used only for the specific purposes determined by resolution of the City Council. Commitments may be changed or lifted only by issuance of a resolution by the City Council.

In the fiscal year 2019 budget, according to Neb. Rev. Statute 13-518 (5), the City Council designated a portion of the General Fund to be used for acquisition or replacement of tangible personal property with a useful life of five years or more which is to be undertaken in the future but is to be paid for in part or in total in advance using periodic payment assignment as a qualified sinking fund. The September 30, 2019 balance is \$100,716.

Assigned - Assigned fund balances are intended to be used by the City for specific purposes as determined by management. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. On September 30, 2019, the City did not have any assigned funds.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications.

Fund balances are classified as restricted, committed, assigned or unassigned. When expenditures are incurred that use funds from more than one classification, the city will generally determine the order which the funds are used on a case-by-case basis, taking into account any applicable requirements of grant agreements, contracts, business circumstances, or other constraints. If no other constraints exist, the order of spending of resources will be restricted, committed, assigned and, lastly, unassigned.

At the end of each fiscal year, the City will maintain spendable - unassigned portions of the fund balance for a cash reserve in a range up to 25% of the General Fund operating expenditures. In addition to cash reserve needs this accommodates emergency contingency concerns.

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

Note 2: Budget and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- The City's department heads, and mid-level managers prepare and submit budget requests for the following two fiscal years to the City Administrator who then reviews the request with the department and division heads.
- After this review process has been completed, the City Administrator presents these budget requests to the Mayor and City Council along with recommendations as to what changes, if any, should be made. These budget requests and recommendations are reviewed by the City Council at meetings open to the public.
- A public hearing and the first reading of the budget is then conducted at a City Council meeting to obtain comments from citizens. Two additional readings are conducted at subsequent City Council meetings.
- Prior to September 20, the City Council legally enacts the budget through the passage of a resolution adopting the biennial budget.
- Formal budgetary integration is employed as a management control device during the year for all Governmental Funds and Proprietary Funds.
- The budgets adopted are stated on a cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America.

Note 3: Deposits and Investments

Deposits

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

State law requires collateralization of all deposits with federal depository insurance; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities of the State of Nebraska; bonds of any city, county, school district or special road district of the State of Nebraska; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits. The statutes allow pledged securities to be reduced by the amount of the deposit insured by the Federal Deposit Insurance Corporation (FDIC).

At September 30, 2019, all the City's deposits in excess of FDIC are covered by collateral held in a Federal Reserve pledge account or by an agent of the City.

Investments

Generally, the City's investing activities are managed under the custody of the City Finance Director. The City has an adopted investment policy. The City may legally invest in state-sponsored pooled investment funds and in direct obligations of and other obligations guaranteed as to principal by the U.S. Treasury and U.S. Agencies and instrumentalities.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates (market rates) will affect the fair value of an investment.

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

Credit Risk – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The City's only investments are units of participation in the short-term investment pool of the Nebraska Public Agency Investment Trust ("NPAIT"). NPAIT is a special purpose government established under Nebraska statute. The investment pool or trust is not registered and is not rated for credit risk. The City limits its interest rate risk by investing only in the short-term pool, which consists primarily of government agency or government securitized investments with maturities of less than one year. The amount invested in the NPAIT pool was \$3,484,038 at September 30, 2019.

Concentration of Credit Risk – The City places no limit on the amount that may be invested in any one issuer.

NOTES TO THE FINANCIAL STATEMENTS

Note 3: Deposits and Investments (Continued)**Summary of Carrying Values**

The carrying values of deposits and investments are included in the government-wide Statement of Net Position as follows:

Carrying Values	
Cash at County Treasurer	\$ 107,712
Deposits	23,593,575
Investments	3,484,038
	<u>\$ 27,185,325</u>

Included in the following Statement of Net Position captions as follows:

Cash and cash equivalents	\$ 15,643,683
Restricted cash and cash equivalents	5,631,679
Cash at County Treasurer	107,712
Certificates of deposit	2,318,213
Investments	3,484,038
	<u>\$ 27,185,325</u>

Note 4: 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 market 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 City's investments in external pooled investments are carried at amortized cost and thus are not included within the fair value hierarchy.

Note 5: Property Taxes

The tax levy for the City is certified by the Sarpy County Board each year. Real estate taxes are due and attached as an enforceable lien on December 31 following the levy date. The first half of real estate taxes becomes delinquent on April 1 and the second half becomes delinquent August 1 following the levy date. Delinquent taxes bear interest at a 14% annual rate. Property taxes are collected by the County Treasurer and are periodically remitted to the City.

The tax rate to finance governmental services other than the payment of principal and interest on long-term debt for the year ended September 30, 2019, was \$0.4900 per \$100 of assessed valuation and the debt service requirement was \$0.0600 per \$100 of assessed valuation. The assessed valuation for the 2018-2019 tax year was \$1,542,141,658.

Note 6: Receivables

Receivables at September 30, 2019, consist of the following:

Fund	Taxes	Accounts Receivable	Total Receivables
General	\$ 935,532	\$ 603,131	\$ 1,538,663
Debt Service	424,410	-	424,410
Keno	-	82,893	82,893
Capital Improvement	-	933,527	933,527
Redevelopment Fund	410,350	-	410,350
Police Academy	-	1,157	1,157
Sewer	-	543,118	543,118
	<u>\$ 1,770,292</u>	<u>\$ 2,163,826</u>	<u>\$ 3,934,118</u>

The City anticipates collecting all outstanding receivables.

Note 7: Capital Assets and Depreciation

Capital asset activity for the year ended September 30, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Land	\$ 15,609,324	\$ -	\$ -	\$ 15,609,324
Construction in progress	12,604,046	11,562,778	(7,435,580)	16,731,244
Total capital assets, not being depreciated	28,213,370	11,562,778	(7,435,580)	32,340,568
Capital assets, being depreciated				
Buildings	19,189,417	4,826,232	-	24,015,649
Improvements/infrastructure	60,251,804	2,742,143	(70,438)	62,923,509
Equipment/furniture/vehicles	11,768,800	544,607	(60,055)	12,253,352
Total capital assets, being depreciated	91,210,021	8,112,982	(130,493)	99,192,510
Accumulated Depreciation				
Buildings	(12,630,277)	(772,069)	4,135	(13,398,211)
Improvements/infrastructure	(29,839,709)	(2,495,860)	10,293	(32,325,276)
Equipment/furniture/vehicles	(8,530,009)	(515,980)	120,781	(8,925,208)
Total accumulated depreciation	(50,999,995)	(3,783,909)	135,209	(54,648,695)
Capital assets being depreciated, net	40,210,026	4,329,073	4,716	44,543,815
Governmental activities capital assets, net	\$ 68,423,396	\$ 15,891,851	\$ (7,430,864)	\$ 76,884,383

Depreciation was charged to functions/programs as follows:

Governmental Activities	
General services	\$ 225,244
Public safety	573,229
Culture and recreation	293,679
Public works	2,691,757
Total governmental activities depreciation expense	\$ 3,783,909

NOTES TO THE FINANCIAL STATEMENTS

Note 7: Capital Assets and Depreciation (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Land	\$ 9,524	\$ -	\$ -	\$ 9,524
Construction in progress	-	127,882	-	127,882
Total capital assets, not being depreciated	9,524	127,882	-	137,406
Capital assets, being depreciated				
Building and improvements	9,365	-	-	9,365
Sewer line system	7,872,662	-	-	7,872,662
Equipment and furniture	1,747,938	194,698	-	1,942,636
Total capital assets, being depreciated	9,629,965	194,698	-	9,824,663
Accumulated depreciation				
Building and improvements	(9,365)	-	-	(9,365)
Sewer line system	(3,473,879)	(156,129)	(1,569)	(3,631,577)
Equipment and furniture	(1,120,809)	(101,703)	1,981	(1,220,530)
Total accumulated depreciation	(4,604,053)	(257,832)	412	(4,861,472)
Capital assets being depreciated, net	5,025,912	(63,134)	412	4,963,191
Business-type activities capital assets, net	\$ 5,035,436	\$ 64,748	\$ 412	\$ 5,100,597

Depreciation was charged to functions/programs as follows:

Business-type Activities

Sewer \$ 257,832

Note 8: Long-term Liabilities

General obligation bonds, issued by the City for various municipal improvements, are repaid through the Debt Service Fund (sales and use tax, property tax), the General Fund (highway allocation revenue), and the Redevelopment Fund (sales and use tax). The City has pledged its full faith and credit as collateral for the general obligation bonds. The City has no debt outstanding subject to legal debt limitations. The City's borrowing capacity is restrained by maintaining the City's debt at a responsible level.

The following is a summary of long-term debt activity of the City for the year ended September 30, 2019:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable					
General obligation bonds	\$ 25,300,000	\$ -	\$ 3,225,000	\$ 22,075,000	\$ 2,965,000
Tax revenue bonds	18,560,000	-	495,000	18,065,000	505,000
Notes from direct placements	3,150,000	-	340,000	2,810,000	325,000
Premium/discount on bonds issued	285,118	-	37,777	247,341	-
Total bonds payable	47,295,118	-	4,097,777	43,197,341	3,795,000
Other long-term liabilities					
Installment notes payable - direct borrowings	531,208	-	168,603	362,605	148,795
Compensated absences	1,649,368	821,462	771,071	1,699,759	167,369
Total other long term liabilities	2,180,576	821,462	939,674	2,062,364	316,164
Total governmental long-term liabilities	\$ 49,475,694	\$ 821,462	\$ 5,037,451	\$ 45,259,705	\$ 4,111,164
Business-type Activities					
Other long-term liabilities					
Compensated absences	\$ 51,982	\$ 39,547	\$ 45,189	\$ 46,340	\$ 2,558

The compensated absences reported as governmental activities will be paid from the General Fund.

The compensated absences of the business-type activities will be paid from the Sewer Fund.

Note 8: Long-term Liabilities (Continued)

Long-term bonded debt and notes payable are comprised of the following:

	Original Borrowing	Interest Rates	Final Maturity	Date Callable	Outstanding Balance
Governmental Activities					
General obligation bonds:					
June 28, 2012, GO refunding bonds	\$ 8,915,000	0.300-3.250%	12/15/2032	06/28/2017	\$ 4,705,000
December 31, 2014 public safety tax anticipation refunding bonds	835,000	1.850-2.350%	11/15/2022	12/31/2019	430,000
December 31, 2014 GO refunding bonds	6,475,000	1.750-2.450%	08/15/2023	12/31/2019	2,345,000
December 31, 2014 highway allocation refunding bonds	790,000	1.850-3.250%	11/15/2028	12/31/2019 *	590,000
December 31, 2014 facilities corp refunding bonds	2,935,000	1.750-3.650%	03/15/2035	12/31/2019	1,565,000
December 1, 2015, GO refunding bonds	8,240,000	0.500-2.350%	12/15/2026	12/01/2020	5,800,000
September 5, 2018 GO offstreet parking series 2018 Garage 1	4,955,000	1.700-4.000%	09/01/2038	09/05/2023	4,770,000
May 25, 2016, highway allocation refunding bonds	2,070,000	1.000-3.125%	05/01/2041 **	05/01/2041 **	1,870,000
Total general obligation bonds					\$ 22,075,000
Special tax revenue bonds:					
December 21, 2017, tax supported improvement bonds	18,840,000	1.250-5.000%	07/15/2042	07/15/2022	\$ 18,065,000
Direct Placements					
August 21, 2018, refunding certificates of participation	3,150,000	1.5000-3.000%	12/15/2026	12/15/2023	\$ 2,810,000
Total Bonds					\$ 42,950,000
Installment notes payable - direct borrowings***					
January 5, 2015, dump truck		2.89%	01/05/2020		\$ 12,026
May 1, 2018, street sweeper		3.00%	05/01/2022		144,024
May 1, 2018, dump truck		3.00%	05/01/2022		135,063
July 18, 2018, bucket truck		3.00%	08/01/2022		71,492
Total installment notes payable					\$ 362,605

* Bonds are subject to mandatory redemption in various amounts prior to maturity beginning November 15, 2015.

** Bonds are subject to mandatory redemption in various amounts prior to maturity beginning May 1, 2017.

*** Installment notes payable are collateralized by the equipment acquired.

NOTES TO THE FINANCIAL STATEMENTS

Note 8: Long-term Liabilities (Continued)

Maturities of the long-term debt, subject to mandatory redemption are as follows:

Governmental Activities

Year Ending September 30,	General Obligation Bonds			Tax Revenue Bonds		
	Principal	Interest		Principal	Interest	
2020	\$ 2,965,000	\$ 527,344		\$ 505,000	\$ 630,688	
2021	2,855,000	474,511		515,000	616,900	
2022	2,905,000	415,322		545,000	591,150	
2023	2,215,000	359,408		570,000	563,900	
2024	1,580,000	309,671		600,000	535,400	
2025-2029	5,070,000	1,087,158		3,435,000	2,238,850	
2030-2034	2,450,000	589,271		4,015,000	1,649,050	
2035-2039	1,810,000	209,190		4,685,000	985,725	
2040-2044	225,000	10,625		3,195,000	209,950	
	<u>\$ 22,075,000</u>	<u>\$ 3,982,500</u>		<u>\$ 18,065,000</u>	<u>\$ 8,021,613</u>	
Year Ending September 30,	Notes from Direct Placements			Installment Notes - Direct Borrowings		
	Principal	Interest		Principal	Interest	
2020	\$ 325,000	\$ 68,771		\$ 148,795	\$ 9,768	
2021	330,000	62,793		141,014	5,455	
2022	335,000	55,749		72,796	1,160	
2023	345,000	48,045		-	-	
2024	355,000	38,925		-	-	
2025-2029	1,120,000	51,150		-	-	
	<u>\$ 2,810,000</u>	<u>\$ 325,433</u>		<u>\$ 362,605</u>	<u>\$ 16,383</u>	

The City's outstanding notes from direct borrowings and direct placements related to government activities of \$2,810,000 contain a provision that in an event of default, outstanding amounts become immediately due if the City is unable to make payment.

Note 9: Interfund Balances and Activity

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds.

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (b) move revenues from restricted funds to funds where the expenditures were incurred related to the restrictions and to (c) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Transfer To/From Other Funds at September 30, 2019, consists of the following cash transfers:

Transfer To	Transfer From					Total
	General Fund	Debt Service Fund	Keno Fund	Redevelopment Fund	Governmental Activities	
General	\$ -	\$ -	\$ 186,805	\$ -	\$ -	\$ 186,805
Debt Service	476,295	-	-	76,781	-	553,076
Capital Improvements	56,366	2,421,968	63,238	475,302	-	3,016,874
Police Academy	20,000	-	-	-	-	20,000
Sewer	-	-	343	-	15,707	16,050
	<u>\$ 552,661</u>	<u>\$ 2,421,968</u>	<u>\$ 250,386</u>	<u>\$ 552,083</u>	<u>\$ 15,707</u>	<u>\$ 3,777,098</u>

During the year ended September 30, 2019, \$15,707 was transferred from Governmental Activities to the Sewer Fund.

Note 9: Interfund Balances and Activity (Continued)

As of September 30, 2019, the balance due to/from other funds primarily resulted from the respective funds overdrawing its share of pooled cash.

Due To	Due From		
	General Fund	Keno Fund	Total
Debt Service	\$2,377	\$ -	\$2,377
General	-	348	348
Total	<u>\$2,377</u>	<u>\$348</u>	<u>\$2,725</u>

Note 10: Reconciliation of Budgetary Basis to Modified Accrual Basis

Amounts presented on the budgetary basis of accounting differ from those presented in accordance with the modified accrual basis of accounting due to the treatment afforded accruals, encumbrances, and funds for which legally adopted annual budgets are not established. A reconciliation for the year ended September 30, 2019, which discloses the nature and amount of the adjustments necessary to convert the actual modified accrual basis data to the budgetary basis, is presented below:

	General Fund	Keno Fund	Police Academy
Net change in fund balance			
Balance on a GAAP basis	\$ 924,661	\$ 324,612	\$ 6,585
Basic differences (accruals) occur because the cash basis of accounting used for budgeting differs from the modified accrual basis of accounting prescribed for governmental funds	587,879	33,409	239
Balance on a budget basis	<u>\$ 1,512,540</u>	<u>\$ 358,021</u>	<u>\$ 6,824</u>

Note 11: Retirement Plans

The employees of the City are covered by several defined contribution retirement plans as detailed below. All plans are administered by outside trustees and, therefore, are not included in the City's basic financial statements. Any plan provisions or amendments are reviewed and approved by the Mayor and City Council. The City plans are administered by the International Cities and Counties Manager Association - Retirement Corporation (ICMA-RC). ICMA-RC is a not-for-profit organization chartered to provide a portable retirement plan for government employers nationwide.

City Administrator's Retirement Plan

The City has a defined contribution pension plan covering the City Administrator, the only participant in this plan. The plan requires that the City and the employee contribute an amount equal to 10.80% and 6.27%, respectively, of the employee's base salary per pay period. The City's pension expense and plan member's contributions to the plan for the year ended September 30, 2019, were \$16,695 and \$9,693, respectively.

Civilian Employee Retirement Plan

The City has a defined contribution pension plan covering all civilian employees who are eligible with 103 participants as of September 30, 2019. The plan requires that both the employee and the City contribute an amount equal to 6% of the employee's base salary per pay period. The plan allows for forfeitures to be used to pay administration costs of the plan and then used to reduce the City's contributions. Employees are fully vested in their contributions and begin vesting in employer contributions after four years and are fully vested after seven years. The City's pension expense and plan members' contributions to the plan for the year ended September 30, 2019, were \$251,588 each. The City used \$47,032 in forfeitures to offset the City's contributions to the plan in 2019.

Note 11: Retirement Plans (Continued)

Police Retirement Plan

The City has a defined contribution pension plan for its full-time employees in the Police Department with 49 participants as of September 30, 2019.. The plan was converted effective January 1, 1984, from a defined benefit plan to a defined contribution plan. The plan requires that both the employee and the City contribute an amount equal to 7% of the employee's base salary per pay period. The plan allows for forfeitures to be used to pay administration costs of the plan and then used to reduce the City's contributions. Employees are fully vested in their contributions and begin vesting in employer contributions after four years and are fully vested after seven years. The City's pension expense and plan members' contributions to the plan for the year ended September 30, 2019, were \$226,718 each. The City used \$50,129 in forfeitures to offset the City's contributions to the plan in 2019.

Fire Retirement Plan

The City has a defined contribution pension plan for its full time employees in the Fire Department. The plan was effective June 2007. The plan requires that the employee contribute an amount equal to 6.5% and the City contribute an amount equal to 13% of the employee's base salary per pay period. The plan allows for forfeitures to be allocated to the Unallocated Employer Account and if the Unallocated Employer Account is insufficient to meet plan liabilities, then forfeitures shall first be used to pay expenses of administration and then reduce City contributions.

Employees are fully vested in their own contributions and begin vesting in employer contributions after four years and are fully vested after seven years. The only employee in the plan, the Fire Chief, retired in July 2018 and therefore for the year ended September 30, 2019, there were no City or employee contributions.

Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all regular permanent full and part-time City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held in trust for the exclusive benefits of the participants and their beneficiaries. The plan assets are held in trust by a third party, ICMA-RC, for the employees and are not reflected in these financial statements.

Note 12: Risk Management

The City is exposed to various risks of loss related to torts, theft, damage to, or destruction of assets, errors or omissions, injuries to employees, or natural disasters. These risks are transferred to independent insurance carriers and no self-insurance program is maintained by the City. City management believes adequate coverage exists for potential exposures as of September 30, 2019. The City did not pay any settlement amounts which exceeded its insurance coverage for any of the three preceding years.

Note 13: Commitments and Contingencies

Commitments

During the year, the City has accepted various bids for street improvements and other projects in the normal course of business that have not been completed and/or fully paid for at year-end.

Claims and Litigation

The City is involved in various litigation matters in the normal course of business. The outcome of such litigation is not expected to have a material effect on the City's financial position or results of operations.

Government Grants

The City participates in several federally assisted grant programs, which are subject to financial and compliance audits or reviews. The amount of expenditures, if any, which may be disallowed by the granting agencies, is not determinable at this time; however, City officials do not believe that such amounts, if any, will be significant.

Note 13: Commitments and Contingencies (Continued)

State Sales and Use Tax Refunds

Qualified companies in the State of Nebraska are allowed certain benefits under various legislative acts and incentive programs, including refunds of sales and use taxes paid. These refunds can include the local option tax as well as state taxes. Under State Statute, the State Tax Commissioner must notify an affected city, village, county, or municipal county of any pending refund claims of more than twenty-five thousand dollars by June 15 of a given year. The notification must be made by July 1 of the same year and the refund will be made on or after November 15. On a monthly basis, the State notifies the City of approved refund claims exceeding \$25,000. The State pays the refund to the recipient and, twelve months later, deducts that amount from the City's sales and use tax proceeds. If the amount of a refund exceeds 25% of the City's sales and use tax receipts for a prior fiscal year, the deduction will be made in twelve equal installments beginning thirteen months after the payment is made by the State to the recipient. The City accrues these tax refunds due upon receipt of notification from the State Tax Commissioner.

The amount of tax refunds due, if any, under these acts and programs is not determinable by the City until notification is made by the state.

As of September 30, 2019, the City had been notified of \$1,351,136 of state sales and use tax refunds due, which are to be repaid starting in December 2019 through August 2020. This amount is recognized on the government-wide Statement of Net Position.

Between December 2019 and January 2020, the City was notified by the state of approximately \$803,113 of additional state sales tax refunds due beginning in December 2020.

Note 14: Interlocal Agreements

Fire Department

In October 2013, the City entered into an interlocal agreement with the City of Papillion ("Papillion") and the Papillion Rural Fire District ("RFD") to allow Papillion to expand its fire department operations to provide fire and emergency medical services ("EMS") for all of the participants to the agreement and areas within each participants' boundaries beginning April 1, 2014. In consideration for these services, the City and RFD each contribute proportionate funding and use of their respective fire and EMS equipment, fire apparatuses, EMS medic units and other fire or EMS vehicles and fire department real property. The agreement will terminate on September 30, 2033, with optional ten-year terms thereafter.

Under the terms of the agreement, the participants have created a mutual finance organization as authorized under the Nebraska Municipal Finance Assistance Act, known as the Papillion Fire Protection Mutual Finance Organization ("MFO"). The MFO is responsible for transacting business for financing the operation and equipment needs of the fire department or MFO; having charge and custody of and managing all funds of the MFO; and seeking funding from the Nebraska Mutual Finance Assistance Fund or other potential funding organizations. The participants in the MFO are required to levy a general fund property tax at an equal rate for the purpose of jointly funding the single fire department operations. The rate must have unanimous approval from all participants and exclude levies for bonded indebtedness and lease-purchase contracts in existence on July 1, 1998. The Papillion Finance Director serves as the fiscal agent of the MFO.

As of September 30, 2019, the MFO has not issued debt nor acquired title to any assets. Any debt or assets of the MFO would be split amongst the participants.

During the year ended September 30, 2019, the City paid \$1,926,516 to Papillion in consideration of services rendered. The City received \$509,244 from the MFO, as determined by the terms of the interlocal agreement.

Police Academy

On April 4, 2017, the City entered into the Law Enforcement Training Academy interlocal agreement with Sarpy County, Douglas County, the City of Papillion and the City of Bellevue to create the Sarpy-Douglas Law Enforcement Academy (SDLEA). The City provides office space and administrative and accounting support for the SDLEA. Each participating agency contributes \$20,000 per year to the Policy Academy Fund and provides training locations for the classes.

NOTES TO THE FINANCIAL STATEMENTS**Note 14: Interlocal Agreements (Continued)**

The Agreement is administered by an Advisory Board consisting of the chief law enforcement officer of each participating agency, or his or her designee. The Advisory Board members are responsible for the overall policies and administration of this Agreement. The governing board is known as the Sarpy-Douglas Law Enforcement Academy Advisory Board. The Board makes any and all decisions based on the concurrence of a majority of the Board members after providing an opportunity for all Board members to be involved in any and all such decisions. The Sarpy-Douglas Law Enforcement Academy Advisory Board shall meet at least four times each year, with such additional meetings held as often as its members deem advisable. The Advisory Board shall annually in the month of September, from among themselves, elect a chairperson on a rotating basis. The Board shall establish and implement rules and procedures not inconsistent with the terms of this Agreement for implementation hereof.

The Agreement shall be effective for a term of five (5) years beginning on October 1, 2017 and ending September 30, 2022. The Agreement may only be terminated upon the mutual agreement of all participating agencies. At the end of the initial five year term, the agreement shall automatically renew for two (2) additional one year terms unless any Party to the Agreement gives written notice by April 1 prior to the effective date of the termination to the other participating agencies as to its desire to withdraw or terminate or amend the Agreement.

During the year ended September 30, 2019, the City received \$81,762 from the participating agencies and the City transferred \$20,000 from the General Fund to the Police Academy Fund, as determined by the terms of the interlocal agreement.

Note 15: Tax Abatements

The state approves tax abatements under the Tax Increment Financing Program (TIF), the Nebraska Advantage Act and the Employment and Investment Growth Act.

TIF provides property tax abatements to encourage improvements to blighted property. The program is established under the auspices of a state statute (Article 21, Section 18-2101 – 2144) empowering cities and counties to establish such programs. The abatements equal 100 percent of the additional property tax resulting from the increase in assessed value as a result of the improvements, as administered as a rebate of the incremental taxes generated from improvements to property, and last for 15 years (or fewer, if the loan is paid off). Eligibility for approval requires the property to have no loss of pre-existing tax revenues, and the developer demonstrates the project is not feasible without TIF. Abatements are obtained through application by the property owner and are reviewed and approved by the Council prior to commencing the improvements. This refund reduces the next property tax paid to the City. As of September 30, 2019, the City has entered into agreements with developers under TIF.

The Employment and Investment Growth Act under State Legislative Bill (LB) 775 and the Nebraska Advantage Act under LB 312 grants tax credits and sales tax refunds for companies that hire at least 30 new employees and invest at least \$3 million. These acts allow a refund of sales tax paid on equipment or other taxable property purchased in connection with the project. This refund to companies reduces the net monthly sales receipts remitted to the City.

Taxes abated under these programs for the fiscal year ended September 30, 2019 were \$1,369,203. This consists of \$18,067 pertaining to the Tax Increment Financing Program and \$1,351,136 pertaining to the Employment and Investment Growth Act and Nebraska Advantage Act.

Note 16: Subsequent Events

In December 2019, the City issued \$4,690,000 of General Obligation Refunding Bonds, Series 2019, to partially refund outstanding principal of \$3,260,000 of the General Obligation Refunding Bonds, Series 2012 and \$1,655,000 of the General Obligation Refunding Bonds, Series 2014. The City completed the refunding to reduce its total debt service payments by approximately \$155,000 which resulted in an economic gain of approximately \$128,000.

The City Council approved a \$3 million grant in March 2020, for the Economic Development Program Fund. The project is the Astro Amphitheater, a 2,500 seat indoor, 5,000 seat outdoor event venue. The developer, City Ventures, is also building apartments and retail/restaurant space at City Centre along 84th Street.

The City is following state and federal guidelines to address the COVID-19 virus pandemic and is following the Center for Disease Control pandemic plan. Measures are being taken to safeguard employees and citizens. The budget is under review for potential delays in expense to offset any declines in revenue.



Required Supplementary Information

COMPREHENSIVE ANNUAL FINANCIAL REPORT  CITY OF LA VISTA, NEBRASKA

REQUIRED SUPPLEMENTARY INFORMATION

**Schedule of Revenues, Expenditures, and Changes in
Fund Balances – Budget and Actual (Budget Basis) –
General Fund**
Year Ended September 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 15,057,339	\$ 15,057,339	\$ 14,635,068	\$ (422,271)
Licenses and permits	583,250	583,250	527,991	(55,259)
Intergovernmental revenues	2,231,743	2,231,743	2,219,743	(12,000)
Charges for services	373,618	373,618	523,976	150,358
Grant income	81,815	81,815	68,128	(13,687)
Interest income	31,242	31,242	75,044	43,802
Miscellaneous	76,534	76,534	149,693	73,159
 Total revenues	 18,435,541	 18,435,541	 18,199,643	 (235,898)
Expenditures				
General government	4,073,735	4,073,735	3,470,059	603,676
Public works	2,572,937	2,572,937	2,441,279	131,658
Public safety	7,079,605	7,079,605	6,781,420	298,185
Culture and recreation	2,302,880	2,302,880	1,765,787	537,093
Public library	880,477	880,477	788,274	92,203
Community development	718,268	718,268	563,809	154,459
Capital outlay	527,920	527,920	540,619	(12,699)
 Total expenditures	 18,155,822	 18,155,822	 16,351,247	 1,804,575
 Excess of Revenues Over Expenditures	 279,719	 279,719	 1,848,396	 1,568,677
Other Financing Sources (Uses)				
Operating transfers out	(575,702)	(575,702)	(335,856)	239,846
 Total other financing sources (uses)	 (575,702)	 (575,702)	 (335,856)	 239,846
 Net Change in Fund Balances	 \$ (295,983)	 \$ (295,983)	 \$ 1,512,540	 \$ 1,808,523
 Basic differences (accruals) occur because the cash basis of accounting used for budgeting differs from the modified accrual basis of accounting prescribed for governmental funds			(587,879)	
 Balance on a GAAP Basis			 \$ 924,661	

See Notes to Required Supplementary Information

**Schedule of Revenues, Expenditures, and Changes in
Fund Balances – Budget and Actual (Budget Basis) –
Keno Fund**
Year Ended September 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Keno	\$ 1,190,000	\$ 1,190,000	\$ 1,117,207	\$ (72,793)
Interest income	16,691	16,691	52,930	36,239
Total revenues	1,206,691	1,206,691	1,170,137	(36,554)
Expenditures				
General government	34,745	34,745	26,380	8,365
Community betterment	725,430	725,430	535,350	190,080
Total expenditures	760,175	760,175	561,730	198,445
Excess of Revenues Over Expenditures	446,516	446,516	608,407	161,891
Other Financing Sources (Uses)				
Operating transfers	(395,902)	(395,902)	(250,386)	145,516
Total other financing sources (uses)	(395,902)	(395,902)	(250,386)	145,516
Net Change in Fund Balances	\$ 50,614	\$ 50,614	\$ 358,021	\$ 307,407
Basic differences (accruals) occur because the cash basis of accounting used for budgeting differs from the modified accrual basis of accounting prescribed for governmental funds				(33,409)
Balance on a GAAP Basis			\$ 324,612	

See Notes to Required Supplementary Information

REQUIRED SUPPLEMENTARY INFORMATION

**Schedule of Revenues, Expenditures, and Changes in
Fund Balances – Budget and Actual (Budget Basis) –
Police Academy Fund
Year Ended September 30, 2019**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental Interest income	\$ 80,000 55	\$ 80,000 55	\$ 80,605 212	\$ 605 157
Total revenues	<u>80,055</u>	<u>80,055</u>	<u>80,817</u>	<u>762</u>
Expenditures				
Public Safety	95,104	95,104	93,993	1,111
Total expenditures	<u>95,104</u>	<u>95,104</u>	<u>93,993</u>	<u>1,111</u>
Deficiency of Revenues Under Expenditures	<u>(15,049)</u>	<u>(15,049)</u>	<u>(13,176)</u>	<u>1,873</u>
Other Financing Sources				
Operating transfers in	20,000	20,000	20,000	-
Total other financing sources	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 4,951</u>	<u>\$ 4,951</u>	<u>\$ 6,824</u>	<u>\$ 1,873</u>
Basic differences (accruals) occur because the cash basis of accounting used for budgeting differs from the modified accrual basis of accounting prescribed for governmental funds			(239)	
Balance on a GAAP Basis			<u>\$ 6,585</u>	

See Notes to Required Supplementary Information

Note 1: Budgetary Accounting

The City prepares its budgets on a cash basis of accounting. Accordingly, revenues are recognized when cash is received by the City and expenditures are recognized when cash is disbursed. This is a comprehensive basis of accounting in contrast to accounting principles generally accepted in the United States of America. Under this method of accounting, all unexpended appropriations lapse at the end of the budget year.

Amounts presented on the cash basis of accounting differ from those presented in accordance with modified accrual basis due to the treatment of afforded accruals. A reconciliation for the year ended September 30, 2019, which discloses the nature and amount of the adjustments necessary to convert the actual modified accrual basis data to the budgetary basis, is presented on each schedule.

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Other Supplementary Information

COMPREHENSIVE ANNUAL FINANCIAL REPORT / CITY OF LA VISTA, NEBRASKA

OTHER SUPPLEMENTARY INFORMATION

**Schedule of Revenues, Expenditures, and Changes in
Fund Balances – Budget and Actual (Budget Basis) –
Debt Service Fund
Year Ended September 30, 2019**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Property taxes	\$ 1,026,510	\$ 1,026,510	\$ 1,008,682	\$ (17,828)
Sales taxes	2,598,480	2,598,480	2,377,484	(220,996)
Motor vehicle taxes	5,091	5,091	3,304	(1,787)
Special Assessments	50,000	50,000	338,131	288,131
Interest income	43,586	43,586	164,792	121,206
Other income	509,244	509,244	509,244	-
 Total revenues	 4,232,911	 4,232,911	 4,401,637	 168,726
 Expenditures				
General government	285,382	285,382	144,979	140,403
Debt service principal retirement	3,850,000	3,850,000	3,565,000	285,000
Debt service interest	914,981	914,981	633,751	281,230
 Total expenditures	 5,050,363	 5,050,363	 4,343,730	 706,633
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 (817,452)	 (817,452)	 57,907	 875,359
 Other Financing Sources				
Operating transfers out	(2,454,502)	(2,454,502)	(2,759,764)	(305,262)
Total other financing sources	(2,454,502)	(2,454,502)	(2,759,764)	(305,262)
 Net Change in Fund Balances	 \$ (3,271,954)	 \$ (3,271,954)	 \$ (2,701,857)	 \$ 570,097

**Schedule of Revenues, Expenditures, and Changes in
Fund Balances – Budget and Actual (Budget Basis) –
Capital Improvement Fund
Year Ended September 30, 2019**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Grant income	\$ 800,000	\$ 800,000	\$ 30,001	\$ (769,999)
Interest income	11,830	11,830	13,054	1,224
Total revenues	<u>811,830</u>	<u>811,830</u>	<u>43,055</u>	<u>(768,775)</u>
Expenditures				
Capital Outlay	15,834,327	15,834,327	5,021,075	10,813,252
General Government	217,741	217,741	38,513	179,228
Total expenditures	<u>16,052,068</u>	<u>16,052,068</u>	<u>5,059,588</u>	<u>10,992,480</u>
Deficiency of Revenues Under Expenditures	(15,240,238)	(15,240,238)	(5,016,533)	10,223,705
Other Financing Sources				
Operating transfers in	3,618,663	3,618,663	3,877,746	259,083
Bond proceeds	12,773,611	12,773,611	-	(12,773,611)
Total other financing sources	<u>16,392,274</u>	<u>16,392,274</u>	<u>3,877,746</u>	<u>(12,514,528)</u>
Net Change in Fund Balances	<u>\$ 1,152,036</u>	<u>\$ 1,152,036</u>	<u>\$ (1,138,787)</u>	<u>\$ (2,290,823)</u>

OTHER SUPPLEMENTARY INFORMATION

**Schedule of Revenues, Expenditures, and Changes in
Fund Balances – Budget and Actual (Budget Basis) –
Economic Development Program Fund
Year Ended September 30, 2019**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Interest income	\$ 718	\$ 718	\$ 109	\$ (609)
Total revenues	<u>718</u>	<u>718</u>	<u>109</u>	<u>(609)</u>
Expenditures				
General government - grant issuance	3,000,000	3,000,000	-	3,000,000
Debt service principal retirement	75,000	75,000	-	75,000
Debt service interest	59,559	59,559	-	59,559
Total expenditures	<u>3,134,559</u>	<u>3,134,559</u>	<u>-</u>	<u>3,134,559</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,133,841)</u>	<u>(3,133,841)</u>	<u>109</u>	<u>3,133,950</u>
Other Financing Sources				
Operating transfers	200,000	200,000	-	(200,000)
Bond proceeds	3,000,000	3,000,000	-	(3,000,000)
Total other financing sources	<u>3,200,000</u>	<u>3,200,000</u>	<u>-</u>	<u>(3,200,000)</u>
Net Change in Fund Balances	<u>\$ 66,159</u>	<u>\$ 66,159</u>	<u>\$ 109</u>	<u>\$ (66,050)</u>

**Schedule of Revenues, Expenditures, and Changes in
Fund Balances – Budget and Actual (Budget Basis) –
84th Street Redevelopment Fund
Year Ended September 30, 2019**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Sales taxes	\$ 2,598,480	\$ 2,598,480	\$ 2,377,484	\$ (220,996)
Interest income	65,818	65,818	60,368	\$ (5,450)
Other income	500,000	500,000	-	(500,000)
Total revenues	3,164,298	3,164,298	2,437,852	(726,446)
Expenditures				
Community development	656,639	656,639	117,459	539,180
General governmental	75,500	75,500	500	75,000
Capital outlay	10,780,187	10,780,187	4,390,514	6,389,673
Debt service principal retirement	775,000	775,000	495,000	280,000
Debt service interest	1,000,918	1,000,918	637,618	363,300
Total expenditures	13,288,244	13,288,244	5,641,091	7,647,153
Deficiency of Revenues Under Expenditures	(10,123,946)	(10,123,946)	(3,203,239)	6,920,707
Other Financing Sources				
Operating transfers out	(415,557)	(415,557)	(552,083)	(136,526)
Bond proceeds	17,130,000	17,130,000	-	(17,130,000)
Total other financing sources	16,714,443	16,714,443	(552,083)	(17,266,526)
Net Change in Fund Balances	\$ 6,590,497	\$ 6,590,497	\$ (3,755,322)	\$ (10,345,819)

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STATISTICAL SECTION

COMPREHENSIVE ANNUAL FINANCIAL REPORT / CITY OF LA VISTA, NEBRASKA

Statistical Section

This section of the City of La Vista's comprehensive annual financial report contains trend information to indicate how the City's financial performance and position have changed over time. It also provides a context for the information presented in the financial statements, note disclosures, and required supplementary information.

Contents	Pages
Financial Trends	61-65
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	66-72
These schedules contain information to help the reader assess the City's most significant local revenue sources: Property Tax and Sales Tax	
Debt Capacity	73-76
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future	
Demographic and Economic Information	77-78
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	79-81
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the city provides and the activities it performs.	

Source: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.

Table 1

Net Position by Component
Last Ten Years Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities:										
Net investment in capital assets	\$ 9,079,173	12,776,059	15,143,780	19,712,625	21,279,103	22,643,751	26,375,291	28,465,755	32,292,598	35,719,808
Restricted	-	2,712,041	2,491,321	2,082,173	1,216,946	3,504,013	9,145,027	7,154,675	9,039,861	7,197,216
Unrestricted	<u>12,224,345</u>	<u>9,169,085</u>	<u>8,600,472</u>	<u>10,015,035</u>	<u>10,613,657</u>	<u>10,365,699</u>	<u>6,748,900</u>	<u>9,201,744</u>	<u>7,954,650</u>	<u>10,358,433</u>
Total governmental activities net position	<u>\$21,303,518</u>	<u>24,657,185</u>	<u>26,235,573</u>	<u>31,809,833</u>	<u>33,109,706</u>	<u>36,513,463</u>	<u>42,269,218</u>	<u>44,822,174</u>	<u>49,287,109</u>	<u>53,275,457</u>
Business-type activities:										
Net investment in capital assets	\$ 4,611,063	5,079,147	5,200,724	5,898,032	5,788,436	5,613,220	5,308,491	5,158,341	5,035,436	5,005,395
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	<u>468,066</u>	<u>803,522</u>	<u>876,233</u>	<u>1,065,640</u>	<u>1,027,671</u>	<u>1,200,275</u>	<u>1,002,419</u>	<u>1,268,020</u>	<u>2,170,247</u>	<u>2,872,294</u>
Total business-type activities net position	<u>\$ 5,079,129</u>	<u>5,882,669</u>	<u>6,076,957</u>	<u>6,963,672</u>	<u>6,816,107</u>	<u>6,813,495</u>	<u>6,310,910</u>	<u>6,426,361</u>	<u>7,205,683</u>	<u>7,877,689</u>
Primary Government										
Net investment in capital assets	\$13,690,236	17,855,206	20,344,504	25,610,657	27,067,539	28,256,971	31,683,782	33,624,096	37,328,034	40,725,203
Restricted	-	2,712,041	2,491,321	2,082,173	1,216,946	3,504,013	9,145,027	7,154,675	9,039,861	7,197,216
Unrestricted	<u>12,692,411</u>	<u>9,972,607</u>	<u>9,476,705</u>	<u>11,080,675</u>	<u>11,641,328</u>	<u>11,565,974</u>	<u>7,751,319</u>	<u>10,469,764</u>	<u>10,124,897</u>	<u>13,230,727</u>
Total primary government net position	<u>\$26,382,647</u>	<u>30,539,854</u>	<u>32,312,530</u>	<u>38,773,505</u>	<u>39,925,813</u>	<u>43,326,958</u>	<u>48,580,128</u>	<u>51,248,535</u>	<u>56,492,792</u>	<u>61,153,146</u>

Table 2a

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)**

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses:										
Governmental Activities										
General government	\$ 3,209,728	2,600,340	2,280,932	2,464,606	2,830,676	3,042,745	3,180,352	3,302,609	4,033,942	4,038,516
Public safety	4,254,537	4,594,288	5,050,454	4,928,992	5,671,727	6,369,785	6,473,034	6,839,929	7,132,385	7,605,607
Public works	3,248,389	3,330,530	3,290,489	3,470,958	3,686,477	3,710,503	3,851,418	4,116,582	3,839,031	5,016,988
Culture and recreation	2,687,247	2,677,742	2,558,430	2,507,328	2,643,595	2,641,524	2,800,325	3,372,819	2,975,688	2,699,851
Community betterment	-	396,069	420,338	542,381	476,137	471,751	534,331	555,357	499,720	563,462
Community development	-	1,159,090	1,144,697	3,041,707	570,548	579,238	851,063	842,525	1,235,141	707,573
Interest on long-term debt	3,104,332	3,002,580	2,554,174	2,442,261	2,360,424	2,275,121	2,048,414	2,055,098	2,011,109	1,333,392
Total Governmental Activities Expenses	16,504,233	17,760,639	17,299,514	19,398,233	18,239,584	19,090,667	19,738,937	21,084,919	21,727,016	21,965,389
Business-type activities										
Sewer	1,593,775	2,134,557	2,322,889	2,620,300	3,034,561	3,021,293	3,299,763	3,540,832	3,305,178	3,571,122
Golf	432,455	442,410	447,968	387,343	392,987	367,118	668,985	12,715	-	-
Total Business-Type Activities Expenses	2,026,230	2,576,967	2,770,857	3,007,643	3,427,548	3,388,411	3,968,748	3,553,547	3,305,178	3,571,122
Total Primary Government Expenses	\$ 18,530,463	20,337,606	20,070,371	22,405,876	21,667,132	22,479,078	23,707,685	24,638,466	25,032,194	25,536,511
Program Revenues										
Governmental Activities										
Charges for Services										
General government	\$ 444,910	597,706	427,362	464,950	511,857	663,837	535,652	547,546	735,348	530,210
Public safety	-	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-	-
Culture and recreation	408,814	922,229	432,726	475,908	455,299	283,575	285,461	371,747	326,054	563,996
Community betterment	1,259,986	1,490,596	1,298,859	1,256,231	1,314,587	1,389,381	1,282,710	1,228,240	1,133,699	1,111,910
Operating Grants and Contributions	1,134,467	2,070,211	2,168,791	1,934,709	2,026,822	2,362,743	2,094,755	2,249,237	2,281,279	2,411,249
Capital Grants and Contributions	1,769,867	2,896,413	1,305,307	748,876	343,354	718,596	693,334	-	-	1,014,391
Total Governmental Activities Program Revenues	5,018,044	7,977,155	5,633,045	4,880,674	4,651,919	5,418,132	4,891,912	4,396,770	4,476,380	5,631,756
Business-Type Activities										
Charges for services										
Sewer	1,631,483	2,364,615	2,451,692	2,623,684	2,651,549	2,979,124	3,299,328	3,829,690	3,959,894	4,203,683
Golf	250,649	263,344	260,301	236,325	229,615	248,149	246,215	3,470	-	-
Operating Grants and Contributions	-	-	-	24,082	24,233	22,918	22,918	19,731	-	-
Capital Grants and Contributions	183,571	-	-	-	-	-	-	-	-	-
Total Business-Type Activities Program Revenues	2,065,703	2,627,959	2,711,993	2,884,091	2,905,397	3,250,191	3,568,461	3,852,891	3,959,894	4,203,683
Total Primary Government Program Revenue	\$ 7,083,747	10,605,114	8,345,038	7,764,765	7,557,316	8,668,323	8,460,373	8,249,661	8,436,274	9,835,439
Net (Expense)/Revenue										
Governmental Activities	\$ (11,486,189)	(9,783,484)	(11,666,469)	(14,517,559)	(13,587,665)	(13,672,535)	(14,847,025)	(16,688,149)	(17,250,636)	(16,333,633)
Business-Type Activities	39,473	50,992	(58,864)	(123,552)	(522,151)	(138,220)	(400,287)	299,344	654,716	632,561
Total	\$ (11,446,716)	(9,732,492)	(11,725,333)	(14,641,111)	(14,109,816)	(13,810,755)	(15,247,312)	(16,388,805)	(16,595,920)	(15,701,072)

Table 2b

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)**

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property taxes	\$ 5,245,729	5,394,414	5,716,198	5,746,838	6,754,924	6,878,134	7,281,504	7,685,321	8,378,504	8,534,805
Sales and use taxes	3,492,898	3,867,123	4,476,662	6,269,262	5,523,544	7,722,672	9,087,248	9,140,084	9,821,847	10,024,129
Sales tax refunds	-	-	-	-	(99,060)	(2,325,035)	(179,393)	(2,048,490)	(414,404)	(1,351,136)
Occupation taxes	1,414,507	1,542,079	1,580,448	1,705,931	1,813,090	1,821,521	1,764,230	1,743,994	1,831,621	1,711,471
Motor vehicle taxes	310,709	316,468	324,746	354,182	385,836	402,999	444,213	477,817	483,324	510,523
Interest income	1,588,437	1,320,465	1,321,256	1,301,858	1,230,685	1,481,807	1,274,167	1,274,532	1,002,789	242,470
Miscellaneous	163,806	235,591	75,547	75,290	263,945	1,225,768	918,311	782,123	727,168	665,769
Transfers	(234,964)	(235,000)	(250,000)	(250,000)	(374,050)	(131,575)	12,500	185,724	(23,528)	(16,050)
Capital contributions from governmental activities to business -type activities	-	-	-	-	-	-	-	-	(125,197)	-
Transfer of Capital assets from business-type activities to governmental activities	-	-	-	-	-	-	-	-	33,447	-
Net Position Received from Annexation	-	696,011	-	4,888,458	-	-	-	-	-	-
Total Governmental Activities	11,981,122	13,137,151	13,244,857	20,091,819	15,498,914	17,076,291	20,602,780	19,241,105	21,715,571	20,321,981
Business Type Activities										
Interest Income	6,954	5,502	3,152	3,397	4,923	4,033	1,693	1,831	9,328	23,395
Miscellaneous	-	-	-	-	-	-	(91,491)	-	-	-
Transfers	234,964	235,000	250,000	250,000	374,050	131,575	(12,500)	(185,724)	23,528	16,050
Capital contributions from governmental activities to business -type activities	-	-	-	-	-	-	-	-	125,197	-
Transfer of Capital assets from business-type activities to governmental activities	-	-	-	-	-	-	-	-	(33,447)	-
Net Position Received from Annexation	-	512,046	-	756,870	-	-	-	-	-	-
Total Business Type Activities	241,918	752,548	253,152	1,010,267	378,973	135,608	(102,298)	(183,893)	124,606	39,445
Total primary governmental activities general revenues and other charges	\$ 12,223,040	13,889,699	13,498,009	21,102,086	15,877,887	17,211,899	20,500,482	19,057,212	21,840,177	20,361,426
Change in Net Position										
Governmental Activities	\$ 494,933	3,353,667	1,578,388	5,574,260	1,911,249	3,403,756	5,755,755	2,552,956	4,464,935	3,988,348
Business-Type Activities	281,391	803,540	194,288	886,715	(143,178)	(2,612)	(502,585)	115,451	779,322	672,006
Change in Net Position	776,324	4,157,207	1,772,676	6,460,975	1,768,071	3,401,144	5,253,170	2,668,407	5,244,257	4,660,354
Change in Accounting Principle:	-	-	-	-	(611,376)	-	-	-	-	-
Governmental Activities	-	-	-	-	(4,387)	-	-	-	-	-
Business-Type Activities	-	-	-	-	-	-	-	-	-	-
Change in Accounting Principle:	-	-	-	-	(615,763)	-	-	-	-	-
Total Primary Government	\$ 776,324	4,157,207	1,772,676	6,460,975	1,152,308	3,401,144	5,253,170	2,668,407	5,244,257	4,660,354

Note: The City adopted GASB Statement No. 65 for the fiscal year ending 9/30/2015. No prior period information was restated.

Table 3

**Fund Balances of Governmental Funds
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Nonspendable	\$ -	-	-	-	84,840	263,575	43,298	134,883	56,437	62,711
Restricted	-	-	-	-	-	-	-	-	131,146	-
Committed for:										
Capital outlay	-	-	-	-	-	-	-	-	-	100,716
Unassigned	4,329,223	5,215,704	5,392,485	8,269,430	8,109,475	8,898,359	9,087,712	7,921,378	6,827,379	7,776,196
Total General Fund	\$ 4,329,223	5,215,704	5,392,485	8,269,430	8,194,315	9,161,934	9,131,010	8,056,261	7,014,962	7,939,623
All Other Governmental Funds										
Nonspendable	-	-	-	-	-	-	-	-	-	2,366
Restricted for:										
Debt Service	\$ 7,552,573	6,216,383	5,162,786	5,620,155	3,612,797	4,746,495	6,024,480	6,217,965	6,031,758	4,203,542
Community Betterment	2,777,824	2,712,041	2,491,321	2,082,173	1,216,946	1,645,971	1,966,247	2,734,800	3,245,598	3,570,210
Economic Development	17,412,446	17,201,319	16,990,730	16,775,152	16,554,788	16,343,469	16,129,763	16,120,117	3,607,668	7,043
84th Street Redevelopment	-	-	-	-	-	1,848,042	14,650,624	9,413,946	10,497,181	6,452,576
Public Safety	-	-	-	-	-	-	-	-	16,880	21,099
Committed for:										
Capital Improvements	393,571	392,181	660,518	536,600	702,103	236,369	264,477	-	-	-
Unassigned	-	-	-	-	-	-	-	(881,978)	-	-
Total All Other Governmental Funds	\$ 28,136,414	26,521,924	25,305,355	25,014,080	22,086,634	24,820,346	39,035,591	33,604,850	23,399,085	14,256,836

Table 4
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes										
Property	\$ 5,313,649	5,460,797	5,744,386	5,744,730	6,721,628	6,912,323	7,299,937	7,674,921	8,333,225	8,501,667
Sales and Use	3,492,898	3,867,123	4,476,662	6,269,262	5,523,544	7,722,672	9,087,248	9,140,084	9,821,847	10,024,129
Occupation	1,414,507	1,542,079	1,580,448	1,705,931	1,813,090	1,821,521	1,769,846	1,743,994	1,831,621	1,711,471
Motor Vehicle	310,709	316,468	324,746	354,182	385,836	402,999	444,213	477,817	483,324	507,578
Licenses and permits	444,910	597,706	427,362	464,950	511,857	663,837	535,652	547,546	734,973	530,410
Intergovernmental	1,935,112	4,964,162	3,472,166	2,689,012	2,221,089	3,077,615	2,833,320	2,201,182	2,281,279	2,423,878
Charges for services	408,814	954,761	432,726	475,908	455,299	283,575	285,461	352,183	429,630	530,676
Keno	1,259,986	1,490,596	1,298,859	1,256,231	1,314,587	1,389,381	1,282,710	1,228,240	1,133,699	1,111,910
Interest Income	1,588,437	1,320,465	1,321,256	1,301,858	1,230,685	1,513,486	1,259,744	1,247,903	950,149	250,998
Special Assessments	347,917	252,396	117,338	140,471	18,514	731,673	129,801	21,843	45,440	455,621
Miscellaneous	161,578	92,131	56,314	62,266	247,292	1,206,518	897,722	765,995	595,623	661,738
Total Revenues	16,678,517	20,858,684	19,252,263	20,464,801	20,443,421	25,725,600	25,825,654	25,401,708	26,640,810	26,710,076
Expenditures										
Current										
General government	2,640,012	2,246,340	2,089,437	2,114,795	2,164,343	2,738,370	3,004,718	2,978,453	3,664,625	3,828,286
Public works	1,917,853	2,207,457	2,098,247	2,122,632	2,055,777	2,109,913	2,058,528	2,068,969	2,031,477	2,345,088
Public safety	3,994,353	3,889,265	4,360,564	4,255,511	5,003,284	5,726,842	5,850,116	6,157,356	6,537,737	7,059,968
Culture and recreation	2,037,137	2,213,236	2,205,502	2,237,321	2,328,643	2,305,979	2,455,107	2,564,596	2,690,026	2,670,865
Community betterment	-	396,069	420,338	542,381	476,137	471,751	534,331	555,357	499,720	727,184
Community development	439,088	1,159,090	1,144,697	615,014	570,548	579,238	851,063	842,525	1,235,141	571,650
State sales and use tax refunds	-	-	-	-	-	2,426,693	232,320	773,245	1,593,069	2,064,859
Capital outlay	1,621,401	4,144,479	1,879,308	1,352,623	1,732,940	2,650,442	3,450,398	9,323,669	10,074,863	11,806,758
Debt service										
Principal retirement	2,335,000	3,025,000	3,170,000	3,785,000	3,907,697	3,572,623	4,191,956	4,018,904	31,302,409	4,228,603
Interest	3,134,876	3,118,195	2,784,588	2,434,294	2,405,870	2,279,745	2,019,445	2,027,947	2,462,867	1,286,030
Total Expenditures	18,119,720	22,399,131	20,152,681	19,459,571	23,071,932	22,667,223	25,188,907	32,130,845	62,563,724	34,927,321
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,441,203)	(1,540,447)	(900,418)	1,005,230	(2,628,511)	3,058,377	636,747	(6,729,137)	(35,922,914)	(8,217,245)
Other Financing Sources (Uses)										
Refunding bonds issued	11,370,000	15,115,000	8,915,000	-	-	11,035,000	8,240,000	-	3,150,000	-
Payment to bond refunding escrow agent	(11,240,000)	(14,955,000)	(8,804,370)	-	-	(10,145,000)	(8,110,000)	-	(3,095,000)	-
Bond or note issuance	-	-	-	-	-	-	13,285,000	-	24,345,811	-
Bond premium	-	-	-	-	-	132,398	107,574	-	150,876	-
Insurance proceeds	-	-	-	-	-	-	-	-	131,146	-
Transfers, net	(234,964)	(235,000)	(250,000)	(250,000)	(374,050)	(109,444)	25,000	223,647	(6,983)	(343)
Net position received from annexation	289,479	887,438	-	1,830,440	-	-	-	-	-	-
Total Other financing sources (uses)	184,515	812,438	(139,370)	1,580,440	(374,050)	912,954	13,547,574	223,647	24,675,850	(343)
Net Change in Fund Balances	\$ (1,256,688)	(728,009)	(1,039,788)	2,585,670	(3,002,561)	3,971,331	14,184,321	(6,505,490)	(11,247,064)	(8,217,588)
Debt service as a percentage of non-capital expenditures*	33%	33%	32%	34%	30%	29%	28%	27%	64%	24%

*In the fiscal year ending 9/30/2018, the City retired an \$11,215,000 bond anticipation note and repaid a \$15,810,692 note. Excluding these amounts from principal retirement, the debt service as a percent of non-capital expenditures ratio would be 26% rather than 64%.

Table 5

**TOTAL CITY TAXABLE SALES
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30	Total City Taxable Sales	Total Direct Tax Rate
2010	\$ 246,875,288	1.50%
2011	276,281,219	1.50%
2012	314,443,224	1.50%
2013	444,362,439	1.50%
2014	378,557,985	1.50%
2015	398,170,898	2.00%
2016	467,201,026	2.00%
2017	479,638,144	2.00%
2018	521,747,831	2.00%
2019	519,030,075	2.00%

Note: The 2014 voter approved tax rate increase began October 1, 2014 for the redevelopment of the 84th Street corridor.

In 2013, the City experienced unusually high consumer use taxable sales related to business projects initiated under the Nebraska Advantage Act. This consumer use tax collected was refunded in subsequent years per the terms of the Nebraska Advantage Act.

Source: Nebraska Department of Revenue

**TOTAL CITY SALES TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

Fiscal Year	Direct 1	Overlapping 2	Total Tax Rate
	City of La Vista	State of Nebraska	
2010	0.0150	0.0550	0.0700
2011	0.0150	0.0550	0.0700
2012	0.0150	0.0550	0.0700
2013	0.0150	0.0550	0.0700
2014	0.0150	0.0550	0.0700
2015	0.0200	0.0550	0.0750
2016	0.0200	0.0550	0.0750
2017	0.0200	0.0550	0.0750
2018	0.0200	0.0550	0.0750
2019	0.0200	0.0550	0.0750

Note: 1 2014 voter approved tax rate increase began October 1, 2014 for the redevelopment of the 84th Street corridor
2 Overlapping rates are those of other governments that apply to consumers within the City of La Vista

Source: Nebraska Department of Revenue

Table 6

Table 7

NET TAXABLE SALES BY BUSINESS CLASSIFICATION
CURRENT YEAR AND TEN YEARS AGO

Business Classification	2018			2008		
	Net Taxable Sales	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Retail Trade	\$ 921,185,120	1	47.18%	\$ 526,965,307	1	50.31%
Accomodations & Food Services	314,521,763	2	16.11%	164,699,855	2	15.72%
Wholesale Trade	141,386,021	3	7.24%	110,174,653	3	10.52%
Other	575,224,159		29.46%	245,567,133		23.45%
	1,952,317,063		100.00%	1,047,406,948		100.00%
City of La Vista Total	\$ 521,747,831			\$ 199,207,942		
City of La Vista Percentage of Total		26.72%			19.02%	

Note: Amounts shown are Sarpy County net taxable sales, which includ refunds and do not include motor vehicle net sales.
 The sales numbers are on a calendar year basis.
 Amounts are not available at the City level.
 2019 sales data is not yet available from the Nebraska Department of Revenue.

Source: Nebraska Department of Revenue

Table 8

**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30	Real Property	Personal Property	Total Assessed Value	Total Direct Tax Rate
2010	965,262,634	53,679,105	1,018,941,739	0.5235
2011	1,011,049,839	38,892,725	1,049,942,564	0.5235
2012	1,025,349,544	33,988,114	1,059,337,658	0.5500
2013	1,009,044,474	51,330,141	1,060,374,615	0.5500
2014	1,193,207,760	50,759,000	1,243,966,760	0.5500
2015	1,215,889,400	53,195,886	1,269,085,286	0.5500
2016	1,279,185,949	51,952,600	1,331,138,549	0.5500
2017	1,352,554,270	58,126,806	1,410,681,076	0.5500
2018	1,430,278,887	66,543,021	1,496,821,908	0.5500
2019	1,474,302,710	67,838,948	1,542,141,658	0.5500

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

Source: Sarpy County Assessor's Office

Table 9

**PROPERTY TAX RATES-DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

Fiscal Year Tax Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
City of La Vista										
General Fund	0.4435	0.4735	0.5000	0.4900	0.4900	0.4900	0.4100	0.4100	0.4100	0.4900
Debt Service	0.0800	0.0500	0.0500	0.0600	0.0600	0.0600	0.1400	0.1400	0.1400	0.0600
Total City of La Vista	0.5235	0.5235	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500
Overlapping rates ⁽²⁾ :										
Sarpy County	0.29990	0.29990	0.29990	0.29990	0.29990	0.29990	0.29690	0.29690	0.29690	0.29690
Papillion-La Vista Schools	0.09022	0.09796	0.09257	0.09667	0.12042	0.11886	0.11412	0.10855	1.07599	1.07070
Papillion School Special Building	-	-	-	-	-	-	0.01000	0.01000	-	-
School District 27 Bond 1	0.01376	0.01407	0.0141	0.01359	-	-	-	-	-	-
School District 27 Bond 2	0.02413	0.02631	0.0268	0.02586	-	-	-	-	-	-
School District 27 Bond 3	0.10186	0.10679	0.1109	0.11189	0.11131	0.11246	0.11046	0.10410	0.10145	0.09819
School District 27 Bond 4	0.05295	0.05556	0.0623	0.05785	0.05943	0.05956	0.05812	0.05694	0.05646	0.05440
School District 27 Bond 5	-	-	-	-	0.01529	0.06223	0.05985	0.07525	0.07191	0.06669
School District 27 Bond 6	-	-	-	-	-	-	-	-	-	0.01503
Elementary Learning Committee	0.95000	0.95000	0.9500	0.95000	0.95000	0.95000	0.95000	0.95000	-	-
Learning Committee Special Building	0.01000	-	-	-	-	-	-	-	-	-
Learning Committee Capital Projects	0.00500	0.00125	-	-	-	-	-	-	-	-
Learning Committee -										
Elementary Learning	0.01000	0.0100	0.01000	0.01000	0.01000	0.01000	0.01625	0.01525	0.01625	0.01625
Papio Natural Resource	0.03276	0.03275	0.03275	0.03061	0.02422	0.02453	0.03045	0.03061	0.03079	0.03085
Papio NRD Bond	-	-	-	0.00215	0.00853	0.00823	0.00759	0.00743	0.00701	0.00674
Metro Community College	0.08500	0.08500	0.08500	0.08500	0.09500	0.09500	0.09500	0.09500	0.09500	0.09500
Agricultural Society	0.00111	0.00114	0.00134	0.00136	0.00210	0.00224	0.00240	0.00257	0.00259	0.00274
Educational Service Unit 3	0.01618	0.01611	0.01609	0.01606	0.01500	0.01500	0.01500	0.01500	0.01500	0.01500
Total Overlapping Rates	1.68286	1.69684	1.70184	1.70093	1.71120	1.75801	1.76613	1.76759	1.76935	1.76848
Total Tax Rate	2.20636	2.22034	2.25184	2.25093	2.26120	2.30801	2.31613	2.31759	2.31935	2.31848

Note: The above tax year rates are for use in the following fiscal year.

Source: Sarpy County Clerk's Office and City of La Vista Finance Department

⁽¹⁾ Tax rates are per \$100 of assessed valuation and effective on September 1 of each year.

⁽²⁾ Overlapping Rates are those of local and county governments which apply to property owners within the City of La Vista, NE.

PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago

Table 10

Taxpayer	Type of Business	2019		Percentage of Total City Taxable Assessed Value
		Taxable Assessed Value	Rank	
JDHQ Hotels	Conference Center/Hotel	\$ 68,007,000	1	4.41%
Harrison Hills Apartments, LLC	Apartments	40,846,700	2	2.65%
Green Pointe, LLC	Apartments	33,828,000	3	2.19%
Paypal Inc.	Office Building	29,520,366	4	1.91%
Edward Rose Development Co, LLC	Apartments	25,921,590	5	1.68%
Streck Inc.	Manufacturer	24,246,344	6	1.57%
Rotella's Italian Bakery Inc.	Bakery	16,814,624	7	1.09%
Yahoo Holdings, Inc. (Oath)	Office Building	15,458,258	8	1.00%
Southwind Partners	Apartments	14,904,000	9	0.97%
SR Group, LLC	Apartments	<u>11,900,000</u>	10	<u>0.77%</u>
		<u>\$ 281,446,882</u>		<u>18.25%</u>
2010				
Taxpayer	Type of Business	2010		Percentage of Total City Taxable Assessed Value
		Taxable Assessed Value	Rank	
JQH Hotels, LLC	Conference Center/Hotel	\$ 65,630,000	1	6.90%
Harrison Hills Apartments, LLC	Apartments	29,690,000	2	3.12%
Paypal Inc.	Office Building	27,774,372	3	2.92%
Green Pointe, LLC	Apartments	23,330,000	4	2.45%
Streck Inc.	Manufacturer	15,716,424	5	1.65%
Edward Rose Development Co, LLC	Apartments	14,000,500	6	1.47%
The Kroenke Group	Shopping Mall	13,588,872	7	1.43%
Yahoo Holdings, Inc. (Oath)	Office Building	12,117,385	8	1.27%
Southwind Partners	Apartments	10,840,000	9	1.14%
Cabela's	Retail	<u>10,600,000</u>	10	<u>1.12%</u>
		<u>\$ 223,287,553</u>		<u>23.49%</u>

Source: Sarpy County Assessor's Office

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Table 11

Fiscal Year Ended September 30th,	Collected within the Fiscal Year of the Levy				Total Collections to Date		
	Taxes Levied for the Fiscal Year	Amount	Percentage of Levy	Collections in subsequent Years	Amount	Percentage of Levy	
2010	\$ 5,334,160	\$ 5,266,897	98.74%	\$ 48,178	\$ 5,315,075	99.64%	
2011	5,496,449	5,414,857	98.52%	47,712	5,462,569	99.38%	
2012	5,826,357	5,757,064	98.81%	40,434	5,797,498	99.50%	
2013	5,832,060	5,796,975	99.40%	43,057	5,840,032	100.00%	
2014	6,841,817	6,755,069	98.73%	74,642	6,829,711	99.82%	
2015	6,979,969	6,895,803	98.79%	58,598	6,954,401	99.63%	
2016	7,321,262	7,226,652	98.71%	56,087	7,282,739	99.47%	
2017	7,758,746	7,665,825	98.80%	67,832	7,733,657	99.68%	
2018	8,232,520	8,178,652	99.35%	73,925	8,252,577	100.00%	
2019	8,481,779	8,350,204	98.45%		8,350,204	98.45%	

Note: The fiscal year of the City begins October 1 and ends September 30. Taxes are levied in December. First installments of real estate taxes are delinquent the following April 1, second installments delinquent August 1. Delinquent taxes bear 14 percent interest. The figures above do not include motor vehicle in lieu of ad valorem taxes. Tax receipts are not reported from the County separate from interest collected. Therefore taxes collected may be greater than original levy.

Source: Sarpy County Treasurer's Office

Table 12
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
General obligation bonds	\$ 60,050,000	58,830,000	56,100,000	55,595,000	51,780,000	48,945,000	47,130,000	43,145,000	25,300,000	22,075,000
Registered warrants	640,554	640,554	640,554	-	-	-	-	-	-	-
Tax revenue bonds	-	-	-	-	-	-	-	-	18,560,000	18,065,000
Bond anticipation notes	-	-	-	-	-	-	11,215,000	11,215,000	-	-
Notes from direct placements	-	-	-	-	-	-	-	-	3,150,000	2,810,000
Notes payable	523,867	372,611	239,129	110,589	17,892	149,692	116,710	82,806	531,208	362,605
Premium/discount on bonds issued	45,701	42,276	38,852	35,427	32,002	147,459	194,010	167,525	285,118	247,341
Deferred for refunding	(92,880)	(198,403)	(811,307)	(751,687)	-	-	-	-	-	-
Business Type Activities										
Revenue bonds	470,000	360,000	245,000	125,000	-	-	-	-	-	-
Notes payable	21,419	160,276	123,870	83,178	47,662	14,316	-	-	-	-
Total Primary Government	\$ 61,658,661	\$ 60,207,314	\$ 56,576,098	\$ 55,197,507	\$ 51,877,556	\$ 49,256,467	\$ 58,655,720	\$ 54,610,331	\$ 47,826,326	\$ 43,559,946
Net Debt per Capita	3,913	3,764	3,496	3,305	3,029	2,896	3,431	3,187	2,787	2,538 *
Percentage of Personal Income	9.79%	9.09%	8.22%	7.66%	6.85%	6.27%	7.30%	6.59%	5.54%	5.04%

* 2019 Net Debt per Capital and Percentage of Personal Income is calculated using the City's 2018 demographic data.

Source: Finance Department

Table 13
RATIOS OF GENERAL OBLIGATION BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Bond Anticipation Notes	General Bonded Debt	Less: Net Position Restricted for Debt Service		Bonded Debt per Capita 1	Ratio of Net Debt to Valuation of Taxable Real Property: 2
					Total		
2010	\$60,002,821	-	\$60,002,821	-	60,002,821	3,808	5.89%
2011	58,673,873	-	58,673,873	-	58,673,873	3,668	5.59%
2012	55,327,545	-	55,327,545	-	55,327,545	3,418	5.22%
2013	54,878,740	-	54,878,740	-	54,878,740	3,286	5.18%
2014	51,812,002	-	51,812,002	-	51,812,002	3,026	4.17%
2015	49,092,459	-	49,092,459	-	49,092,459	2,887	3.87%
2016	47,324,010	11,215,000	58,539,010	4,127,637	54,411,373	3,183	4.40%
2017	43,312,525	11,215,000	54,527,525	4,419,875	50,107,650	2,924	3.87%
2018	47,295,118	-	47,295,118	5,663,117	41,632,001	2,426	3.16%
2019	43,197,341	-	43,197,341	3,596,498	39,600,843	2,307*	2.80%

Note: Details regarding the City's outstanding debt can be found in the Notes to the financial statements.

1 Population data can be found in Table 14 Demographic and Economic Statistics. Population is not available yet for 2019.

2 Property Value information can be found in Table 8 Assessed Value and Estimated Actual Value of Taxable Property.

* 2019 Bonded Debt per Capital ratio was calculated using the City's 2018 population data.

Table 14
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2019

Governmental Units	Debt Outstanding	Estimated Percentage Applicable	Direct and Overlapping Debt to the City
City	\$ 43,197,341	100.0 %	\$ 43,197,341
Overlapping:			
Sarpy County**	\$ 37,245,000	9.94%	\$ 3,702,153
School District. 0027 Papillion-LaVista	<u>107,650,000</u>	26.80%	<u>28,850,200</u>
	<u>\$ 144,895,000</u>		<u>\$ 32,552,353</u>
Total	<u>\$ 188,092,341</u>		<u>\$ 75,749,694</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of La Vista. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the City's taxable assessed value and dividing it by the corresponding overlapping government unit's taxable assessed value.

Source: Nebraska Auditor of Public Accounts; Each respective political subdivision's FYE 2018 audit and 2007-18 budget
** Includes debt issued by Sarpy County Leasing Corporation

**PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Table 15

Sewer System	Utility Service Charges	Gross Revenue	Direct Operating Expenses	Net Available Revenue	Debt Service Requirements		
					Principal	Interest	Total
2010	1,631,483	1,593,775	37,708	21,419	632	22,051	1.71
2011	2,364,615	2,132,197	232,418	160,276	4,772	165,048	1.41
2012	2,451,692	2,318,950	132,742	123,870	3,688	127,558	1.04
2013	2,647,766	2,617,284	30,482	83,178	3,292	86,470	0.35
2014	2,675,782	3,032,588	(356,806)	47,662	1,213	48,875	(7.30)
2015	3,002,042	3,020,231	(18,189)	14,316	151	14,467	(1.26)
2016	3,322,246	3,299,763	22,483	-	-	-	n/a
2017	3,849,421	3,540,832	308,589	-	-	-	n/a
2018	3,959,894	3,305,178	654,716	-	-	-	n/a
2019	4,203,683	3,571,122	632,561	-	-	-	n/a
Golf		Gross Revenue					
2010	250,649	405,837	(155,188)	470,000	52,478	522,478	(0.30)
2011	263,344	421,049	(157,705)	360,000	29,946	389,946	(0.40)
2012	260,301	428,501	(168,200)	245,000	13,489	258,489	(0.65)
2013	236,325	378,954	(142,629)	125,000	3,406	128,406	(1.11)
2014	229,615	391,541	(161,926)	-	-	-	n/a
2015	248,149	367,118	(118,969)	-	-	-	n/a
2016	246,215	668,985	(422,770)	-	-	-	n/a
2017	3,470	12,715	(9,245)	-	-	-	n/a
2018	-	-	-	-	-	-	n/a
2019	-	-	-	-	-	-	n/a

Source: Finance Department

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population ⁽¹⁾	Personal Income (thousands of dollars) ⁽²⁾	Per Capita Personal Income ⁽²⁾	Public School Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾
2010	15,758	6,382,084	39,958	9,895	4.1%
2011	15,994	6,735,101	41,433	10,049	4.0%
2012	16,185	7,040,716	42,500	10,393	3.6%
2013	16,700	7,293,707	43,158	10,753	3.3%
2014	17,125	7,599,405	44,215	11,023	2.7%
2015	17,006	8,100,120	46,222	11,159	2.7%
2016	17,095	8,391,199	47,009	11,334	2.8%
2017	17,137	8,790,405	48,385	11,608	2.7%
2018	17,163	9,284,454	50,333	11,730	2.5%
2019	N/A	N/A	N/A	11,818	2.7%

Sources:

⁽¹⁾ U.S. Census Bureau. 2019 numbers are not available.⁽²⁾ U.S. Department of Commerce Bureau of Economic Analysis, Personal Income and Per Capital Income are based on Omaha-Council Bluffs NE-IA, Sarpy County NE.⁽³⁾ Papillion-LaVista Community Schools (Sarpy County School District 0027)⁽⁴⁾ Nebraska.gov - Department of Labor, statistics for Sarpy County, NE

Table 17

**PRINCIPAL EMPLOYERS OF SARPY COUNTY
CURRENT YEAR AND NINE YEARS AGO**

2019		2010	
EMPLOYER	INDUSTRY	EMPLOYER	INDUSTRY
Offutt Air Force Base	Government	Offutt Air Force Base	Government
PayPal, Inc.	Service	PayPal, Inc.	Service
Infogroup Compilation Center	Data/Marketing	Papillion-La Vista Public Schools	Education
Oriental Trading Company	Warehouse/Distribution	Werner Enterprises, Inc.	Trucking
Papillion-La Vista Public Schools	Education	Bellevue Public Schools	Education
Bellevue Public Schools	Education	AmeriTrade (Southroads)	Financial
Werner Enterprises, Inc.	Trucking	Infogroup Compilation Center	Data/Marketing
Ehrling Berquist Clinic	Healthcare	Oriental Trading Company	Warehouse/Distribution
Bellevue University	College	Bellevue University	Education
Hillcrest Health System	Medical	Sarpy County Government	Government

Source:

Sarpy County 2018 and 2010 FY Continuing Disclosure statement
employee numbers are not available due to the proprietary nature of the information.

Specific

Table 18

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Function	Full Time Equivalent Employees as of September 30									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Administrative Services										
Director	-	-	-	-	-	1.00	1.00	1.00	1.00	1.00
Finance	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.00	3.00
City Clerk	3.00	3.00	3.00	3.00	3.00	2.00	2.50	2.50	4.50	4.50
Human Resources	1.00	1.50	1.50	1.50	1.50	2.50	2.00	2.00	2.00	2.00
Administration										
City Administrator's Office	4.00	4.00	4.00	4.80	4.80	4.88	5.00	5.00	5.00	5.00
Intern (Unpaid)	0.25	0.25	0.25	0.25	0.25	0.25	-	-	-	-
Public Buildings & Grounds										
Buildings & Grounds	3.50	3.50	3.50	3.50	3.50	-	-	-	-	-
Community Development										
Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Planning	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00
Building Inspection	3.50	3.50	3.50	3.50	3.50	3.50	2.00	2.00	2.00	2.00
Code Enforcement	1.00	-	-	-	-	-	-	-	-	-
Intern (Paid)	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.00
Public Safety										
Fire Department	2.00	2.00	2.00	2.00	2.00	1.00	1.00	0.00	0.00	0.00
Police Sworn	33.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	37.00	38.00
Police Civilian	4.50	5.50	5.50	5.50	5.50	5.50	4.50	4.50	4.50	4.50
Intern (Unpaid)	0.50	0.50	0.50	0.50	-	-	-	-	-	-
Volunteers	75.00	75.00	75.00	75.00	-	-	-	-	-	-
Police Academy	-	-	-	-	-	-	-	1.00	1.00	1.00
Public Works										
PW Administration	-	-	-	4.24	4.62	4.70	4.00	5.00	5.00	6.00
Building Maintenance	-	-	-	-	-	2.50	2.50	2.50	2.50	2.50
Streets Operating	19.00	19.24	19.24	15.62	15.62	15.62	15.62	15.62	15.62	16.62
Streets PT & Seasonal	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88
Parks Operating	8.00	8.00	8.00	8.00	7.00	8.00	8.42	8.42	8.42	10.00
Parks Seasonal	3.36	3.36	3.36	3.36	3.36	3.98	3.56	3.56	3.56	4.56
Sports Complex	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00
Sports Complex Seasonal	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84
Library										
Library Administration	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00
Circulation Clerks	5.80	5.90	5.90	5.90	5.90	6.00	6.70	6.70	6.70	5.70
Library (Seasonal)	0.50	0.25	0.25	0.25	0.25	0.10	0.10	0.10	0.10	0.10
Recreation										
Recreation Administration	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Recreation Assistants	4.00	4.00	4.00	3.30	3.30	3.30	3.30	3.30	3.30	3.30
Senior Bus	1.30	1.30	1.30	1.30	1.75	1.83	1.83	1.83	1.83	1.83
Swimming Pool (Seasonal)	3.99	3.99	3.99	3.99	3.99	3.99	3.99	3.99	3.99	3.99
General Fund Total	198.92	200.51	200.51	201.23	126.56	127.37	124.74	124.74	130.24	137.32
Sewer Fund										
Sewer Admin	-	-	-	-	-	-	6.00	6.00	6.00	6.00
Sewer PT & Seasonal	2.08	2.08	2.08	2.08	2.08	2.08	2.08	2.08	2.08	2.08
Sewer Fund Total	2.08	2.08	2.08	2.08	2.08	2.08	8.08	8.08	8.08	8.08
All Funds Total	201.00	202.59	202.59	203.31	128.64	129.45	132.82	132.82	138.32	145.40

Source: Various City Departments

Table 19

OPERATING INDICATORS BY FUNCTION
LAST TEN CALENDAR YEARS

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Engineering										
Miles of Street -										
Reconstruction	-	1	-	3	-	-	2	3	-	7
Public Safety										
Police										
Arrests	489	450	520	566	652	534	350	317	390	275
Parking/Ordinance	17	62	35	54	73	33	34	40	33	96
Citations	4,226	4,830	5,828	6,396	5,790	3,654	2,943	2,739	3,525	2,737
Fire										
Number of Calls										
Answered	n/a	n/a	n/a	n/a	792	1,080	1,363	1,289	1,239	1,427
Number of Facilities	2	2	2	2	2	2	2	2	2	2
Building and Safety										
Number of Commercial										
Building Permits	42	44	32	35	34	45	42	51	53	75
Number of Residential										
Building Permits	192	156	146	137	124	115	99	107	121	90
Miscellaneous Permits	589	969	1,019	784	786	725	798	1,428	1,285	984
Building Inspections	2,200	2,366	2,813	1,960	2,093	n/a	1,661	2,126	2,989	3,327
Culture and Recreation										
Library										
Total Circulation	138,065	141,488	143,931	153,697	158,336	176,633	166,197	165,606	162,799	175,187
Recreation										
Attendance: Community										
Center	n/a	n/a	n/a	n/a	93,551	96,935	85,590	84,775	93,028	95,187

Source: Various City Departments

**CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Table 20

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
City Hall	1	1	1	1	1	1	1	1	1	1
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	2	2	2	2	2	2	2	2	2	2
Streets										
Streets (Lane Miles)	173	173	192	192	206	207	209	210	210	213
Culture and Recreation										
Parks Acreage	153	153	153	153	153	153	153	153	153	153
Parks #	17	17	17	17	17	17	17	17	17	17
Swimming Pools										
(Public)	1	1	1	1	1	1	1	1	1	1
Tennis Courts	3	3	3	3	3	3	3	3	3	3
Baseball Fields	11	11	11	11	11	11	11	11	11	11
Soccer Fields	12	12	12	12	12	12	12	12	12	12
Football Fields	2	2	2	2	2	2	2	2	2	2
Outdoor Basketball										
Court	1	1	1	1	1	1	1	1	1	1
Remote Airplay Flying										
Field	1	1	1	1	1	1	1	1	1	1
Golf Courses (Public)	1	1	1	1	1	1	1	1	-	-
Library	1	1	1	1	1	1	1	1	1	1
Sewer										
Sanitary Sewer										
(miles)	48	51	54	54	54	54	54	54	54	54

Source: Various City Departments

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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

COMPREHENSIVE ANNUAL FINANCIAL REPORT / CITY OF LA VISTA, NEBRASKA

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**Report on Internal Control over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

Independent Auditor's Report

The Honorable Mayor and City Council
City of La Vista, 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, the business-type activities, and each major fund of the City of La Vista, Nebraska ("the City"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 31, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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

Omaha, Nebraska
March 31, 2020

Acknowledgements

The City Finance Department prepared the Comprehensive Annual Financial Report.

The following finance department staff were key members in the preparation of the report:

Kevin Pokorny, Director Administrative Services

Cindy Miserez, CGFM, MBA, Finance Director

Fernando Montanez, Financial Analyst

Christopher Buurman, Accountant

Report produced by:

City of La Vista Finance Department

8116 Park View Blvd 68128

La Vista, Nebraska 68128

Report located on our website: <http://www.cityoflavista.org/finance>.



**Economic Development Fund
City of La Vista, Nebraska**

Independent Auditor's Report and Financial Statements
September 30, 2019 and 2018

**Economic Development Fund
City of La Vista, Nebraska
September 30, 2019 and 2018**

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Independent Auditor's Report

The Honorable Mayor and City Council
Economic Development Fund
City of La Vista, Nebraska

We have audited the accompanying financial statements of the Economic Development Fund of the City of La Vista, Nebraska, as of and for the years ended September 30, 2019 and 2018, and the related statements of revenues, expenditures, and changes in fund balance for the years then ended, and the related notes to the financial statements, which comprise the 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 an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 opinion.

The Honorable Mayor and City Council
Economic Development Fund
Page 2

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Economic Development Fund of the City of La Vista, Nebraska, as of September 30, 2019 and 2018, and the changes in financial position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Economic Development Fund and do not purport to, and do not, present fairly the financial position of the City of La Vista, Nebraska, as of September 30, 2019 and 2018, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

BKD, LLP

Omaha, Nebraska
March 31, 2020

**Economic Development Fund
City of La Vista, Nebraska**

Balance Sheets

September 30, 2019 and 2018

	2019	2018
Assets		
Cash and cash equivalents	<u>\$ 7,043</u>	<u>\$ 6,934</u>
Total assets	<u>\$ 7,043</u>	<u>\$ 6,934</u>
Fund Balance		
Restricted for economic development	<u>7,043</u>	<u>6,934</u>
Total fund balance	<u>\$ 7,043</u>	<u>\$ 6,934</u>

**Economic Development Fund
City of La Vista, Nebraska**
**Statements of Revenues, Expenditures, and
Changes in Fund Balance**
Years Ended September 30, 2019 and 2018

	2019	2018
Interest Income	\$ 109	\$ 753,012
Expenditures		
Community development	-	736
Debt service	-	16,420,000
Principal retirement	-	1,431,476
Interest	<u> </u>	<u> </u>
Total expenditures	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	109	(17,099,200)
Transfers	<u> </u>	<u> </u>
Net Change in Fund Balance	109	(16,113,183)
Fund Balance, Beginning of Year	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
Fund Balance, End of Year	\$ 7,043	\$ 6,934

Economic Development Fund City of La Vista, Nebraska

Notes to Financial Statements September 30, 2019 and 2018

Note 1: Summary of Significant Accounting Policies

Organization

On September 30, 2003, the citizens of the City of La Vista, Nebraska (the “City”) voted to establish the Economic Development Program to create jobs and/or develop tourism for the purpose of supporting the City’s commercial developments, rehabilitate residential neighborhoods and expand industrial development in order to ensure the economic stability and vitality of the City.

Financial Reporting Entity

The financial statements of the Economic Development Fund include all significant separately administered activities for which the Economic Development Fund is financially accountable. Financial accountability is determined on the basis of selection of governing authority, imposition of will, a financial benefit/burden relationship, and/or fiscal dependency. The Economic Development Fund’s financial statements are included in the City’s financial statements as a major governmental fund.

The financial statements present only the Economic Development Fund and do not purport to, and do not, present fairly the financial position of the City as of September 30, 2019 and 2018, and the changes in its financial position for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis of Accounting

The Economic Development Fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period and that it is legally available for such purposes. Expenditures are recorded when the related fund liability is incurred, except for debt service expenditures which are reported as expenditures in the year due.

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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Economic Development Fund City of La Vista, Nebraska

Notes to Financial Statements September 30, 2019 and 2018

Note 1: Summary of Significant Accounting Policies – Continued

Cash and Cash Equivalents

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

State law requires collateralization of all deposits with federal depository insurance; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities of the State of Nebraska; bonds of any city, county, school district or special road district of the State of Nebraska; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits. The Statutes allow pledged securities to be reduced by the amount of the deposit insured by the Federal Deposit Insurance Corporation (FDIC).

The Economic Development Fund participates in the pooled cash accounts maintained by the City. The Fund's share of this pool was \$7,043 and \$6,934 at September 30, 2019 and 2018, respectively.

Note 2: City Transfer

The general fund of the City transferred \$986,017 to the Economic Development Fund in 2018 to assist in funding debt service payments. No transfers were made in 2019.

Note 3: Subsequent Events

The City Council approved a \$3 million grant in March 2020, for the Economic Development Fund. The project is the Astro Amphitheater, a 2,500 seat indoor, 5,000 seat outdoor event venue. The developer, City Ventures, is also building apartments and retail/restaurant space at City Centre along 84th Street.

The City is following state and federal guidelines to address the COVID-19 virus pandemic and is following the Center for Disease Control pandemic plan. Measures are being taken to safeguard employees and citizens. The budget is under review for potential delays in expense to offset any declines in revenue