

**CITY OF LA VISTA  
MAYOR AND CITY COUNCIL REPORT  
APRIL 4, 2023 AGENDA**

<b>Subject:</b>	<b>Type:</b>	<b>Submitted By:</b>
AUDITED ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED SEPTEMBER 30, 2022	◆ RESOLUTION ORDINANCE RECEIVE/FILE	KEVIN POKORNY DIRECTOR OF ADMINISTRATIVE SERVICES

**SYNOPSIS**

A resolution has been prepared to accept the following reports:

- The Annual Comprehensive Financial Report (Annual Report) for the fiscal year ended September 30, 2022, including the independent auditor's report and the auditor's Report on Compliance with Government Accounting Standards
- The Financial Report for the Economic Development Fund – LB840, including the independent auditor's report.
- The Independent audit report on Expenditures of Federal Awards

**FISCAL IMPACT**

N/A.

**RECOMMENDATION**

Approval.

**BACKGROUND**

The Annual Report, 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, management discussion and analysis, required supplementary information and statistical section enhance the presentation of the financial statements and note disclosures.

The Government Finance Officers Association (GFOA) awarded a Certification of Achievement for Excellence in Financial Reporting (COA) to the City of La Vista for its Annual Report for the fiscal year ended September 30, 2021. This is the third year the City has achieved this prestigious award. A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Report will meet the COA Program's requirements and will once again submit it to the GFOA to determine its eligibility.

The certified public accountants, Bergan KDV, LLP have submitted to the City their *Independent Auditor's Report (included in the Annual Report)* and the *Report on Compliance with Government Auditing Standards*.

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 ACCEPTING THE AUDITED ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2022, THE FINANCIAL REPORT FOR THE ECONOMIC DEVELOPMENT FUND AND THE INDEPENDENT AUDIT ON EXPENDITURES OF FEDERAL FUNDS AS PREPARED BY THE AUDITING FIRM OF BERGAN KDV, LLP, OMAHA, NEBRASKA.

WHEREAS, the City of La Vista has contracted with the firm of Bergan KDV, LLP, Omaha, Nebraska, to complete an audit of the City's municipal operations for the twelve months ended September 30, 2022; and

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

WHEREAS, Bergan KDV, LLP has also completed the financial report for the Economic Development Fund and the independent audit report on Expenditures of Federal Awards

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of La Vista, Nebraska, that the audited annual comprehensive financial report for the twelve months ended September 30, 2022, the financial report for the economic development fund and the independent audit on expenditures of federal funds is hereby accepted.

PASSED AND APPROVED THIS 4TH DAY OF APRIL 2023.

CITY OF LA VISTA

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Douglas Kindig, Mayor

ATTEST:

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Pamela A. Buethe, MMC  
City Clerk

# Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2022

CITY OF LA VISTA,  
NEBRASKA

**City of La Vista, Nebraska**  
**Annual Comprehensive Financial Report**  
**For the Fiscal Year Ended**  
**September 30, 2022**  
**Prepared by:**  
**City of La Vista**

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**City of La Vista, Nebraska**

**List of Elected and Appointed Officials**  
**September 30, 2022**

**Elected Officials**

**Mayor**

Douglas Kindig

**City Council**

**Ward I**

Kim Thomas, Council President  
Terrilyn Quick

**Ward III**

Alan Ronan  
Deb Hale

**Ward II**

Ron Sheehan  
Josh Frey

**Ward IV**

Kelly Sell  
Jim Frederick

**Appointed Officials**

City Administrator

Brenda Gunn

Chief of Police

Bob Lausten

City Attorney

Tom McKeon (FSBB, PC,LLO)

City Clerk

Pam Buethe

City Engineer

Pat Dowse

Director of Public Works

Joe Soucie

**Executive Management Team**

City Administrator

Brenda Gunn

Assistant City Administrator

Rita Ramirez

Chief of Police

Bob Lausten

Director of Administrative Services

Kevin Pokorny

Director of Public Works

Joe Soucie

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March 30, 2023

Honorable Mayor, City Council,  
and Residents of La Vista, Nebraska

The Annual Comprehensive 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, 2022, is hereby submitted. State law requires cities to issue, within six months of the fiscal year end, a set of audited financial statements. This report fulfills this requirement for the fiscal year ended September 30, 2022.

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 judgments 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 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 Bergan KDV LLC, 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, 2022, 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 opinion that the City's financial statements for the fiscal year ending September 30, 2022, are fairly presented in accordance with generally 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 a 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 Hall**  
8116 Park View Blvd.  
La Vista, NE 68128-2198  
402.331.4343 P  
402.331.4375 F

**Community Development**  
8116 Park View Blvd.  
402.593.6400 P  
402.593.6445 F

**Library**  
9110 Giles Rd.  
402.537.3900 P  
402.537.3902 F

**Police**  
7701 S. 96th St.  
402.331.1582 P  
402.331.7210 F

**Public Works**  
9900 Portal Rd.  
402.331.8927 P  
402.331.1051 F

**Recreation**  
8116 Park View Blvd.  
402.331.3455 P  
402.331.0299 F

[CityofLaVista.org](http://CityofLaVista.org)

## CITY PROFILE

Just south of the faint boundaries of Omaha, everyday priorities are clearer. The newest city in the greater Omaha region, La Vista is a special place experiencing remarkable growth and flourishing with opportunity. From modest beginnings in 1960 as a subdivision of 335 homes, La Vista has grown to become a dynamic and progressive community of nearly 17,000 and one of the fastest growing cities in Nebraska.

La Vista is a thoughtful, ambitious, family-friendly community, with tight-knit relationships and timeless traditions, while also offering the opportunities of a large city. Its inviting neighborhoods feature well-kept homes abutting tree-lined streets. The City offers an exceptional quality of life in a great suburban environment, and the people who live and work in La Vista are truly proud of their community.

Driven by a reputation for progressive thinking, La Vista always keeps an eye on what's next. And this vision amounts to more than a plan on paper – it leads to action in the real world. La Vista's commercial and industrial districts, with solid infrastructure and a convenient location, are undergoing impressive development and redevelopment.

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 identified in the La Vista Municipal Code. The City Administrator manages the day-to-day operations of the City, and the organization is streamlined under four senior directors, who have responsibility for the following function areas: Public Safety, Public Works, Community Services, and Administrative Services.

The City Council is required to adopt a budget no later than September 20 of the prior fiscal year. A biennial budget is adopted each even numbered year for the following two years and in the odd numbered years is reviewed for a possible amendment.

The FY23 – FY24 Biennial Budget marks the City's third biennial budget which serves as the foundation for the City's financial planning and control. The budget is prepared by fund and department. The City's legal level of budget control is at the department level. The City may reallocate expenditures between departments as long as the total expenditures within the fund do not exceed the adopted appropriation.

## LOCAL ECONOMY

La Vista's Southport area has grown into a regional destination with businesses such as Cabela's, Costco, Alamo Drafthouse, Nebraska Multi-Sport Complex (opening spring 2023) and the La Vista Conference Center along with over 750 hotel rooms.

La Vista's corporate community also includes Verizon Media (Oath Holdings), Streck Laboratories, Oriental Trading Co., Rotella's, and Securities America, among many others.

Elementary and secondary education is provided through 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. Metropolitan Community College's Sarpy Center is located in La Vista, and the University of Nebraska at Lincoln is only 45 minutes away.

La Vista's diverse and high-quality housing stock provides a wide range of residential options. With 14 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.

The overall quality of life in the City of La Vista was rated as "excellent" or "good" by 90% of respondents to the 2019 National Community Survey. Ninety-four percent of respondents reported that they plan to remain in La Vista for the next five years.

## LONG-RANGE FINANCIAL PLANNING

On June 15, 2021, 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 target reserve range of 20% to 25% of the year's General Fund operating expenditure budget. Based on the FY 2022 budget and the unassigned cash balance in the General Fund on September 30, 2022, the operating cash reserve is 68%. The excess reserve primarily relates to the sales and use tax reserve associated with State's economic development incentive programs, a CARES Act grant for public safety salaries and benefits, and American Rescue Plan Act grant.

The Long-Range Financial Plan (LRFP) with 10-year projections has been incorporated in to the budget process and looks at long term impacts of current commitments and long-range strategic planning goals through FY32. The current LRFP shows a drawdown of the General Fund Reserve balance over the next several years for additional personnel services and operational expenditures associated with City Centre development, the Astro event venue, development of the adjacent Central Park, and the Nebraska Multi-Sports Complex.

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

## MAJOR INITIATIVES

Corridor 84 is a major redevelopment initiative currently underway along a major north-south corridor in the heart of the City. A private developer is constructing a mixed-use town center "City Centre" consisting of residential, commercial/retail, office, and an entertainment component that includes the Astro, a state-of-the-art indoor/outdoor performance venue. 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 in the process of transforming what was an adjacent golf course into a regional recreation area that connects to the City's existing Central Park. The transformation includes a large lake, trails, and other amenities. Additional planned 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.

Construction of the Nebraska Multi-Sport Complex (NMSC) is scheduled for completion during the spring of 2023 with twelve multi-purpose lighted and turf fields as a first stage of the NMSC development in the 120th and Giles Road area.

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 Government Finance Officers Association (GFOA) awarded a Certification of Achievement for Excellence in Financial Reporting to the City of La Vista for its annual comprehensive financial report for the fiscal year ended September 30, 2021. This is the second year the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized annual report that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual report will meet the Certificate of Achievement Program's requirements and will once again submit it to the GFOA to determine its eligibility for a certificate.

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 members of all 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



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

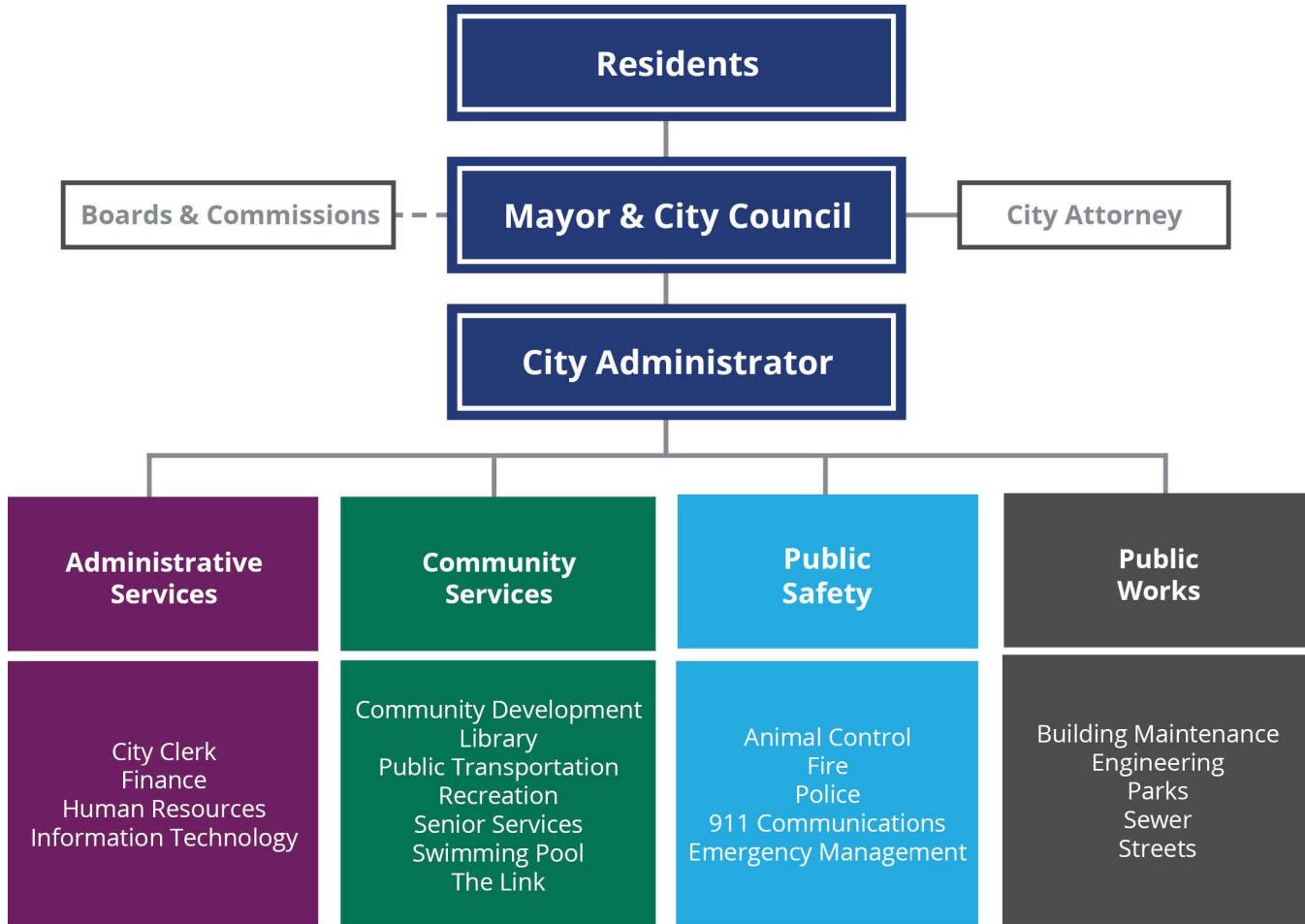
**City of La Vista  
Nebraska**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2021

*Christopher P. Morill*

Executive Director/CEO

**ORGANIZATIONAL CHART**

# FINANCIAL SECTION

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF LA VISTA, NEBRASKA

Honorable Mayor and Members  
of the City Council  
City of La Vista  
La Vista, Nebraska

**Report on the Audit of the Financial Statements**

**Opinions**

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, as of and for the year ended September 30, 2022, and the related notes to financial statements, which collectively comprise the City of La Vista's basic financial statements as listed in the Table of Contents.

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, Nebraska, as of September 30, 2022, 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.

**Basis for Opinions**

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

**Responsibilities of Management for the Financial Statements**

The City of La Vista's 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.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and Required Supplementary information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), 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.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of La Vista, Nebraska's basic financial statements. The other Supplementary Information as listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

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

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2023, 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 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.

*Bergankdv, LLC*

St. Cloud, Minnesota  
March 28, 2023

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

This section of the City of La Vista, Nebraska (The “City” or “City of La Vista”) Annual Comprehensive 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, 2022. 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, 2022, by \$77.8 million. Of this amount, \$24.9 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 \$7.6 million, or 10.9% from the prior year. Of this amount, \$6.6 million, or 87%, is related to governmental activities and \$1.0 million, or 13%, is related to business-type activities.
- As of September 30, 2022, the unassigned fund balance for the General Fund was \$16.2 million or 79% of total operating General Fund expenditures. As of September 30, 2021 the corresponding fund balance amount was 9.1 million or 54% of total operating General Fund expenditures.
- The City’s total bonded debt increased by \$33.9 million, or 67.8% during the current fiscal year.
- As of September 30, 2022, the City’s general obligation bond rating from Moody’s Investor Service is Aa3.
- The City’s cash balance as of September 30, 2022, is \$63,121,770.
- The City’s certified valuation for fiscal year 2022 was \$1,998,058,005 compared to \$1,755,107,309 for fiscal year 2021. This equates to a 13.8% increase in overall valuation. The County Assessor’s certified growth for fiscal year 2022 was \$198.7 million which reflects growth in new construction.

#### 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 schedules.

#### 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

## MANAGEMENT'S DISCUSSION AND ANALYSIS

regardless of when cash is received or paid. The two government-wide statements begin on page [30](#) and report the City's net position and how it has 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.

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 [34](#) through [40](#) of this report.

The City adopts a biennial appropriated budget for all its funds. Budgetary comparison schedules have been provided for the General Fund, Keno Fund, and Police Academy Funds to demonstrate compliance with this budget. These schedules can be found on pages [68](#) through [71](#) of this report. For other legally adopted fund budgets, these schedules can be found on pages [74](#) through [77](#) of this report.

## FINANCIAL SECTION

**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 provides more detail and additional information, such as a Statement of Cash Flows.

The basic proprietary fund financial statements can be found on pages [41](#) through [43](#) 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 [45](#) through [65](#) 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 2022 budget information for various City funds. Required supplementary information can be found on pages [68](#) through [71](#) 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 [74](#) through [77](#) 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 \$77.8 million at September 30, 2022.

The largest portion of the City's net position (50.8%) 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.

**MANAGEMENT'S DISCUSSION AND ANALYSIS****Condensed Statements of Net Position**  
**September 30, 2022 and 2021**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Current and other assets	\$74,374,040	\$38,667,408	\$ 7,026,723	\$ 5,156,883	\$81,400,763	\$43,824,291
Capital assets	85,169,972	78,099,716	4,675,144	4,689,291	89,845,116	82,789,007
Total assets	<u>159,544,012</u>	<u>116,767,124</u>	<u>11,701,867</u>	<u>9,846,174</u>	<u>171,245,879</u>	<u>126,613,298</u>
Deferred outflows of resources	813,478	876,912	—	—	813,478	876,912
Long-term liabilities	79,811,117	47,445,026	104,789	67,240	79,915,906	47,512,266
Other liabilities	13,033,782	9,316,745	1,324,639	511,116	14,358,421	9,827,861
Total liabilities	<u>92,844,899</u>	<u>56,761,771</u>	<u>1,429,428</u>	<u>578,356</u>	<u>94,274,327</u>	<u>57,340,127</u>
Deferred inflows of resources	—	—	—	—	—	—
Net position:						
Net investment in capital assets	34,848,404	37,559,118	4,675,144	4,689,291	39,523,548	42,248,409
Restricted	13,391,822	12,968,570	—	—	13,391,822	12,968,570
Unrestricted	<u>19,272,365</u>	<u>10,354,577</u>	<u>5,597,295</u>	<u>4,578,527</u>	<u>24,869,660</u>	<u>14,933,104</u>
Total Net Position	<u>\$67,512,591</u>	<u>\$60,882,265</u>	<u>\$10,272,439</u>	<u>\$ 9,267,818</u>	<u>\$77,785,030</u>	<u>\$70,150,083</u>

An additional portion of the City's net position (17.2%) represents resources subject to external restrictions on their use. The remaining balance of unrestricted net position (32.0%) 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 21, these funds are included in governmental activities expenditures:

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

**Condensed Statements of Activities**  
**For the Fiscal Year Ended September 30, 2022 and 2021**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>	
	<b>9/30/2022</b>	<b>9/30/2021</b>	<b>9/30/2022</b>	<b>9/30/2021</b>
<b>Revenues</b>				
Program revenues				
Charges for services	\$ 2,450,788	\$ 2,481,278	\$ 5,157,748	\$ 4,637,741
Operating grants & contributions	5,151,858	2,087,869	—	—
Capital grants & contributions	—	120,676	—	—
General revenues				
Property taxes	11,477,480	10,082,913	—	—
Sales and use taxes	9,449,353	9,096,486	—	—
Occupation taxes	2,862,435	2,395,210	—	—
Motor vehicle taxes	513,195	517,238	—	—
In lieu of taxes	221,485	214,639	—	—
Interest income	135,203	75,412	17,506	9,018
Miscellaneous	704,174	780,683	—	—
<b>Total Revenues</b>	<b>32,965,971</b>	<b>27,852,404</b>	<b>5,175,254</b>	<b>4,646,759</b>
<b>Expenses</b>				
General government	6,464,416	4,933,287	—	—
Public safety	8,810,890	8,496,120	—	—
Public works	4,601,354	5,021,900	—	—
Culture and recreation	3,576,740	3,221,142	—	—
Community betterment	553,825	659,766	—	—
Community development	853,483	925,830	—	—
Interest on long-term debt	1,474,787	925,554	—	—
Sewer	—	—	4,170,783	3,859,354
<b>Total Expenses</b>	<b>26,335,495</b>	<b>24,183,599</b>	<b>4,170,783</b>	<b>3,859,354</b>
<b>Increase in Net Position Before Transfers</b>	<b>6,630,476</b>	<b>3,668,805</b>	<b>1,004,471</b>	<b>787,405</b>
Transfers	(150)	(665)	150	665
<b>Total Transfers</b>	<b>(150)</b>	<b>(665)</b>	<b>150</b>	<b>665</b>
<b>Increase in Net Position</b>	<b>6,630,326</b>	<b>3,668,140</b>	<b>1,004,621</b>	<b>788,070</b>
Net position - beginning	60,882,265	57,214,125	9,267,818	8,479,748
<b>Net position - ending</b>	<b>\$ 67,512,591</b>	<b>\$ 60,882,265</b>	<b>\$ 10,272,439</b>	<b>\$ 9,267,818</b>

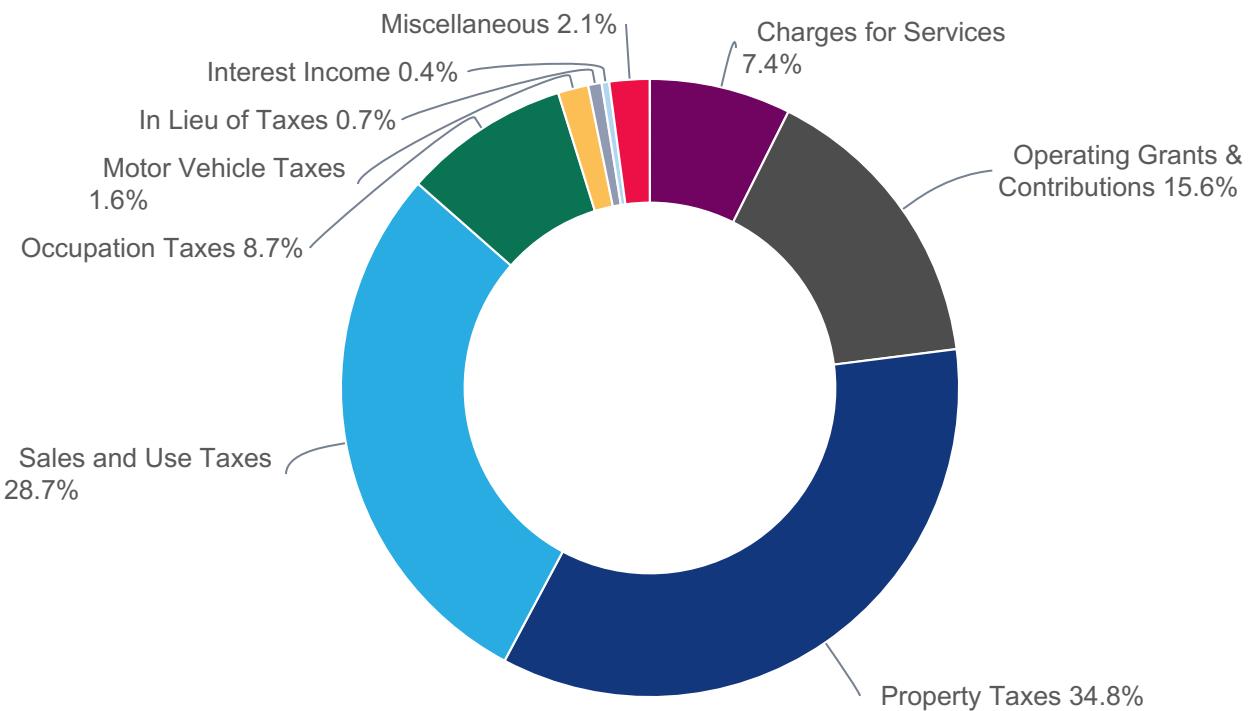
**MANAGEMENT'S DISCUSSION AND ANALYSIS****Condensed Statements of Activities**  
**For the Fiscal Year Ended September 30, 2022 and 2021 (Continued)**

	<b>Total</b>	
	<b>9/30/2022</b>	<b>9/30/2021</b>
<b>Revenues</b>		
Program revenues		
Charges for services	\$ 7,608,536	\$ 7,119,019
Operating grants & contributions	5,151,858	2,087,869
Capital grants & contributions	—	120,676
General revenues		
Property taxes	11,477,480	10,082,913
Sales and use taxes	9,449,353	9,096,486
Occupation taxes	2,862,435	2,395,210
Motor vehicle taxes	513,195	517,238
In lieu of taxes	221,485	214,639
Interest income	152,709	84,430
Miscellaneous	704,174	780,683
Total Revenues	<u>38,141,225</u>	<u>32,499,163</u>
<b>Expenses</b>		
General government	6,464,416	4,933,287
Public safety	8,810,890	8,496,120
Public works	4,601,354	5,021,900
Culture and recreation	3,576,740	3,221,142
Community betterment	553,825	659,766
Community development	853,483	925,830
Interest on long-term debt	1,474,787	925,554
Sewer	4,170,783	3,859,354
Total Expenses	<u>30,506,278</u>	<u>28,042,953</u>
<b>Increase in Net Position Before Transfers</b>	<u>7,634,947</u>	<u>4,456,210</u>
Transfers	—	—
Total Transfers	<u>—</u>	<u>—</u>
<b>Increase in Net Position</b>	<u>7,634,947</u>	<u>4,456,210</u>
Net position - beginning	<u>70,150,083</u>	<u>65,693,873</u>
Net position - ending	<u>\$ 77,785,030</u>	<u>\$ 70,150,083</u>

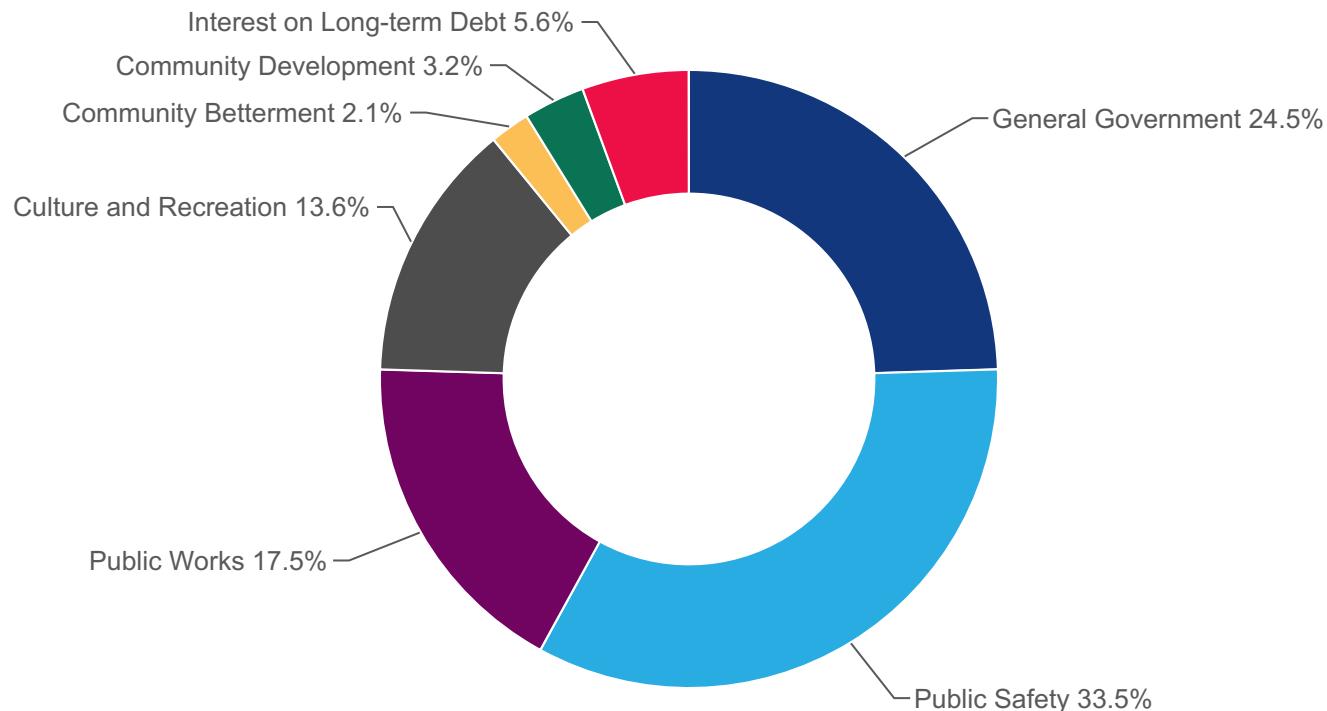
## FINANCIAL SECTION

### Governmental Activities

**Revenues by Source - Governmental Activities**



**Expenses by Category - Governmental Activities**



## MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental activities increased the City's net position by \$6.6 million. Key elements of the \$2,962,186 year over year increase in net position activity are as follows:

- Operating grants and contributions increased \$3,063,989 (146.8%) in fiscal year 2022 due to the Coronavirus Aid, Relief, and Economic Security Act federal grant related to reimbursement for public safety expenses received in fiscal year 2021.
- The Omaha Public Power District payment in lieu of taxes decreased \$127,132 due to an update to the distribution formula.
- Capital grants and contributions decreased \$(120,676) ((100.0%)) in fiscal year 2022, due to the Omaha Public Power District charging station grant in Parking District #1.
- Property tax revenues increased \$1,394,567 (13.8%) in fiscal year 2022 due to a 13.8% increase in the property valuations and collection of back year taxes.
- Net sales tax revenues increased by \$352,867 (3.9%) in fiscal year 2022.
  - Gross sales and use tax revenues increased \$1,846,696 (17.2%) in fiscal year 2022.
  - State sales and use tax refunds increased \$1,493,829 (92.3%) in fiscal year 2022. The refunds act as a decrease in revenue. The Nebraska Advantage Act allows eligible businesses refunds of their state sales and use tax payments.
- Occupation taxes increased by \$467,225 (19.5%) due a gradual recovery of the hospitality industry from the pandemic through increase hotel occupation tax revenue.
- General government expenses increased \$1,531,129 (31.0%) related to bond refinancing expenditures and increased tax increment financing (TIF) payments to the developer of City Centre.
- Public safety expenses increased \$314,770 (3.7%) primarily related to the annual increase in the Papillion Rural Fire District contract, a full year of salary and benefits for positions that were vacant part of the prior fiscal year and increased overtime and expenses for a missing child investigation in fiscal year 2022.
- Public Works expenses decreased \$420,546 (8.4%) related to depreciation expense.
- Culture and recreation expenses increased \$355,598 (11.0%) due to re-opening of the pool in fiscal year 2022 which was closed in fiscal year 2021 and a full year of part-time employees in fiscal year 2022 where Recreation and Library furloughed part-time employees from March to August in fiscal year 2021.
- Community betterment expenses decreased \$(105,941) ((16.1%)) due to decrease in state lottery tax on increased community betterment revenues.
- Community development expenses decreased \$(72,347) ((7.8%)) due to bond refinancing expenses in fiscal year 2022.
- Interest on long term debt expenses increased \$549,233 (59.3%) due to refunding bonds issued.

### Business-Type Activities

Business type activities increased the City's net position by \$1.0 million, or 13% of the total growth in the net position of the City.

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

## FINANCIAL SECTION

end of the fiscal year. As the City completed the year, its governmental funds reported a combined fund balance of \$67.4 million. Of that fund balance, \$16.2 million constitutes unassigned fund balance.

The General Fund is the main operating fund of the City. At the end of fiscal year 2022, the unassigned fund balance of the general fund was \$16.2 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 unassigned fund balance is 96% of the total General Fund balance. The unassigned fund balance represents 79% of the total 2022 General Fund expenditures. This exceeds the fund balance reserve policy to maintain a target reserve range from 20% 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 \$3.8 million. Excluding this amount from the general fund reserve balance the reserve balance is 61% which represents approximately seven months of operating expense. The increase in fund balance of \$5.1 million is primarily related to a revenue increase of additional property tax, sales tax and occupation tax collections.

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 \$3.6 million which represents 66% 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 decrease in fund balance of \$84,938 is primarily related to the bond refinancing activity.

The Keno Fund is restricted for community betterment as defined by Nebraska State Statutes. At the end of the fiscal year 2022, the restricted fund balance was \$4.7 million which is a 139,350 increase from the prior year. The increase is primarily due to the changes in community activities due to the COVID-19 pandemic and the increased revenue trend that began in 2020 due to other closed outlets. Current year revenue was used for community events such as drive-thru Easter Egg Hunt, Santa's Sleigh Ride in July, Halloween Safe-Night drive-thru and Santa's Winter Wonderland walk and photo event. Funds are also directed to strategic initiatives such as the City's brand development and capital improvement projects such as mini-park improvements including a dog park. 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 \$11.4 million is restricted for various capital projects. The increase in fund balance of \$7.8 million is due to the unexpended balances from issuance of debt transferred in from the Debt Service Fund.

The activity in the Economic Development Program Fund is \$3.0 million due to debt issuance. Two grant applications were approved in 2021 for the Astro performance venue and the Nebraska Multi-Sport Complex. 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 \$22.3 million which is an increase of \$17.6 million from one year ago. The increase is a result of issuance of refunding debt. 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 \$131,072 is restricted for SDLEA activities. The increase in fund balance of \$52,526 is due to an agency now paying tuition and fees rather than supplying the in-kind services of an instructor.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### 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 over budget by \$785,814.
- Occupation tax including Hotel and Restaurant tax revenue was over budget by \$329,118.
- Intergovernmental revenue was over budget by \$115,195.
- Miscellaneous revenue was under budget by \$187,021.
- Charges for Services revenue was under budget by \$153,714.

Increased revenue for online sales tax and a faster recovery in the hospitality industry from the COVID-19 pandemic positively impacted actual revenue. Intergovernmental revenue in the form of highway allocation funds increased due to estimated highway user revenue collected. Miscellaneous revenue was under budget mainly due to retirement forfeitures for civilian and police went uncollected and remain the retirement fund. Finally, charges for services includes miscellaneous charges in fees throughout the year. In FY22, there was a significant decrease in requests for records and other services which have a fee.

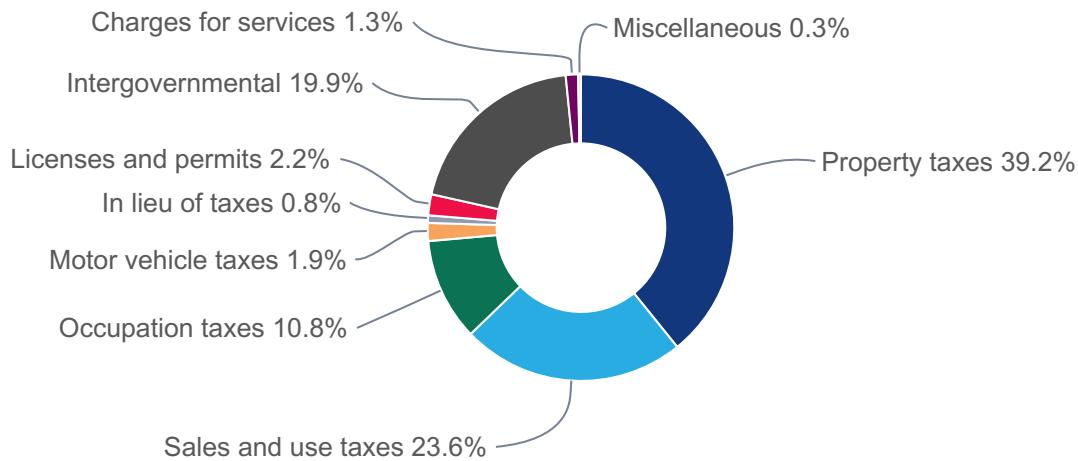
- General government activity was \$1,698,191 below budget due to reduced use of contract services, the HRA (Health Reimbursement Arrangement) for employee share health plan deductibles and an extra pay period budgeted but was booked into FY21.
- Public works activity was \$744,435 below budget due to vacant positions and an extra pay period budgeted but was booked into FY21.
- Public safety activity was \$165,554 below budget due to vacant positions and an extra pay period budgeted but was booked into FY21.
- Culture and recreation was \$500,207 below budget due to vacancies in Parks, Recreation and Sports Complex departments and reduced commodities and contracts in the Recreation department and an extra pay period budgeted but was booked into FY21.
- The Library Department was \$196,390 below budget due to vacant part-time salaries, material, and contract expenditures and an extra pay period budgeted but was booked into FY21.

### General Fund Budget and Actual (Budget Basis)

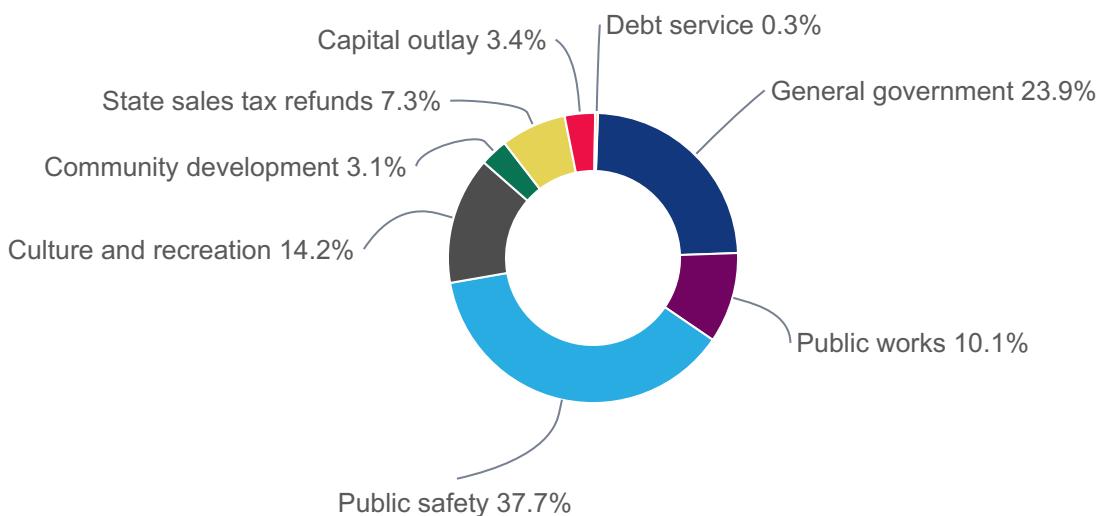
For the Fiscal Year Ended September 30, 2022

	Original Budget	Final Budget	Actual
<b>Revenues</b>			
Taxes	\$ 17,243,402	\$ 18,780,583	\$ 19,044,812
Charges for services	388,671	417,671	263,957
Other	2,776,488	4,408,131	4,449,038
<b>Total</b>	<b>20,408,561</b>	<b>23,606,385</b>	<b>23,757,807</b>
<b>Expenditures, lapsed encumbrances, and transfers</b>			
	21,388,371	23,400,749	19,659,355
Changes in fund balance	<u>\$ (979,810)</u>	<u>\$ 205,636</u>	<u>\$ 4,098,452</u>

### General Fund Revenues - Actual



### General Fund Expenditures - Actual



The following departments are included in the General Fund Expense Categories Chart above.

#### General Government

- Mayor & Council
- Boards & Commissions
- City Administration
- Administrative Services
- Human Resources
- Finance
- Information Technology
- Public Transportation
- Special Services Bus
- Building Maintenance

#### Public Works

- Administration
- Streets
- Police
- Fire
- Animal Control

#### Culture and Recreation

- Parks
- Sports Complex
- Recreation
- Pool
- Library

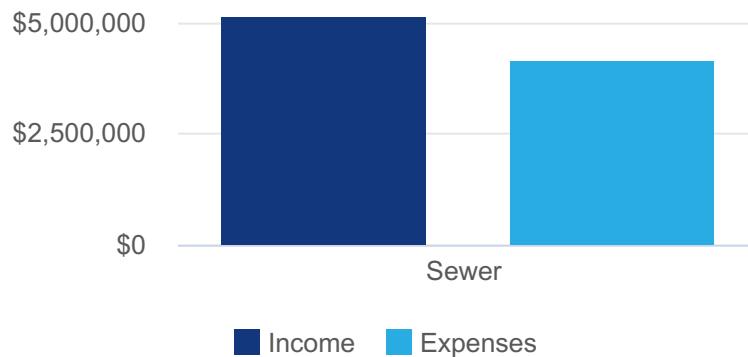
#### Community Development

- Community Development

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### 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 \$5.9 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, 2022, equals \$89.8 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 \$7.1 million. This increase over the prior year results from the depreciation of assets being less than new asset purchases and an increase in construction-in-progress. This is a 9.1% increase for governmental activities and a decrease of 0.3% for business type activities.

#### Capital Assets (net of depreciation) September 30, 2022 and 2021

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$15,609,324	\$15,609,324	\$ 9,524	\$ 9,524	\$15,618,848	\$15,618,848
Buildings	8,135,204	9,046,800	—	—	8,135,204	9,046,800
Improvements/ Infrastructure	35,324,759	32,391,277	—	—	35,324,759	32,391,277
Equipment/Furniture/ Vehicles	2,832,529	2,789,378	432,879	519,043	3,265,408	3,308,421
Sewer line system	—	—	3,772,693	3,928,823	3,772,693	3,928,823
Construction in progress	23,268,156	18,262,937	460,048	231,901	23,728,204	18,494,838
<b>Total</b>	<b>\$85,169,972</b>	<b>\$78,099,716</b>	<b>\$ 4,675,144</b>	<b>\$ 4,689,291</b>	<b>\$89,845,116</b>	<b>\$82,789,007</b>

## FINANCIAL SECTION

Major Capital Asset events during 2022 include the following

- Public Infrastructure Improvements:
  - Street maintenance including an overlay of UBAS in Giles Corner amounted to \$620 thousand in expenditures.
  - Public infrastructure improvements including parks, library and information technology amounted to \$355 thousand in expenditures.

Additional Information on the City's capital assets can be found in Note 5 of the notes to the financial statements on pages [54](#) and 55 of this report.

### Long Term Debt

At the end of fiscal year 2022, the City had total bonded debt outstanding of \$83.9 million, all backed by the full faith and credit of the government. The City made all scheduled payments.

#### Outstanding Bonded Debt September 30, 2022 and 2021

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$41,900,000	\$29,270,000	\$ —	\$ —	\$41,900,000	\$29,270,000
Tax revenue bonds	37,775,000	17,695,000	—	—	37,775,000	17,695,000
Notes from direct placements	1,820,000	2,155,000	—	—	1,820,000	2,155,000
Premium/discount on bonds issued	2,355,005	836,583	—	—	2,355,005	836,583
<b>Total</b>	<b>\$83,850,005</b>	<b>\$49,956,583</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$83,850,005</b>	<b>\$49,956,583</b>

The City's bonded debt increased by 67.8% in fiscal year 2022. The net increase of \$33.9 million is a result of issuing highway allocations bonds for street infrastructure and Economic Development Program bonds for grantee payments.

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

Additional information on the City's long-term debt can be found in Note 7 on pages [57](#) through [60](#) of this report.

### Economic Factors and Next Year's Budget and Rates

While establishing fiscal year 2023'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 2023 budget to maintain a 1 cent decrease to the property tax levy from FY20.

The unprecedented outbreak of the novel coronavirus (COVID-19) had a direct financial impact on the City in 2020 and 2021. Working with the State of Nebraska, the City was able to secure \$1 million in CARES Act relief in 2020 which was directed toward eligible public safety expenses. In 2021, the City received direct funding from the American Rescue Plan Act of 2021. The City received approximately \$3.1 million over the FY21 and FY22 which replaced City revenue losses and promote economic recovery.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Revenues:

- Gross sales and use tax receipts are estimated to decrease 1.9% in 2023. The fiscal year 2023 gross sales and use tax budget backed off slightly from the pandemic related online sales growth experienced in fiscal year 2022. Sales and use tax incentive refunds are budgeted at \$2.0 million in 2023, a 47.6% increase from \$1.4 in fiscal year 2022. Net sales tax receipts in 2023 are projected at \$9.1 million, which is a 8.6% decrease from 2022 receipts of \$10.0 million on a budget basis. This is due to an increased budget for sales tax incentive refunds in 2022. Sales & use tax is 25% of revenues for the General Fund on a budgetary basis and 40% of revenues on a governmental activity basis.
- The City's assessed property tax valuation for the year ending September 30, 2022, is \$1,998,058,005 which is 13.8% higher compared to the year ended September 30, 2021, due primarily to an increase in property values within city limits. Property tax is a significant revenue source and accounts for approximately 46% of General Fund revenues on a budgetary basis and 44% of revenues on a governmental activity basis.
- The City anticipated continued commercial build out of the 84th Street corridor, Southport commercial district to increase future year's sales tax and property tax revenue.
- In-fill annexation is planned in the out-years beyond the FY23 - FY24 biennial budget.

## FINANCIAL SECTION

### Expenditures:

#### FY22 Carryover CIP Projects

Due to construction timing or other delays, several capital improvement projects were not completed in FY22 as originally budgeted. All or part of the funding for these projects were then carried over and approved as part of the FY23 budget. The following table lists all FY22 CIP projects that had carryover into the FY23 budget.

FY22 Carryover Projects			Amount Carried Over to FY23
Project Number	Project Name	Funding Source	
<b>Public Facilities &amp; Other</b>			
CTHL15002	Municipal Campus Planning	Cash - Lottery Fund	150,000
CMDB18002	City Centre Parking #2	Bond - OSP/DSF	4,195,035
ADMN22001	Wayfinding Implementation	Cash - Lottery Fund	50,000
<b>Subtotal</b>			<b>4,395,035</b>
<b>Parks</b>			
PARK19001	Applewood Creek Trail	Bond - Debt Service Fund	459,805
PARK18001	The Link	Bond - Redevelopment Fund	9,389,142
PARK22001	Reflection Plaza	Bond - Debt Service Fund	50,000
PARK22002	Dog Park	Cash - Debt Service Fund	50,000
PARK17001	Mini Park Plan Improvements	Cash - Lottery Fund	50,000
<b>Subtotal</b>			<b>9,998,947</b>
<b>Sewer</b>			
SEWR13001	East La Vista Sewer/Pavement Rehab	Cash - Sewer Fund	2,700,000
SEWR13001	East La Vista Sewer/Pavement Rehab	Bond - Debt Service Fund	3,000,000
SEWR21001	8110 Park View Sanitary Sewer	Cash - Sewer Fund	20,000
<b>Subtotal</b>			<b>5,720,000</b>
<b>Streets</b>			
STRT23011*	UBAS Street Rehab: Harrison to Josephine, 72nd to 78th	Bond - Debt Service Fund	400,000
STRT21002	Central Park Access Road - Park View	Bond - Redevelopment Fund	1,232,000
STRT17003	Giles Road Wide M376 (230)	Cash - Debt Service Fund	50,000
STRT21005	Signalized Intersection Improvements	Cash - Debt Service Fund	56,000
STRT22004	Cimarron Woods Aux Culvert - Design Only	Cash - Debt Service Fund	45,500
STRT22006	72nd St Storm Sewer Pipe Reroute	Cash - Debt Service Fund	50,000
STRT22007	Brentwood Signal	Cash - Debt Service Fund	40,000
STRT23005**	Corridor 84 Streetscape - Phase 1C	Bond - Redevelopment Fund	165,000
<b>Subtotal</b>			<b>2,038,500</b>
<b>Total Carryover Capital Improvement Projects</b>			<b>22,152,482</b>

#### NOTES:

OSP is the Off-Street Parking Fund, and DSF is the Debt Service Fund.

\*\$400k moved from STRT20001 Annual Street Resurfacing in FY22 to STRT23011 UBAS Street Rehab in FY23.

\*\*\$165k moved from STRT17005 84th Street Underpass in FY22 to STRT23005 Corridor 84 Streetscape - Phase 1C in FY23.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### All Funds CIP Projects

The following table is a comprehensive list of all capital improvement projects included in the FY23 - FY24 Biennial Budget across all funds.

All Funds - Capital Improvement Projects					FY23 Adopted Budget	FY24 Adopted Budget
Project Number	Project Name	Budget Fund	Funding Source			
<b>Public Facilities &amp; Other</b>						
LIBR22001	Library Parking Lot Rehab	Capital Improvement	Bond - DSF	—	600,000	
LIBR23001	Space Needs Study - Library	Capital Improvement	Cash - DSF	39,000	—	
CMDV23001	Zoning/Subdivision Regulations Update	Capital Improvement	Cash - General Fund	—	200,000	
ADMN22001	Wayfinding Implementation	Capital Improvement	Cash - Lottery Fund	100,000	50,000	
CTHL15002	Municipal Campus Planning	Capital Improvement	Cash - Lottery Fund	150,000	—	
CMDV18002	City Centre Parking #2	Off-Street Parking	Bond - OSP-DSF	9,354,000	—	
<b>Subtotal</b>				<b>9,643,000</b>	<b>850,000</b>	
<b>Parks</b>						
CMDV23002	Bicycle & Pedestrian Plan	Capital Improvement	Cash - DSF	100,000	—	
PARK19001	Applewood Creek Trail M376	Capital Improvement	Bond - DSF	459,805	—	
PARK22001	Reflection Plaza	Capital Improvement	Bond - DSF	50,000	—	
PARK22002	Dog Park	Capital Improvement	Cash - DSF	50,000	—	
PARK23002	Thompson Creek 72nd to Edgewood Trail	Capital Improvement	Cash - DSF	54,000	20,000	
PARK17001	Mini Park Plan Improvements	Capital Improvement	Cash - Lottery Fund	100,000	50,000	
PARK17006	Central Park Phase 3 Improvements	Redevelopment	Bond - RDF	500,000	—	
PARK18001	The Link	Redevelopment	Bond - RDF	13,889,142	—	
PARK20003	Swimming Pool Demolition	Redevelopment	Bond - RDF	—	300,000	
PARK23001	City Centre Plaza Space Improvements	Redevelopment	Bond - RDF	—	1,500,000	
PARK23003	Central Park East Improvements	Redevelopment	Bond - RDF	500,000	—	
<b>Subtotal</b>				<b>15,702,947</b>	<b>1,870,000</b>	
<b>Sewer</b>						
SEWR13001	East La Vista Sewer/Pavement Rehab	Sewer	Cash - Sewer Fund	2,700,000	—	
SEWR21001	8110 Park View Sanitary Sewer	Sewer	Cash - Sewer Fund	20,000	—	
SEWR13001	East La Vista Sewer/Pavement Rehab	Capital Improvement	Bond - DSF	3,000,000	—	
<b>Subtotal</b>				<b>5,720,000</b>	<b>—</b>	
<b>Streets</b>						
STRT16002	120th & Giles Drainage Improvements	Capital Improvement	Bond - DSF	300,000	—	
STRT17003	Giles Rd Wide M376 (230)	Capital Improvement	Bond - DSF	50,000	—	
STRT19001	Storm Sewer Inlet Top Repair	Capital Improvement	Bond - DSF	150,000	—	
STRT21005	Signalized Intersection Improvements	Capital Improvement	Cash - DSF	56,000	—	
STRT22004	Cimarron Woods Aux Culvert - Design Only	Capital Improvement	Cash - DSF	45,500	—	
STRT22006	72nd St Storm Sewer Pipe Reroute	Capital Improvement	Cash - DSF	50,000	—	

## FINANCIAL SECTION

### All Funds - Capital Improvement Projects - Continued

Project Number	Project Name	Budget Fund	Funding Source	FY23 Adopted Budget	FY24 Adopted Budget
<b>Streets - Continued</b>					
STRT22007	Brentwood Signal	Capital Improvement	Cash - DSF	40,000	—
STRT23002	Bridge Deck Maintenance	Capital Improvement	Bond - DSF	—	900,000
STRT23006	73rd Avenue Culvert Rehabilitation	Capital Improvement	Bond - DSF	250,000	—
STRT23009	Giles Road Rehabilitation	Capital Improvement	Bond - DSF	750,000	—
STRT23010	Pavement Assessment	Capital Improvement	Cash - DSF	40,000	—
STRT23011	UBAS Street Rehab: Harrison to Josephine, 72nd to 78th	Capital Improvement	Bond - DSF	900,000	—
STRT23012	Asphalt Mill & Overlay: Terry Dr., 78th St., Lillian Ave.	Capital Improvement	Bond - DSF	1,100,000	—
STRT23013	Traffic Signal Improvements	Capital Improvement	Cash - DSF	40,000	—
STRT24003	Hell Creek Rehab - Olive Street	Capital Improvement	Bond - DSF	—	250,000
STRT24004	UBAS Street Rehab	Capital Improvement	Bond - DSF	—	500,000
STRT24005	Asphalt Mill & Overlay	Capital Improvement	Bond - DSF	—	1,000,000
STRT24006	Existing Central Park Access Road Reconstruction	Capital Improvement	Bond - DSF	—	1,050,000
STRT19008	Corridor 84 Streetscape 1A & 1B	Redevelopment	Bond - RDF	1,500,000	500,000
STRT21002	Central Park Access Road - Park View	Redevelopment	Bond - RDF	1,232,000	—
STRT23005	Corridor 84 Streetscape - Phase 1C	Redevelopment	Bond - RDF	165,000	—
<b>Subtotal</b>				<b>6,668,500</b>	<b>4,200,000</b>
<b>Total Capital Improvement Projects</b>				<b>37,734,447</b>	<b>6,920,000</b>

### 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.

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# Government-Wide Financial Statements

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF LA VISTA, NEBRASKA

**GOVERNMENT-WIDE FINANCIAL STATEMENTS****Statement of Net Position**  
**September 30, 2022**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 60,222,181	\$ 2,899,589	\$ 63,121,770
Restricted cash and cash equivalents	206,426	—	206,426
Cash at County Treasurer	78,075	—	78,075
Certificates of deposit	7,074,508	3,460,613	10,535,121
Receivables	6,631,279	663,392	7,294,671
Prepaid items	161,571	3,129	164,700
Capital assets			
Nondepreciable	38,877,480	469,572	39,347,052
Depreciable, net	46,292,492	4,205,572	50,498,064
Total assets	<u>159,544,012</u>	<u>11,701,867</u>	<u>171,245,879</u>
<b>Deferred Outflows of Resources</b>			
Deferred charge on refunding	813,478	—	813,478
<b>Liabilities</b>			
Accounts payable	2,974,842	993,596	3,968,438
Accrued expenses	1,115,216	325,417	1,440,633
State sales and use tax refunds payable	3,112,784	—	3,112,784
Compensated absences			
Payable within one year	115,940	5,626	121,566
Payable in more than one year	1,676,112	104,789	1,780,901
Bonds payable			
Due within one year	5,715,000	—	5,715,000
Due in more than one year	78,135,005	—	78,135,005
Total liabilities	<u>92,844,899</u>	<u>1,429,428</u>	<u>94,274,327</u>
<b>Net Position</b>			
Net investment in capital assets	34,848,404	4,675,144	39,523,548
Restricted for community betterment	9,686,940	—	9,686,940
Restricted for debt service	3,573,810	—	3,573,810
Restricted for public safety	131,072	—	131,072
Unrestricted	19,272,365	5,597,295	24,869,660
Total net position	<u>\$ 67,512,591</u>	<u>\$ 10,272,439</u>	<u>\$ 77,785,030</u>

See Notes to the Financial Statements

**Statement of Activities**  
**For the Fiscal Year Ended September 30, 2022**

	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Service</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary Government</b>				
Governmental Activities				
General government	\$ 6,464,416	\$ 589,377	\$ 178,076	\$ —
Public safety	8,810,890	228,963	3,117,488	—
Public works	4,601,354	—	1,856,294	—
Culture and recreation	3,576,740	318,927	—	—
Community betterment	553,825	1,271,903	—	—
Community development	853,483	41,618	—	—
Interest on long-term debt	1,474,787	—	—	—
Total governmental activities	<u>26,335,495</u>	<u>2,450,788</u>	<u>5,151,858</u>	<u>—</u>
Business-type activities				
Sewer	4,170,783	5,157,748	—	—
Total business-type activities	<u>4,170,783</u>	<u>5,157,748</u>	<u>—</u>	<u>—</u>
Total Primary Government	<u>\$ 30,506,278</u>	<u>\$ 7,608,536</u>	<u>\$ 5,151,858</u>	<u>\$ —</u>
<b>Net Revenues (Expenses) and Changes in Net Position</b>				
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	
<b>Primary Government</b>				
Governmental Activities				
General government	\$ (5,696,963)	\$ —	\$ (5,696,963)	
Public safety	(5,464,439)	—	(5,464,439)	
Public works	(2,745,060)	—	(2,745,060)	
Culture and recreation	(3,257,813)	—	(3,257,813)	
Community betterment	718,078	—	718,078	
Community development	(811,865)	—	(811,865)	
Interest on long-term debt	(1,474,787)	—	(1,474,787)	
Total governmental activities	<u>(18,732,849)</u>	<u>—</u>	<u>(18,732,849)</u>	
Business-type activities				
Sewer	—	986,965	986,965	
Total business-type activities	<u>—</u>	<u>986,965</u>	<u>986,965</u>	
Total Primary Government	<u>\$ (18,732,849)</u>	<u>\$ 986,965</u>	<u>\$ (17,745,884)</u>	

**GOVERNMENT-WIDE FINANCIAL STATEMENTS****Statement of Activities**  
**For the Fiscal Year Ended September 30, 2022**

	<b>Net Revenues (Expenses) and Changes in Net Position</b>		
	<b>Governmental Activities</b>	<b>Business- type Activities</b>	<b>Total</b>
General Revenues			
Property taxes	11,477,480	—	11,477,480
Sales and use taxes	9,449,353	—	9,449,353
Occupation taxes	2,862,435	—	2,862,435
Motor vehicle taxes	513,195	—	513,195
In lieu of taxes	221,485	—	221,485
Interest income	135,203	17,506	152,709
Miscellaneous	704,174	—	704,174
Transfers	(150)	150	—
Total general revenues and transfers	25,363,175	17,656	25,380,831
<b>Change in Net Position</b>	6,630,326	1,004,621	7,634,947
<b>Net Position, Beginning of Year</b>	60,882,265	9,267,818	70,150,083
<b>Net Position, End of Year</b>	<u>\$ 67,512,591</u>	<u>\$ 10,272,439</u>	<u>\$ 77,785,030</u>

See Notes to the Financial Statements

# Fund Financial Statements

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF LA VISTA, NEBRASKA

**FUND FINANCIAL STATEMENTS**

**Balance Sheet –  
Governmental Funds  
September 30, 2022**

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Keno Fund</b>	<b>Capital Improvements Fund</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 14,483,885	\$ 3,790,723	\$ 125,235	\$ 13,371,785
Restricted cash and cash equivalents	1,500	—	73,834	—
Cash at County Treasurer	74,540	3,535	—	—
Certificates of deposit	2,562,597	—	4,511,911	—
Prepaid items	158,321	—	—	—
Receivables	1,973,690	563,269	43,033	—
 Total assets	 <u>\$ 19,254,533</u>	 <u>\$ 4,357,527</u>	 <u>\$ 4,754,013</u>	 <u>\$ 13,371,785</u>
<b>Liabilities</b>				
Accounts payable	\$ 495,100	\$ —	\$ 7,501	\$ 1,479,199
Accrued expenses	233,989	—	76,177	478,689
Sales tax refunds payable	1,556,392	778,196	—	—
 Total liabilities	 <u>2,285,481</u>	 <u>778,196</u>	 <u>83,678</u>	 <u>1,957,888</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenues	54,126	5,521	—	—
<b>Fund Balances</b>				
Nonspendable	158,321	—	—	—
Restricted for:				
Debt service	—	3,573,810	—	—
Community betterment	—	—	4,670,335	—
Economic development	—	—	—	—
84th street redevelopment	—	—	—	—
Public safety	—	—	—	—
Committed for:				
Capital outlay	529,057	—	—	11,413,897
Unassigned	16,227,548	—	—	—
 Total fund balances	 <u>16,914,926</u>	 <u>3,573,810</u>	 <u>4,670,335</u>	 <u>11,413,897</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 19,254,533</u>	 <u>\$ 4,357,527</u>	 <u>\$ 4,754,013</u>	 <u>\$ 13,371,785</u>

See Notes to the Financial Statements

## FINANCIAL SECTION

**Balance Sheet –  
Governmental Funds  
September 30, 2022**

	<b>Economic Development Fund</b>	<b>84th Street Redevelopment Fund</b>	<b>Police Academy Fund</b>	<b>Total Governmental Funds</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 4,975,283	\$ 23,475,270	\$ —	\$ 60,222,181
Restricted cash and cash equivalents	—	—	131,092	206,426
Cash at County Treasurer	—	—	—	78,075
Certificates of deposit	—	—	—	7,074,508
Prepaid items	—	—	3,250	161,571
Receivables	3,502,423	548,864	—	6,631,279
<b>Total assets</b>	<b><u>\$ 8,477,706</u></b>	<b><u>\$ 24,024,134</u></b>	<b><u>\$ 134,342</u></b>	<b><u>\$ 74,374,040</u></b>
<b>Liabilities</b>				
Accounts payable	\$ —	\$ 992,441	\$ 601	\$ 2,974,842
Accrued expenses	—	—	2,669	791,524
Sales tax refunds payable	—	778,196	—	3,112,784
<b>Total liabilities</b>	<b><u>—</u></b>	<b><u>1,770,637</u></b>	<b><u>3,270</u></b>	<b><u>6,879,150</u></b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenues	—	—	—	59,647
<b>Fund Balances</b>				
Nonspendable	—	—	3,250	161,571
Restricted for:				
Debt service	—	—	—	3,573,810
Community betterment	—	—	—	4,670,335
Economic development	8,477,706	—	—	8,477,706
84th street redevelopment	—	22,253,497	—	22,253,497
Public safety	—	—	127,822	127,822
Committed for:				
Capital outlay	—	—	—	11,942,954
Unassigned	—	—	—	16,227,548
<b>Total fund balances</b>	<b><u>8,477,706</u></b>	<b><u>22,253,497</u></b>	<b><u>131,072</u></b>	<b><u>67,435,243</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$ 8,477,706</u></b>	<b><u>\$ 24,024,134</u></b>	<b><u>\$ 134,342</u></b>	<b><u>\$ 74,374,040</u></b>

See Notes to the Financial Statements

## FUND FINANCIAL STATEMENTS

**Reconciliation of the Balance Sheet  
of Governmental Funds to the  
Statement of Net Position - Governmental Activities**  
**September 30, 2022**

**Total Fund Balances - Total Governmental Funds** \$ 67,435,243

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. 85,169,972

Long-term liabilities, including bonds payable of \$81,495,000, are not due and payable in the current period and, therefore, are not reported in the funds. Other related amounts include interest payable of \$323,692, bond premiums of \$2,355,005. (84,173,697)

Deferred outflows of resources related to refunded debt are not current financial resources, and therefore, are not reported in the funds. 813,478

Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds. (1,792,052)

Deferred inflows represents funds not available in the current period and, therefore, are not recognized as revenue in the governmental funds.

**Net Position of Governmental Activities** \$ 67,512,591

## See Notes to the Financial Statements

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**FUND FINANCIAL STATEMENTS****Statement of Revenues, Expenditures, and Changes in Fund Balances –  
For the Fiscal Year Ended September 30, 2022**

	General Fund	Debt Service Fund	Keno Fund	Capital Improvements Fund
<b>Revenues</b>				
Property taxes	\$ 10,434,311	\$ 990,672	\$ —	\$ —
Sales and use taxes	6,280,036	3,140,021	—	—
Occupation taxes	2,862,255	—	—	—
Motor vehicle taxes	510,937	2,258	—	—
In lieu of taxes	200,977	20,508	—	—
Licenses and permits	587,640	—	—	—
Intergovernmental	5,286,640	—	—	—
Charges for services	342,590	—	—	—
Keno	—	—	1,271,903	—
Other Sales	—	—	—	—
Interest income	44,628	5,819	17,508	11,780
Miscellaneous	70,376	504,516	4,350	—
<b>Total revenues</b>	<b>26,620,390</b>	<b>4,663,794</b>	<b>1,293,761</b>	<b>11,780</b>
<b>Expenditures</b>				
Current				
General government	5,061,613	218,126	7,100	—
Public works	2,139,955	—	—	—
Public safety	8,014,955	—	—	—
Culture and recreation	3,019,894	—	—	—
Community betterment	—	—	553,825	—
Community development	657,173	—	—	—
State sales tax refunds	1,556,392	778,196	—	—
Capital outlay	716,821	—	—	5,982,202
Debt service				
Principal retirement	70,927	3,460,000	—	—
Interest	792	919,919	—	—
Bond issuance costs	—	163,122	—	—
<b>Total expenditures</b>	<b>21,238,522</b>	<b>5,539,363</b>	<b>560,925</b>	<b>5,982,202</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<b>5,381,868</b>	<b>(875,569)</b>	<b>732,836</b>	<b>(5,970,422)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers, net	(265,634)	(12,866,760)	(593,486)	13,725,730
Issuance of debt from bonds	—	12,675,000	—	—
Premium from bonds	—	982,391	—	—
<b>Total other financing sources (uses)</b>	<b>(265,634)</b>	<b>790,631</b>	<b>(593,486)</b>	<b>13,725,730</b>
<b>Net Change in Fund Balances</b>				
<b>Fund Balances, Beginning of Year</b>	<b>5,116,234</b>	<b>(84,938)</b>	<b>139,350</b>	<b>7,755,308</b>
<b>Fund Balances, End of Year</b>	<b>11,798,692</b>	<b>3,658,748</b>	<b>4,530,985</b>	<b>3,658,589</b>
<b>\$ 16,914,926</b>	<b>\$ 3,573,810</b>	<b>\$ 4,670,335</b>	<b>\$ 11,413,897</b>	

See Notes to the Financial Statements

## FINANCIAL SECTION

### Statement of Revenues, Expenditures, and Changes in Fund Balances – For the Fiscal Year Ended September 30, 2022

	Economic Development Fund	84th Street Redevelop- ment Fund	Police Academy Fund	Total Governmental Funds
<b>Revenues</b>				
Property taxes	\$ —	\$ —	\$ —	\$ 11,424,983
Sales and use taxes	—	3,140,020	—	12,560,077
Occupation taxes	—	180	—	2,862,435
Motor vehicle taxes	—	—	—	513,195
In lieu of taxes	—	—	—	221,485
Licenses and permits	—	—	—	587,640
Intergovernmental	—	—	228,964	5,515,604
Charges for services	—	—	—	342,590
Keno	—	—	—	1,271,903
Other Sales	21,114	—	—	21,114
Interest income	7,644	26,545	165	114,089
Miscellaneous	—	—	—	579,242
<b>Total revenues</b>	<b>28,758</b>	<b>3,166,745</b>	<b>229,129</b>	<b>36,014,357</b>
<b>Expenditures</b>				
Current				
General government	—	—	—	5,286,839
Public works	—	—	—	2,139,955
Public safety	—	—	176,603	8,191,558
Culture and recreation	—	—	—	3,019,894
Community betterment	—	—	—	553,825
Community development	—	181,204	—	838,377
State sales tax refunds	—	778,196	—	3,112,784
Capital outlay	—	4,461,086	—	11,160,109
Debt service				
Principal retirement	—	705,000	—	4,235,927
Interest	64,115	589,878	—	1,574,704
Bond issuance costs	76,430	295,021	—	534,573
<b>Total expenditures</b>	<b>140,545</b>	<b>7,010,385</b>	<b>176,603</b>	<b>40,648,545</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<b>(111,787)</b>	<b>(3,843,640)</b>	<b>52,526</b>	<b>(4,634,188)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers, net	—	—	—	(150)
Issuance of debt from bonds	3,080,000	20,785,000	—	36,540,000
Premium from bonds	—	700,684	—	1,683,075
<b>Total other financing sources (uses)</b>	<b>3,080,000</b>	<b>21,485,684</b>	<b>—</b>	<b>38,222,925</b>
<b>Net Change in Fund Balances</b>	<b>2,968,213</b>	<b>17,642,044</b>	<b>52,526</b>	<b>33,588,737</b>
<b>Fund Balances, Beginning of Year</b>	<b>5,509,493</b>	<b>4,611,453</b>	<b>78,546</b>	<b>33,846,506</b>
<b>Fund Balances, End of Year</b>	<b>\$ 8,477,706</b>	<b>\$ 22,253,497</b>	<b>\$ 131,072</b>	<b>\$ 67,435,243</b>

See Notes to the Financial Statements

## FUND FINANCIAL STATEMENTS

**Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities - Governmental Activities  
For the Fiscal Year Ended September 30, 2022**

**Net Change in Fund Balances - Total Governmental Funds** \$ 33,588,737

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.

Capital outlays	\$ 10,768,208	
Less: depreciation expense	<u>(3,697,959)</u>	7,070,249

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.

(36,540,000)

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.

(1,518,422)

Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

4,235,927

In the Statement of Activities, interest is accrued on outstanding bonds and notes, whereas in governmental funds, an interest expenditure is reported when due.

(62,675)

Compensated absences do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

(52,585)

Deferred inflows represent funds not available in the current period and, therefore, are not recognized as revenue in the governmental funds.

(27,471)

Amortization net of additions of deferred amounts on refunding that do not represent activity in the current period.

(63,434)

**Change in Net Position of Governmental Activities**

6,630,326

See Notes to the Financial Statements

**Statement of Net Position**  
**Proprietary Fund**  
**September 30, 2022**

	<b>Sewer Fund</b>
<b>Assets</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 2,899,589
Prepays	3,129
Certificates of deposit	3,460,613
Accounts receivable	<u>663,392</u>
Total current assets	<u>7,026,723</u>
<b>Non-Current Assets</b>	
Land	9,524
Equipment and furniture	1,851,571
Sewer line systems	7,872,662
Buildings and improvements	9,365
Construction in progress	460,048
Accumulated depreciation	<u>(5,528,026)</u>
Capital assets - net of depreciation	<u>4,675,144</u>
Total assets	<u>\$ 11,701,867</u>
<b>Liabilities and Net Position</b>	
<b>Current Liabilities</b>	
Accounts payable	\$ 993,596
Accrued expenses	325,417
Compensated absences - current portion	<u>5,626</u>
Total current liabilities	<u>1,324,639</u>
<b>Non-Current Liabilities</b>	
Compensated absences	<u>104,789</u>
Total non-current liabilities	<u>104,789</u>
Total liabilities	<u>\$ 1,429,428</u>
<b>Net Position</b>	
Net investment in capital assets	4,675,144
Unrestricted	<u>5,891,459</u>
Total net position	<u>10,272,439</u>
Total liabilities and net position	<u>\$ 11,701,867</u>

See Notes to the Financial Statements

**FUND FINANCIAL STATEMENTS**

**Statement of Revenues, Expenses, and Changes in Net Position –  
Proprietary Fund  
For the Fiscal Year Ended September 30, 2022**

	<u><b>Sewer Fund</b></u>
<b>Operating Revenues</b>	
User fees	\$ 4,915,541
Permits and hookups	226,667
Other revenue	<u>15,540</u>
Total operating revenues	<u>5,157,748</u>
<b>Operating Expenses</b>	
General and administrative	16,739
Maintenance	3,911,750
Depreciation	<u>242,294</u>
Total operating expenses	<u>4,170,783</u>
<b>Operating Income</b>	<u>986,965</u>
<b>Nonoperating Revenues</b>	
Interest income	<u>17,506</u>
Total nonoperating revenues	<u>17,506</u>
<b>Income (Loss) before Transfers</b>	1,004,471
<b>Transfers</b>	<u>150</u>
<b>Change in Net Position</b>	1,004,621
<b>Net Position, Beginning of Year</b>	<u>9,267,818</u>
<b>Net Position, End of Year</b>	<u>\$ 10,272,439</u>

See Notes to the Financial Statements

**Statement of Cash Flows – Proprietary Funds**  
**For the Fiscal Year Ended September 30, 2022**

	<b>Sewer Fund</b>
<b>Cash Flows from Operating Activities</b>	
Receipts from customers	\$ 5,100,920
Payments to suppliers	(2,479,120)
Payments to employees	<u>(598,580)</u>
Net cash provided by operating activities	<u>2,023,220</u>
<b>Cash Flows from Non-Capital Financing Activities</b>	
Transfers	<u>150</u>
Net cash provided by non-capital financing activities	<u>150</u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Acquisition of capital assets	<u>(228,147)</u>
Net cash used in capital and related financing activities	<u>(228,147)</u>
<b>Cash Flows from Investing Activities</b>	
Interest income	<u>17,506</u>
Net cash provided by investing activities	<u>17,506</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>1,812,729</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>1,086,860</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u><b>\$ 2,899,589</b></u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>	
Operating income	986,965
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	242,294
Changes in operating assets and liabilities	
Increase in receivables	(56,828)
Increase in prepaid items	(283)
Increase in payables and accrued expenses	<u>851,072</u>
<b>Net Cash Provided by Operating Activities</b>	<u><b>\$ 2,023,220</b></u>

See Notes to the Financial Statements

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# Notes to Financial Statements

ANNUAL COMPREHENSIVE 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, 2022.

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

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been met.

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, 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 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)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's utility functions and various other functions of the City. Elimination of these charges would distort the direct cost and program revenues for the various functions covered.

#### 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 fund balances.

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, sales, 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 projects.

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.

## NOTES TO THE FINANCIAL STATEMENTS

### Note 1: Summary of Significant Accounting Policies (Continued)

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.

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 strictly of bank deposits. 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 bank deposits are separately held by several of the City's funds.

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.

#### 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 \$200,253, and are included in accounts receivable.

#### 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, 2022, was 0.5000 per \$100 of assessed valuation and the debt service requirement was 0.0400 per \$100 of assessed valuation. The assessed valuation for the 2021-2022 tax year was \$1,998,058,005.

#### 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.

### Note 1: Summary of Significant Accounting Policies (Continued)

#### Capital Assets and Depreciation

The City's property, facilities, 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

#### 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 assets 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 assets 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.

## NOTES TO THE FINANCIAL STATEMENTS

### Note 1: Summary of Significant Accounting Policies (Continued)

#### 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:

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 and the Link project. 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. 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 2022 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, 2022 balance is \$529,057.

### Note 1: Summary of Significant Accounting Policies (Continued)

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, 2022, 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. The General fund is the only fund to report a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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 from 20% 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: Deposits and Investments

#### Cash at the County Treasurer

The City's Cash with Sarpy County Treasurer is covered by collateral held by the County.

#### 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, 2022, 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. The City did not hold any investments at year end.

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

## NOTES TO THE FINANCIAL STATEMENTS

### Note 2: Deposits and Investments (Continued)

**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.

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

#### 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	\$	78,075
Deposits		73,863,317
Total	\$	<u>73,941,392</u>

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

Cash and cash equivalents	\$	63,121,770
Restricted cash and cash equivalents		206,426
Cash at Country Treasurer		78,075
Certificates of deposit		10,535,121
Total	\$	<u>73,941,392</u>

### Note 3: Disclosures About Fair Value of Assets and Liabilities

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

<b>Level 1:</b>	Quoted market prices in active markets for identical assets or liabilities
<b>Level 2:</b>	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
<b>Level 3:</b>	Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

### Note 4: Receivables

Receivables at September 30, 2022, consist of the following:

Fund	Taxes	Accounts Receivable	Grants Receivable	Total Receivables
General	\$1,256,157	\$ 708,044	\$ 9,489	\$ 1,973,690
Debt Service	563,269	—	—	563,269
Keno	—	43,033	—	43,033
Economic Development	—	3,502,423	—	3,502,423
Redevelopment Fund	548,864	—	—	548,864
Sewer	—	663,392	—	663,392
	<u>\$2,368,290</u>	<u>\$ 4,916,892</u>	<u>\$ 9,489</u>	<u>\$ 7,294,671</u>

The City anticipates collecting all outstanding receivables.

## FINANCIAL SECTION

### **Economic Development Fund**

In connection with the financing of City Centre Music Venue the City has an agreement with the developer to loan up to \$5,500,000. As of September 30, 2022, the City has transferred a total of \$3,487,581. \$3,000,000 of the amount loaned will be forgiven and discharged upon completion and commencement of operations. \$2,500,000 will be paid back to the City, with interest on or before August 31, 2029. The repayable portion will accrue interest at a rate equal to the Prime Rate published in the Wall Street Journal plus 2.25% (7.75% as of September 30, 2022). This rate resets at the beginning of each month. For the year ended September 30, 2022, the City has recorded interest income in the amount of \$21,114 and \$14,842 of this is accrued for and included in the receivable balance at year end.

**NOTES TO THE FINANCIAL STATEMENTS****Note 5: Capital Assets and Depreciation**

Capital asset activity for the fiscal year ended September 30, 2022, was as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Governmental Activities</b>				
Land	\$ 15,609,324	\$ —	\$ —	\$ 15,609,324
Construction in progress	18,262,937	9,979,853	(4,974,634)	23,268,156
Total capital assets, not being depreciated	<u>33,872,261</u>	<u>9,979,853</u>	<u>(4,974,634)</u>	<u>38,877,480</u>
Capital assets, being depreciated				
Buildings	24,394,109	94,927	—	24,489,036
Improvements/infrastructure	69,671,014	4,955,665	—	74,626,679
Equipment/furniture/vehicles	12,113,680	712,404	(144,960)	12,681,124
Total capital assets, being depreciated	<u>106,178,803</u>	<u>5,762,996</u>	<u>(144,960)</u>	<u>111,796,839</u>
Accumulated Depreciation				
Buildings	(15,347,309)	(1,006,523)	—	(16,353,832)
Improvements/infrastructure	(37,279,737)	(2,022,183)	—	(39,301,920)
Equipment/furniture/vehicles	(9,324,302)	(669,253)	144,960	(9,848,595)
Total accumulated depreciation	<u>(61,951,348)</u>	<u>(3,697,959)</u>	<u>144,960</u>	<u>(65,504,347)</u>
Capital assets being depreciated, net	<u>44,227,455</u>	<u>2,065,037</u>	<u>—</u>	<u>46,292,492</u>
Governmental activities capital assets, net	<u>\$ 78,099,716</u>	<u>\$ 12,044,890</u>	<u>\$ (4,974,634)</u>	<u>\$ 85,169,972</u>

Depreciation was charged to functions/programs as follows:

<b>Governmental Activities</b>	
General services	\$ 422,734
Public safety	612,633
Culture and recreation	412,966
Public works	2,249,626
Total governmental activities depreciation expense	<u>\$ 3,697,959</u>

**Note 5: Capital Assets and Depreciation (Continued)**

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Business-type Activities</b>				
Land	\$ 9,524	\$ —	\$ —	\$ 9,524
Construction in progress	231,901	228,147	—	460,048
Total capital assets, not being depreciated	<u>241,425</u>	<u>228,147</u>	—	<u>469,572</u>
Capital assets, being depreciated				
Building and improvements	9,365	—	—	9,365
Sewer line system	7,872,662	—	—	7,872,662
Equipment and furniture	1,851,571	—	—	1,851,571
Total capital assets, being depreciated	<u>9,733,598</u>	<u>—</u>	<u>—</u>	<u>9,733,598</u>
Accumulated depreciation				
Building and improvements	(9,365)	—	—	(9,365)
Sewer line system	(3,943,839)	(156,130)	—	(4,099,969)
Equipment and furniture	(1,332,528)	(86,164)	—	(1,418,692)
Total accumulated depreciation	<u>(5,285,732)</u>	<u>(242,294)</u>	<u>—</u>	<u>(5,528,026)</u>
Capital assets being depreciated, net	<u>4,447,866</u>	<u>(242,294)</u>	<u>—</u>	<u>4,205,572</u>
Business-type activities capital assets, net	<u>\$ 4,689,291</u>	<u>\$ (14,147)</u>	<u>\$ —</u>	<u>\$ 4,675,144</u>

Depreciation was charged to functions/programs as follows:

<b>Business-type Activities</b>	
Sewer	\$ <u>242,294</u>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 6: Short-term Liabilities

The City incurs short term liabilities during the fiscal year as a result of its normal operations. The following is a summary of short-term liability activity of the City for the fiscal year ended September 30, 2022.

	Beginning Balance	Additions	Reductions	Ending Balance
<b>Governmental Activities</b>				
Short-term liabilities				
Accounts payable	\$ 1,276,757	\$41,671,285	\$39,973,200	\$ 2,974,842
Accrued expenses	579,642	1,502,911	967,337	1,115,216
Unearned revenues	1,519,440	—	1,519,440	—
State sales and use tax refunds payable	1,618,955	3,112,784	1,618,955	3,112,784
Total governmental short-term liabilities	<u>\$ 4,994,794</u>	<u>\$46,286,980</u>	<u>\$44,078,932</u>	<u>\$ 7,202,842</u>
<b>Business-type Activities</b>				
Short-term liabilities				
Accounts payable	\$ 331,328	\$ 4,363,362	\$ 3,701,094	\$ 993,596
Accrued expenses	176,177	173,585	24,345	325,417
Total business-type short-term liabilities	<u>\$ 507,505</u>	<u>\$ 4,536,947</u>	<u>\$ 3,725,439</u>	<u>\$ 1,319,013</u>

**Note 7: 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 fiscal year ended September 30, 2022:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Governmental Activities</b>					
Bonds payable					
General obligation bonds	\$ 29,270,000	\$ 15,755,000	\$ 3,125,000	\$ 41,900,000	\$ 4,020,000
Tax revenue bonds	17,695,000	20,785,000	705,000	37,775,000	1,350,000
Notes from direct placements	2,155,000	—	335,000	1,820,000	345,000
Premium/discount on bonds issued	836,583	1,683,075	164,653	2,355,005	—
Total bonds payable	<u>49,956,583</u>	<u>38,223,075</u>	<u>4,329,653</u>	<u>83,850,005</u>	<u>5,715,000</u>
Other long-term liabilities					
Installment notes payable - direct borrowings	70,927	—	70,927	—	—
Compensated absences	1,739,467	1,118,792	1,066,207	1,792,052	115,940
Total other long-term liabilities	<u>1,810,394</u>	<u>1,118,792</u>	<u>1,137,134</u>	<u>1,792,052</u>	<u>115,940</u>
Total governmental long-term liabilities	<u><u>\$ 51,766,977</u></u>	<u><u>\$ 39,341,867</u></u>	<u><u>\$ 5,466,787</u></u>	<u><u>\$ 85,642,057</u></u>	<u><u>\$ 5,830,940</u></u>
<b>Business-type Activities</b>					
Other long-term liabilities					
Compensated absences	<u>\$ 70,851</u>	<u>\$ 88,196</u>	<u>\$ 48,632</u>	<u>\$ 110,415</u>	<u>\$ 5,626</u>

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.

## NOTES TO THE FINANCIAL STATEMENTS

### Note 7: 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
<b>Governmental Activities</b>					
General obligation bonds:					
December 31, 2014 public safety tax anticipation refunding bonds	\$ 835,000	1.850-2.350%	11/15/2022	12/31/2019	\$ 110,000
December 31, 2014 highway allocation refunding bonds	790,000	1.850-3.250%	11/15/2028	12/31/2019 *	175,000
December 31, 2014 facilities corp refunding bonds	2,935,000	1.750-3.650%	3/15/2035	12/31/2019	640,000
September 5, 2018 GO offstreet parking series 2018 Garage 1	4,955,000	1.700-4.000%	9/1/2038	9/5/2023	4,185,000
December 15, 2019, GO refunding bonds	4,690,000	1.482-3.300%	12/15/2032	12/30/2024	2,975,000
April 15, 2021, GO refunding bond series 2021	4,030,000	2.000 %	12/15/2026	4/15/2026	3,160,000
June 1, 2021 Highway allocation refunding bond series 2021	9,645,000	2.000-3.000%	12/15/2041	6/1/2026	9,290,000
July 1, 2021 Economic Development bond series 2021	5,610,000	0.350-1.850%	10/15/2029	7/1/2026	5,610,000
January 5, 2022 GO offstreet parking bonds series 2022	12,675,000	3.000-4.000%	9/15/2041	1/5/2027	12,675,000
November 22, 2022 Economic development bonds	3,080,000	0.637-1.800%	10/15/2029	10/15/2026	<u>3,080,000</u>
Total general obligation bonds					<u>\$ 41,900,000</u>
Special tax revenue bonds:					
December 21, 2017, Tax supported improvement bonds	18,840,000	1.250-5.000%	7/15/2042	7/15/2022	\$ 4,195,000
March 25, 2021, Tax supported refunding bonds	13,085,000	0.345-2.775%	7/15/2038	3/25/2026	12,795,000
July 7, 2022, Tax supported improvement bonds series 2022	20,785,000	4.000-5.000%	9/15/2042	6/15/2027	<u>20,785,000</u>
Total special tax revenue bonds					<u>\$ 37,775,000</u>

## FINANCIAL SECTION

### Note 7: Long-term Liabilities (Continued)

#### Direct Placements

September 21, 2018, refunding certificates of participation	3,150,000	1.500-3.000%	12/15/2026	12/15/2023	\$ 1,820,000
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#### Total Bonds

\$ 81,495,000

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

### Governmental Activities

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

Year Ending September 30,	General Obligation Bonds		Tax Revenue Bonds	
	Principal	Interest	Principal	Interest
2023	\$ 4,020,000	\$ 1,000,492	\$ 1,350,000	\$ 1,329,913
2024	3,435,000	917,082	1,390,000	1,295,109
2025	3,485,000	839,773	1,425,000	1,256,962
2026	2,870,000	768,008	1,470,000	1,214,670
2027	2,930,000	702,353	1,520,000	1,168,880
2028 - 2032	11,205,000	2,593,972	8,425,000	5,019,923
2033 - 2037	7,770,000	1,452,536	10,020,000	3,421,272
2038 - 2042	6,185,000	390,450	12,175,000	1,408,591
Total	<u>\$ 41,900,000</u>	<u>\$ 8,664,666</u>	<u>\$ 37,775,000</u>	<u>\$ 16,115,320</u>

Year Ending September 30,	Notes from Direct Placements	
	Principal	Interest
2023	\$ 345,000	\$ 48,045
2024	355,000	38,925
2025	360,000	28,200
2026	375,000	17,175
2027	385,000	5,775
Total	<u>\$ 1,820,000</u>	<u>\$ 138,120</u>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 7: Long-term Liabilities (Continued)

The City's outstanding notes from direct borrowings and direct placements related to government activities of \$1,820,000 contain a provision that in an event of default, outstanding amounts become immediately due if the City is unable to make payment.

On November 11, 2021, the City issued \$3,080,000 of Tax Economic Development Bonds, Series 2021B, for the use on appropriate capital projects related to economic improvements approved by the City. The bonds have an interest rates of 0.637% to 1.8% and have a final maturity of October 15, 2029.

On January 5, 2022 the City issued \$12,675,000 of General Obligation Off-Street Parking Bonds, Series 2022 for use on appropriate capital projects related to construction on parking facility #2 which was approved by the City. The Bonds have an interest rate of 3% to 4% and annual maturity dates of September 15, 2023 through September 15, 2041.

On July 7, 2022, the City issued Tax supported Improvement Bond, series 2022 in the amount of \$20,785,000 for use on appropriate capital projects related to redevelopment improvements approved by the City. The bonds have an interest rate of 4% to 5% and annual maturity dates of September 15, 2023 through September 15, 2042.

### Note 8: 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, 2022, consists of the following cash transfers:

Transfer To	Transfer From					Total
	General Fund	Debt Service Fund	Capital Improvement Fund	Keno Fund		
General Fund	\$ 75,000	\$ —	\$ 60,361	\$ 457,210	\$ 592,571	
Sewer Fund	—	—	—	150	150	
Debt Service Fund	679,775	—	—	—	—	679,775
Capital Improvement Fund	103,430	13,546,535	—	136,126	13,786,091	
Total	\$ 858,205	\$ 13,546,535	\$ 60,361	\$ 593,486	\$ —	

### Note 9: 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 Mission Square (formerly known as: the International Cities and Counties Manager Association - Retirement Corporation) (ICMA-RC). Mission Square is a not-for-profit organization chartered to provide a portable retirement plan for government employers nationwide. The City's total pension expense was \$561,500.

#### 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, 2022, were \$18,103 and \$10,510, respectively.

## FINANCIAL SECTION

### Civilian Employee Retirement Plan

The City has a defined contribution pension plan covering all civilian employees who are eligible with 105 participants as of September 30, 2022. 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, 2022, were \$294,691 each.

### Police Retirement Plan

The City has a defined contribution pension plan for its full-time employees in the Police Department with 50 participants as of September 30, 2022. 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, 2022, were \$248,706 each.

### 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, Mission Square, for the employees and are not reflected in these financial statements.

### Note 10: 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, 2022. The City did not pay any settlement amounts which exceeded its insurance coverage for any of the three preceding years.

## NOTES TO THE FINANCIAL STATEMENTS

### Note 11: Commitments and Contingencies

#### Commitments

During the year, the City has accepted various bids for street improvements, parking garage #2, the Link, and other projects in the normal course of business that have not been completed and/or fully paid for at year-end. As of September 30 the City's construction project commitments total \$22,152,482.

#### 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.

#### Intergovernmental Revenues

Amounts received or receivable from federal, state and local agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of funds which may be disallowed by the agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

#### 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, 2022, the City had been notified of \$3,112,784 of state sales and use tax refunds due, which are to be repaid starting in December 2022 through September 2023. This amount is recognized as a liability on the financial statements.

Between December 2022 and January 2023, the City was notified by the state of approximately \$1,135,289 of additional state sales tax refunds due beginning in November 2023.

### Note 12: 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, 2022, 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, 2022, the City paid \$2,586,476 to Papillion in consideration of services rendered. The City received \$504,516 from the MFO, as determined by the terms of the interlocal agreement.

## NOTES TO THE FINANCIAL STATEMENTS

### Note 12: Interlocal Agreements (Continued)

#### 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.

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, 2022, the City received \$102,205 from the participating agencies and the City contributed \$20,000 as an expense from the General Fund to the Police Academy Fund, as determined by the terms of the interlocal agreement.

### Note 13: 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, 2022, 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, 2022 were \$2,394,632. This consists of \$718,152 pertaining to the Tax Increment Financing Program and \$3,112,784 pertaining to the Employment and Investment Growth Act and Nebraska Advantage Act.

### Note 14: Subsequent Events

The City of La Vista has applied for a Clean Water State Revolving Fund loan from the Nebraska Department of Environment and Energy in the amount of \$3 million at a 0.50 interest rate. The application is in a public comment period ending March 20th. The preliminary annual debt payment is \$72,000 for a 20 year term.

**NOTE 15: New Standards Issues But Not Yet Implemented**

GASB Statement No. 96, Subscription-Based Information Technology Arrangements establishes that a Subscription-Based Information Technology Arrangement (SBITA) results in a right-to-use subscription asset and a corresponding liability. Under this statement, a governmental entity generally should recognize a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability. This statement will be effective for the year ending September 30, 2023.

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# Required Supplementary Information

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF LA VISTA,

**REQUIRED SUPPLEMENTARY INFORMATION**

**Schedule of Revenues, Expenditures, and Changes in  
Fund Balances – Budget and Actual (Budget Basis) –  
General Fund**

**For the Fiscal Year Ended September 30, 2022**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>				
Taxes	\$ 17,243,402	\$ 18,780,583	\$ 19,044,812	\$ 264,229
Licenses and permits	505,708	505,708	598,700	92,992
Intergovernmental revenues	1,809,262	1,871,045	1,986,240	115,195
Charges for services	388,671	417,671	263,957	(153,714)
Grant income	120,260	1,748,848	1,759,638	10,790
Interest income	94,405	35,677	44,628	8,951
Miscellaneous	246,853	246,853	59,832	(187,021)
Total revenues	<u>20,408,561</u>	<u>23,606,385</u>	<u>23,757,807</u>	<u>151,422</u>
<b>Expenditures</b>				
General government	6,151,736	6,588,186	4,889,995	1,698,191
Public works	2,685,538	2,801,950	2,057,515	744,435
Public safety	8,370,704	8,253,016	8,087,462	165,554
Culture and recreation	2,540,920	2,566,659	2,066,452	500,207
Public library	1,049,182	1,069,905	873,515	196,390
Community development	732,011	743,511	617,052	126,459
Capital outlay	293,800	691,000	620,006	70,994
Debt service principal	73,957	73,957	71,719	2,238
Total expenditures	<u>21,897,848</u>	<u>22,788,184</u>	<u>19,283,716</u>	<u>3,504,468</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,489,287)</u>	<u>818,201</u>	<u>4,474,091</u>	<u>3,655,890</u>
<b>Other Financing Sources (Uses)</b>				
Operating transfers net	509,477	(612,565)	(375,639)	(236,926)
Total other financing sources (uses)	<u>509,477</u>	<u>(612,565)</u>	<u>(375,639)</u>	<u>(236,926)</u>
<b>Net Change in Fund Balances</b>	<u><u>\$ (979,810)</u></u>	<u><u>\$ 205,636</u></u>	<u><u>\$ 4,098,452</u></u>	<u><u>\$ 3,418,964</u></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			1,017,782	
Net Change on a GAAP Basis			<u><u>\$ 5,116,234</u></u>	

See Notes to Required Supplementary Information

**Schedule of Revenues, Expenditures, and Changes in  
Fund Balances – Budget and Actual (Budget Basis) –  
Keno Fund**  
**For the Fiscal Year Ended September 30, 2022**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>				
Keno	\$ 1,092,000	\$ 1,347,826	\$ 1,228,870	\$ (118,956)
Miscellaneous	—	—	4,350	4,350
Interest income	37,587	13,537	17,508	3,971
Total revenues	<u>1,129,587</u>	<u>1,361,363</u>	<u>1,250,728</u>	<u>(110,635)</u>
<b>Expenditures</b>				
General government	23,100	23,200	7,100	16,100
Community betterment	634,051	733,677	528,023	205,654
Total expenditures	<u>657,151</u>	<u>756,877</u>	<u>535,123</u>	<u>221,754</u>
<b>Excess of Revenues Over Expenditures</b>	<u>472,436</u>	<u>604,486</u>	<u>715,605</u>	<u>111,119</u>
<b>Other Financing (Uses)</b>				
Operating transfers out	(387,838)	(662,360)	(593,486)	68,874
Total other financing (uses)	<u>(387,838)</u>	<u>(662,360)</u>	<u>(593,486)</u>	<u>68,874</u>
<b>Net Change in Fund Balances</b>	<u>\$ 84,598</u>	<u>\$ (57,874)</u>	<u>\$ 122,119</u>	<u>\$ 179,993</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			17,231	
Net Change on a GAAP Basis			<u>\$ 139,350</u>	

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**  
**For the Fiscal Year Ended September 30, 2022**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>				
Intergovernmental	\$ 148,000	\$ 172,000	\$ 228,963	\$ 56,963
Interest income	696	58	165	107
Total revenues	<u>148,696</u>	<u>172,058</u>	<u>229,128</u>	<u>57,070</u>
<b>Expenditures</b>				
Public Safety	124,797	192,250	179,144	13,106
Total expenditures	<u>124,797</u>	<u>192,250</u>	<u>179,144</u>	<u>13,106</u>
<b>Excess of Revenues Over Expenditures</b>	<u>23,899</u>	<u>(20,192)</u>	<u>49,984</u>	<u>70,176</u>
<b>Net Change in Fund Balances</b>	<u>\$ 23,899</u>	<u>\$ (20,192)</u>	<u>\$ 49,984</u>	<u>\$ 70,176</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			2,542	
Net Change on a GAAP Basis			<u>\$ 52,526</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 the 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 fiscal year ended September 30, 2022, 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.

### Note 2: Budget Procedures

The City follows these procedures in establishing the budgetary data reflected in the schedule of revenues, expenditures, and changes in fund balances - budget and actual (budget basis):

- 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.
- Appropriations lapse at the end of the fiscal year.

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# Other Supplementary Information

ANNUAL COMPREHENSIVE 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**  
**For the Fiscal Year Ended September 30, 2022**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>				
Property taxes	\$ 887,554	\$ 1,009,029	\$ 991,299	\$ (17,730)
Sales taxes	2,018,141	2,283,352	2,514,631	231,279
Motor vehicle taxes	3,636	—	2,246	2,246
In lieu of taxes	36,161	19,707	20,508	801
Interest income	20,994	4,948	5,819	871
Other income	504,517	504,517	501,436	(3,081)
 Total revenues	 3,471,003	 3,821,553	 4,035,939	 214,386
 <b>Expenditures</b>				
General government	155,171	244,546	223,528	21,018
Debt service principal retirement	3,430,000	3,450,000	3,460,000	(10,000)
Debt service interest	855,004	807,395	919,919	(112,524)
 Total expenditures	 4,440,175	 4,501,941	 4,603,447	 (101,506)
 <b>Excess (Deficiency) of Revenues Over/(Under) Expenditures</b>	 (969,172)	 (680,388)	 (567,508)	 112,880
 <b>Other Financing Sources(Uses)</b>				
Operating transfers net	894,684	(66,225)	(12,866,760)	(12,800,535)
Bond proceeds	10,610,000	12,500,000	13,657,391	1,157,391
 Total other financing sources(uses)	 11,504,684	 12,433,775	 790,631	 (11,643,144)
 <b>Net Change in Fund Balances</b>	 \$ 10,535,512	 \$ 11,753,387	 223,123	 \$(11,530,264)
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			(308,061)	
 Net Change on a GAAP Basis			 \$ (84,938)	

**Schedule of Revenues, Expenditures, and Changes in  
Fund Balances – Budget and Actual (Budget Basis) –  
Capital Improvement Fund**  
**For the Fiscal Year Ended September 30, 2022**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>				
Grant Income	—	—	—	—
Interest income	382	664	11,780	11,116
Total revenues	382	664	11,780	11,116
<b>Expenditures</b>				
Capital Outlay	3,531,000	13,806,000	4,614,626	9,191,374
Total expenditures	3,531,000	13,806,000	4,614,626	9,191,374
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(3,530,618)</u>	<u>(13,805,336)</u>	<u>(4,602,846)</u>	<u>9,202,490</u>
<b>Other Financing Sources</b>				
Operating transfers net	925,000	1,341,000	13,786,091	12,445,091
Total other financing sources	925,000	1,341,000	13,786,091	12,445,091
<b>Net Change in Fund Balances</b>	<u>\$ (2,605,618)</u>	<u>\$ (12,464,336)</u>	<u>9,183,245</u>	<u>\$ 21,647,581</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			<u>(1,427,937)</u>	
Net Change on a GAAP Basis			<u>\$ 7,755,308</u>	

**OTHER SUPPLEMENTARY INFORMATION**

**Schedule of Revenues, Expenditures, and Changes in  
Fund Balances – Budget and Actual (Budget Basis) –  
Economic Development Program Fund**  
**For the Fiscal Year Ended September 30, 2022**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>				
Other Income	\$ —	\$ 143,570	\$ 6,272	\$ (137,298)
Interest income	\$ 10,070	\$ 108	\$ 7,644	\$ 7,536
Total revenues	<u>10,070</u>	<u>143,678</u>	<u>13,916</u>	<u>(129,762)</u>
<b>Expenditures</b>				
General government	2,000,500	8,232,382	3,564,011	4,668,371
Debt service principal retirement	195,000	—	—	—
Debt service interest	44,053	47,926	64,115	(16,189)
Total expenditures	<u>2,239,553</u>	<u>8,280,308</u>	<u>3,628,126</u>	<u>4,652,182</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(2,229,483)</u>	<u>(8,136,630)</u>	<u>(3,614,210)</u>	<u>4,522,420</u>
<b>Other Financing Sources</b>				
Operating transfers net	239,553	—	—	—
Bond proceeds	—	3,000,000	3,080,000	80,000
Total other financing sources	<u>239,553</u>	<u>3,000,000</u>	<u>3,080,000</u>	<u>80,000</u>
<b>Net Change in Fund Balances</b>	<u><u>\$ (1,989,930)</u></u>	<u><u>\$ (5,136,630)</u></u>	<u><u>(534,210)</u></u>	<u><u>\$ 4,602,420</u></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			3,502,423	
Net Change on a GAAP Basis			<u><u>\$ 2,968,213</u></u>	

**Schedule of Revenues, Expenditures, and Changes in  
Fund Balances – Budget and Actual (Budget Basis) –  
84th Street Redevelopment Fund  
For the Fiscal Year Ended September 30, 2022**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
<b>Revenues</b>				
Sales taxes	\$ 2,018,141	\$ 2,283,352	\$ 2,676,259	\$ 392,907
Occupation Tax	184,118	100	166	66
Interest income	59,111	28,647	26,545	(2,102)
 Total revenues	 2,261,370	 2,312,099	 2,702,970	 390,871
<b>Expenditures</b>				
Community development	175,000	175,000	154,112	20,888
General government	1,250	36,250	295,021	(258,771)
Capital outlay	5,536,000	10,689,000	3,676,937	7,012,063
Debt service principal retirement	800,000	705,000	705,000	—
Debt service interest	872,550	644,616	589,878	54,738
 Total expenditures	 7,384,800	 12,249,866	 5,420,948	 6,828,918
 <b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	 (5,123,430)	 (9,937,767)	 (2,717,978)	 7,219,789
<b>Other Financing Sources (uses)</b>				
Operating transfers net	(432,073)	—	—	—
Bond proceeds	—	15,567,000	21,485,684	(5,918,684)
 Total other financing sources (uses)	 (432,073)	 15,567,000	 21,485,684	 (5,918,684)
 <b>Net Change in Fund Balances</b>	 \$ (5,555,503)	 \$ 5,629,233	 18,767,706	 \$ 1,301,105
 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	 (1,125,662)			
 Net Change on a GAAP Basis	 \$ 17,642,044			

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# STATISTICAL SECTION

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF LA VISTA, NEBRASKA

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## STATISTICAL SECTION

### Statistical Section

This section of the City of La Vista's annual comprehensive 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

#### Tables

##### Financial Trends

1 - 4

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

5 - 11

These schedules contain information to help the reader assess the City's most significant local revenue sources: Property Tax and Sales Tax

##### Debt Capacity

12 - 15

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

16 - 17

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

18 - 20

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.

**FINANCIAL TRENDS****Table 1a**

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

	<b>Fiscal Year</b>				
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Governmental activities:</b>					
Net investment in capital assets	\$ 19,712,625	\$ 21,279,103	\$ 22,643,751	\$ 26,375,291	\$ 28,465,755
Restricted	2,082,173	1,216,946	3,504,013	9,145,027	7,154,675
Unrestricted	10,015,035	10,613,657	10,365,699	6,748,900	9,201,744
Total governmental activities net position	<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>
<b>Business-type activities:</b>					
Net investment in capital assets	\$ 5,898,032	\$ 5,788,436	\$ 5,613,220	\$ 5,308,491	\$ 5,158,341
Restricted	—	—	—	—	—
Unrestricted	1,065,640	1,027,671	1,200,275	1,002,419	1,268,020
Total business-type activities net position	<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>
<b>Primary Government</b>					
Net investment in capital assets	\$ 25,610,657	\$ 27,067,539	\$ 28,256,971	\$ 31,683,782	\$ 33,624,096
Restricted	2,082,173	1,216,946	3,504,013	9,145,027	7,154,675
Unrestricted	11,080,675	11,641,328	11,565,974	7,751,319	10,469,764
Total primary government net position	<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>

Table 1b

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

	<b>Fiscal Year</b>				
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Governmental activities:</b>					
Net investment in capital assets	\$ 32,292,598	\$ 35,719,808	\$ 37,618,808	\$ 37,559,118	\$ 35,593,445
Restricted	9,039,861	7,197,216	11,930,359	12,968,570	11,753,839
Unrestricted	7,954,650	10,358,433	7,664,958	10,354,577	20,165,307
Total governmental activities net position	<u><u>\$ 49,287,109</u></u>	<u><u>\$ 53,275,457</u></u>	<u><u>\$ 57,214,125</u></u>	<u><u>\$ 60,882,265</u></u>	<u><u>\$ 67,512,591</u></u>
<b>Business-type activities:</b>					
Net investment in capital assets	\$ 5,035,436	\$ 5,005,395	\$ 4,868,617	\$ 4,689,291	\$ 4,675,144
Restricted	—	—	—	—	—
Unrestricted	2,170,247	2,872,294	3,611,131	4,578,527	5,597,295
Total business-type activities net position	<u><u>\$ 7,205,683</u></u>	<u><u>\$ 7,877,689</u></u>	<u><u>\$ 8,479,748</u></u>	<u><u>\$ 9,267,818</u></u>	<u><u>\$ 10,272,439</u></u>
<b>Primary Government</b>					
Net investment in capital assets	\$ 37,328,034	\$ 40,725,203	\$ 42,487,425	\$ 42,248,409	\$ 40,268,589
Restricted	9,039,861	7,197,216	11,930,348	12,968,570	11,753,839
Unrestricted	10,124,897	13,230,727	11,276,099	14,933,104	25,762,602
Total primary government net position	<u><u>\$ 56,492,792</u></u>	<u><u>\$ 61,153,146</u></u>	<u><u>\$ 65,693,872</u></u>	<u><u>\$ 70,150,083</u></u>	<u><u>\$ 77,785,030</u></u>

Table 2a

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

	<b>Fiscal Year</b>				
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Expenses:</b>					
Governmental Activities					
General government	\$ 2,464,606	\$ 2,830,676	\$ 3,042,745	\$ 3,180,352	\$ 3,302,609
Public safety	4,928,992	5,671,727	6,369,785	6,473,034	6,839,929
Public works	3,470,958	3,686,477	3,710,503	3,851,418	4,116,582
Culture and recreation	2,507,328	2,643,595	2,641,524	2,800,325	3,372,819
Community betterment	542,381	476,137	471,751	534,331	555,357
Community development	3,041,707	570,548	579,238	851,063	842,525
Interest on long-term debt	2,442,261	2,360,424	2,275,121	2,048,414	2,055,098
Total Governmental Activities Expenses	<u>19,398,233</u>	<u>18,239,584</u>	<u>19,090,667</u>	<u>19,738,937</u>	<u>21,084,919</u>
Business-type activities					
Sewer	2,620,300	3,034,561	3,021,293	3,299,763	3,540,832
Golf	387,343	392,987	367,118	668,985	12,715
Total Business-Type Activities Expenses	<u>\$ 3,007,643</u>	<u>\$ 3,427,548</u>	<u>\$ 3,388,411</u>	<u>\$ 3,968,748</u>	<u>\$ 3,553,547</u>
Total Primary Government Expenses	<u><b>\$ 22,405,876</b></u>	<u><b>\$ 21,667,132</b></u>	<u><b>\$ 22,479,078</b></u>	<u><b>\$ 23,707,685</b></u>	<u><b>\$ 24,638,466</b></u>
<b>Program Revenue</b>					
Governmental Activities					
Charges for Services					
General government	\$ 464,950	\$ 511,857	\$ 663,837	\$ 535,652	\$ 547,546
Public safety	—	—	—	—	—
Public works	—	—	—	—	—
Culture and recreation	475,908	455,299	283,575	285,461	371,747
Community betterment	1,256,231	1,314,587	1,389,381	1,282,710	1,228,240
Community development	—	—	—	—	—
Operating Grants and Contributions	1,698,688	1,746,573	2,052,525	1,771,476	1,900,180
Capital Grants and Contributions	748,876	343,354	718,596	693,334	—
Total Governmental Activities Program Revenues	<u>4,644,653</u>	<u>4,371,670</u>	<u>5,107,914</u>	<u>4,568,633</u>	<u>4,047,713</u>

**FINANCIAL TRENDS****Table 2b**

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

	<b>Fiscal Year</b>				
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Expenses:</b>					
Governmental Activities					
General government	\$ 4,033,942	\$ 4,038,516	\$ 4,698,589	\$ 4,933,287	\$ 6,464,416
Public safety	\$ 7,132,385	\$ 7,605,607	\$ 8,119,378	\$ 8,496,120	\$ 8,810,890
Public works	\$ 3,839,031	\$ 5,016,988	\$ 5,219,650	\$ 5,021,900	\$ 4,601,354
Culture and recreation	\$ 2,975,688	\$ 2,699,851	\$ 2,976,833	\$ 3,221,142	\$ 3,576,740
Community betterment	\$ 499,720	\$ 563,462	\$ 518,484	\$ 659,766	\$ 553,825
Community development	\$ 1,235,141	\$ 707,573	\$ 826,912	\$ 925,830	\$ 853,483
Interest on long-term debt	\$ 2,011,109	\$ 1,333,392	\$ 1,227,687	\$ 925,554	\$ 1,474,787
Total Governmental Activities Expenses	<u>\$ 21,727,016</u>	<u>\$ 21,965,389</u>	<u>\$ 23,587,533</u>	<u>\$ 24,183,599</u>	<u>\$ 26,335,495</u>
Business-type activities					
Sewer	\$ 3,305,178	\$ 3,571,122	\$ 3,655,217	\$ 3,859,354	\$ 4,170,783
Golf	\$ —	\$ —	\$ —	\$ —	\$ —
Total Business-Type Activities Expenses	<u>\$ 3,305,178</u>	<u>\$ 3,571,122</u>	<u>\$ 3,655,217</u>	<u>\$ 3,859,354</u>	<u>\$ 4,170,783</u>
Total Primary Government Expenses	<u>\$ 25,032,194</u>	<u>\$ 25,536,511</u>	<u>\$ 27,242,750</u>	<u>\$ 28,042,953</u>	<u>\$ 30,506,278</u>
<b>Program Revenue</b>					
Governmental Activities					
Charges for Services					
General government	\$ 735,348	\$ 530,210	\$ 539,097	\$ 560,939	\$ 589,377
Public safety	\$ —	\$ —	\$ —	\$ 166,858	\$ 228,963
Public works	\$ —	\$ —	\$ —	\$ —	\$ —
Culture and recreation	\$ 326,054	\$ 563,996	\$ 280,138	\$ 317,928	\$ 318,927
Community betterment	\$ 1,133,699	\$ 1,111,910	\$ 1,432,402	\$ 1,435,553	\$ 1,271,903
Community development	\$ —	\$ —	\$ 8,745	\$ —	\$ 41,618
Operating Grants and Contributions	\$ 1,941,816	\$ 2,068,093	\$ 3,102,332	\$ 2,087,869	\$ 5,151,858
Capital Grants and Contributions	\$ —	\$ 1,014,391	\$ 16,789	\$ 120,676	\$ —
Total Governmental Activities Program Revenues	<u>\$ 4,136,917</u>	<u>\$ 5,288,600</u>	<u>\$ 5,379,503</u>	<u>\$ 4,689,823</u>	<u>\$ 7,602,646</u>

Table 2a

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

	<b>Fiscal Year</b>				
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Business-Type Activities</b>					
Charges for services					
Sewer	2,623,684	2,651,549	2,979,124	3,299,328	3,829,690
Golf	236,325	229,615	248,149	246,215	3,470
Operating Grants and Contributions	24,082	24,233	22,918	22,918	19,731
<b>Total Business-Type Activities</b>	<b>\$ 2,884,091</b>	<b>\$ 2,905,397</b>	<b>\$ 3,250,191</b>	<b>\$ 3,568,461</b>	<b>\$ 3,852,891</b>
Program Revenues					
<b>Total Primary Government Program Revenue</b>	<b>\$ 7,528,744</b>	<b>\$ 7,277,067</b>	<b>\$ 8,358,105</b>	<b>\$ 8,137,094</b>	<b>\$ 7,900,604</b>
<b>Net (Expense)/Revenue</b>					
Governmental Activities	(14,753,580)	(13,867,914)	(13,982,753)	(15,170,304)	(17,037,206)
Business-Type Activities	(123,552)	(522,151)	(138,220)	(400,287)	299,344
<b>Total</b>	<b><u>\$14,877,132</u></b>	<b><u>\$14,390,065</u></b>	<b><u>\$14,120,973</u></b>	<b><u>\$15,570,591</u></b>	<b><u>(16,737,862)</u></b>

**FINANCIAL TRENDS****Table 2b**

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

	<b>Fiscal Year</b>				
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Business-Type Activities</b>					
Charges for services					
Sewer	3,959,894	4,203,683	4,235,768	4,637,741	5,157,748
Golf	—	—	—	—	—
Operating Grants and Contributions	—	—	—	—	—
<b>Total Business-Type Activities</b>	<b>3,959,894</b>	<b>4,203,683</b>	<b>4,235,768</b>	<b>4,637,741</b>	<b>5,157,748</b>
Program Revenues	3,959,894	4,203,683	4,235,768	4,637,741	5,157,748
<b>Total Primary Government Program Revenue</b>	<b>8,096,811</b>	<b>9,492,283</b>	<b>9,615,271</b>	<b>9,327,564</b>	<b>12,760,394</b>
<b>Net (Expense)/Revenue</b>					
Governmental Activities	(17,590,099)	(16,676,789)	(18,208,030)	(19,493,776)	(18,732,849)
Business-Type Activities	654,716	632,561	580,551	778,387	986,965
<b>Total</b>	<b>(16,935,383)</b>	<b>(16,044,228)</b>	<b>(17,627,479)</b>	<b>(18,715,389)</b>	<b>(17,745,884)</b>

Table 2c

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

	<b>Fiscal Year</b>				
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities					
Taxes					
Property taxes	5,746,838	6,754,924	6,878,134	7,281,504	7,685,321
Sales and use taxes	6,269,262	5,424,484	5,397,637	8,907,855	7,091,594
Occupation taxes	1,705,931	1,813,090	1,821,521	1,764,230	1,743,994
Motor vehicle taxes	354,182	385,836	402,999	444,213	477,817
In lieu of taxes	236,021	280,249	310,218	323,279	349,057
Interest income	1,301,858	1,230,685	1,481,807	1,274,167	1,274,532
Miscellaneous	75,290	263,945	1,225,768	918,311	782,123
Transfers	(250,000)	(374,050)	(131,575)	12,500	185,724
Capital contributions from governmental activities to business-type activities	—	—	—	—	—
Transfer of Capital assets from business-type activities to governmental activities	—	—	—	—	—
Net Position Received from Annexation	4,888,458	—	—	—	—
<b>Total Governmental Activities</b>	<b>20,327,840</b>	<b>15,779,163</b>	<b>17,386,509</b>	<b>20,926,059</b>	<b>19,590,162</b>
Business Type Activities					
Interest Income	3,397	4,923	4,033	1,693	1,831
Miscellaneous	—	—	—	(91,491)	—
Transfers	250,000	374,050	131,575	(12,500)	(185,724)
Capital contributions from governmental activities to business-type activities	—	—	—	—	—
Transfer of Capital assets from business-type activities to governmental activities	—	—	—	—	—
Net Position Received from Annexation	756,870	—	—	—	—
<b>Total Business Type Activities</b>	<b>1,010,267</b>	<b>378,973</b>	<b>135,608</b>	<b>(102,298)</b>	<b>(183,893)</b>
<b>Total primary governmental activities general revenues and other charges</b>	<b>\$ 21,338,107</b>	<b>\$ 16,158,136</b>	<b>\$ 17,522,117</b>	<b>\$ 20,823,761</b>	<b>\$ 19,406,269</b>

**FINANCIAL TRENDS****Table 2d**

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

	<b>Fiscal Year</b>				
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities					
Taxes					
Property taxes	8,378,504	8,534,805	9,201,124	10,082,913	11,477,480
Sales and use taxes	9,407,443	8,672,993	9,166,394	9,096,486	9,449,353
Occupation taxes	1,831,621	1,711,471	2,160,134	2,395,210	2,862,435
Motor vehicle taxes	483,324	510,523	493,707	517,238	513,195
In lieu of taxes	339,463	343,156	341,771	214,639	221,485
Interest income	1,002,789	242,470	172,046	75,412	135,203
Miscellaneous	727,168	665,769	611,522	780,683	704,174
Transfers	(23,528)	(16,050)	—	(665)	(150)
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	—	—	—	—	—
<b>Total Governmental Activities</b>	<b>22,055,034</b>	<b>20,665,137</b>	<b>22,146,698</b>	<b>23,161,916</b>	<b>25,363,175</b>
Business Type Activities					
Interest Income	9,328	23,395	21,508	9,018	17,506
Miscellaneous	—	—	—	—	—
Transfers	23,528	16,050	—	665	150
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	—	—	—	—	—
<b>Total Business Type Activities</b>	<b>124,606</b>	<b>39,445</b>	<b>21,508</b>	<b>9,683</b>	<b>17,656</b>
<b>Total primary governmental activities general revenues and other charges</b>	<b>\$ 22,179,640</b>	<b>\$ 20,704,582</b>	<b>\$ 22,168,206</b>	<b>\$ 23,171,599</b>	<b>\$ 25,380,831</b>

Table 2c

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

	<b>Fiscal Year</b>				
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Change in Net Position</b>					
Governmental Activities	5,574,260	1,911,249	3,403,756	5,755,755	2,552,956
Business-Type Activities	886,715	(143,178)	(2,612)	(502,585)	115,451
Change in Net Position	<u>\$ 6,460,975</u>	<u>\$ 1,768,071</u>	<u>\$ 3,401,144</u>	<u>\$ 5,253,170</u>	<u>\$ 2,668,407</u>
Change in Accounting Principle:					
Governmental Activities	—	(611,376)	—	—	—
Business-Type Activities	—	(4,387)	—	—	—
Change in Accounting Principle:	<u>—</u>	<u>(615,763)</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total Primary Government	<u>\$ 6,460,975</u>	<u>\$ 1,152,308</u>	<u>\$ 3,401,144</u>	<u>\$ 5,253,170</u>	<u>\$ 2,668,407</u>

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

**FINANCIAL TRENDS**

**Table 2d**

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

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Change in Net Position</b>					
Governmental Activities	4,464,935	3,988,348	3,938,668	3,668,140	6,630,326
Business-Type Activities	779,322	672,006	602,059	788,070	1,004,621
Change in Net Position	<u>\$ 5,244,257</u>	<u>\$ 4,660,354</u>	<u>\$ 4,540,727</u>	<u>\$ 4,456,210</u>	<u>\$ 7,634,947</u>
Change in Accounting Principle:					
Governmental Activities	—	—	—	—	—
Business-Type Activities	—	—	—	—	—
Change in Accounting Principle:	—	—	—	—	—
Total Primary Government	<u>5,244,257</u>	<u>4,660,354</u>	<u>4,540,727</u>	<u>4,456,210</u>	<u>7,634,947</u>

Table 3a

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

	<b>Fiscal Year</b>				
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>General Fund</b>					
Nonspendable	\$ —	\$ 84,840	\$ 263,575	\$ 43,298	\$ 134,883
Restricted	—	—	—	—	—
Committed for:					
Capital outlay	—	—	—	—	—
Unassigned	<u>8,269,430</u>	<u>8,109,475</u>	<u>8,898,359</u>	<u>9,087,712</u>	<u>7,921,378</u>
<b>Total General Fund</b>	<b><u>\$ 8,269,430</u></b>	<b><u>\$ 8,194,315</u></b>	<b><u>\$ 9,161,934</u></b>	<b><u>\$ 9,131,010</u></b>	<b><u>\$ 8,056,261</u></b>
<b>All Other Governmental Funds</b>					
Nonspendable	\$ —	\$ —	\$ —	\$ —	\$ —
Restricted for:					
Debt Service	5,620,155	3,612,797	4,746,495	6,024,480	6,217,965
Community Betterment	2,082,173	1,216,946	1,645,971	1,966,247	2,734,800
Economic Development	16,775,152	16,554,788	16,343,469	16,129,763	16,120,117
84th Street Redevelopment	—	—	1,848,042	14,650,624	9,413,946
Public Safety	—	—	—	—	—
Committed for:					
Capital Improvements	536,600	702,103	236,369	264,477	—
Unassigned	—	—	—	—	(881,978)
<b>Total All Other Governmental Funds</b>	<b><u>\$ 25,014,080</u></b>	<b><u>\$ 22,086,634</u></b>	<b><u>\$ 24,820,346</u></b>	<b><u>\$ 39,035,591</u></b>	<b><u>\$ 33,604,850</u></b>

**FINANCIAL TRENDS****STATISTICAL SECTION****Table 3b**

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

	<b>Fiscal Year</b>				
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>General Fund</b>					
Nonspendable	\$ 56,437	\$ 62,711	\$ 86,386	\$ 133,596	\$ 158,321
Restricted	131,146	—	62,616	189,345	—
Committed for:					
Capital outlay	—	100,716	351,471	402,371	529,057
Unassigned	6,827,379	7,776,196	9,120,068	11,073,380	16,227,548
<b>Total General Fund</b>	<b><u>\$ 7,014,962</u></b>	<b><u>\$ 7,939,623</u></b>	<b><u>\$ 9,620,541</u></b>	<b><u>\$ 11,798,692</u></b>	<b><u>\$ 16,914,926</u></b>
<b>All Other Governmental Funds</b>					
Nonspendable	\$ —	\$ 2,366	\$ 2,681	\$ 2,774	\$ 3,490,831
Restricted for:					
Debt Service	6,031,758	4,203,542	3,752,028	3,658,748	3,573,810
Community Betterment	3,245,598	3,570,210	3,977,414	4,530,985	4,670,335
Economic Development	3,607,668	7,043	7,069	5,509,493	4,990,125
84th Street Redevelopment	10,497,181	6,452,576	4,102,718	4,611,453	22,253,497
Public Safety	16,880	21,099	25,822	75,772	127,822
Committed for:					
Capital Improvements	—	—	149,620	3,658,589	11,413,897
Unassigned	—	—	—	—	—
<b>Total All Other Governmental Funds</b>	<b><u>\$ 23,399,085</u></b>	<b><u>\$ 14,256,836</u></b>	<b><u>\$ 12,017,352</u></b>	<b><u>\$ 22,047,814</u></b>	<b><u>\$ 50,520,317</u></b>

Table 4a

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

	<b>Fiscal Year</b>				
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Revenues</b>					
Taxes					
Property	\$ 5,744,730	6,721,628	6,912,323	7,299,937	7,674,921
Sales and Use	6,269,262	5,523,544	7,722,672	9,087,248	9,140,084
Occupation	1,705,931	1,813,090	1,821,521	1,769,846	1,743,994
Motor Vehicle	354,182	385,836	402,999	444,213	477,817
In lieu of taxes	236,021	280,249	310,218	323,279	349,057
Licenses and permits	464,950	511,857	663,837	535,652	547,546
Intergovernmental	2,452,991	1,940,840	2,767,397	2,510,041	1,852,125
Charges for services	475,908	455,299	283,575	285,461	352,183
Keno	1,256,231	1,314,587	1,389,381	1,282,710	1,228,240
Interest Income	1,301,858	1,230,685	1,513,486	1,259,744	1,247,903
Special Assessments	140,471	18,514	731,673	129,801	21,843
Other Sales	—	—	—	—	—
Miscellaneous	62,266	247,292	1,206,518	897,722	765,995
<b>Total Revenues</b>	<b>20,464,801</b>	<b>20,443,421</b>	<b>25,725,600</b>	<b>25,825,654</b>	<b>25,401,708</b>
<b>Expenditures</b>					
Current					
General government	2,114,795	2,164,343	2,738,370	3,004,718	2,978,453
Public works	2,122,632	2,055,777	2,109,913	2,058,528	2,068,969
Public safety	4,255,511	5,003,284	5,726,842	5,850,116	6,157,356
Culture and recreation	2,237,321	2,328,643	2,305,979	2,455,107	2,564,596
Community betterment	542,381	476,137	471,751	534,331	555,357
Community development	615,014	570,548	579,238	851,063	842,525
State sales and use tax refunds	—	2,426,693	232,320	773,245	1,593,069
Capital outlay	1,352,623	1,732,940	2,650,442	3,450,398	9,323,669
Debt service					
Principal retirement	3,785,000	3,907,697	3,572,623	4,191,956	4,018,904
Interest	2,434,294	2,405,870	2,279,745	2,019,445	2,027,947
Bond issuance costs	—	—	—	—	—
<b>Total Expenditures</b>	<b>19,459,571</b>	<b>23,071,932</b>	<b>22,667,223</b>	<b>25,188,907</b>	<b>32,130,845</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,005,230</b>	<b>(2,628,511)</b>	<b>3,058,377</b>	<b>636,747</b>	<b>(6,729,137)</b>

**FINANCIAL TRENDS****Table 4b**

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

	<b>Fiscal Year</b>				
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Revenues</b>					
Taxes					
Property	\$ 8,333,225	\$ 8,501,667	\$ 9,211,847	\$ 10,127,600	\$ 11,424,983
Sales and Use	9,821,847	10,024,129	10,166,837	10,715,441	12,560,077
Occupation	1,831,621	1,711,471	2,160,134	2,395,210	2,862,435
Motor Vehicle	483,324	507,578	491,790	517,238	513,195
In lieu of taxes	339,463	343,156	341,771	214,639	221,485
Licenses and permits	734,973	530,410	547,792	553,859	587,640
Intergovernmental	1,941,816	2,080,722	4,057,740	2,507,193	5,515,604
Charges for services	429,630	530,676	279,826	311,450	342,590
Keno	1,133,699	1,111,910	1,432,402	1,435,553	1,271,903
Interest Income	950,149	250,998	171,521	75,156	114,089
Special Assessments	45,440	455,621	1,136	4,654	—
Other Sales	—	—	—	—	21,114
Miscellaneous	595,623	661,738	601,784	656,682	579,242
<b>Total Revenues</b>	<b><u>\$ 26,640,810</u></b>	<b><u>\$ 26,710,076</u></b>	<b><u>\$ 29,464,580</u></b>	<b><u>\$ 29,514,675</u></b>	<b><u>\$ 36,014,357</u></b>
<b>Expenditures</b>					
Current					
General government	\$ 3,664,625	\$ 3,828,286	\$ 4,148,656	\$ 4,115,346	\$ 5,286,839
Public works	2,031,477	2,345,088	1,988,442	2,456,234	2,139,955
Public safety	6,537,737	7,059,968	7,427,583	7,879,585	8,191,558
Culture and recreation	2,690,026	2,670,865	2,566,183	2,815,926	3,019,894
Community betterment	499,720	727,184	717,281	659,766	553,825
Community development	1,235,141	571,650	628,115	925,830	838,377
State sales and use tax refunds	2,064,859	402,889	1,000,443	1,618,955	3,112,784
Capital outlay	10,074,863	11,806,758	5,091,725	5,267,838	11,160,109
Debt service					
Principal retirement	31,302,409	4,228,603	3,943,794	3,922,884	4,235,927
Interest	2,462,867	1,286,030	1,228,995	1,022,787	1,574,704
Bond issuance costs	—	—	—	1,098,123	534,573
<b>Total Expenditures</b>	<b><u>\$ 62,563,724</u></b>	<b><u>\$ 34,927,321</u></b>	<b><u>\$ 28,741,217</u></b>	<b><u>\$ 31,783,274</u></b>	<b><u>\$ 40,648,545</u></b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(35,922,914)	(8,217,245)	723,363	(2,268,599)	(4,634,188)

Table 4b

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

	<b>Fiscal Year</b>				
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,005,230	(2,628,511)	3,058,377	636,747	(6,729,137)
<b>Other Financing Sources (Uses)</b>					
Refunding bonds issued	—	—	11,035,000	8,240,000	—
Payment to bond refunding escrow agent	—	—	(10,145,000)	(8,110,000)	—
Bond or note issuance	—	—	—	13,285,000	—
Bond premium	—	—	132,398	107,574	—
Insurance proceeds	—	—	—	—	—
Transfers, net	(250,000)	(374,050)	(109,444)	25,000	223,647
Net position received from annexation	1,830,440	—	—	—	—
Total Other financing sources (uses)	1,580,440	(374,050)	912,954	13,547,574	223,647
Net Change in Fund Balances	2,585,670	(3,002,561)	3,971,331	14,184,321	(6,505,490)
Debt service as a percentage of non-capital expenditures*	34 %	30 %	29 %	28 %	27 %

**FINANCIAL TRENDS****Table 4b**

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

	<b>Fiscal Year</b>				
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(35,922,914)	(8,217,245)	723,363	(2,268,599)	(4,634,188)
<b>Other Financing Sources (Uses)</b>					
Refunding bonds issued	\$ 3,150,000	\$ —	\$ 4,690,000	\$ 32,370,000	\$ 36,540,000
Payment to bond refunding escrow agent	(3,095,000)	—	(4,915,000)	(18,400,000)	—
Bond or note issuance	24,345,811	—	—	—	—
Bond premium	150,876	—	294,218	507,866	1,683,075
Insurance proceeds	131,146	—	—	—	—
Transfers, net	(6,983)	(343)	—	(665)	(150)
Net position received from annexation	—	—	—	—	—
<b>Total Other financing sources (uses)</b>	<b>24,675,850</b>	<b>(343)</b>	<b>69,218</b>	<b>14,477,201</b>	<b>38,222,925</b>
<b>Net Change in Fund Balances</b>	<b>\$ (11,247,064)</b>	<b>\$ (8,217,588)</b>	<b>\$ 792,581</b>	<b>\$ 12,208,602</b>	<b>\$ 33,588,737</b>
Debt service as a percentage of non-capital expenditures*	64 %	24 %	21 %	19 %	18 %

\* In the fiscal year ended 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%.

**REVENUE CAPACITY**

**Table 5**  
**TOTAL CITY TAXABLE SALES**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended September 30</b>	<b>Total City Taxable Sales</b>	<b>Total Direct Tax Rate</b>
2013	\$ 444,362,439	1.50%
2014	283,918,489	2.00%
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%
2020	531,849,505	2.00%
2021	570,257,625	2.00%
2022	651,956,856	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

**REVENUE CAPACITY****Table 6**

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

<b>Year</b>	<b>Direct<sup>1</sup></b>	<b>Overlapping<sup>2</sup></b>	<b>Total Tax Rate</b>
	<b>City of La Vista</b>	<b>State of Nebraska</b>	
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
2020	0.0200	0.0550	0.0750
2021	0.0200	0.0550	0.0750
2022	0.0200	0.0550	0.0750

**Note:** <sup>1</sup> 2014 voter approved tax rate increase began October for the redevelopment of the 84th Street corridor.

<sup>2</sup> Overlapping rates are those of other governments that apply to consumers within the City of La Vista.

**Source:** Nebraska Department of Revenue

## STATISTICAL SECTION

Table 7

### NET TAXABLE SALES BY BUSINESS CLASSIFICATION CURRENT YEAR AND NINE YEARS AGO

Business Classification	2021		2012	
	Net Taxable Sales	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value
Retail Trade	\$1,320,885,786	1	64 %	\$ 615,921,106
Accommodations & Food Services	382,740,815	2	18 %	218,457,184
Wholesale Trade	223,656,438	3	11 %	98,332,644
Other	145,998,669		7 %	70,690,373
	2,073,281,708		1	1,003,401,307
				100.00%
City of La Vista Total	\$ 570,257,625			\$ 314,443,224
City of La Vista Percentage of Total	27.51%			31.34%

**Note:** Amounts shown are Sarpy County net taxable sales, which include 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.

2022 sales data is not yet available from the Nebraska Department of Revenue.

**Source:** Nebraska Department of Revenue

**REVENUE CAPACITY**

**Table 8**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended September 30</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Total Assessed Value</b>	<b>Total Direct Tax Rate</b>
2013	1,026,386,501	33,988,114	1,060,374,615	0.5500
2014	1,192,636,619	51,330,141	1,243,966,760	0.5500
2015	1,218,326,286	50,759,000	1,269,085,286	0.5500
2016	1,277,942,663	53,195,886	1,331,138,549	0.5500
2017	1,350,942,709	59,738,367	1,410,681,076	0.5500
2018	1,428,659,445	68,162,463	1,496,821,908	0.5500
2019	1,472,463,575	69,678,083	1,542,141,658	0.5500
2020	1,580,605,750	70,812,076	1,651,417,826	0.5500
2021	1,677,983,246	77,124,063	1,755,107,309	0.5500
2022	1,769,068,039	228,989,966	1,998,058,005	0.5400

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

**Source:** Sarpy County Assessor's Office

## STATISTICAL SECTION

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

**Table 9a**

<b>Fiscal Year</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Tax Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
City of La Vista					
General Fund	0.4900	0.4900	0.4900	0.4100	0.4100
Debt Service	0.0600	0.0600	0.0600	0.1400	0.1400
Total City of La Vista	0.5500	0.5500	0.5500	0.5500	0.5500
Overlapping rates <sup>2</sup>					
Sarpy County	0.29990	0.29990	0.29990	0.29690	0.29690
Papillion-La Vista Schools	0.09667	0.12042	0.11886	0.11412	0.10855
Papillion School Special Building	—	—	—	0.01000	0.01000
School District 27 Bond 1	0.01359	—	—	—	—
School District 27 Bond 2	0.02586	—	—	—	—
School District 27 Bond 3	0.11189	0.11131	0.1125	0.11046	0.10410
School District 27 Bond 4	0.05785	0.05943	0.0596	0.05812	0.05694
School District 27 Bond 5	—	0.01529	0.06223	0.05985	0.07525
School District 27 Bond 6	—	—	—	—	—
Elementary Learning Community	0.95000	0.95000	0.9500	0.95000	0.95000
Learning Community -					
Elementary Learning	0.01000	0.01000	0.01000	0.01625	0.01525
Papio Natural Resource	0.03061	0.02422	0.02453	0.03045	0.03061
Papio NRD Bond	0.00215	0.00853	0.00823	0.00759	0.00743
Metro Community College	0.08500	0.09500	0.09500	0.09500	0.09500
Agricultural Society	0.00136	0.00210	0.00224	0.00240	0.00257
Educational Service Unit 3	0.01606	0.01500	0.01500	0.01500	0.01500
Total Overlapping Rates	1.70094	1.71120	1.75801	1.76614	1.76760
Total Tax Rate	2.25094	2.26120	2.30801	2.31614	2.31760

**REVENUE CAPACITY**

**Table 9b**  
**PROPERTY TAX RATES-DIRECT AND OVERLAPPING GOVERNMENTS (Continued)**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>City of La Vista</b>					
General Fund	0.4100	0.4900	0.4900	0.5000	0.5000
Debt Service	0.1400	0.0600	0.0600	0.0500	0.0400
<b>Total City of La Vista</b>	<b>0.5500</b>	<b>0.5500</b>	<b>0.5500</b>	<b>0.5500</b>	<b>0.5400</b>
<b>Overlapping rates<sup>2</sup></b>					
Sarpy County	0.29690	0.29690	0.29690	0.29690	0.28496
Papillion-La Vista Schools	1.07599	1.07070	1.04696	1.03341	1.00703
Papillion School Special Building	—	—	0.02500	0.02509	0.02679
School District 27 Bond 1	—	—	—	—	—
School District 27 Bond 2	—	—	—	—	—
School District 27 Bond 3	0.10145	0.09819	0.06616	0.05318	0.00791
School District 27 Bond 4	0.05646	0.05440	0.05131	0.05082	0.04263
School District 27 Bond 5	0.07191	0.06669	0.06347	0.06188	0.04960
School District 27 Bond 6	—	0.01503	0.03773	0.06625	0.13070
Elementary Learning Community	—	—	—	—	—
Learning Community - Elementary Learning	0.01625	0.01625	0.01605	0.01625	0.01613
Papio Natural Resource	0.03079	0.03085	0.03102	0.03060	0.02741
Papio NRD Bond	0.00701	0.00674	0.00637	0.00589	0.00734
Metro Community College	0.09500	0.09500	0.09500	0.09500	0.09500
Agricultural Society	0.00259	0.00274	0.00276	0.00277	0.00276
Educational Service Unit 3	0.01500	0.01500	0.01500	0.01500	0.01500
<b>Total Overlapping Rates</b>	<b>1.76935</b>	<b>1.76849</b>	<b>1.75373</b>	<b>1.75304</b>	<b>1.71326</b>
<b>Total Tax Rate</b>	<b>2.31935</b>	<b>2.31849</b>	<b>2.30373</b>	<b>2.30304</b>	<b>2.25326</b>

**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

<sup>1</sup> Tax rates are per \$100 of assessed valuation and effective on September 1 of each year.

<sup>2</sup> Overlapping Rates are those of local and county governments which apply to property owners within the City of La Vista, NE.

## STATISTICAL SECTION

Table 10

### PRINCIPAL PROPERTY TAXPAYERS Current Year and Ten Years Ago

Taxpayer	Type of Business	2022			Percentage of Total City Taxable Assessed Value
		Taxable Assessed Value	Rank		
JDHQ Hotels	Conference Center/Hotel	\$ 64,625,000	1		3.60%
Harrison Hills Apartments, LLC	Apartments	42,410,000	2		2.30%
Green Pointe, LLC	Apartments	39,510,000	3		2.20%
Oriental Trading	Commercial	34,710,000	4		1.90 %
Streck Inc.	Manufacturer	33,240,000	5		1.80 %
Paypal Inc.	Office Building	29,520,000	6		1.60%
Edward Rose Development Co, LLC	Apartments	24,110,000	7		1.30%
Lund Southport 14 LLC	Commercial	19,230,000	8		1.10 %
Rotella's Italian Bakery Inc.	Commercial	18,660,000	9		1.00%
Yahoo Holdings, Inc. (Oath)	Commercial	16,930,000	10		0.90%
Total		\$ 322,945,000			17.70%
2013					
Taxpayer	Type of Business	2013			Percentage of Total City Taxable Assessed Value
		Taxable Assessed Value	Rank		
JQH Hotels, LLC	Conference Center/Hotel	\$ 61,640,000	1		5.81 %
Harrison Hills Apartments, LLC	Apartments	32,160,000	2		3.03 %
Toys NE QRD 15-74 Inc.	Retail	28,992,366	3		2.73 %
Paypal Inc.	Office Building	28,459,957	4		2.68 %
Green Pointe, LLC	Apartments	27,530,000	5		2.60 %
Edward Rose Development Co, LLC	Apartments	16,440,500	6		1.55 %
Streck Inc.	Manufacturer	14,270,000	7		1.35 %
Yahoo Holdings, Inc. (Oath)	Office Building	12,090,374	8		1.14 %
Southwind Partners	Apartments	11,380,000	9		1.07 %
Lund Southport 14 LLC	Retail	11,148,422	10		1.05 %
Total		\$ 244,111,619			23.02 %

**Source:** Sarpy County Assessor's Office

**REVENUE CAPACITY****Table 11****PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended September 30th,</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of</b>			<b>Total Collections to Date</b>		
		<b>Amount</b>	<b>Percentage of Levy</b>	<b>Collections in subsequent Years</b>	<b>Amount</b>	<b>Percentage of Levy</b>	
2013	\$ 5,832,060	\$ 5,796,975	99.40 %	\$ 49,210	\$ 5,846,184	100.00 %	
2014	6,841,817	6,755,069	98.73 %	83,593	6,838,663	99.95 %	
2015	6,979,969	6,895,803	98.79 %	86,693	6,982,495	100.00 %	
2016	7,321,262	7,226,652	98.71 %	96,273	7,322,925	100.00 %	
2017	7,758,746	7,665,825	98.80 %	84,958	7,750,783	99.90 %	
2018	8,232,520	8,178,652	99.35 %	76,208	8,254,860	100.00 %	
2019	8,481,779	8,350,204	98.45 %	137,194	8,487,398	100.00 %	
2020	9,082,798	8,942,007	98.45 %	177,391	9,119,398	100.00 %	
2021	9,653,090	9,585,921	99.30 %	82,370	9,668,292	100.00 %	
2022	10,789,513	10,547,979	97.76 %	105,274	10,653,253	98.74 %	

**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

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

## STATISTICAL SECTION

Table 12a

### RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

	Fiscal Year				
	2013	2014	2015	2016	2017
<b>Governmental Activities</b>					
General obligation bonds	\$55,595,000	\$51,780,000	\$48,945,000	\$47,130,000	\$43,145,000
Registered warrants	—	—	—	—	—
Tax revenue bonds	—	—	—	—	—
Bond anticipation notes	—	—	—	11,215,000	11,215,000
Notes from direct placements	—	—	—	—	—
Notes payable	110,589	17,892	149,692	116,710	82,806
Premium/discount on bonds issued	35,427	32,002	147,459	194,010	167,525
Deferred for refunding	(751,687)	—	—	—	—
<b>Business Type Activities</b>					
Revenue bonds	125,000	—	—	—	—
Notes payable	83,178	47,662	14,316	—	—
Total Primary Government	<u>\$56,576,098</u>	<u>\$55,197,507</u>	<u>\$51,877,556</u>	<u>\$49,256,467</u>	<u>\$58,655,720</u>
Net Debt per Capita	3,305	3,029	2,896	3,431	3,187
Percentage of Personal Income	7.66%	6.85%	6.27%	7.30%	6.59%

**Source:** Finance Department

**DEBT CAPACITY**

**Table 12b**

**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

	<b>Fiscal Year</b>				
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Governmental Activities</b>					
General obligation bonds	\$25,300,000	\$18,850,000	\$18,885,000	\$29,270,000	\$41,900,000
Registered warrants	—	—	—	—	—
Tax revenue bonds	18,560,000	17,570,000	17,560,000	17,695,000	37,775,000
Bond anticipation notes	—	—	—	—	—
Notes from direct placements	3,150,000	2,470,000	2,485,000	2,155,000	1,820,000
Notes payable	531,208	—	213,811	70,927	—
Premium/discount on bonds issued	285,118	209,564	451,552	836,583	2,355,005
Deferred for refunding	—	—	—	—	—
<b>Business Type Activities</b>					
Revenue bonds	—	—	—	—	—
Notes payable	—	—	—	—	—
Total Primary Government	<u>\$47,826,326</u>	<u>\$39,099,564</u>	<u>\$39,595,363</u>	<u>\$50,027,510</u>	<u>\$83,850,005</u>
Net Debt per Capita	2,787	2,278	2,306	3,005	5,037
Percentage of Personal Income	5.54%	4.53%	4.42%	5.45%	4.42% *

\* 2022 Net Debt per Capital and Percentage of Personal Income is calculated using the City's 2021 demographic data.

**Source:** Finance Department

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

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Bond Anticipation Notes</b>	<b>General Bonded Debt</b>	<b>Less: Net Position Restricted for Debt Service</b>	<b>Total</b>	<b>Bonded Debt per Capita<sup>1</sup></b>	<b>Ratio of Net Debt to Valuation of Taxable Real Property<sup>2</sup></b>
2013	\$54,878,740	\$ —	\$54,878,740	\$ —	\$54,878,740	3,286	4.41%
2014	51,812,002	—	51,812,002	—	51,812,002	3,026	4.08%
2015	49,092,459	—	49,092,459	—	49,092,459	2,887	3.69%
2016	47,324,010	11,215,000	58,539,010	4,127,637	54,411,373	3,183	3.86%
2017	43,312,525	11,215,000	54,527,525	4,419,875	50,107,650	2,924	3.35%
2018	47,295,118	—	47,295,118	5,663,117	41,632,001	2,426	2.70%
2019	43,197,341	—	43,197,341	3,596,498	39,600,843	2,306	2.40%
2020	39,381,552	—	39,381,552	3,752,028	35,629,524	2,075	2.16%
2021	49,956,583	—	49,956,583	3,658,748	46,297,835	2,765	2.64%
2022	83,850,005	—	83,850,005	3,573,810	80,276,195	4,822 *	4.02%

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

<sup>1</sup> Population data can be found in Table 16 Demographic and Economic Statistics. Population is not available yet for 2022.

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

\* 2022 Bonded Debt per Capital ratio was calculated using the City's 2021 population data.

## STATISTICAL SECTION

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF SEPTEMBER 30, 2022**

**Table 14**

<b>Governmental Units</b>	<b>Debt Outstanding</b>	<b>Estimated Percentage Applicable</b>	<b>Direct and Overlapping Debt to the City</b>
City	\$ 83,850,005	100.00 %	\$ 83,850,005
<b>Overlapping:</b>			
Sarpy County**	\$ 148,625,000	9.75 %	\$ 14,490,938
School District. 0027 Papillion-LaVista	<u>145,485,000</u>	26.65 %	<u>38,771,753</u>
	<u>\$ 294,110,000</u>		<u>\$ 53,262,690</u>
<b>Total</b>	<b><u>\$ 377,960,005</u></b>		<b><u>\$ 137,112,695</u></b>

**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 2022-23 budget.

\*\* Includes debt issued by Sarpy County Leasing Corporation

**DEBT CAPACITY****Table 15****PLEDGED REVENUE COVERAGE  
LAST TEN FISCAL YEARS**

<b>Sewer System</b>	<b>Gross Revenue</b>	<b>Direct Operating Expenses</b>	<b>Net Available Revenue</b>	<b>Debt Service Requirements</b>			<b>Coverage</b>
	<b>Utility Service Charges</b>			<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
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
2020	4,235,768	3,655,074	580,694	—	—	—	n/a
2021	4,637,741	3,859,354	778,387	—	—	—	n/a
2022	5,157,748	4,170,783	986,965	—	—	—	n/a
<b>Golf</b>	<b>Gross Revenue</b>						
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
2020	—	—	—	—	—	—	n/a
2021	—	—	—	—	—	—	n/a
2022	—	—	—	—	—	—	n/a

**Source:** Finance Department

## STATISTICAL SECTION

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

**Table 16**

Fiscal Year	Population <sup>1</sup>	Personal Income (thousands of dollars) <sup>2</sup>	Per Capita Personal Income <sup>2</sup>	Public School Enrollment <sup>3</sup>	Unemployment Rate <sup>4</sup>
2013	17,044	\$ 7,380,850	\$ 43,657	10,753	3.6 %
2014	16,987	7,703,885	44,805	11,023	2.7 %
2015	16,982	8,239,046	47,001	11,159	2.7 %
2016	17,063	8,502,549	47,645	11,334	2.8 %
2017	17,089	8,872,843	48,895	11,608	2.7 %
2018	17,104	9,420,158	51,167	11,730	2.5 %
2019	17,154	9,789,385	52,380	11,818	2.7 %
2020	17,057	10,419,698	55,173	11,573	3.0 %
2021	16,648	11,234,551	58,084	11,671	3.0%
2022	N/A	N/A	N/A	12,031	3.0%

**Sources:** <sup>1</sup> U.S. Census Bureau. 2022 numbers are not available.

<sup>2</sup> 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.

<sup>3</sup> Papillion-LaVista Community Schools (Sarpy County School District 0027)

<sup>4</sup> Nebraska.gov - Department of Labor, statistics for Sarpy County, NE

**DEMOGRAPHIC AND ECONOMIC STATISTICS****Table 17****PRINCIPAL EMPLOYERS OF SARPY COUNTY  
CURRENT YEAR AND NINE YEARS AGO**

2022		2013	
EMPLOYER	INDUSTRY	EMPLOYER	INDUSTRY
Offutt Air Force Base	Government	Offutt Air Force Base	Government
PayPal, Inc.	Service	PayPal, Inc.	Service
Papillion-La Vista Public Schools	Education	Bellevue Public Schools	Education
Bellevue Public Schools	Education	Werner Enterprises	Trucking
Werner Enterprises, Inc.	Trucking	Papillion-LaVista Schools	Education
Gretna Public Schools	Education	InfoGroup Compilation Center	Service
Sarpy County	Government	Bellevue University	Education
Bellevue University	Education	Ehrling Bergquist Clinic	Military Healthcare
Oriental Trading Company	Retail	Hillcrest Health Systems	Healthcare
City of Bellevue	Government	Oriental Trading Company	Warehouse/Distribution

**Source:** The Sarpy County 2022 Continuing Disclosure Statement was unavailable prior to issuance so 2021 data was used.

Specific employee numbers are not available due to the proprietary nature of the information.

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## STATISTICAL SECTION

**Table 18a**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Fund</b>										
<b>Administrative Services</b>										
Director	—	—	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Finance	2.50	2.50	2.50	3.00	2.00	2.00	3.00	3.00	3.00	3.00
City Clerk	3.00	3.00	2.00	2.50	3.50	3.50	4.50	4.50	4.50	4.50
Human Resources	1.50	1.50	2.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Information Technology	—	—	—	—	—	—	—	—	1.00	1.00
<b>Administration</b>										
City Administrator's Office	4.88	4.88	4.88	4.88	5.00	5.00	5.00	5.00	5.00	6.00
Intern (Paid)	—	—	—	—	—	—	—	—	0.70	—
Intern (Unpaid)	0.25	0.25	0.25	—	—	—	—	—	—	—
<b>Community Development</b>										
Director's Office	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Deputy Director	—	—	—	—	—	—	—	1.00	1.00	1.00
Planning	1.00	1.00	1.00	1.00	1.00	1.00	2.00	1.00	1.00	1.00
Building Inspection	3.50	3.50	3.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Intern (Paid)	0.50	0.50	0.50	0.50	0.72	0.72	—	—	—	—
<b>Public Safety</b>										
Police Sworn	34.00	34.00	34.00	34.00	34.00	36.00	38.00	39.00	40.00	41.00
Police Civilian	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
<b>Public Works</b>										
Director's Office	4.00	4.00	4.00	4.00	5.00	5.00	6.00	5.00	5.00	6.00
Intern (Paid)	0.24	0.62	0.70	0.70	0.70	0.70	0.70	0.70	0.70	—
Building Maintenance	—	—	2.50	2.50	2.50	2.50	2.50	2.00	2.00	17.00
Streets Operating	15.62	15.62	15.62	15.62	15.62	15.62	16.00	17.00	17.00	3.60
Streets Part Time & Seasonal	1.88	1.88	1.88	1.88	1.88	1.88	1.88	3.60	3.60	3.00
Parks Operating	8.00	7.00	8.00	8.00	9.00	9.00	11.00	11.00	11.00	11.00
Parks Part Time & Seasonal	3.36	3.36	3.98	3.98	5.13	3.13	3.38	3.38	3.38	4.40
Sports Complex	3.00	4.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00
Sports Complex Seasonal	0.84	0.84	0.84	0.84	1.08	2.12	2.20	2.20	2.20	2.20

**OPERATING INFORMATION**

**Table 18b**

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION (Continued)**

**LAST TEN FISCAL YEARS**

	Full Time Equivalent Employees as of September 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Library</b>										
Director's Office	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00	7.00
Circulation Clerks	5.90	5.90	6.00	6.70	6.88	6.88	6.88	7.38	7.38	6.80
Library (Seasonal)	0.25	0.25	0.25	0.10	0.10	0.10	0.10	0.10	0.10	0.10
<b>Recreation</b>										
Director's Office	5.00	5.00	5.00	5.00	6.00	6.00	6.00	5.50	5.00	5.00
Recreation Assistants	3.30	3.30	3.30	3.30	3.34	3.34	3.34	3.33	3.33	3.33
Senior Bus	1.30	1.75	1.83	1.83	1.84	1.84	1.80	1.80	1.80	1.80
Swimming Pool (Seasonal)	3.99	3.99	3.99	3.99	4.00	4.00	4.03	4.03	4.03	4.03
<b>General Fund Total</b>	<u>120.31</u>	<u>121.14</u>	<u>126.52</u>	<u>125.82</u>	<u>130.79</u>	<u>131.83</u>	<u>139.81</u>	<u>142.02</u>	<u>144.22</u>	<u>148.26</u>
<b>Sewer Fund</b>										
Sewer Division	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Seasonal	2.08	2.08	2.08	2.08	1.34	1.34	1.34	0.70	0.70	0.70
<b>Sewer Fund Total</b>	<u>8.08</u>	<u>8.08</u>	<u>8.08</u>	<u>8.08</u>	<u>7.34</u>	<u>7.34</u>	<u>7.34</u>	<u>6.70</u>	<u>6.70</u>	<u>6.70</u>
<b>Police Academy Fund</b>										
Director	—	—	—	—	—	1.00	1.00	1.00	1.00	1.00
Instructor	—	—	—	—	—	—	—	—	—	1.00
<b>Police Academy Fund Total</b>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>2.00</u>
<b>Lottery Fund</b>										
<b>Community Events</b>										
Coordinator	—	—	—	—	—	—	—	—	—	1.00
Part-Time/Seasonal	—	—	—	—	—	—	—	—	—	0.00
<b>Lottery Fund Total</b>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1.00</u>
All Funds Total	<u>128.39</u>	<u>129.22</u>	<u>134.60</u>	<u>133.90</u>	<u>138.13</u>	<u>140.17</u>	<u>148.15</u>	<u>149.72</u>	<u>151.92</u>	<u>157.96</u>

\*      \*      \*      \*      \*      \*      \*      \*      \*      \*

**Source:** Various City Departments

\* Full-Time Equivalent information has been updated from the prior year report.

## STATISTICAL SECTION

Table 19a

### OPERATING INDICATORS BY FUNCTION LAST TEN CALENDAR YEARS

	2013	2014	2015	2016	2017
Function					
Engineering					
Miles of Street - Reconstruction	3	—	—	2	3
Public Safety					
Police					
Arrests	566	652	534	350	317
Parking/Ordinance Citations	54	73	33	34	40
Traffic Citations	6,396	5,790	3,654	2,943	2,739
Fire					
Number of Calls Answered	n/a	792	1,080	1,363	1,289
Number of Facilities	2	2	2	2	2
Building and Safety					
Number of Commercial					
Building Permits	35	34	45	42	51
Number of Residential					
Building Permits	137	124	115	99	107
Miscellaneous Permits	784	786	725	798	1,428
Building Inspections	1,960	2,093	n/a	1,661	2,126
Culture and Recreation					
Library					
Total Circulation	153,697	158,336	176,633	166,197	165,606
Recreation					
Attendance: Community Center	n/a	93,551	96,935	85,590	84,775

**OPERATING INFORMATION****Table 19b****OPERATING INDICATORS BY FUNCTION (Continued)**  
**LAST TEN CALENDAR YEARS**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Function					
Engineering					
Miles of Street - Reconstruction	—	7	—	12	3
Public Safety					
Police					
Arrests	390	275	252	206	241
Parking/Ordinance Citations	33	96	20	79	26
Traffic Citations	3,525	2,737	2,207	1,923	2,496
Fire					
Number of Calls Answered	1,239	1,427	1,354	1,402	1,729
Number of Facilities	2	2	2	2	2
Building and Safety					
Number of Commercial					
Building Permits	53	75	51	58	52
Number of Residential					
Building Permits	121	90	110	115	108
Miscellaneous Permits	1,285	984	693	780	972
Building Inspections	2,989	3,327	1,082	2,582	3,501
Culture and Recreation					
Library					
Total Circulation	162,799	175,187	117,517	123,916	131,203
Recreation					
Attendance: Community Center	93,028	95,187	49,805	22,176	46,411

**Source:** Various City Departments

## STATISTICAL SECTION

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

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Function					
General Government					
City Hall	1	1	1	1	1
Public Safety					
Police Stations	1	1	1	1	1
Fire Stations	2	2	2	2	2
Streets					
Streets (Lane Miles)	206	207	209	210	210
Culture and Recreation					
Parks Acreage	153	153	153	153	153
Parks #	17	17	17	17	17
Swimming Pools (Public)	1	1	1	1	1
Tennis Courts	3	3	3	3	3
Baseball Fields	11	11	11	11	11
Soccer Fields	12	12	12	12	12
Football Fields	2	2	2	2	2
Outdoor Basketball Court	1	1	1	1	1
Remote Airplay Flying Field	1	1	1	1	1
Golf Courses (Public)	1	1	1	1	—
Library	1	1	1	1	1
Sewer					
Sanitary Sewer (miles)	54	54	54	54	54

**OPERATING INFORMATION****Table 20b****CAPITAL ASSET STATISTICS BY FUNCTION (Continued)**  
**LAST TEN FISCAL YEARS**

	2018	2019	2020	2021	2022
Function					
General Government					
City Hall	1	1	1	1	1
Public Safety					
Police Stations	1	1	1	1	1
Fire Stations	2	2	2	2	2
Streets					
Streets (Lane Miles)	213	213	213	213	213
Culture and Recreation					
Parks Acreage	153	153	153	153	153
Parks #	17	17	17	14	14
Swimming Pools (Public)	1	1	1	1	1
Tennis Courts	3	3	3	3	3
Baseball Fields	11	11	11	11	11
Soccer Fields	12	12	12	14	14
Football Fields	2	2	2	—	—
Outdoor Basketball Court	1	1	1	4	4
Remote Airplay Flying Field	1	1	1	1	1
Golf Courses (Public)	—	—	—	—	—
Library	1	1	1	1	1
Sewer					
Sanitary Sewer (miles)	54	54	54	54	54

**Source:** Various City Departments

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## **Acknowledgement**

The City of La Vista prepared the Annual Comprehensive Financial Report.

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

Kevin Pokorny, Director of Administrative Services

Pam Buethe, City Clerk

A special thanks to the following consultants who were key in the preparation of the report:

Catherine Maydew, CPA, MBA, CISA, CFRE, Director of Government & Nonprofit Consulting, BerganKDV

Evan Sheehan, Senior Consultant / Nonprofit Advisory Services, ForVis

Report produced by:

City of La Vista

8116 Park View Blvd

La Vista, Nebraska 68128

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



# Economic Development Fund Annual Financial Report

FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2022

CITY OF LA VISTA,  
NEBRASKA

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### ECONOMIC DEVELOPMENT FUND FINANCIAL REPORT / CITY OF LA VISTA, NEBRASKA

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# FINANCIAL SECTION

ECONOMIC DEVELOPMENT FUND ANNUAL FINANCIAL REPORT / **CITY OF LA VISTA, NEBRASKA**

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

**Report on the Audit of the Financial Statements**

**Opinions**

We have audited the accompanying financial statements of the Economic Development Fund of the City of La Vista, Nebraska (the "Fund"), as of and for the year ended September 30, 2022, and the related statement of revenues, expenditures, and changes in fund balance for the year then ended, and the related notes to financial statements, which collectively comprise the Fund's basic financial statements as listed in the Table of Contents.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Economic Development Fund of the City of La Vista, Nebraska, as of September 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

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

**Responsibilities of Management for the Financial Statements**

The City of La Vista's 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.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

### **Prior Period Financial Statements**

The financial statements of the Economic Development Fund of the City of La Vista, Nebraska as of September 30, 2021, were audited with a report dated March 3, 2022, expressed an unmodified opinion on those statements.

**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, 2022 and 2021, 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.

*BergankDV, LLC*

St. Cloud, Minnesota  
March 28, 2023

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# Fund Financial Statements

ECONOMIC DEVELOPMENT FUND ANNUAL FINANCIAL REPORT / CITY OF LA VISTA, NEBRASKA

**FUND FINANCIAL STATEMENTS**

**Economic Development Fund**  
**Balance Sheet**  
**September 30, 2022**

	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 4,975,283	\$ 5,509,493
Accounts receivable	<u>3,502,423</u>	—
Total assets	<u>8,477,706</u>	<u>5,509,493</u>
<b>Liabilities</b>		
Total liabilities	—	—
<b>Fund Balance</b>		
Restricted for economic development	<u>8,477,706</u>	<u>5,509,493</u>
Total fund balance	<u>\$ 8,477,706</u>	<u>\$ 5,509,493</u>
See Notes to the Financial Statements		

**FUND FINANCIAL STATEMENTS**

**Economic Development Fund**  
**Statement of Revenue, Expenditures, and Changes in Fund Balance**  
**Fiscal Year Ended September 30, 2022**

	<b>2022</b>	<b>2021</b>
<b>Revenues</b>		
Other Sales	\$ 21,114	\$ —
Interest income	<u>7,644</u>	<u>1,445</u>
Total revenues	<u>28,758</u>	<u>1,445</u>
<b>Expenditures</b>		
Debt service		
Interest	64,115	—
Bond issuance costs	<u>76,430</u>	<u>109,021</u>
Total expenditures	<u>140,545</u>	<u>109,021</u>
<b>Deficiency of Revenues Over Expenditures</b>	<u>(111,787)</u>	<u>(107,576)</u>
<b>Other Financing Sources (Uses)</b>		
Proceeds from the issuance of bonds	<u>3,080,000</u>	<u>5,610,000</u>
Total other financing sources (uses)	<u>3,080,000</u>	<u>5,610,000</u>
<b>Net Change in Fund Balance</b>	<u>2,968,213</u>	<u>5,502,424</u>
<b>Fund Balance, Beginning of Year</b>	<u>5,509,493</u>	<u>7,069</u>
<b>Fund Balance, End of Year</b>	<u><u>\$ 8,477,706</u></u>	<u><u>\$ 5,509,493</u></u>

See Notes to the Financial Statements

# Notes to Financial Statements

ECONOMIC DEVELOPMENT FUND ANNUAL FINANCIAL REPORT / CITY OF LA VISTA, NEBRASKA

## NOTES TO THE FINANCIAL STATEMENTS

### 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, 2022 and 2021, 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.

#### 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 \$4,975,283 and \$5,509,493 at September 30, 2022 and 2021, respectively.

## NOTES TO THE FINANCIAL STATEMENTS

### Note 2: Long-term Debt

On July 1, 2021, the City issued Economic Development Fund Bonds, Series 2021 for \$5,610,000. The interest rates on these bonds are 0.350%-1.850% and are callable on July 1, 2026, and mature on October 15, 2029. There were interest payments of \$47,926 and no principal payments made on these bonds during the year ended September 30, 2022.

On November 11, 2021, the City issued Economic Development Fund Bonds, Series 2021B for \$3,080,000. The interest rates on these bonds are 0.637%-1.800% and are callable on October 15, 2026, and mature on October 15, 2029. There were interest payments of \$16,189 and no principal payments made on these bonds during the year ended September 30, 2022.

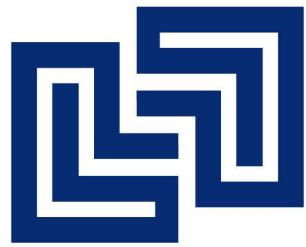
Maturities of the long-term debt, subject to mandatory redemption are as follows:

YEAR ENDED SEPTEMBER 30, 2022	Principal	Interest	Total
2023	1,050,000	99,136	1,149,136
2024	1,060,000	94,025	1,154,025
2025	1,060,000	86,694	1,146,694
2026	1,075,000	76,449	1,151,449
2027	1,085,000	63,606	1,148,606
<b>Total</b>	<b>\$ 8,690,000</b>	<b>\$ 508,887</b>	<b>\$ 9,198,887</b>

### Note 3: Receivables

#### Economic Development Fund

In connection with the financing of City Centre Music Venue the City has an agreement with the developer to loan up to \$5,500,000. As of September 30, 2022, the City has transferred a total of \$3,487,581. \$3,000,000 of the amount loaned will be forgiven and discharged upon completion and commencement of operations. \$2,500,000 will be paid back to the City, with interest on or before August 31, 2029. The repayable portion will accrue interest at a rate equal to the Prime Rate published in the Wall Street Journal plus 2.25% (7.75% as of September 30, 2022). This rate resets at the beginning of each month. For the year ended September 30, 2022, the City has recorded interest income in the amount of \$21,114 and \$14,842 of this is accrued for and included in the receivable balance at year end.



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